Docket #0221 Date Filed: 11/12/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	Chapter 11
Debtors.	Jointly Administered
RESIDENTIAL CAPITAL, LLC; et al.,	
Plaintiffs,	
v.	
UMB BANK, N.A., IN ITS CAPACITY AS INDENTURE TRUSTEE FOR THE 9.625% JUNIOR SECURED GUARANTEED NOTES, et al.,	Adv. Case No. 13-01343 (MG)
Defendants.	
OFFICIAL COMMITTEE OF UNSECURED CREDITORS, on behalf of the estate of the Debtors,	
Plaintiffs,	
v.	Adversary Proceeding No. 13-01277 (MG)
UMB BANK, N.A., AS SUCCESSOR INDENTURE TRUSTEE UNDER THAT CERTAIN INDENTURE, dated as of June 6, 2008, et al.,	
Defendants.	

DIRECT TESTIMONY OF ROBERT S. BINGHAM

1. I, Robert S. Bingham, under penalty of perjury, testify as follows:

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I. PROFESSIONAL BACKGROUND

2. I am a Senior Director with Zolfo Cooper LLC ("Zolfo Cooper"). I have 35 years of experience in a variety of auditing, financial and accounting management and consulting positions. I have provided over 15,000 hours of service as either an officer of or advisor to companies operating, restructuring and/or liquidating in bankruptcy.

3. My experience includes working on several large bankruptcies involving multiple affiliated entities and significant intercompany claims among the entities. I served as a confirmation hearing witness related to the treatment of intercompany claims in the Enron Corp., Prime Motor Inns, Inc. and The Loewen Group International, Inc. bankruptcy proceedings. I have also provided financial advisory services in bankruptcy matters including New Stream Secured Capital, Inc., New York Racing Association, Blue Bird, Sunbeam Corporation, and the Washington Group.

4. In August 2011, I issued an expert report in an adversary proceeding (Adv. Pro. No. 2:10-CV-198-MHT) related to the Colonial Bancgroup, Inc. chapter 11 bankruptcy for the Middle District of Alabama Case No. 2:10-cv-00409-MHT-WC (Bankr. Case No. 09-32303 (DHW)). My opinions and observations expressed in that report related to the treatment of intercompany transactions pursuant to a corporate tax sharing agreement.

5. I am a Certified Insolvency and Restructuring Advisor. I was also named the 2002 Gold Medal winner for achieving the highest score on the Certified Insolvency and Restructuring Advisor Exam. I served on a panel at the 2011 Association of Insolvency and Restructuring Advisors' annual conference discussing the treatment of intercompany claims in bankruptcy.

6. I began my career in public accounting, serving as an auditor with Ernst & Young for nine years.

7. I have a B.S. in mathematics from Trinity College, Hartford, CT, and an M.B.A from the Amos Tuck School at Dartmouth College.

8. My Curriculum Vitae is attached as Exhibit A.

II. SCOPE OF OPINION

9. I, with the assistance of my firm Zolfo Cooper, was asked to provide an expert report[1] and expert testimony (if necessary) on certain topics and issues related to these Consolidated Adversary Proceedings and the confirmation of the Debtors' plan of reorganization by White & Case LLP and Milbank, Hadley, Tweed, & McCloy LLP as counsel to the Ad Hoc Group of Junior Secured Noteholders (the "JSNs") of the 9.625% Junior Secured Guaranteed Notes due 2015 and counsel to UMB Bank, N.A. as Trustee for the JSNs, and also by Akin Gump Strauss Hauer Feld LLP as special litigation counsel to the Trustee relating to the Chapter 11 proceedings of the Debtors in the United States Bankruptcy Court for the Southern District of New York, Case No. 12-12020.

10. Counsel and the Trustee have asked me to review and assess the following:

- The Debtors' use of a centralized cash management system (the "Debtors' Cash Management System") in their normal business operations;
- The nature of the transactions that comprise the Debtors' nine largest intercompany balances as of May 14, 2012 (the "Petition Date"), the date of the Debtors' bankruptcy petitions (the "Nine Largest Petition Date Intercompany Balances"). These nine balances comprise $8 billion of the total $8.4 billion intercompany balances scheduled by the Debtors; and

[1] Expert Report of Robert S. Bingham, dated October 18, 2013, attached hereto as Exhibit B.

- The presentation of the Debtors' intercompany balances as reflected in the Debtors' pre-petition internal accounting records and external reports, including SEC filings, audited financial statements provided to various lenders and used to determine compliance with certain federal and state licensing agency minimum net worth and solvency requirements and federal income tax returns.

III. COMPENSATION

11. No portion of Zolfo Cooper's compensation is dependent upon the nature of my opinions or on the outcome of this proceeding. In connection with the preparation of the expert report and my testimony, Zolfo Cooper is being compensated based on the time incurred providing such services. My hourly billing rate is $750.00.

IV. BACKGROUND

12. On July 3, 2013, Residential Capital, LLC ("ResCap" or the "Company"), GMAC Mortgage LLC ("GMACM"), Residential Funding Company, LLC ("RFC") and each of their affiliated debtors (collectively, the "Debtors"), and the Official Committee of Unsecured Creditors (together with the Debtors, the "Plan Proponents") filed the Joint Chapter 11 Plan of Residential Capital, LLC, et al. (the "Plan") and the related disclosure statement on July 4, 2013. On August 16, 2013, the Plan Proponents filed the revised disclosure statement in support of the Plan (the "Disclosure Statement"),[2] which the Court approved on August 23, 2013.[3]

13. In the Disclosure Statement, the Plan Proponents assert that the intercompany balances that were scheduled on the Debtors' Schedules of Assets and

[2] Revised Disclosure Statement for Debtors' Revised Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code [Dkt. No. 4733], Aug. 16., 2013.
[3] Order (I) Approving Disclosure Statement, (II) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Plan Proponents' Joint Chapter 11 Plan, (III) Approving the Form of Ballots, (IV) Scheduling a Hearing on Confirmation of the Plan, (V) Approving Procedures for Notice of the Confirmation Hearing and for Filing Objections to Confirmation of Plan, and (VI) Granting Related Relief [Dkt. No. 4809], Aug. 23, 2013.

Liabilities ("SOALs") as general unsecured claims (the "Intercompany Claims") (and not scheduled as contingent, unliquidated, or disputed), can be waived and settled for zero value because, among other things, they represent debt that should be recharacterized as equity.

14. A review of the Company's books and records reveals that the Debtors accounted for the transfer of value between and among affiliates as debt transactions, resulting in corresponding intercompany payables and receivables being recorded in the Company's general ledgers. Intercompany balances fluctuated as transactions ("Intercompany Transactions") were recorded into the intercompany accounts.

15. Occasionally, intercompany receivables, or portions thereof, were forgiven by the obligee in order to permit the obligor to meet regulatory or loan agreement net worth and solvency requirements applicable to ResCap and certain of its subsidiaries including, but not limited to, GMAC Residential Holding, LLC ("ResHolding"), RFC, GMACM and Executive Trustee Services ("ETS"). As to relationships between entities that are now Debtors, such forgiveness was infrequent and required the approval of ResCap's Chief Financial Officer ("CFO") and/or the Board of Directors or the Executive Committee. Forgiveness of an intercompany receivable of more than $50 million also required the approval of the Board of Directors of Ally Financial Inc. ("Ally," formerly known as GMAC).

16. Pre-petition note receivables, intercompany receivables and intercompany payables among ResCap, GMACM, RFC and their affiliates arose from a variety of types of transactions. As discussed more fully throughout my testimony and

in the Ally/ResCap accounting policies for intercompany accounting (effective January 1, 2011 and November 28, 2011), it appears that the balances in the note receivables, note payables, intercompany receivables and intercompany payables fluctuate primarily as a result of the following types of transactions:

- Functioning of the Cash Management System: Typically, cash generated at the subsidiary level was swept up to the parent level as part of the Debtors' Cash Management System. The recipient of cash recorded an intercompany payable to the transferor and the transferor recorded an intercompany receivable from the recipient.

- Intercompany Loans: Loans from one entity to another generated an intercompany note or accounts payable on the books of the borrower and an intercompany note or accounts receivable on the books of the lender.

- Charges for Services: Charges for services provided by affiliates created an intercompany liability on the books of the service beneficiary to the service provider and an intercompany receivable from the beneficiary on the books of the service provider for the value of the services provided. For example, the general ledger data provided by the Debtors includes certain intercompany transactions that are described as relating to "Service Fee Accruals", "IT and Marketing Cross Charge" and "OPEX Allocation."

- Interest Accrual: The accrual of interest on certain intercompany loans generated an intercompany accounts payable on the books of the borrower and an intercompany accounts receivable on the books of the lender.

- Payments: Payments against intercompany notes payable or accrued intercompany interest payable reduced the intercompany assets on the books of the lender and the intercompany liabilities on the books of the borrower.

- Transfers or Sales of Assets: A transfer or sale of assets between Debtor entities created an intercompany receivable from the transferee on the books of the transferor and an intercompany payable to the transferor on the books of the transferee for the value of the assets transferred.

- Debt Forgiveness: Occasional forgiveness of intercompany obligations resulted in a reduction of the intercompany note or account payable on the books of the obligor and a reduction in the

intercompany note or account receivable on the books of the beneficiary.

V. SUMMARY OF OPINIONS

17. The Debtors consistently treated intercompany obligations as valid liabilities. Those liabilities arose from accurately recorded transactions entered into in the normal course of business. The liabilities were included in the Debtors' financial statements, which were prepared in accordance with the Generally Accepted Accounting Principles ("GAAP"). Accordingly, the Debtors assessed the obligors' ability to satisfy these intercompany liabilities before determining whether they should be included in the reported financial statements.

18. I found no evidence suggesting that the transactions recorded that comprise the intercompany liabilities (i) were not accurately recorded in amount, (ii) were not recorded between the proper entities, (iii) were not recorded in the appropriate general ledger account, or (iv) not done in the normal course of business, for legitimate business purposes. Further, I found no evidence that, prior to the Petition Date, the Debtors viewed these intercompany liabilities as anything other than valid and collectible obligations. In fact, the Ally General Intercompany Accounting Policy (applicable to Ally affiliates, including ResCap) states that: "The objective of this Policy is to reduce the risk of inaccurate record keeping, unreliable financial information, misappropriation of assets, incorrect payments, and fraud, as well as to establish uniform standard for all Ally Business Units (BUs) and operations to facilitate an efficient consolidation process."[4]

[4] DX AUH (RCJSNII10131858) at 10131859, attached hereto as Exhibit C.

VI. BASIS FOR OPINIONS AND OBSERVATIONS

19. My review and analysis of the Debtors' external financial reports and internal records revealed that the Debtors consistently treated and reported intercompany balances as either intercompany receivables, payables or borrowings in their internal accounting records and external financial reports. They also relied on these financial records for determining and certifying compliance with certain regulatory and licensing requirements. Such accounting and reporting is an indication that the ResCap entities expected the intercompany balances would be repaid, and/or that repayment could be demanded. For example, Barbara Westman, one of the Debtors' corporate representatives, testified about the validity and collectability of the $1.8 billion RFC intercompany receivable due from ResCap as of December 31, 2011, explaining that "it was a valid receivable as there was an ability for that to be collected, if necessary."[5]

20. Specifically, the Debtors identified and reported intercompany balances as intercompany receivables, payables or borrowings in each of the following:

- Audited financial statements for certain ResCap subsidiaries that were provided to the Department of Housing and Urban Development ("HUD") and certain government-sponsored enterprises such as Ginnie Mae, and made available to certain lenders through an Intralinks site;
- ResCap's Federal income tax returns;
- ResCap's SEC filings;
- Trial balances and general ledgers; and
- Internal memoranda regarding intercompany accounting and intercompany balances.

[5] Transcript of the Deposition of Barbara Westman, dated October 15, 2013 ("Westman Tr.") at 188: 9-11.

21. Based on my review and analysis of the general ledger data produced by the Debtors, the intercompany transactions and their related descriptions that were recorded in the Debtors' general ledgers for the Nine Largest Petition Date Intercompany Balances are generally consistent with the information contained in the following Debtor-prepared documents and the testimony of Ms. Westman, one of the Debtors' Corporate Representatives:

- The Disclosure Statement, including Exhibit 6 (Top Seven Intercompany Net Balances) to the Disclosure Statement;
- The Debtors' SOALs;
- The April 4, 2013 presentation prepared by the Debtors, Morrison & Foerster LLP and FTI Consulting, Inc. relating to intercompany balances as of the Petition Date, including information related to the debt forgiveness transactions from 2008 through the Petition Date (the "Debtors' Intercompany Analysis");[6]
- Email attachment containing fifteen intercompany balances as of the Petition Date and descriptions related to certain of those balances (the "January 2013 Intercompany Analysis");[7] and
- The Debtors' Motion for Order Under Bankruptcy Code Sections 105(a), 345, 363, 364, and 503(b)(1) and Bankruptcy Rules 6003 and 6004 Authorizing (I) Continued Use of Cash Management Services and Practices… [Dkt. No. 16] (the "Cash Management Motion").

22. Occasionally, intercompany debt was forgiven to allow an intercompany obligor to comply with regulatory and/or loan agreement net worth or solvency requirements applicable to various Debtors. A September 2007 ResCap Board Presentation noted that "Rescap and its subsidiaries have approximately 40 debt facilities

[6] DX ATL (RCUCCJSN11979451) at RCUCCJSN11979453, attached hereto as Exhibit D.
[7] DX AUC (RCUCCJSN30004106) at RCUCCJSN30004112, attached hereto as Exhibit E.

that contain financial covenants. Failure of covenants not desirable as in most cases would trigger cross defaults and/or potential cross acceleration on other facilities."[8]

23. In many cases, the debt forgiveness was necessary to allow the Debtors to continue to operate their business. One of the Debtors' Corporate Representatives, Tammy Hamzehpour, in testifying about a $2 billion forgiveness in 2008 from parent company ResCap to subsidiary RFC, described the result of a failure of ResCap to provide such forgiveness as follows:

> Q. And if [RFC] had breached its financial covenants in March of 2008, would it have been able to continue to operate?
>
> MR. KERR: Objection. Asked and answered.
>
> A. It would have triggered a cross-default across all the company's credit facilities, putting in danger everyone's ability to operate.
>
> Q. And the forgiveness of the indebtedness in 2008 by Residential Capital at least alleviated the danger that you just testified to; correct?
>
> A. Correct.[9]

24. Intercompany debt forgiveness required approval of the ResCap CFO, Board of Directors, and/or Executive Committee, and in some instances could be effectuated only after receiving the approval of the Ally Board of Directors. These debt forgiveness transactions were generally effectuated by way of capital contributions. Significant capital contributions made to any direct or indirect Ally subsidiary required the advance approval of the Ally Board of Directors.

25. The fact that the Debtors followed this formal process—requiring Board-level approvals for capital contributions—reinforces the notion that the Debtors

[8] DX AYE (EXAM10199064) at EXAM10199076, attached hereto as Exhibit F.
[9] *See* Transcript of the Deposition of Tammy Hamzehpour, dated October 18, 2013 ("Hamzehpour Tr.") at 23:10-23.

regarded the transactions underlying the Intercompany Claims as debt. If the underlying intercompany transactions were actually created by way of capital contributions or equity distributions, clearly such debt forgiveness would have been unnecessary. James Young, former CFO of ResCap, agreed that to forgive a debt you must, in the first place, have debt:

> Q. Without a debt -- you can't forgive debt that isn't owed, do you agree with that?
>
> A. I agree with that.
>
> Q. Okay. So if you're talking about forgiving debt, there has to be a debt that's owed, right?
>
> A. On the face of it, yes.[10]

26. Moreover, if the intercompany transactions were actually equity transactions, effectuating them on a regular basis, in the ordinary course, without requesting or receiving CFO, Board or Executive Committee approval, would have violated the policies and procedures governing when a subsidiary was permitted to make capital contributions and equity distributions.

27. My experience related to companies' use of centralized cash management systems is consistent with how the Debtors used the Debtors' Cash Management System, including the creation of intercompany accounts receivable and intercompany accounts payable as a result of the movement of cash resulting from the Debtors' Cash Management System. In my experience, I have not seen equity transactions among affiliates flow through centralized cash management systems; instead, transactions flowing through centralized cash management systems generally result from

[10] Transcript of the Deposition of James Young, dated November 6 ("Young Tr."), at 117:3-10; 120:6-10.

ordinary course operating transactions and result in the creation of intercompany assets and liabilities. Similarly, Mark Renzi, one of the Debtors' experts, testified that he did not believe that he had ever been involved with a company that used a centralized cash management system where balances that accrued pursuant to the centralized cash management process were recharacterized from debt to equity.[11]

28. Although I generally focus on the nine largest Intercompany Claims in my direct testimony, I have no reason to believe that my analysis would not apply equally to the intercompany transactions representing the remaining $0.4 billion of Intercompany Claims.

VII. OPINIONS AND OBSERVATIONS REGARDING THE DEBTORS' CASH MANAGEMENT SYSTEM

29. The Intercompany Claims reflect intercompany receivables and payables between Debtor entities that were made in the ordinary course of the Debtors' businesses and were tracked and recorded by the Debtors' Cash Management System.

30. As the Debtors explained in the Cash Management Motion:

> In the normal operation of the Debtors' businesses, the Debtors maintain business relationships and undertake transactions with each other (the 'Intercompany Transactions'). As a result, there are numerous intercompany claims that reflect intercompany receivables and payments made to each other in the ordinary course of the Debtors businesses (the 'Intercompany Claims'). Debtors maintain records of all Intercompany Transactions and can ascertain, trace, and account for all Intercompany Claims.
>
> The Intercompany Transactions are ordinary course transactions that are integral to the Debtors' businesses and the function of their Cash Management System.[12]

[11] Transcript of Mark Renzi, dated November 6, 2013 ("Renzi Tr.") at 152:16-23.
[12] Cash Management Motion at 36-37.

31. The Debtors also explained in the Cash Management Motion that "the Cash Management System is an ordinary course, customary, and essential business system comprising a group of bank accounts and cash management practices. . . ."[13]

32. The Debtors' assertion that, as of the Petition Date, the Intercompany Claims generally were a result of the Debtors' Cash Management System is consistent with the information I reviewed and analyzed in connection with preparing my expert report. I found no evidence suggesting that the Debtors' statement that the various intercompany payables and receivables were largely accumulated through tens of thousands of separate transactions over a period of years under pre-petition loan agreements for the benefit of other Debtors or by operation of the Debtors' Cash Management System is inaccurate.

33. Based on my review of the information related to the Debtors' Cash Management System, including its bank account structure and funds transfer processes, I believe the practices used by the Debtors to aggregate liquidity were, though somewhat less automated, generally consistent with my experience and understanding of how other companies use centralized cash management tools to process and record ordinary course operating transactions.

34. Based on my understanding of the Debtors' Cash Management System and the testimony of the Debtors' Corporate Representative (Westman), it is reasonable to conclude that the Debtors' Nine Largest Petition Date Intercompany Balances primarily arose from either: a) ordinary course operating transactions that flowed through the Debtors' Cash Management System, b) other ordinary course business transactions such as overhead allocations and asset sales, and/or c) transactions

[13] *Id.* at 4.

related to a specific borrowing arrangement. The Debtors' businesses did not require substantial capital expenditures. Consequently, it is unlikely that balances arose from capital investments. In fact, one of the Debtors' Corporate Representatives, Cathy Dondzila, testified that during her tenure at ResCap no material capital improvements were made.[14]

35. My analysis of the intercompany balances indicates that the balances changed frequently and often materially in the years leading up to the Petition Date. The Debtors' Corporate Representative (Westman) testified that the intercompany balances changed monthly during the period 2008 through March 31, 2012.[15] For a number of the intercompany relationships discussed in my expert report and my direct testimony, the "creditor" and the "debtor" in the intercompany relationship reversed over time. This is not unusual with the normal operation of a cash management system, where operating subsidiaries both generate cash (creating a receivable) and use cash (creating a payable) in the ordinary course of their activities. In my opinion, this pattern is consistent with treating the intercompany balances as debt because the balances are typically incurred with an expectation that they will be repaid as business circumstances require.

36. If the Debtors had intended the Intercompany Transactions to be equity contributions they would have recorded them as "additional paid-in capital" rather than as intercompany liabilities.[16] Indeed, the frequent movement of cash between an operating subsidiary and parent company, with both entities playing the roles of lender and borrower at various times, is not consistent with an equity investment. Moreover, if

[14] Transcript of Cathy Dondzila, dated October 17, 2013 ("Dondzila Tr.") at 91:5-9.
[15] Westman Tr. at 200:9-16.
[16] Westman Tr. at 44:15-19.

the Debtors had intended to treat the intercompany cash movement as a dividend or a distribution from a parent to a subsidiary, they would have recorded the balances as reductions of paid-in capital from a subsidiary, not as a payable and receivable.

37. As Mr. Young explained, if the accounting professionals had information suggesting that there was no intent to pay an intercompany balance, "it wouldn't be recorded as a receivable or a payable."[17]

38. Equity investments in the parent-subsidiary context tend to be made by the parent to the operating subsidiary, typically to facilitate large capital expenditures and without recording an intercompany obligation. I have not seen any evidence that this type of activity generated the balances recorded in the intercompany accounts I examined.

VIII. OPINIONS AND OBSERVATIONS REGARDING THE DEBTORS' INTERNAL AND EXTERNAL PRESENTATION OF INTERCOMPANIES BALANCES

39. The Debtors consistently recorded and reported intercompany balances as either intercompany receivables, payables or borrowings in their external financial reports and internal accounting records. Such reporting is another indication that the ResCap entities expected these intercompany balances to be repaid. Specifically, the Debtors clearly identified and reported intercompany balances as intercompany receivables, payables or borrowings in each of the following:

- Audited financial statements for certain ResCap subsidiaries that were provided to HUD and certain government-sponsored enterprises such as Ginnie Mae, and made available to certain lenders through an Intralinks site;
- ResCap's Federal income tax returns;

[17] Young Tr. at 103:13-20.

- ResCap's SEC filings;
- Trial balances and general ledgers; and
- Internal memoranda regarding intercompany accounting and intercompany balances.

A. Audited Financial Statements of Certain ResCap Subsidiaries

40. Because of various state licenses and certain liquidity facilities and contracts, including contracts with HUD and Ginnie Mae, GMACM, RFC, and HomeComings were required to have their own independent financial statements. The independently audited consolidated financial statements of all three Debtors entities clearly identified and reported intercompany receivables and payables and borrowings in their respective balance sheets. Additionally, in an April 22, 2012 email exchange, the Debtors' Controller, Cathy Dondzila, was asked by the Debtors' advisor, FTI, whether intercompany balances reported in public or regulatory filings reported as debt or equity. Ms. Dondzila explained that "[i]n standalone financial statements of the operating companies [intercompany balances] are reported as affiliate receivables/payables/debt."[18]

41. These financial statements were prepared in accordance with GAAP, which requires that the preparer of financial statements conclude that receivables reflected on the balance sheet are collectible. Here, the collectability of intercompany receivables was evaluated by both the preparer and the auditors and the receivable amounts were determined to be collectible. The Debtors' Corporate Representative (Dondzilla) testified that intercompany receivables were evaluated for valuation or

[18] DX AUI (RCUCCJSN30023149) at 30023151, attached hereto as Exhibit G.

potential impairment under GAAP and were only reflected in the financial statements as receivables after an evaluation of whether the receivable needed to be impaired.[19]

42. In my opinion, the reporting of intercompany balances on audited financial statements is a strong indicator that the reporting ResCap entities regarded the receivable balances as valid and collectable.

B. Rescap's Federal Income Tax Returns

43. In its 2009, 2010, and 2011 federal income tax returns, ResCap reported intercompany payables as "Other Liabilities" (line 21) in Schedule L ("Balance Sheet per Books") of its Form 1120.

44. In addition, the supporting schedule for the "Other Liabilities" category on Schedule L indicates that there are "Intercompany Payables" and "Accounts Payable – Affiliates" that are recorded as liabilities on ResCap's balance sheet.

45. Such reporting is an indicator that the ResCap entities believed these intercompany balances were accurate and properly recorded as liabilities.

46. In my opinion, the reporting of intercompany payable balances in schedules attached to the Debtors' tax returns is an indicator that ResCap entities regarded the payable balances as valid liabilities.

C. Rescap's Securities & Exchange Commission Filings

47. ResCap also regularly reported supplemental financial information that included separate parent and subsidiary balance sheet information to the Securities and Exchange Commission. For example, in its Form 10Q/A for the quarterly period ended June 30, 2009, ResCap reported in excess of $5.5 billion of borrowings outstanding among ResCap and its subsidiaries as of June 30, 2009 in the liabilities

[19] Dondzila Tr. at 61:23-62:6, 62:17-21.

section of its condensed consolidating balance sheet. ResCap similarly disclosed borrowings by its subsidiaries as liabilities in its SEC filings for the years ended December 31, 2007 and December 31, 2008 and for the quarterly periods ended March 31, 2008, June 30, 2008, September 30, 2008 and March 31, 2009. The table below sets forth a summary of this information.

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Borrowings from Parent ($, 000s)					
6/30/09	-	4,774,831	3,694,134	(5,537,796)	2,931,169
3/31/09	-	4,829,939	2,922,968	(5,342,982)	2,409,925
12/31/08	-	5,345,597	3,266,399	(5,948,675)	2,663,321
9/30/08	2,172,124	6,911,201	4,370,387	(10,183,129)	3,270,583
6/30/08	2,750,000	6,955,000	6,891,937	(11,896,937)	4,700,000

48. In my opinion, the public reporting of intercompany balances is a strong indicator that the ResCap entities regarded these balances as consisting of valid debt transactions (*i.e.*, receivables and payables).

D. Rescap's Trial Balances and General Ledgers

49. The intercompany accounts in the Debtors' general ledgers are generally titled/named, "Note Receivable," "Intercompany," "Intercompany Receivable," "Intercompany Recvable," "Intercompany Rec," "Intercompany Payable/Recvable," "Interco LOC," "Interco Payable," "Intracompany payable – US Subs" and/or "A/P affiliates". The Debtors consistently tracked these intercompany account balances as either intercompany receivables, payables or borrowings in their trial balances.

50. In my opinion, the internal tracking of intercompany balances is a strong indicator that the ResCap entities regarded the transactions as valid debt transactions.

E. Internal Memorandum

51. An April 22, 2012 email between the Debtors' Controller, Cathy Dondzila, and the Debtors' financial advisor, FTI, titled "Intercompany Follow Up"[20] indicates that the ResCap entities expected the intercompany balances to be repaid:

- "As the operating companies generate cash, through asset sales, borrowings, asset liquidations etc., this cash moves upstream to ResCap. This again creates the payable on the Parent and the receivable at the operating company."

- "[I]in order to maintain sufficient regulatory net worth to satisfy requirements, and to clean up balance sheets as part of entity minimization or sale activities, intercompany balances have been forgiven. In many cases, with the approval of the Ally Board of Directors."

- "In standalone financial statements of the operating companies they are reported as affiliate receivables/payables/debt."

52. Further, Ms. Dondzila was asked in the email whether intercompany balances were considered loans or equity infusions and whether there was an expectation that the balances would be repaid. She replied that, "[t]o the extent we have deemed a collateralized affiliate balance impaired we have impaired it through earnings. Otherwise we have concluded for GAAP financial statement purposes the balances were expected to be repaid."

53. Other internal documents also indicate that the Debtors intended to repay intercompany balances that were recorded as payables or borrowings. For

[20] DX AUI (RCUCCJSN30023149), attached hereto as Exhibit G.

example, a 2011 netting agreement between GMACM, RFC, ResHolding, and ResCap,[21] executed in connection with the sale of certain mortgage loans from GMACM to RFC, recognized that "[p]ursuant to various intercompany loans," ResHolding owed money to ResCap that needed to be repaid, ResCap owed money to RFC that needed to be repaid, and GMACM owed money to ResHolding that needed to be repaid. The netting agreement provides for the repayment of these Debtor entity loan obligations. Pursuant to the agreement, the loan obligations will be "netted against each other so that the respective obligations will be discharged." According to an Ally accounting policy (applicable to Ally affiliates, including ResCap), when an obligation is "discharged" in a netting agreement, "the debt is considered paid, and the amount will never have to be paid to the creditor in the future."[22]

IX. OPINIONS AND OBSERVATIONS REGARDING THE NINE LARGEST PETITION DATE INTERCOMPANY BALANCES

54. The Debtors have represented in their SOALs that they "have made every attempt to properly characterize, prioritize and classify all intercompany transaction(s)."[23]

55. Prior to filing their SOALs in this bankruptcy, the Debtors did a significant amount of work analyzing the intercompany balances. The Debtors' Corporate Representative (Dondzila), who was responsible for preparing the SOALS, testified that the intercompany balances were an "area of focus" for her and her team.[24] The Debtors' Corporate Representative (Westman) also testified about the months of diligence she engaged in with the Debtors' lawyers and financial advisors to collect

[21] DX AYI (RCJSNII10074531) at 10074537, attached hereto as Exhibit H.
[22] DX AYH (RC40000082) at 40000083, 40000086, attached hereto as Exhibit I.
[23] *See, e.g.* RFC SOAL [Dkt No. 548] at 5.
[24] Dondzila Tr. at 135:14-136:5.

information regarding the intercompany balances, before they were scheduled.[25] She testified that she was "responsible for providing information that went into the[] schedules", and that "when we provided information for the SOAL, [ ] we believed it was accurate to the best of our knowledge at the time."[26] She further specifically testified to the accuracy of the intercompany balances discussed herein.

56. I will discuss each of the nine largest intercompany balances below.

A. Intercompany Claim No. 1 – Residential Capital, LLC Claim against GMAC Residential Holding Company, LLC

1. Background

57. According to Exhibit 6 to the Revised Disclosure Statement, GMAC Residential Holding Company, LLC ("ResHolding") owes ResCap $3,333.9 million of intercompany liabilities (the "ResHolding-ResCap Petition Date Intercompany Balance"). The ResHolding Schedule F-1 and the ResCap Schedule B-18 reflect amounts owing by ResHolding to ResCap as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
1140500006	Note Receivable from RESI	GMAC Residential Holding Company, LLC	Residential Capital, LLC	$ 3,295.6
1140500007	Interest Rec from RFC/RESI	GMAC Residential Holding Company, LLC	Residential Capital, LLC	38.3
				$ 3,333.9

2. Observations

58. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables. As the Debtors noted in Exhibit 6 to the Revised Disclosure

[25] Westman Tr. at 116:3-5.
[26] Westman Tr. at 116:3-5; 112:13-15. Mr. Renzi also testified that the information on the SOALs was accurate. Renzi Tr. at 14:2-17.

Statement, this "[b]alance generally arose from transactions under an agreement between ResCap and ResHolding. ResHolding borrowed funds from ResCap and then distributed funds to GMACM for general operating purposes…"

59. The Debtors further noted that "[w]hile there was no fixed interest rate in the loan agreement, interest was paid regularly until the Petition Date".

60. The Debtors' disclosures appear consistent with what I observed in examining the general ledger data and other information produced by the Debtors.

61. In a March 20, 2012 memorandum from Barbara Westman discussing whether ResCap had the capacity to meet its intercompany obligations to RFC, Ms. Westman notes that "ResCap also maintains a $3.6 billion receivable from GMACM, and could move assets from GMACM to RFC to reduce both outstanding balances."[27]

62. Interest accrued on the ResCap/ResHolding intercompany balance, and ResHolding regularly (up until the Petition Date) paid interest on this balance at an average rate of 9.6%.

63. According to Exhibit 6 to the Revised Disclosure Statement, "In 2009, $2.52 billion of debt owed by GMACM to ResHolding was forgiven so that GMACM could meet certain tangible net worth debt covenants. ResCap did not forgive any of ResHolding's debt at that time because ResHolding was not at risk of defaulting on its net worth requirements." Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $2.52 billion of debt owed by GMACM to ResHolding that was forgiven in 2009 was effectuated at GMACM by reducing its intercompany liability and increasing its member's equity. This forgiveness

[27] DX ATQ (RCUCCJSN20051022) at RCUCCJSN20051023, attached hereto as Exhibit J.

was effected through a formal process, including approval of the Executive Committee of the ResCap Board of Directors and the Ally Board of Directors. As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.

64. There is other evidence in the record that suggests that the Debtors treated this intercompany payable as a bona fide liability. The Company's Controller, Cathy Dondzila, testified that the intercompany receivable between ResHolding and RFC acted as a "line of credit" between ResCap and ResHolding (for the benefit of ResHolding's operating subsidiary GMACM).[28] Internal documents similarly characterized this intercompany balance as a line of credit for GMACM to borrow funds, or contribute funds, to ResCap as needed, with the borrowing funneled through ResHolding.

65. Similarly, this intercompany balance was used to facilitate other large intercompany transfers of value between GMACM and ResCap. For example, on April 22, 2011, GMACM, RFC, ResHolding, and ResCap executed a letter agreement regarding netting in connection with the sale of certain mortgage loans from GMACM to RFC, (the "Netting Agreement").[29] The Netting Agreement stated that "Pursuant to various intercompany loans, [ResHolding] owes amounts to [ResCap] in excess of the Purchase Price as of the date hereof." Under the Netting Agreement, among other things, ResCap "fully and finally discharges [ResHolding] from its obligation to repay $171,323,565.91 to ResCap under the intercompany loans (and subtracts such amount from the total amount due by [ResHolding] to ResCap under the intercompany loans)."

[28] Dondzila Tr. at 32:6.
[29] DX AYI (RCJSNII10074531) at 10074537, attached hereto as Exhibit H.

66. Moreover, the lending relationship between ResCap and ResHolding is documented in a 2006 loan agreement between and among ResCap, ResHolding, GMACM, and RFC. The ResCap Loan Agreement automatically renewed every year unless it was terminated in writing by either party. There is no indication that the ResCap Loan Agreement was ever terminated.

B. Intercompany Claim No. 2 – Residential Funding Company, LLC Claim against Residential Capital, LLC

1. Background

67. According to Exhibit 6 to the Revised Disclosure Statement, ResCap owes its direct subsidiary, RFC, $1,954.9 million (net) of intercompany liabilities (the "ResCap-RFC Petition Date Intercompany Balance").[30] The RFC Schedule F-1, the ResCap Schedule F-1, the RFC Schedule B-18 and the ResCap Schedule B-18 reflect net amounts owing by ResCap to RFC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	Residential Funding Company, LLC	Residential Capital, LLC	$ (0.1)
2020100002	ResCap Intercompany	Residential Capital, LLC	Residential Funding Company, LLC	1,955.0
				$ 1,954.9

2. Observations

68. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables. As the Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement, this Balance generally arose out of operation of the company's centralized cash management system. As RFC generated cash, that cash would be swept to ResCap. This Balance changed frequently.

[30] Revised Disclosure Statement at Ex. 6, p. 2.

69. Based on my review of RFC's independently audited financial statements for the years ended December 31, 2011 and 2010, RFC treated and recorded its intercompany balance due from ResCap as a fully collectible intercompany receivable. In fact, RFC clearly identified and reported $1.84 billion and $2.30 billion of receivables from its parent (ResCap) in the asset section of its balance sheet as of December 31, 2011 and December 31, 2010, respectively.

70. In a memorandum drafted to provide support for the year-end audit, Barbara Westman analyzed the RFC receivable from ResCap and determined that it should be treated as a fully collectible intercompany receivable for accounting purposes as of December 31, 2011.[31] A summary of this memorandum is presented below:

- "This memo supports the appropriate accounting treatment for intercompany balances between RFC and ResCap. As of 12/31/11, RFC has an intercompany receivable balance from ResCap. This receivable is carried at its full value."

- "To best facilitate this process, ResCap centralizes cash balances, and does not hold cash within most of its operating units. As operating entities acquire cash, it is moved through intercompany transactions to ResCap. Likewise, as operating entities require cash, the cash is provided by ResCap to those entities."

- "Generally, assets presented in accordance with GAAP would be assessed for collectability. FASB Codification Subtopic 310-10-35-22 provides guidance on the impairment of receivables. A creditor is deemed impaired when it is probable that a creditor will be unable to pay all amounts due according to the contractual terms of the loan agreement."

- "If required, ResCap could support its payable to RFC through sales or other liquidations of its GMACM holdings. ResCap also maintains a $3.6 billion receivable from GMACM, and could move assets from GMACM to RFC to reduce both outstanding balances."

- "Due to these circumstances, management concludes that ResCap maintains the ability to support its intercompany obligations with RFC, and therefore, no

[31] DX ATQ (RCUCCJSN20051022) at RCUCCJSN20051023), attached hereto as Exhibit J.

> impairment of this receivable is warranted for the RFC stand-alone financial statements."

71. The Debtors' Corporate Representative (Westman) testified that in April 2011 and again in March 2012, they considered whether the intercompany receivable from ResCap could remain on RFC's balance sheet. In both instances, after making a GAAP determination for collectability, i.e., considering whether the receivable could be collected, and conferring with their auditors Deloitte & Touche, the Debtors concluded that the receivable could remain on the balance sheet of RFC.[32]

72. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $2 billion of debt owed by RFC to ResCap was forgiven so that RFC could meet certain tangible net worth debt covenants." Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $2 billion of debt owed by RFC to ResCap that was forgiven in 2009 was effectuated at RFC by reducing its intercompany liability and increasing its member's equity. This forgiveness was effected through a formal process, including approval of the Executive Committee of the ResCap Board of Directors. As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.

73. There is other evidence in the record that suggests that the Debtors treated this intercompany payable as a bona fide liability. The Company's Controller, Cathy Dondzila, testified that the Intercompany receivable between ResCap and RFC acted as a "line of credit" between ResCap and RFC.[33]

74. Similarly, this intercompany balance was used to facilitate other large intercompany transfers of value between RFC and ResCap. As noted above, the

[32] Westman Tr. 183:4-190:11.
[33] Dondzila Tr. at 31:16-32:11.

April 22, 2011 Netting Agreement stated that, "[p]ursuant to various intercompany loans, ResCap owes amounts to [RFC] in excess of the Purchase Price as of the date hereof."[34] Under the Netting Agreement, among other things, RFC "fully and finally discharges ResCap from its obligation to repay $171,323,565.91 to [RFC] under the intercompany loans (and subtracts such amount from the total amount due by ResCap to [RFC] under the intercompany loans)."[35]

75. Moreover, the RFC/ResCap intercompany balance is documented, at least in part, by a 2010 loan agreement between RFC as lender and ResCap as borrower. The loan agreement provides a line of credit to ResCap in order to "enable [ResCap] to conduct business activities."[36]

C. Intercompany Claim No. 3 – Homecomings Financial, LLC Claim against Residential Funding Company, LLC

1. Background

76. According to Exhibit 6 to the Revised Disclosure Statement, RFC owes its direct subsidiary Homecomings $1,251.5 million of intercompany liabilities (the "RFC-Homecomings Petition Date Intercompany Balance").[37] The RFC Schedule F-1 and the Homecomings Schedule B-18 reflect amounts owing by RFC to Homecomings as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	Residential Funding Company, LLC	Homecomings Financial, LLC	$ 1,251.5

[34] DX AYI (RCJSNII10074531) at RCJSNII10074537, attached hereto as Exhibit H.
[35] DX ASY (RCUCCJSN10745612) at 10745614, attached hereto as Exhibit K.
[36] *Id.* at RCJSNII10074538.
[37] Revised Disclosure Statement at Ex. 6, p. 3.

2. Observations

77. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables. Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this "[b]alance generally arose out of operation of the company's centralized cash management system. Homecomings sold loans to RFC for securitization as part of normal business operations, subserviced loans, and generated other cash through operations that was swept up to RFC. The receivable balance consists largely of this, less payables to RFC for general overhead expenses. The balance changed frequently until 2008."[38]

78. By 2008, all of the business activities of Homecomings "were sold, transferred, or discontinued and it no longer had any licensing requirements that required financial statements.[39] Nevertheless, Homecomings still maintained assets as it "was listed as the named servicer for a variety of different. . . private label securitizations and the cost, effort, and exercise of having that changed was prohibitive. . . ."[40]

79. The Debtors further noted that while Homecomings became largely dormant in 2008, it continued to have wind down activity that created cash that was swept up to RFC.

80. The Debtors also stated that interest was accrued but not settled in cash on the intercompany balance (this amount was included in the intercompany balance).

[38] Revised Disclosure Statement at Ex. 6, p. 3.
[39] Dondzila Tr. at 14:13-16.
[40] Dondzila Tr. at 15:10-15.

81. The information appears consistent with what I observed in examining the general ledger data produced by the Debtors.

82. By virtue of the Debtors' Cash Management System, cash was routinely swept up from Homecomings to RFC, creating an intercompany payable owed to Homecomings. Homecomings clearly identified and reported intercompany receivable balances as affiliate receivables (net), in its independently audited financial statements. For example:

- Homecomings reported $1.05 billion of affiliate receivables, net, as of December 31, 2008 in the assets section of its balance sheet.
- Homecomings stated that "[a]ffiliate receivables are comprised of amounts due for servicing advances transferred at carrying value, fees charged for subservicing activities, and mortgage loans sold to affiliates of the Company. These receivables are recorded at their net realizable value."[41]

83. Indeed, it is apparent from the contemporaneous financial statements prepared by Homecomings that Homecomings expected its intercompany receivable balance due from RFC to be repaid.

84. The Debtors also observed that interest was accrued but not settled in cash. The audited financial statements prepared by Homecomings clearly reports that the interest income, like the principal, was recorded on the books and records of Homecomings. For example, the Homecomings December 31, 2008 audited financial statements states as follows:

> "[Homecomings] is charged or credited interest by RFC for the net affiliate receivable/payable balance outstanding each month at a rate that represents RFC's borrowing rate. At December 31, 2008, $1,051,047 [$ is thousands] net receivable was outstanding at an interest rate of 8.9%. The net interest credited and included in the consolidated statement of

[41] DX AME (EXAM00122166) at EXAM00122176, attached hereto as Exhibit L.

> operations for the year ended December 31, 2008 is $45,125 [$ in thousands]."[42]

85. Debtors have identified a loan agreement that relates to the intercompany relationship between Homecomings and RFC, although the lender-borrower relationship appears to have reversed. The Debtors' Corporate Representative (Westman) testified that neither she, nor anyone within the Company, knew the particulars about this agreement, including whether it would apply to the current Intercompany Balance. The Debtors' Corporate Representative (Westman) noted that interest accrued on this balance at the same rate provided for in the agreement identified.[43]

D. Intercompany Claim No. 4 – Passive Asset Transactions, LLC Claim against GMAC Mortgage, LLC

1. Background

86. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes its direct subsidiary, Passive Asset Transaction, LLC ("PATI") $697.0 million.[44] The GMACM Schedule F-1 and the PATI Schedule B-18 reflect amounts owing by GMACM to PATI as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000195	Interco Payable (001 / 095)	GMAC Mortgage, LLC	Passive Asset Transactions, LLC	$ 689.2
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	Passive Asset Transactions, LLC	7.8
				$ 697.0

2. Observations

87. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and

[42] DX AME (EXAM00122166) at EXAM00122176, attached hereto as Exhibit L.
[43] Westman Tr. 143:19-144:3; 153:7-155:16.
[44] Revised Disclosure Statement at Ex. 6, p. 3.

intercompany payables. The Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this "[b]alance generally arose out of operation of the company's centralized cash management system. Majority of balance reflects cash collected by PATI from non-Debtor entities (Flume and GX II) that were swept to GMACM and then to ResCap." [45] As the Debtors' Corporate Representative (Westman) explained, "Passive Asset Transactions was a holder of international notes and it would receive cash as a holder of those international notes in receipt of that cash through the cash management process, it would have pushed that cash up to its parent, GMAC Mortgage."[46]

88. The information is consistent with what I observed in examining the general ledger data and other information produced by the Debtors.

89. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $44 million of debt owed by PATI to GMACM was forgiven so that PATI could meet certain tangible net worth debt covenants."[47] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $44 million of debt owed by PATI to GMACM that was forgiven in 2008 was effectuated at PATI by reducing its intercompany liability and increasing its member's equity. The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received the appropriate approvals as required by a particular transaction. Thus, it is my understanding that the ResCap CFO approved this debt forgiveness in accordance with the RFC/GMACM Debt Forgiveness Procedures. As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.

[45] Revised Disclosure Statement at Ex. 6, p. 3.
[46] Westman Tr. at 205:24-206:10.
[47] Revised Disclosure Statement at Ex. 6, p. 3.

E. Intercompany Claim No. 5 – Executive Trustee Services, LLC Claim against GMAC Mortgage, LLC

1. Background

90. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes its direct subsidiary, ETS, $265.4 million (net). The GMACM Schedule F-1, the ETS Schedule F-1, the GMACM Schedule B-18 and the ETS Schedule B-18 reflect net amounts owing by GMACM to ETS as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
20412001	Intercompany Payable/Recvable	Executive Trustee Services, LLC	GMAC Mortgage, LLC	$ (10.9)
2041200001	Intracompany payable - US Subs	Executive Trustee Services, LLC	GMAC Mortgage, LLC	(0.2)
24008888	Interco Payable Self Elim	Executive Trustee Services, LLC	GMAC Mortgage, LLC	(0.0)
24000102	A/P Affiliates - 001 / 002	GMAC Mortgage, LLC	Executive Trustee Services, LLC	276.5
				$ 265.4

2. Observations

91. The Debtors' Corporate Representative (Westman) testified that the balances above were accurately reported as intercompany receivables and intercompany payables. Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this:

- "Balance generally arose out of operation of the company's centralized cash management system. Revenue received by ETS (as foreclosure trustee) was swept to GMACM. GMACM, in turn, satisfied ETS's cash needs. Intercompany balances were created to record impact to ETS, but no cash settlements occurred." [48]

- As explained the Debtors' Corporate Representatives (Dondzila), ETS is composed of a group of companies whose principal business activities, for which they received revenue, "were attempts at recovery against losses that were incurred for liquidated loans. So attempting to collect from borrowers any amounts that had been lost through other avenues, and also providing

[48] Revised Disclosure Statement at Ex. 6, p. 3.

Trustee Services around the foreclosure process. . . ."[49] Cash was generated by ETS's business activities.

92. Interest accrued on the ETS/GMACM intercompany balance and was recorded in the general ledger as a receivable or a payable.

93. As noted above, the Intercompany Balances created through the ordinary course activities of an operating subsidiary are generally recorded as debt. In this instance, ETS performed services and received cash in consideration for those services. The cash was swept up to GMACM as part of the cash management process and, in return for its cash, ETS recorded a receivable from GMACM. As described above, this accounting is consistent with recording the receivable as debt and inconsistent with an equity transaction.

F. Intercompany Claim No. 6 – Residential Funding Company, LLC Claim against RFC Asset Holdings II, LLC

1. Background

94. According to Exhibit 6 to the Revised Disclosure Statement, RFC Asset Holdings II, LLC ("RAHI") owes its direct parent, RFC $231.9 million. The RAHI Schedule F-1 and the RFC Schedule B-18 reflect amounts owing by RAHI to RFC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	RFC Asset Holdings II, LLC	Residential Funding Company, LLC	$ 231.9

[49] Dondzila Tr. at 36:25-37:7.

2. Observations

95. Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this "[b]alance generally arose out of operation of the company's centralized cash management system. RAHI owned a portfolio of non-economic residuals that generated excess inclusion income that resulted in current taxes payable. Balance primarily attributable to settlement of taxes under the tax sharing agreement."[50]

96. The Debtors' Corporate Representative (Westman) testified that the balance above was accurately reported as intercompany receivables and intercompany payables. As Ms. Westman explained, this balance reflected monies used for accounts payable and interest expense.

97. Interest accrued on the RFC/RAHI intercompany balance and was recorded in the general ledger as a receivable or a payable.

98. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $1.2 billion of debt owed by RAHI to RFC was forgiven so that RAHI could meet certain tangible net worth debt covenants." [51] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $1.2 billion of debt owed by RAHI to RFC that was forgiven in 2008 was effectuated at RAHI by reducing its intercompany liability and increasing its member's equity. The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received the appropriate approvals as required by a particular transaction. Thus, it is my understanding that the Ally Board of Directors approved this debt forgiveness in accordance with the

[50] Revised Disclosure Statement at Ex. 6, p. 5.
[51] Revised Disclosure Statement at Ex. 6, p. 3.

RFC/GMACM Debt Forgiveness Procedures. As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.

G. Intercompany Claim No. 7 – Residential Funding Company, LLC Claim against GMAC Mortgage, LLC

1. Background

99. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes an affiliate, RFC $139.7 million. The GMACM Schedule F-1 and the RFC Schedule B-18 reflect amounts owing by GMACM to RFC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2020100001	GMAC RESI Intercompany	GMAC Mortgage, LLC	Residential Funding Company, LLC	$ 133.7
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	Residential Funding Company, LLC	6.0
				$ 139.7

2. Observations

100. The Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that the "[m]ajority of balance consists of: (i) amounts recorded in connection with AFI billings for shared services (e.g. payroll, outside counsel) – RFC routinely remitted payment to AFI for services and RFC then charged GMACM for its portion; and (ii) service fee income received by GMACM as subservicer relating to RFC MSR."

101. The Debtors' Corporate Representative (Dondzila), the former Controller for ResCap, explained with respect to the shared services balance that "Ally Financial allocated costs. Those allocations and charges related to those allocations were recorded initially to [RFC], and then the appropriate portion would then be moved from

[RFC] down to GMAC Mortgage."[52] Ms. Dondzila then explained that GMACM and RFC were actually sister companies and that she did not know why Ally did not just allocate its costs directly to GMACM.

102. The fact that the Intercompany Balance was between two sister companies (rather than a parent making an investment in a wholly-owned subsidiary) is also reflective of an intent to treat this balance as debt. I would not expect an equity investment between sister companies to be reflected on a company's books and records as an intercompany receivable. Indeed, the sister company would receive none of the customary benefits attributable to an equity investment in connection with this type of transaction.

103. GMACM clearly identified and reported intercompany balances as "Other Liabilities – Payable to RFC" in its independently audited financial statements. For example, GMACM reported approximately $70 million of payables owed to RFC as of December 31, 2011.[53] Similarly, in its audited financial statements for that year, RFC clearly identified and reported an intercompany receivable of approximately $70 million.[54]

104. It is apparent from these contemporaneous financial statements that the intercompany balance was treated as a valid liability on GMACM's statements and as a valid and collectible receivable on RFC's statements. Such accounting is an indication that these entities expected the intercompany balances would be repaid, and/or that repayment could be demanded.

[52] Dondzila Tr. at 46:16-47:5.
[53] DX ASH (EXAM00234281) at EXAM0023416, attached hereto as Exhibit M.
[54] DX ASI (RCUCCJSN00007239) at RCUCCJSN00007269, attached hereto as Exhibit N.

H. Intercompany Claim No. 8 – Home Connect Lending Services, LLC Claim against GMAC Residential Holding Company, LLC

1. Background

105. According to the January 2013 Intercompany Analysis, ResHolding owes Home Connects Lending Services, LLC $54.6 million. The ResHolding Schedule F-1 and the Home Connects Lending Services, LLC Schedule B-18 reflect amounts owing by GMACM to Home Connects Lending Services, LLC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000267	Intercompany Payable (033/067)	GMAC Residential Holding Company, LLC	Home Connects Lending Services, LLC	$ 54.6

2. Observations

106. The Debtors' Corporate Representative (Westman) testified that the balance above was accurately reported as intercompany receivables and intercompany payables. According to the January 2013 Intercompany Analysis, "[t]he balances at October 31, 2012 have not changed significantly since December 2008. The balances resulted from intercompany transfers and clean up related to the closure of HCLS, LLC (SS097) and related entities." The Debtors' Corporate Representative testified that this intercompany balance also reflected, in part, the movement of cash through the cash management system.[55]

107. The information is consistent with what I observed in examining the general ledger data and other information produced by the Debtors, and the testimony of the Debtors' witnesses and Corporate Representatives that have proceeded to date

[55] Westman Tr. at 76:8-79:23.

I. Intercompany Claim No. 9 – GMAC Residential Holding Company, LLC Claim against GMAC Mortgage, LLC

1. Background

108. According to the January 2013 Intercompany Analysis, GMACM owes ResHolding $51.4 million (net). The GMACM Schedule F-1, the ResHolding Schedule F-1 the GMACM Schedule B-18 and the ResHolding Schedule B-18 reflect net amounts owing by GMACM to ResHolding as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000033	Interest Rec/Pay (001/033)	GMAC Mortgage, LLC	GMAC Residential Holding Company, LLC	$ 108.0
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	GMAC Residential Holding Company, LLC	1.5
24000233	Interco LOC (001/033)	GMAC Residential Holding Company, LLC	GMAC Mortgage, LLC	(58.2)
				$ 51.4

2. Observations

109. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.

110. The Debtors disclosed in the January 2013 Intercompany Analysis that "The balance at October 31, 2102 represents borrowings under an unsecured credit facility between GMAC Mortgage and its parent, RHC. This agreement was originally entered into in December 1998. The monthly activity represents the borrowings for the general operating needs of GMAC Mortgage. Repayments on these borrowings were made on a recurring basis until the petition date." The Debtors' Corporate Representative

(Westman) testified that this intercompany balance also reflected, in part, the movement of cash through the cash management system.[56]

111. The Debtors further stated that "[t]he interest rate under this agreement fluctuates monthly and is a stated margin, agreed between the Company and RHC, which is generally between 100 and 300 basis points above a quoted short-term market rate. Interest was accrued on a monthly basis until the petition date. The credit facility is payable upon demand."[57]

112. GMACM clearly identified and reported intercompany balances, including the Intercompany Balance between GMACM and ResHolding as receivables from affiliates or borrowings from parent (ResHolding) in its independently audited financial statements. For example, GMACM reported approximately $4.1 billion of affiliate borrowings as of December 31, 2007.[58] Similarly, in its audited financial statements for that year ResHolding reported "Accounts receivable – intercompany" of $4.5 billion, which included the $4.1 billion from GMACM as well as borrowings from other entities.[59]

113. It is apparent from these contemporaneous financial statements that the intercompany balance was treated as a valid liability on GMACM's statements and as a valid and collectible receivable on RFC's statements. Such accounting is an indication that these entities expected the intercompany balances would be repaid, and/or that repayment could be demanded.

[56] Westman Tr. 79:12-18.
[57] DX AUC (RCUCCJSN30004106; RCUCCJSN30004112), attached hereto as Exhibit E.
[58] DX ANE (EXAM00234058) at EXAM00234060, attached hereto as Exhibit O.
[59] DX ASJ (EXAM00125358) at EXAM00125416, attached hereto as Exhibit P.

114. The Debtors also observed that interest was accrued on these borrowings. The audited financial statements prepared by GMACM clearly reports that the interest expense, like the principal, was recorded on the books and records of GMACM. For example, GMACM reported $15.54 million and $30.15 million of interest expense on borrowings from parent (ResHolding) for the years ended December 31, 2010 and December 31, 2009, respectively.

X. OPINIONS AND OBSERVATIONS REGARDING DEBT FORGIVENESS AMONG RESCAP ENTITIES

115. According to Article II, Section K of the Revised Disclosure Statement: "On numerous occasions, where the existence of an intercompany payable on a Debtor's balance sheet threatened the solvency and net worth thresholds required under external funding agreements, or by federal or state regulations, the putative debt obligations were forgiven. Additionally, putative debt obligations were forgiven among the Debtors and certain non-Debtor subsidiaries in connection with the Debtors' international transactions and the dissolution of entities. Approximately $16.6 billion of debt was forgiven without consideration from 2007 through the Petition Date."[60]

116. The Debtors' Corporate Representative (Dondzila) testified that debt forgiveness was effectuated through a capital contribution (*i.e.*, through the equity account) to comply with GAAP requirements.[61] Internal communications reflect that the Debtors were relying upon AICPA Practice Alert 00-1 (Extinguishment of related Party Debt) ¶¶ 27-28 in arriving at their determination to use the equity account to effectuate the debt forgiveness.

[60] Revised Disclosure Statement at 47.
[61] Dondzila Tr. at 84:13-86:6.

117. Intercompany debt forgiveness required various levels of approval depending upon the amount forgiven. As the Debtors' Corporate Representative (Westman) explained, "[g]enerally, it would be determined that a particular debt was a balance that we would look to forgive to solve a certain net worth issue, et cetera. That balance would be identified and documentation would be put together in a request form. That would -- that request would go through Cathy, generally, and would be provided to the CFO or on up to board of directors or Executive Committee, depending on where it - where it needed to go for the particular balance and dollar amount, and it would be presented for recommendation and approval."[62] To the knowledge of the Debtors' Corporate Representative (Westman): "all debt forgiveness received the appropriate approvals as required by the particular transaction."[63] This review and approval process is set forth in detail in a document prepared by Ms. Westman in 2010.[64]

118. The ResCap Debt Forgiveness Schedule by Legal Entity (the "Debt Forgiveness Schedule")[65] identifies approximately $16.6 billion of debt forgiveness between 2008 and 2012. Of this amount, approximately $7.9 billion, $4.1 billion, $1.9 billion, $2.3 billion and $0.4 billion was forgiven in 2008, 2009, 2010, 2011 and 2012 respectively. This schedule does not appear to specifically enumerate the $44 million in debt owed to GMACM by PATI that was forgiven in 2008 noted above.

119. The Debt Forgiveness Schedule identifies the specific "debt forgiveness":

- $2.151 billion owed by ResFunding to ResCap was forgiven between 2008 ($2.0 billion) and 2009 ($0.151 billion). The ResCap Executive

[62] Westman Tr. at 219:12-24.
[63] Westman Tr. at 219:25-220:6.
[64] DX ANQ (EXAM10362088) at 10362089, attached hereto as Exhibit Q.
[65] DX ATF (RCUCCJSN11270924), attached hereto as Exhibit R.

Committee approved the forgiveness of the $2.0 billion on March 26, 2008 (RCUCCJSN10025065).

- $2.52 billion owed by GMACM to GMAC Residential Holding Co, LLC was forgiven in 2009. The ResCap Executive Committee approved the forgiveness of $0.5 billion on June 3, 2009 (RCJSNII10118387-88) and $2 billion on June 25, 2009 (RC40006569 – 70).

- $1.228 billion owed by RHAI to ResFunding was forgiven in 2008.

- The majority of the remaining forgiveness ($10.69 billion) relates to approximately 50 entities; consisting of foreign affiliates, special purpose entities and entities that were dissolved or sold.

- This schedule does not appear to include the $44 million in debt owed to GMACM by PATI that was forgiven in 2008 (See Section VII. D. to this report).

120. Concerning the first two items above, analysis of entries in Debtors' general ledgers shows that the debt forgiveness transactions were recorded as capital injections, in the form of forgiveness of debt or debt for equity exchanges. The entries recorded on the books of the obligor were:

- Debit: Intercompany Payable – reducing the amount of the obligation by the "forgiven" amount.

- Credit: Additional Paid in Capital (a component of the equity section of a company's balance sheet) – increasing equity by the "forgiven" amount.

121. It should be noted that a description field in the Debtors' general ledgers for the entries reflecting these "forgiveness" transactions identifies the transactions as "Debt Forgiveness." Regardless of whether such a transaction is recorded as a forgiveness or a capital infusion, the impact on the obligor's balance sheet is essentially identical:

- Intercompany debt is reduced by the amount of the "forgiveness."

- The obligor's equity is increased by the amount of the "forgiveness."

122. Releasing intercompany obligors from amounts owing required approval of ResCap's Chief Executive Officer, Board of Directors and/or Executive Committee. Debt forgiveness in amounts greater than $50 million also required the approval of the Ally Board of Directors. The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received appropriate approvals as required by a particular transaction. [66] The formal process described and carefully followed for each such transaction is further evidence that the transactions that resulted in the intercompany balances were considered debt transactions, not equity investments or distributions, when they were completed. As Ms. Westman testified, generating intercompany receivables or payables happened in the normal course of business and did not require Board approval. In contrast, "a capital contribution or a dividend would have been something that had to be declared by the board of those entities and would have been a specific type of transaction."[67]

123. The Debtors focused on both the interests of the "lender" and the "borrower" entity in connection with the debt forgiveness process. Ms. Hamzehpour testified that the entity forgiving intercompany debt would have had no desire to forgive more than the amount required to meet net worth or solvency requirements. [68] This suggests that the ResCap entities only exchanged debt for equity when it was absolutely necessary to do so in order to continue normal operations and avoid defaults under debt agreements. As articulated in a contemporaneous communication from Ms. Hamzehpour

[66] Westman Tr. at 220:4-6.
[67] Westman Tr. at 45:25-46:5.
[68] Hamzehpour Tr. at 31:13-16.

(in which she articulates the interests of the "lender" being asked to forgive the "debt"): "It is not in ResCap's or the Group's best interest to release debt in excess of the amount needed to meet the above goals and, for this reason, the GMAC Inc. Board Resolutions authorizing debt forgiveness for certain ResCap subsidiaries referred to releases 'up to' a maximum amount."[69]

124. As set forth *supra*, the debt forgiveness process was formal and, according to the Debtors' Corporate Representative (Hamzepour), enabled the Debtors to continue operating from 2008 on. Complying with the various tangible net worth requirements imposed on the Debtors by liquidity providers, state and federal regulators, and the GSE's were all, to varying degrees, critical to the continued operations of the Debtors. In that way, the debt forgiveness (which facilitated compliance with those tangible net worth requirements) provided value to both the obligor and obligee of the debt being forgiven.

125. In my opinion, there is nothing about the debt forgiveness process that would suggest to me that the Debtors intended to treat the Intercompany Balances as anything other than debt.

[69] DX AOK (EXAM11148024), attached hereto as Exhibit S.

Robert S. Bingham
November 12, 2013

Exhibit A

ZOLFO COOPER

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

I am a Senior Director with Zolfo Cooper LLC. I have 35 years of experience in a variety of auditing, financial and accounting management and consulting positions, including over 15,000 hours as an officer or advisor to companies either in preparing to file bankruptcy, in bankruptcy or recently emerged from bankruptcy. I have been an officer and/or advisor and confirmation hearing witness on several large bankruptcies involving multiple affiliated entities with large claims among the entities. I am a Certified Insolvency and Restructuring Advisor.

Representative Experience – Bankruptcies

- Enron Corp. – Associate Director of Restructuring; Interim Chief Financial Officer and Treasurer; 2002 through 2006

  The Enron group included in excess of 2,000 entities and in excess of 26,000 intercompany accounts with pre-petition balances amounting to multiple tens of billions of dollars. My primary responsibilities included plan of reorganization development, claims classification, including evaluation and treatment of intercompany claims, plan explanation and negotiation with various constituencies, resolution of certain claims and supervision of treasury, insurance and tax departments. Additionally, I served as a member of the board of directors and chairman of the audit committee for Portland General Electric, an Enron subsidiary with public reporting requirements. At the confirmation hearing, I testified concerning specific asset dispositions and claims settlements related to the recovery model, treatment of claims, including intercompany claims, the mechanics of a very complicated plan of reorganization and best interest test. I testified at the final status conference concerning plan implementation and distribution status.

- The Loewen Group Inc. – Financial Advisor to the Company, 2000 and 2001

  The Loewen Group Inc. was a holding company whose subsidiaries operated funeral homes throughout the United States and Canada. There were in excess of 1,500 legal entities in the group; over 800 of which filed for bankruptcy protection in the United States. Total intercompany claims amounted to several billion dollars. My responsibilities included plan development, recovery model preparation (including analysis and classification of intercompany claims). I testified at the confirmation hearing concerning the mechanics of a very complicated plan of reorganization, creditor recoveries under the plan at various debtors, intercompany claim treatment and best interest test.

ZOLFO COOPER

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

- Prime Motor Inns, Inc. – Co-Chief Financial Officer, 1990 through 1993

  Prime Motor Inns, Inc. was the holding company for a group of hotel-owning subsidiaries. My responsibilities included plan development, recovery model preparation, claims reconciliation (each of which involved analysis of the treatment of intercompany claims) and supervision of the treasury, budget, insurance and tax departments. I testified concerning certain assets sales and specific claims resolutions.

Expert Report

- In August 2011, I issued an expert report in an adversarial proceeding (Adv. Pro. No. 2:10-CV-198-MHT) related to the Colonial Bancgroup, Inc. chapter 11 bankruptcy for the Middle District of Alabama Case No. 2:10-cv-00409-MHT-WC (Bankr. Case No. 09-32303 (DHW)). My opinions and observations expressed in this report related to the treatment of intercompany transactions pursuant to a corporate tax sharing agreement.

Additional Experience – Bankruptcies and Public Accounting

- In addition to the above referenced bankruptcies, I have provided financial advisory services in bankruptcy matters including New Stream, New York Racing Association, Blue Bird, Sunbeam Corporation, and the Washington Group. I began my career in public accounting, serving as an auditor with Ernst & Young for 9 years.

Education & Certifications

- B.S. in mathematics from Trinity College, Hartford, Ct.
- M.B.A. from the Amos Tuck School at Dartmouth College
- Certified Insolvency and Restructuring Advisor (CIRA) program
- Numerous continuing education programs from 1976 forward to maintain CPA (now Inactive) and CIRA credentials

Professional Affiliations, Activities & Awards

- Member, Association of Insolvency & Restructuring Advisors; Board member for more than 6 years (AIRA)
- 2002 Gold Medal winner on CIRA Exam
- Frequent panelist at AIRA Annual Conference on topical issues, e.g., *Treatment of Intercompany Claims*, 2011; *Ethics for Financial Advisors*, 2009, 2008

ZOLFO COOPER

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

Teaching Experience

- CIRA course Part II (Bankruptcy Plan Development): 2009, 2010 and 2011
- CIRA course Part III (Bankruptcy Accounting and Reporting Issues and Taxes): 2009 and 2010.

Exhibit B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: RESIDENTIAL CAPITAL, LLC, et al., Debtors.	Case No. 12-12020 (MG) Chapter 11 Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al., Plaintiffs, v. UMB BANK, N.A., IN ITS CAPACITY AS INDENTURE TRUSTEE FOR THE 9.625% JUNIOR SECURED GUARANTEED NOTES, et al., Defendants.	Adv. Case No. 13-01343 (MG)
OFFICIAL COMMITTEE OF UNSECURED CREDITORS, on behalf of the estate of the Debtors, Plaintiffs, v. UMB BANK, N.A., AS SUCCESSOR INDENTURE TRUSTEE UNDER THAT CERTAIN INDENTURE, dated as of June 6, 2008, et al., Defendants.	Adversary Proceeding No. 13-01277 (MG)

EXPERT REPORT OF ROBERT S. BINGHAM

OCTOBER 18, 2013

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I. PROFESSIONAL QUALIFICATIONS

1. I am a Senior Director with Zolfo Cooper LLC ("Zolfo Cooper"). I have 35 years of experience in a variety of auditing, financial and accounting management and consulting positions. I have provided over 15,000 hours of service as either an officer of or advisor to companies operating, restructuring and/or liquidating in bankruptcy. My experience includes working on several large bankruptcies involving multiple affiliated entities and significant, intercompany claims among the entities. I served as a confirmation hearing witness related to the treatment of intercompany claims in the Enron Corp, Prime Motor Inns, Inc. and The Loewen Group Inc. bankruptcy proceedings. I have also provided financial advisory services in bankruptcy matters including New Stream Secured Capital, Inc., New York Racing Association, Blue Bird, Sunbeam Corporation, and the Washington Group.

2. In August 2011, I issued an expert report in an adversary proceeding (Adv. Pro. No. 2:10-CV-198-MHT) related to the Colonial Bancgroup, Inc. chapter 11 bankruptcy for the Middle District of Alabama Case No. 2:10-cv-00409-MHT-WC (Bankr. Case No. 09-32303 (DHW)). My opinions and observations expressed in that report related to the treatment of intercompany transactions pursuant to a corporate tax sharing agreement.

3. I served on a panel at the 2011 Association of Insolvency and Restructuring Advisors annual conference discussing the treatment of intercompany claims in bankruptcy. I am a Certified Insolvency and Restructuring Advisor. I was also named the 2002 Gold Medal winner for achieving the highest score on the Certified Insolvency and Restructuring Advisor Exam. I began my career in public accounting, serving as an auditor with Ernst & Young for 9 years.

4. My Curriculum Vitae is attached as Exhibit 1, which includes a more detailed summary of my credentials and experience.

II. SCOPE OF SERVICES

5. Zolfo Cooper has provided this report at the request of White & Case LLP and Milbank, Hadley, Tweed, & McCloy LLP as counsel to the Ad Hoc Group of Junior Secured Noteholders ("Ad Hoc Group") of the 9.625% Junior Secured Guaranteed Notes due 2015 ("JSNs") and counsel to UMB Bank, N.A. as Trustee for the JSNs ("Notes Trustee"), and also to Akin Gump Strauss Hauer Feld LLP as special litigation counsel to the Trustee relating to the Chapter 11 proceedings of the Debtors in the United States Bankruptcy Court for the Southern District of New York, Case No. 12-12020.

6. No portion of Zolfo Cooper's compensation is dependent upon the nature of my opinions or on the outcome of this proceeding. In connection with the preparation of this report, Zolfo Cooper is being compensated based on the time incurred providing such services. My hourly billing rate is $750.00. I have been asked by Counsel to prepare an expert report and provide expert testimony (if necessary) on certain topics and issues related to these Consolidated Adversary Proceedings and the confirmation of the Debtors' plan of reorganization.

7. Counsel and the Trustee engaged Zolfo Cooper to review and assess the following:

- The Debtors' use of a centralized cash management system (the "Debtors' Cash Management System") in their normal business operations;
- The nature of the transactions that comprise the Debtors' nine largest intercompany balances as of May 14, 2012 (the "Petition Date"), the date of Debtors' bankruptcy petitions (the "Nine Largest Petition Date Intercompany Balances"), which comprises $8 billion of the total $8.4 billion intercompany balances scheduled by the Debtors; and

- The presentation of the Debtors' intercompany balances as reflected in the Debtors' pre-petition internal accounting records and external reports, including SEC filings, audited financial statements provided to various lenders and used to determine compliance with certain federal and state licensing agency minimum net worth and solvency requirements and federal income tax returns.[1]

III. BACKGROUND

8. A review of the Company's books and records reveals that Residential Capital, LLC ("ResCap", the "Company" or the "Debtors"), GMAC Mortgage LLC ("GMACM"), Residential Funding Company, LLC ("RFC") and each of their affiliated debtors (the "Debtors") accounted for the transfer of value between and among affiliates as debt transactions, resulting in corresponding intercompany payables and receivables being recorded in the Company's general ledgers. The intercompany accounts in their general ledgers included titles/account names such as, "Note Receivable," "Intercompany," "Intercompany Receivable," "Intercompany Recvable," "Intercompany Rec," "Intercompany Payable/Recvable," "Interco LOC," "Interco Payable," "Intracompany payable – US Subs" and/or "A/P affiliates." Intercompany balances fluctuated as transactions were recorded into the intercompany accounts. Transactions that were recorded in the Debtors' intercompany accounts are referred to throughout my report as "Intercompany Transactions." Occasionally, intercompany receivables, or portions thereof, were forgiven by the obligee in order to permit the obligor to meet regulatory or loan agreement net worth and solvency requirements applicable to ResCap and certain of its subsidiaries including, but not limited to, GMAC Residential Holding, LLC, RFC, GMACM and Executive Trustee Services ("ETS"). As to relationships between entities that are now Debtors, such forgiveness was infrequent and required the approval of ResCap's Chief Financial Officer

[1] EXAM10362088-90

and/or the Board of Directors or the Executive Committee.[2] Forgiveness of an intercompany receivable of more than $50 million also required the approval of the Board of Directors of Ally Financial Inc. ("Ally," formerly known as GMAC).[3]

9. Pre-petition note receivables, intercompany receivables and intercompany payables among ResCap, GMACM, RFC and their affiliates arose from a variety of types of transactions. As discussed in more detail throughout my report and specifically explained in the Ally/ResCap Accounting Policy for Intercompany Accounting effective on January 1, 2011 and November 28, 2011,[4] it appears that the balances in the note receivables, note payables, intercompany receivables and intercompany payables fluctuate primarily as a result of the following types of transactions:

- Functioning of the centralized cash management system - with the recipient of cash recording an intercompany payable to the transferor and the transferor recording an intercompany receivable from the recipient;[5]
- Loans from one entity to another - generating an intercompany note or accounts payable on the books of the borrower and an intercompany note or accounts receivable on the books of the lender;[6]
- Charges for services provided by affiliates - creating an intercompany liability on the books of the service beneficiary to the service provider and intercompany receivable from the beneficiary on the books of the service provider for the value of the services provided. For example, the general ledger data provided by the Debtors includes certain intercompany transactions that are described as relating

[2] Transcript of the Deposition of Barbara Westman, dated October 15, 2013 ("Westman Dep. Tr.") at 219:12-21.
[3] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[4] RC40000118-37, Ally/ResCap Accounting Policy 1040, Intercompany Accounting, effective January 1, 2011; and RCJSNII10131858-78, Ally/ResCap General Intercompany Accounting Policy, effective November 28, 2011.
[5] *See, e.g.*, Westman Ex. 2 (RCJSNII10041452), Sept. 10, 2011 Email from Barbara Westman.
[6] *See, e.g.*, Westman Ex. 19 (EXAM00107037), ResCap Restated Loan Agreement. Moreover, the intercompany balances were considered as assets or liabilities for the purposes of evaluating solvency. *See* Dondzila Tr. at 19:13-22; 22:21-23; 23:3-9.

to "Service Fee Accruals", "IT and Marketing Cross Charge" and "OPEX Allocation"; [7]

- Accrual of interest on certain intercompany loans - generating an intercompany accounts payable on the books of the borrower and an intercompany accounts receivable on the books of the lender;[8]
- Payments against intercompany notes payable or accrued intercompany interest payable, which reduced the intercompany assets on the books of the lender and the intercompany liabilities on the books of the borrower;[9]
- Transfers or sales of assets - creating an intercompany receivable from the transferee on the books of the transferor and an intercompany payable to the transferor on the books of the transferee for the value of the assets transferred;[10] and
- Occasional forgiveness of intercompany obligations - resulting in a reduction of the intercompany note or account payable on the books of the obligor and a reduction in the intercompany note or account receivable on the books of the beneficiary.[11]

IV. SUMMARY OF OPINIONS

10. My opinions are based on my review and analysis of the information and documents identified in the attached Exhibit 2.

11. The Debtors consistently treated intercompany obligations as valid liabilities. Those liabilities arose from accurately recorded transactions entered into in the normal course of business. The liabilities were included in the Debtors' financial statements, which were prepared in accordance with the Generally Accepted Accounting Principles ("GAAP"). Accordingly, the Debtors assessed the obligors' ability to satisfy these intercompany

[7] RCUCCJSN00012497-575, General ledger account # 2020100001, account name GMAC RESI Intercompany.
[8] *See, e.g.*, Westman Tr. at 156:12-157:2; Westman Ex. 26 (RCUCCJSN10692261) Dec. 1, 2012 Email from Barbara Westman.
[9] Westman Ex. 33 (RCJSNII10074531) Bill of Sale and Transfer Agreement.
[10] Westman Ex. 33 (RCJSNII10074531) Bill of Sale and Transfer Agreement.
[11] Westman Ex. 39 (RCUCCJSN00030215) Debt Forgiveness spreadsheet.

liabilities before determining whether they should be included in the reported financial statements.

12. I found no evidence suggesting that the transactions recorded that comprise the intercompany liabilities (i) were not accurately recorded in amount, (ii) were not recorded between the proper entities, (iii) were not recorded in the appropriate general ledger account, or (iv) not done in the normal course of business, for legitimate business purposes. Further, I found no evidence that, prior to the Petition Date, the Debtors viewed these intercompany liabilities as anything other than valid and collectible obligations. In fact, the Ally General Intercompany Accounting Policy states that: "The objective of this policy is to reduce the risk of inaccurate record keeping, unreliable financial information, misappropriation of assets, incorrect payments, and fraud, as well as to establish uniform standard for all Ally Business Units (Bus) and operations to facilitate an efficient consolidation process."[12]

V. BASIS FOR OPINIONS AND OBSERVATIONS

13. My review and analysis of the Debtors' external financial reports and internal records revealed that the Debtors' consistently treated and reported intercompany balances as either intercompany receivables, payables or borrowings in their internal accounting records and external financial reports. They also relied on these financial records for determining and certifying compliance with certain regulatory and licensing requirements. Such accounting and reporting is an indication that the ResCap entities expected the intercompany balances would be repaid, and/or that repayment could be demanded. For example, during the deposition of Barbara Westman, one of the Debtors' Corporate Representative, Ms. Westman

[12] RCJSNII10131859 at page 2 of 21.

testified about the validity and collectability of the $1.8 billion RFC intercompany receivable due from ResCap as of December 31, 2011: "[I]t was a valid receivable as there was an ability for that to be collected, if necessary."[13]

14. Specifically, the Debtors identified and reported intercompany balances as intercompany receivables, payables or borrowings in each of the following:

- Audited financial statements for certain ResCap subsidiaries that were provided to the Department of Housing and Urban Development ("HUD"), and made available to certain lenders through an Intralinks site[14];
- ResCap's Federal income tax returns;
- ResCap's SEC filings;
- Trial balances and general ledgers; and
- Internal memoranda regarding intercompany accounting and intercompany balances.

15. Based on my review and analysis of the general ledger data produced by the Debtors,[15] the intercompany transactions and their related descriptions that were recorded in the Debtors' general ledgers for the Nine Largest Petition Date Intercompany Balances are generally consistent with the information contained in the following Debtor prepared documents and the testimony of the Debtors' Corporate Representative (Westman):

- The Revised Disclosure Statement for the Joint Chapter 11 Plan Proposed by Residential Capital, LLC, et al. and the Official Committee of Unsecured Creditors (the "Revised Disclosure Statement"),[16] including Exhibit 6 (List of Seven Largest Intercompany Balances) attached to the Revised Disclosure Statement;

[13] Westman Tr. at 188: 9-11; *see also* Dondzila Ex. 8 (RCUCCJSN20080064).
[14] Westman Tr. at 165:7-9; 172:5-9.
[15] RCUCCJSN00012497-575.
[16] Docket No. 4733.

- The Schedules of Assets and Liabilities for the Debtors (the "Debtors' Schedules");[17]
- The April 4, 2013 presentation prepared by the Debtors, Morrison & Foerster LLP and FTI Consulting, Inc. relating to intercompany balances as of the Petition Date, including information related to the debt forgiveness transactions from 2008 through the Petition Date (the "Debtors' Intercompany Analysis");[18]
- Email attachment containing fifteen intercompany balances as of the Petition Date and descriptions related to certain of those balances (the "January 2013 Intercompany Analysis");[19] and
- The Debtors' Motion for Order Under Bankruptcy Code Sections 105(a), 345, 363, 364, and 503(b)(1) and Bankruptcy Rules 6003 and 6004 Authorizing (I) Continued Use of Cash Management Services and Practices…(the "First Day Cash Management Motion").[20]

16. Occasionally, intercompany debt was forgiven to allow an intercompany obligor to comply with regulatory and/or loan agreement net worth or solvency requirements applicable to various Debtors.[21] A September 2007 Board Presentation noted that "Rescap and its subsidiaries have approximately 40 debt facilities that contain financial covenants. Failure of covenants not desirable as in most cases would trigger cross defaults and/or potential cross acceleration on other facilities."[22] In many cases, the debt forgiveness was necessary to allow the Debtors to continue to operate their business. The Debtors' Corporate Representative

[17] Docket Nos. 548 through 597 and 649.
[18] RCUCCJSN11979453-63.
[19] RCUCCJSN30004106-11 and RCUCCJSN30004112-4, email thread starting on December 12, 2012 through January 17, 2013, including the attachment to the email thread.
[20] Docket No. 16.
[21] RCJSNII00025680 (Email from B. Westman, ResCap, to M. Renzi, FTI Consulting) ("[I]n order to maintain sufficient regulatory net worth to satisfy requirements, and to clean up balance sheets as part of entity minimization or sale activities, intercompany balances have been forgiven. In many cases, with the approval of the Ally Board of Directors. In most cases, but not all, the forgiveness has been treated as equity. In limited cases, where the forgiveness occurred with respect to collateralized borrowings, it may have been treated as income/expense.")
[22] EXAM10199064, at EXAM10199076.

(Hamzehpour), in testifying about a $2 billion forgiveness in 2008, described the result of a failure to provide such forgiveness as follows:

> Q. And if [RFC] had breached its financial covenants in March of 2008, would it have been able to continue to operate?
>
> MR. KERR: Objection. Asked and answered.
>
> A. It would have triggered a cross-default across all the company's credit facilities, putting in danger everyone's ability to operate.
>
> Q. And the forgiveness of the indebtedness in 2008 by Residential Capital at least alleviated the danger that you just testified to; correct?
>
> A. Correct.[23]

17. Intercompany debt forgiveness required approval of the ResCap CFO, Board of Directors, and/or Executive Committee,[24] and in some instances could be effectuated only after receiving the approval of the Ally Board of Directors.[25] These debt forgiveness transactions were generally effectuated by way of capital contributions. Significant capital contributions made to any direct or indirect Ally subsidiary required the advance approval of the Ally Board of Directors.[26]

18. The fact that the Debtors followed this formal process—requiring Board-level approvals for capital contributions—reinforces the notion that the Debtors regarded the underlying Intercompany Transactions as debt. If the underlying intercompany transactions were actually created by way of capital contributions or equity distributions, clearly such debt forgiveness would have been unnecessary. Moreover, if the intercompany transactions were actually equity transactions, effectuating them on a regular basis, in the ordinary course, without

[23] Hamzehpour Tr. at 23:10-23.
[24] RCUCCJSN10025065, Approval for the $2 billion ResCap/RFC debt forgiveness, RCJSNII10118386-8, Approval for $500 million GMACM/ResHolding debt forgiveness and RC40006523 at RC40006568-71, Approval for $2 billion GMACM/ResHolding debt forgiveness.
[25] Westman Tr. at 219:18-24; Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[26] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089; Westman Tr. 45:20-25, 46:2-5.

requesting or receiving CFO, Board or Executive Committee approval, would have violated the policies and procedures governing when a subsidiary was permitted to make capital contributions and equity distributions.

19. My experience related to companies' use of centralized cash management systems is consistent with how the Debtors used the Debtors' Cash Management System, including the creation of intercompany accounts receivable and intercompany accounts payable as a result of the movement of cash resulting from the Debtors' Cash Management System. In my experience, I have not seen equity transactions among affiliates flow through centralized cash management systems; instead, transactions flowing through centralized cash management systems generally result from ordinary course operating transactions and result in the creation of intercompany assets and liabilities.

20. Although this report focuses primarily on the 9 largest intercompany balances, I have no reason to believe that my analysis would not apply equally to the intercompany transactions representing the remaining $0.4 billion.

VI. THE DEBTORS' CASH MANAGEMENT SYSTEM

21. In the First Day Cash Management Motion, the Debtors explain that "the Cash Management System is an ordinary course, customary, and essential business system comprising a group of bank accounts and cash management practices. . . ."[27]

22. The Debtors also explain in the First Day Cash Management Motion that:

> In the normal operation of the Debtors' businesses, the Debtors maintain business relationships and undertake transactions with each other (the 'Intercompany Transactions'). As a result, there are numerous intercompany claims that reflect intercompany receivables and payments made to each other in the ordinary course of the Debtors businesses (the

[27] Docket No. 16, at ¶ 6.

> 'Intercompany Claims'). Debtors maintain records of all Intercompany Transactions and can ascertain, trace, and account for all Intercompany Claims.
>
> The Intercompany Transactions are ordinary course transactions that are integral to the Debtors' businesses and the function of their Cash Management System.[28]

23. The Debtors' assertion that, as of the Petition Date, the Intercompany Balances generally were a result of the Debtors' Cash Management System[29] is consistent with the information I have reviewed and analyzed in connection with preparing my report. I found no evidence suggesting that the Debtors' statement that the various intercompany payables and receivables were largely accumulated through tens of thousands of separate transactions over a period of years under pre-petition loan agreements for the benefit of other Debtors or by operation of the Debtors' Cash Management System[30] is inaccurate.

24. Based on my review of the information related to the Debtors' Cash Management System, including its bank account structure and funds transfer processes,[31] I believe the practices used by the Debtors to aggregate liquidity were somewhat less automated but generally consistent with my experience and understanding of how other companies use centralized cash management tools to process and record ordinary course operating transactions.

25. Based on my understanding of the Debtors' Cash Management System and the testimony of the Debtors' Corporate Representative (Westman),[32] it is reasonable to conclude that the Debtors' Nine Largest Petition Date Intercompany Balances primarily arose from either: a) ordinary course operating transactions that flowed through the Debtors' Cash

[28] *Id.* at ¶¶ 71-72.
[29] Docket No. 4733 at 38, the Revised Disclosure Statement.
[30] *Id.*
[31] PWC_001_1_00000154.
[32] *See generally*, Westman Tr. at 37:12-44:24.

Management System, b) other ordinary course business transactions such as overhead allocations and asset sales, and/or c) transactions related to a specific borrowing arrangement.[33] The Debtors' businesses did not require substantial capital expenditures and consequently, it is unlikely that balances arose from capital investments.[34]

26. My analysis of the intercompany balances indicates that the balances changed frequently and often materially in the years leading up to the Petition Date.[35] Debtors' Corporate Representative (Westman) testified that the intercompany balances changed monthly during the period 2008 through March 31, 2012.[36] For a number of the intercompany relationships discussed in this report, the "creditor" and the "debtor" in the intercompany relationship reversed over time.[37] This is not unusual with the normal operation of a cash management system, where operating subsidiaries both generate cash (creating a receivable) and use cash (creating a payable) in the ordinary course of their activities. In my opinion, this pattern is consistent with treating the intercompany balances as debt because the balances are typically incurred with an expectation that they will be repaid as business circumstances require. Indeed, that was the experience with respect to most of the intercompany balances examined in this report.

27. If the Debtors had intended the Intercompany Transactions to be equity contributions they would have recorded them as "additional paid-in capital" rather than as intercompany liabilities.[38] Indeed, the frequent movement of cash between an operating subsidiary and parent company, with both entities playing the roles of lender and borrower at

[33] RCJSNII10037951-3.
[34] Dondzila Tr. at 91:5-9.
[35] UCC18658, UCC17942 and RCJSNII10037951-3.
[36] Westman Tr. at 200:9-16.
[37] UCC18658 and UCC17942.
[38] Westman Tr. at 44:15-19.

various times, is not consistent with an equity investment. Equity investments in the parent-subsidiary context tend to be made by the parent to the operating subsidiary, typically to facilitate large capital expenditures and without recording an intercompany obligation. I have not seen any evidence that this type of activity generated the balances recorded in the intercompany accounts examined in this report.

VII. DEBTORS' INTERNAL AND EXTERNAL PRESENTATION OF INTERCOMPANIES BALANCES

28. The Debtors consistently recorded and reported intercompany balances as either intercompany receivables, payables or borrowings in their external financial reports and internal accounting records. Such reporting is another indication that the ResCap entities expected these intercompany balances to be repaid. Specifically, the Debtors clearly identified and reported intercompany balances as intercompany receivables, payables or borrowings in each of the following:

- Audited financial statements for certain ResCap subsidiaries that were provided to HUD, and made available to certain lenders through an Intralinks site;
- ResCap's Federal income tax returns;
- ResCap's SEC filings;
- Trial balances and general ledgers; and
- Internal memoranda regarding intercompany accounting and intercompany balances.

A. Audited Financial Statements of Certain ResCap Subsidiaries

29. The audited consolidated financial statements of certain ResCap subsidiaries, including GMACM, RFC and Homecomings Financial LLC ("Homecomings"), clearly identified and reported intercompany receivables and payables and borrowings in their respective balance sheets. This is discussed more fully in other sections of my report.

30. Further, GAAP require that the preparer of financial statements conclude that receivables reflected on the balance sheet are collectible. Here, the collectability of intercompany receivables was evaluated by both the preparer and the auditors and the receivable amounts were determined to be collectible.[39] Ms. Dondzilla testified that intercompany receivables were evaluated for valuation or potential impairment under GAAP and only reflected in the financial statements as receivables after an evaluation of whether the receivable needed to be impaired.[40]

B. Rescap's Federal Income Tax Returns

31. In its 2009, 2010 and 2011 federal income tax returns, ResCap reported intercompany payables within the "Other Liabilities" line 21 in Schedule L (Balance Sheet per Books) of Form 1120.[41]

32. In addition, the supporting schedule for Schedule L, Line 21 (Other Liabilities) indicates that there are Intercompany Payables and "Accounts Payable – Affiliates" that are recorded as liabilities on ResCap's balance sheet.[42]

33. Such reporting is an indicator that the ResCap entities believed these intercompany balances were accurate and properly recorded as liabilities.

C. Rescap's Securities & Exchange Commission Filings

34. ResCap regularly reported supplemental financial information that included separate parent and subsidiary balance sheet information to the Securities and Exchange

[39] Westman Tr. at 184:13-185:4 ("[T]here is a receivable from ResCap on its financial statements, and we had to evaluate that receivable for collectability as part of our year-end audit. . . . . The determination was, from a GAAP perspective, that that intercompany receivable could be reflected within the financial statements and it met the GAAP determination for collectability.")
[40] Dondzila Tr. at p. 61:23-62:6, 62:17-21.
[41] ALLY_0337039-127, ALLY_0337325-408 and ALLY_0336317-756.
[42] Ibid, at ALLY_0337329, ALLY_0337363, ALLY_0337044, ALLY_0337077, ALLY_0336322 and ALLY_0336585.

Commission. For example, in its Form 10Q/A for the quarterly period ended June 30, 2009, ResCap reported in excess of $5.5 billion of borrowings outstanding among ResCap and its subsidiaries as of June 30, 2009 in the liabilities section of its condensed consolidating balance sheet.[43]

35. ResCap similarly disclosed borrowings by its subsidiaries as liabilities in its SEC filings for the years ended December 31, 2007 and December 31, 2008 and for the quarterly periods ended March 31, 2008, June 30, 2008, September 30, 2008 and March 31, 2009. The table below sets forth a summary of this information.

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Borrowings from Parent ($, 000s)					
6/30/09	-	4,774,831	3,694,134	(5,537,796)	2,931,169
3/31/09	-	4,829,939	2,922,968	(5,342,982)	2,409,925
12/31/09	-	5,345,597	3,266,399	(5,948,675)	2,663,321
9/30/08	2,172,124	6,911,201	4,370,387	(10,183,129)	3,270,583
6/30/08	2,750,000	6,955,000	6,891,937	(11,896,937)	4,700,000

D. Rescap's Trial Balances and General Ledgers

36. The intercompany accounts in the Debtors' general ledgers are generally titled/named, "Note Receivable," "Intercompany," "Intercompany Receivable," "Intercompany Recvable," "Intercompany Rec," "Intercompany Payable/Recvable," "Interco LOC," "Interco Payable," "Intracompany payable – US Subs" and/or "A/P affiliates". The Debtors consistently

[43] Residential Capital, LLC Form 10-Q/A for the quarterly period ended June 30, 2009, filed on August 25, 2009, at p. 74.

treated and reported these intercompany account balances as either intercompany receivables, payables or borrowings in their trial balances.[44]

37. In my opinion, the internal tracking and public reporting of intercompany balances is a strong indicator that the ResCap entities regarded the transactions as valid debt transactions and expected that the intercompany balances would be repaid.

E. Internal Memorandum

38. An April 22, 2012 email between the Debtors' Controller, Cathy Dondzila, to the Debtors' financial advisor, FTI, titled "Intercompany Follow Up"[45] also reflects that the ResCap entities expected the intercompany balances to be repaid:

- "As the operating companies generate cash, through asset sales, borrowings, asset liquidations etc., this cash moves upstream to ResCap. This again creates the payable on the Parent and the receivable at the operating company."
- "Finally, in order to maintain sufficient regulatory net worth to satisfy requirements, and to clean up balance sheets as part of entity minimization or sale activities, intercompany balances have been forgiven. In many cases, with the approval of the Ally Board of Directors."
- "Explain intent for each balance - loan or equity? Was there an expectation of repayment? This is not a question accounting can answer. ***To the extent we have deemed a collateralized affiliate balance impaired we have impaired it through earnings. Otherwise we have concluded for GAAP financial statement purposes the balances were expected to be repaid."*** (emphasis added).
- "In standalone financial statements of the operating companies they are reported as affiliate receivables/payables/debt."

[44] *See, e.g.* EXAM00231095, EXAM00231097, EXAM00231098, EXAM00231100, EXAM00231101, EXAM00231103, EXAM00231104, EXAM00231105, EXAM00231106, EXAM00231107, EXAM00231108, EXAM00231109, EXAM00231110, EXAM00231111, and EXAM00231113.
[45] RCUCCJSN30023149-55, April 22, 2012 email from Cathy Dondzila (Ally) to Mark Renzi (FTI Consulting) and Barbara Westman (GMACM), including others from FTI Consulting on the cc line, re: Bounce – Intercompany Follow Up.

VIII. THE NINE LARGEST PETITION DATE INTERCOMPANY BALANCES

36. The Debtors have represented in the Debtors Schedules that they "have made every attempt to properly characterize, prioritize and classify all intercompany transaction(s)."[46] The Debtors' Corporate Representative (Westman) testified about the months of diligence she engaged in with the Debtors' lawyers and financial advisors to collect information regarding the intercompany balances, before they were scheduled. She testified that she was: "responsible for providing information that went into the[] schedules",[47] and that "when we provided information for the SOAL, [ ] we believed it was accurate to the best of our knowledge at the time."[48] She further specifically testified to the accuracy of the intercompany balances discussed herein.[49]

A. Intercompany Claim #1 – Residential Capital, LLC Claim against GMAC Residential Holding Company, LLC

i. Background

39. According to Exhibit 6 to the Revised Disclosure Statement, GMAC Residential Holding Company, LLC ("ResHolding") owes ResCap $3,333.9 million of intercompany liabilities (the "ResHolding-ResCap Petition Date Intercompany Balance").[50] The ResHolding Schedule F-1[51] and the ResCap Schedule B-18[52] reflect amounts owing by ResHolding to ResCap as follows:

[46] Docket No. 548, at p. 5 (Global Notes and Statement of Limitations, Methodology and Disclaimers regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs).
[47] Westman Tr. at 116:3-5.
[48] Westman Tr. at 112:13-15.
[49] Westman Tr. at 112:16-113:2; 116:6-10; 117:17-20; 119:2-11; 119:12-24; 120:5-6; 122:13-20; 122:21-123:2; 123:3-8.
[50] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[51] Creditors Holding Unsecured Claims - ResHolding Schedules of Assets and Liabilities, Docket #565, pages 41 and 42.
[52] Schedule of Other Liquidated Debts Owed to Debtor - ResCap Schedules of Assets and Liabilities, Docket #549, page 32.

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
1140500006	Note Receivable from RESI	GMAC Residential Holding Company, LLC	Residential Capital, LLC	$ 3,295.6
1140500007	Interest Rec from RFC/RESI	GMAC Residential Holding Company, LLC	Residential Capital, LLC	38.3
				$ 3,333.9

ii. Observations

40. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.[53] As the Debtors noted in Exhibit 6 to the Revised Disclosure Statement, this "[b]alance generally arose from transactions under an agreement between ResCap and ResHolding. ResHolding borrowed funds from ResCap and then distributed funds to GMACM for general operating purposes…"

41. The Debtors further noted that "[w]hile there was no fixed interest rate in the loan agreement, interest was paid regularly until the Petition Date".

42. The Debtors' disclosures appear consistent with what I observed in examining the general ledger data and other information produced by the Debtors.

43. In a March 20, 2012 memorandum from Barbara Westman discussing whether ResCap had the capacity to meet its intercompany obligations to RFC, Ms. Westman notes that "ResCap also maintains a $3.6 billion receivable from GMACM, and could move assets from GMACM to RFC to reduce both outstanding balances."[54]

44. According to the Debtors' Corporate Representative (Westman), interest accrued on this intercompany balance.[55]

[53] Westman Tr. at 123:3-8.
[54] RCUCCJSN20051022, RCUCCJSN20051023, GMAC ResCap internal memo prepared by Barbara Westman on 3/20/2012.
[55] Westman Tr. at 155:25-157:2.

45. According to Exhibit 6 to the Revised Disclosure Statement, "In 2009, $2.52 billion of debt owed by GMACM to ResHolding was forgiven so that GMACM could meet certain tangible net worth debt covenants. ResCap did not forgive any of ResHolding's debt at that time because ResHolding was not at risk of defaulting on its net worth requirements."[56] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $2.52 billion of debt owed by GMACM to ResHolding that was forgiven in 2009 was effectuated at GMACM by reducing its intercompany liability and increasing its member's equity. This forgiveness was effected through a formal process, including approval of the Executive Committee of the ResCap Board of Directors[57] and the Ally Board of Directors.[58] As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.[59]

46. There is other evidence in the record that suggests that the Debtors treated this intercompany payable as a bona fide liability. The Company's Controller, Cathy Dondzila, testified that the Intercompany receivable between ResHolding and RFC acted as a "line of credit" between ResCap and ResHolding (for the benefit of ResHolding's operating subsidiary GMACM).[60] Internal documents similarly characterized this intercompany balance as a "LOC where GMACM can borrow funds, or contribute funds, to ResCap as needed. This borrowing is funneled through its parent, [ResHolding]."[61]

[56] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[57] RCUCCJSN10025065, Approval for the $2 billion ResCap/RFC debt forgiveness, RCJSNII10118387-8, Approval for $500 million GMACM/ResHolding debt forgiveness and RC40006568-71, Approval for $2 billion GMACM/ResHolding debt forgiveness.
[58] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[59] *See* ¶ 18.
[60] Dondzila Tr. at 32:6.
[61] Dondzila Ex 2 (RCJSN20085254) at RCJSN20085255.

47. Similarly, this intercompany balance was used to facilitate other large intercompany transfers of value between GMACM and ResCap. For example, on April 22, 2011, GMACM, RFC, ResHolding, and ResCap executed a letter agreement regarding netting in connection with the sale of certain mortgage loans from GMACM to RFC, (the "Netting Agreement"). The Netting Agreement stated that "Pursuant to various intercompany loans, [ResHolding] owes amounts to [ResCap] in excess of the Purchase Price as of the date hereof."[62] Under the Netting Agreement, among other things, ResCap "fully and finally discharges [ResHolding] from its obligation to repay $171,323,565.91 to ResCap under the intercompany loans (and subtracts such amount from the total amount due by [ResHolding] to ResCap under the intercompany loans)."[63]

B. Intercompany Claim #2 – Residential Funding Company, LLC Claim against Residential Capital, LLC

i. Background

48. According to Exhibit 6 to the Revised Disclosure Statement, ResCap owes its direct subsidiary, RFC, $1,954.9 million (net) of intercompany liabilities (the "ResCap-RFC Petition Date Intercompany Balance"). The RFC Schedule F-1[64], the ResCap Schedule F-1[65], the RFC Schedule B-18[66] and the ResCap Schedule B-18[67] reflect net amounts owing by ResCap to RFC as follows:

[62] Westman Ex 33 (RCJSNII10074531) at RCJSN10074537.
[63] *Id*. at RCJSN10074538.
[64] Schedule of Other Liquidated Debts Owed to Debtor - RFC Schedules of Assets and Liabilities, Docket #548, page 115.
[65] Creditors Holding Unsecured Claims - ResCap Schedules of Assets and Liabilities, Docket #549, page 46.
[66] Schedule of Other Liquidated Debts Owed to Debtor - RFC Schedules of Assets and Liabilities, Docket #548, page 41.
[67] Schedule of Other Liquidated Debts Owed to Debtor - ResCap Schedules of Assets and Liabilities, Docket #549, page 32.

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	Residential Funding Company, LLC	Residential Capital, LLC	$ (0.1)
2020100002	ResCap Intercompany	Residential Capital, LLC	Residential Funding Company, LLC	1,955.0
				$ 1,954.9

ii. Observations

49. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.[68] As the Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement, this Balance generally arose out of operation of the company's centralized cash management system. As RFC generated cash, that cash would be swept to ResCap. This Balance changed frequently."[69]

50. Based on my review of RFC's independently audited financial statements for the years ended December 31, 2011 and 2010, RFC treated and recorded its intercompany balance due from ResCap as a fully collectible intercompany receivable. In fact, RFC clearly identified and reported $1.84 billion and $2.30 billion of receivables from its parent (ResCap) in the asset section of its balance sheet as of December 31, 2011 and December 31, 2010, respectively.[70]

51. ResCap's own contemporaneous internal accounting memo, dated March 20, 2012,[71] acknowledged that it was appropriate for RFC to record its intercompany balance due from ResCap as a fully collectible intercompany receivable as of December 31, 2011. A summary of this memo is presented below:

[68] Westman at 115:14-116:10.
[69] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[70] RCUCCJSN00007239-99, at 242 (p. 4).
[71] RCUCCJSN20051023, GMAC ResCap internal memo prepared by Barbara Westman on 3/20/2012.

- "This memo supports the appropriate accounting treatment for intercompany balances between RFC and ResCap. As of 12/31/11, RFC has an intercompany receivable balance from ResCap. This receivable is carried at its full value."
- "To best facilitate this process, ResCap centralizes cash balances, and does not hold cash within most of its operating units. As operating entities acquire cash, it is moved through intercompany transactions to ResCap. Likewise, as operating entities require cash, the cash is provided by ResCap to those entities."
- "Generally, assets presented in accordance with GAAP would be assessed for collectability. FASB Codification Subtopic 310-10-35-22 provides guidance on the impairment of receivables. A creditor is deemed impaired when it is probable that a creditor will be unable to pay all amounts due according to the contractual terms of the loan agreement."
- "If required, ResCap could support its payable to RFC through sales or other liquidations of its GMACM holdings. ResCap also maintains a $3.6 billion receivable from GMACM, and could move assets from GMACM to RFC to reduce both outstanding balances."
- "Due to these circumstances, management concludes that ResCap maintains the ability to support its intercompany obligations with RFC, and therefore, no impairment of this receivable is warranted for the RFC stand-alone financial statements."

52. The Debtors' Corporate Representative (Westman) testified that in April 2011 and again in March 2012, they considered whether the intercompany receivable from ResCap could remain on RFC's balance sheet. In both instances, after making a GAAP determination for collectability, i.e., considering whether the receivable could be collected, and conferring with their auditors Deloitte & Touche, the Debtors concluded that the receivable could remain on the balance sheet of RFC.[72]

[72] Westman Tr. 183:4-190:11.

53. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $2 billion of debt owed by RFC to ResCap was forgiven so that RFC could meet certain tangible net worth debt covenants."[73] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $2 billion of debt owed by RFC to ResCap that was forgiven in 2009 was effectuated at RFC by reducing its intercompany liability and increasing its member's equity. This forgiveness was effected through a formal process, including approval of the Executive Committee of the ResCap Board of Directors.[74] As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.[75]

54. There is other evidence in the record that suggests that the Debtors treated this intercompany payable as a bona fide liability. The Company's Controller, Cathy Dondzila, testified that the Intercompany receivable between ResCap and RFC acted as a "line of credit" between ResCap and RFC.[76]

55. Similarly, this intercompany balance was used to facilitate other large intercompany transfers of value between RFC and ResCap. As noted above, on April 22, 2011, GMACM, RFC, ResHolding, and ResCap executed a letter agreement regarding netting in connection with the sale of certain mortgage loans from GMACM to RFC, (the "Netting Agreement") that stated that "Pursuant to various intercompany loans, ResCap owes amounts to [RFC] in excess of the Purchase Price as of the date hereof."[77] Under the Netting Agreement, among other things, RFC "fully and finally discharges ResCap from its obligation to repay

[73] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[74] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[75] *See* ¶ 18.
[76] Dondzila Tr. at 31:13-32:11.
[77] Westman Ex 33 (RCJSNII10074531) at RCJSN10074537.

$171,323,565.91 to [RFC] under the intercompany loans (and subtracts such amount from the total amount due by ResCap to [RFC] under the intercompany loans)."[78]

C. Intercompany Claim #3 – Homecomings Financial, LLC Claim against Residential Funding Company, LLC

i. Background

56. According to Exhibit 6 to the Revised Disclosure Statement, RFC owes its direct subsidiary Homecomings $1,251.5 million of intercompany liabilities (the "RFC-Homecomings Petition Date Intercompany Balance"). The RFC Schedule F-1[79] and the Homecomings Schedule B-18[80] reflect amounts owing by RFC to Homecomings as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	Residential Funding Company, LLC	Homecomings Financial, LLC	$ 1,251.5

ii. Observations

57. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.[81] Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this "[b]alance generally arose out of operation of the company's centralized cash management system. Homecomings sold loans to RFC for securitization as part of normal business operations, subserviced loans, and generated other cash through operations that was swept up to RFC. The receivable balance

[78] *Id*. at RCJSN10074538.
[79] Creditors Holding Unsecured Claims - RFC Schedules of Assets and Liabilities, Docket #548, page 110.
[80] Schedule of Other Liquidated Debts Owed to Debtor - Homecomings Schedules of Assets and Liabilities, Docket #579, page 31.
[81] Westman Tr. at 117: 17-20.

consists largely of this, less payables to RFC for general overhead expenses. The balance changed frequently until 2008."

58. By 2008, all of the business activities of Homecomings "were sold, transferred, or discontinued and it no longer had any licensing requirements that required financial statements,[82] Nevertheless, Homecomings still maintained assets as it "was listed as the named servicer for a variety of different. . . private label securitizations and the cost, effort, and exercise of having that changed was prohibitive. . . ."[83]

59. The Debtors further noted that while Homecomings became largely dormant in 2008, it continued to have wind down activity that created cash that was swept up to RFC.

60. The Debtors also stated that interest was accrued but not settled in cash on the intercompany balance (this amount was included in the intercompany balance).[84]

61. The information appears consistent with what I observed in examining the general ledger data produced by the Debtors.

62. By virtue of the Debtors' Cash Management System, cash was routinely swept up from Homecomings to RFC, creating an intercompany payable owed to Homecomings. Homecomings clearly identified and reported intercompany receivable balances as affiliate receivables (net), in its independently audited financial statements. For example:

- Homecomings reported $1.05 billion of affiliate receivables, net, as of December 31, 2008 in the assets section of its balance sheet.[85]

[82] Dondzila Tr. at 14:13-16.
[83] Dondzila Tr. at 15: 10-15.
[84] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[85] EXAM00122166-94 at 68 (p. 2)

- Homecomings stated that "affiliate receivables are comprised of amounts due for servicing advances transferred at carrying value, fees charged for subservicing activities, and mortgage loans sold to affiliates of the Company. These receivables are recorded at their net realizable value."[86]

63. Indeed, it is apparent from the contemporaneous financial statements prepared by Homecomings that Homecomings expected its intercompany receivable balance due from RFC to be repaid.

64. The Debtors also observed that interest was accrued but not settled in cash. The audited financial statements prepared by Homecomings clearly reports that the interest income, like the principal, was recorded on the books and records of Homecomings. For example, the Homecomings December 31, 2008 audited financial statements states as follows:

> "[Homecomings] is charged or credited interest by RFC for the net affiliate receivable/payable balance outstanding each month at a rate that represents RFC's borrowing rate. At December 31, 2008, $1,051,047 [$ is thousands] net receivable was outstanding at an interest rate of 8.9%. The net interest credited and included in the consolidated statement of operations for the year ended December 31, 2008 is $45,125 [$ in thousands]."[87]

65. Debtors have identified a loan agreement that relates to the intercompany relationship between Homecomings and RFC, although the lender-borrower relationship appears to have reversed.[88] The Debtors' Corporate Representative (Westman) testified that neither she, nor anyone within the Company, knew the particulars about this agreement, including whether it would apply to the current Intercompany Balance. The Debtors' Corporate Representative

[86] EXAM00122166-94 at 76 (p. 10)
[87] *Ibid*, at p. 25.
[88] *See* Westman Ex. 20, Amended and Restated Intercompany Advance Agreement between Homecomings and RFC.

(Westman) noted that interest accrued on this balance at the same rate provided for in the agreement identified.[89]

D. Intercompany Claim #4 – Passive Asset Transactions, LLC Claim against GMAC Mortgage, LLC

i. Background

66. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes its direct subsidiary, Passive Asset Transaction, LLC ("PATI") $697.0 million.[90] The GMACM Schedule F-1[91] and the PATI Schedule B-18[92] reflect amounts owing by GMACM to PATI as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000195	Interco Payable (001 / 095)	GMAC Mortgage, LLC	Passive Asset Transactions, LLC	$ 689.2
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	Passive Asset Transactions, LLC	7.8
				$ 697.0

ii. Observations

67. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.[93] The Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this "[b]alance generally arose out of operation of the company's centralized cash management system. Majority of balance reflects cash collected by PATI from non-Debtor entities (Flume and GX II)

[89] Westman Tr. 143:19-144:3; 153:7-155:16.
[90] Docket No. 4733, Disclosure Statement, Exhibit 6.
[91] Creditors Holding Unsecured Claims - GMACM Schedules of Assets and Liabilities, Docket #550, page 779.
[92] Schedule of Other Liquidated Debts Owed to Debtor - PATI Schedules of Assets and Liabilities, Docket #582, page 32.
[93] Westman Tr. at 120:5-6.

that were swept to GMACM and then to ResCap."[94] As the Debtors' Corporate Representative (Westman) explained, "Passive Asset Transactions was a holder of international notes and it would receive cash as a holder of those international notes in receipt of that cash through the cash management process, it would have pushed that cash up to its parent, GMAC Mortgage."[95]

68. The information is consistent with what I observed in examining the general ledger data and other information produced by the Debtors.

69. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $44 million of debt owed by PATI to GMACM was forgiven so that PATI could meet certain tangible net worth debt covenants."[96] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $44 million of debt owed by PATI to GMACM that was forgiven in 2008 was effectuated at PATI by reducing its intercompany liability and increasing its member's equity. The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received the appropriate approvals as required by a particular transaction.[97] Thus, it is my understanding that the ResCap CFO approved this debt forgiveness in accordance with the RFC/GMACM Debt Forgiveness Procedures.[98] As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.[99]

[94] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[95] Westman 205:24-206:10.
[96] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[97] Westman Tr. at 219:25-220:6.
[98] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089-90.
[99] *See* ¶ 18.

E. Intercompany Claim #5 – Executive Trustee Services, LLC Claim against GMAC Mortgage, LLC

i. Background

70. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes its direct subsidiary, ETS, $265.4 million (net). The GMACM Schedule F-1[100], the ETS Schedule F-1[101], the GMACM Schedule B-18[102] and the ETS Schedule B-18[103] reflect net amounts owing by GMACM to ETS as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
20412001	Intercompany Payable/Recvable	Executive Trustee Services, LLC	GMAC Mortgage, LLC	$ (10.9)
2041200001	Intracompany payable - US Subs	Executive Trustee Services, LLC	GMAC Mortgage, LLC	(0.2)
24008888	Interco Payable Self Elim	Executive Trustee Services, LLC	GMAC Mortgage, LLC	(0.0)
24000102	A/P Affiliates - 001 / 002	GMAC Mortgage, LLC	Executive Trustee Services, LLC	276.5
				$ 265.4

ii. Observations

71. The Debtors' Corporate Representative (Westman) testified that the balances above were accurately reported as intercompany receivables and intercompany payables.[104] Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this:

- "Balance generally arose out of operation of the company's centralized cash management system. Revenue received by ETS (as foreclosure trustee) was swept to

[100] Creditors Holding Unsecured Claims - GMACM Schedules of Assets and Liabilities, Docket #550, page 760.
[101] Creditors Holding Unsecured Claims - ETS Schedules of Assets and Liabilities, Docket #561, page 44.
[102] Schedule of Other Liquidated Debts Owed to Debtor - GMACM Schedules of Assets and Liabilities, Docket #550, page 42.
[103] Schedule of Other Liquidated Debts Owed to Debtor - ETS Schedules of Assets and Liabilities, Docket #561, page 31.
[104] Westman Tr. at 119:2-120:6.

GMACM. GMACM, in turn, satisfied ETS's cash needs. Intercompany balances were created to record impact to ETS, but no cash settlements occurred."

- ETS is composed of a group of companies whose principal business activities, for which they received revenue, "were attempts at recovery against losses that were incurred for liquidated loans. So attempting to collect from borrowers any amounts that had been lost through other avenues, and also providing Trustee Services around the foreclosure process. . . ."[105] Cash was generated by ETS's business activities.[106]
- Interest was accrued but not paid on the intercompany balance (this amount has been included in the intercompany balance)."[107]

72. As noted above, the Intercompany Balances created through the ordinary course activities of an operating subsidiary are generally recorded as debt. In this instance, ETS performed services and received cash in consideration for those services. The cash was swept up to GMACM as part of the cash management process and, in return for its cash, ETS recorded a receivable from GMACM.[108] As described above, this accounting is consistent with recording the receivable as debt and inconsistent with an equity transaction.[109]

[105] Dondzila Tr. at 36:25-37:7.
[106] *Id*. at 99:17-23.
[107] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[108] *See* Westman Tr. at 103:4-104:18, Westman Ex. 7 (RCUCCJSN20064737) at RCUCCJSN20064744-45.
[109] *See* ¶ 18 (ordinary course intercompany transactions are more consistent with debt because effecting equity transactions in the ordinary course would violate policies and procedures) and ¶ 27 (subsidiaries do not typically make equity investments in their parents).

F. Intercompany Claim #6 – Residential Funding Company, LLC Claim against RFC Asset Holdings II, LLC

i. Background

73. According to Exhibit 6 to the Revised Disclosure Statement, RFC Asset Holdings II, LLC ("RAHI") owes its direct parent, RFC $231.9 million. The RAHI Schedule F-1[110] and the RFC Schedule B-18[111] reflect amounts owing by RAHI to RFC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2041200001	Intracompany payable - US Subs	RFC Asset Holdings II, LLC	Residential Funding Company, LLC	$ 231.9

ii. Observations

74. The Debtors' Corporate Representative (Westman) testified that the balance above was accurately reported as intercompany receivables and intercompany payables.[112] Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that this"[b]alance generally arose out of operation of the company's centralized cash management system. RAHI owned a portfolio of non-economic residuals that generated excess inclusion income that resulted in current taxes payable. Balance primarily attributable to settlement of taxes under the tax sharing agreement." As Ms. Westman explained, this balance reflected monies used for accounts payable and interest expense.[113]

[110] Creditors Holding Unsecured Claims - RAHI Schedules of Assets and Liabilities, Docket #586, page 44.
[111] Schedule of Other Liquidated Debts Owed to Debtor - RFC Schedules of Assets and Liabilities, Docket #548, page 41.
[112] Westman at 112:16-113:2.
[113] *Ibid*, at 207.

75. The Debtors further stated that, "Interest was accrued but not paid on the intercompany balance (this amount has been included in the intercompany balance)."[114] This was confirmed by the Debtors' Corporate Representative who testified that interest accrued on this account but was not cash-settled.[115]

76. According to Exhibit 6 to the Revised Disclosure Statement, "In 2008, $1.2 billion of debt owed by RAHI to RFC was forgiven so that RAHI could meet certain tangible net worth debt covenants."[116] Based on my review of the Intercompany Transactions that the Debtors extracted from their general ledgers, the $1.2 billion of debt owed by RAHI to RFC that was forgiven in 2008 was effectuated at RAHI by reducing its intercompany liability and increasing its member's equity. The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received the appropriate approvals as required by a particular transaction.[117] Thus, it is my understanding that the Ally Board of Directors approved this debt forgiveness in accordance with the RFC/GMACM Debt Forgiveness Procedures.[118] As described above, if the intercompany payable did not reflect a bona fide liability, such forgiveness of the debt would have been unnecessary.[119]

[114] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[115] Westman Tr. at 160:2-9.
[116] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.
[117] Westman Tr. 219:25-220:6.
[118] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[119] *See* ¶ 18.

G. Intercompany Claim #7 – Residential Funding Company, LLC Claim against GMAC Mortgage, LLC

i. Background

77. According to Exhibit 6 to the Revised Disclosure Statement, GMACM owes an affiliate, RFC $139.7 million. The GMACM Schedule F-1[120] and the RFC Schedule B-18[121] reflect amounts owing by GMACM to RFC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
2020100001	GMAC RESI Intercompany	GMAC Mortgage, LLC	Residential Funding Company, LLC	$ 133.7
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	Residential Funding Company, LLC	6.0
				$ 139.7

ii. Observations

78. The Debtors disclosed in Exhibit 6 to the Revised Disclosure Statement that the "[m]ajority of balance consists of: (i) amounts recorded in connection with AFI billings for shared services (e.g. payroll, outside counsel) – RFC routinely remitted payment to AFI for services and RFC then charged GMACM for its portion; and (ii) service fee income received by GMACM as subservicer relating to RFC MSR."[122]

79. Cathy Dondzila, the former Controller for ResCap, explained with respect to the shared services balance that "Ally Financial allocated costs. Those allocations and charges related to those allocations were recorded initially to [RFC], and then the appropriate portion

[120] Creditors Holding Unsecured Claims - GMACM Schedules of Assets and Liabilities, Docket #5550, page 783.
[121] Schedule of Other Liquidated Debts Owed to Debtor - RFC Schedules of Assets and Liabilities, Docket #548, page 41.
[122] Docket No. 4733, Revised Disclosure Statement, Exhibit 6.

would then be moved from [RFC] down to GMAC Mortgage."[123] Ms. Dondzila then explained that GMAC Mortgage and RFC were actually "sister" companies and that she did not know why Ally did not just allocate its costs directly to GMACM.[124]

80. The fact that the Intercompany Balance was between two sister companies (rather than a parent making an investment in a wholly-owned subsidiary) is also reflective of an intent to treat this balance as debt. I would not expect an equity investment between sister companies to be reflected on a company's book and records as an intercompany receivable. Indeed, the sister company would receive none of the customary benefits attributable to an equity investment in connection with this type of transaction.

81. GMACM clearly identified and reported intercompany balances as "Other Liabilities – Payables" to RFC in its independently audited financial statements. For example, GMACM reported $69.79 million of payables owed to RFC as of December 31, 2011. (*See* EXAM00234281 at 316 (p. 36)).[125] It is apparent from these contemporaneous financial statements that GMACM expected to repay its intercompany payable due to RFC since it specifically reported those amounts as debts in its financial statements.

H. Intercompany Claim #8 – Home Connect Lending Services, LLC Claim against GMAC Residential Holding Company, LLC

i. Background

82. According to the January 2013 Intercompany Analysis,[126] ResHolding owes Home Connects Lending Services, LLC $54.6 million. The ResHolding Schedule F-1[127]

[123] Tr. of Cathy Dondzila at 42-43.
[124] *Id*. at 43.
[125] EXAM0234281-349, at 345 (p.65).
[126] RCUCCJSN30004106-11 and RCUCCJSN30004112-4, email thread starting on December 12, 2012 through January 17, 2013, including the attachment to the email thread.
[127] Creditors Holding Unsecured Claims - ResHolding Schedules of Assets and Liabilities, Docket #565, page 41.

and the Home Connects Lending Services, LLC Schedule B-18 [128] reflect amounts owing by GMACM to Home Connects Lending Services, LLC as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000267	Intercompany Payable (033/067)	GMAC Residential Holding Company, LLC	Home Connects Lending Services, LLC	$ 54.6

ii. Observations

83. The Debtors' Corporate Representative (Westman) testified that the balance above was accurately reported as intercompany receivables and intercompany payables.[129] According to Exhibit 6 to the January 2013 Intercompany Analysis, "[t]he balances at October 31, 2012 have not changed significantly since December 2008. The balances resulted from intercompany clean up to the closure of HCLS, LLC (SS097) and related entities."[130] The Debtors' Corporate Representative testified that this intercompany balance also reflected, in part, the movement of cash through the cash management system.[131]

84. The information is consistent with what I observed in examining the general ledger data and other information produced by the Debtors, and the testimony of the Debtors' witnesses and Corporate Representatives that have proceeded to date.

[128] Schedule of Other Liquidated Debts Owed to Debtor - Home Connects Lending Services, LLC Schedules of Assets and Liabilities, Docket #575, page 23.
[129] Westman Tr. at 122:21-123:2.
[130] RCUCCJSN30004106-11 and RCUCCJSN30004112-4, email thread starting on December 12, 2012 through January 17, 2013, including the attachment to the email thread.
[131] Westman Tr. at 76:8-79:23.

I. Intercompany Claim #9 – GMAC Residential Holding Company, LLC Claim against GMAC Mortgage, LLC

i. Background

85. According to the January 2013 Intercompany Analysis,[132] GMACM owes ResHolding $51.4 million (net). The GMACM Schedule F-1[133], the ResHolding Schedule F-1[134], the GMACM Schedule B-18[135] and the ResHolding Schedule B-18[136] reflect net amounts owing by GMACM to ResHolding as follows:

($ in Millions)

Account # (per Stmt of Assets)	Account Name (per General Ledger)	Accounts Payable Entity	Accounts Receivable Entity	Petition Date Intercompany Balance
24000033	Interest Rec/Pay (001/033)	GMAC Mortgage, LLC	GMAC Residential Holding Company, LLC	$ 108.0
20412001	Intercompany Payable/Recvable	GMAC Mortgage, LLC	GMAC Residential Holding Company, LLC	1.5
24000233	Interco LOC (001/033)	GMAC Residential Holding Company, LLC	GMAC Mortgage, LLC	(58.2)
				$ 51.4

ii. Observations

86. The Debtors' Corporate Representative (Westman) testified that the above balances were accurately reported as intercompany receivables and intercompany payables.[137]

87. Debtors disclosed in Exhibit 6 to the January 2013 Intercompany Analysis that "The balance at October 31, 2102 represents borrowings under an unsecured credit facility between GMAC Mortgage and its parent, RHC. This agreement was originally entered into in December 1998. The monthly activity represents the borrowings for the general

[132] RCUCCJSN30004106-11 and RCUCCJSN30004112-4, email thread starting on December 12, 2012 through January 17, 2013, including the attachment to the email thread.
[133] Creditors Holding Unsecured Claims - GMACM Schedules of Assets and Liabilities, Docket #550, page 763
[134] Creditors Holding Unsecured Claims - ResHolding Schedules of Assets and Liabilities, Docket #565, page 41.
[135] Schedule of Other Liquidated Debts Owed to Debtor - GMACM Schedules of Assets and Liabilities, Docket #550, page 42.
[136] Schedule of Other Liquidated Debts Owed to Debtor - ResHolding Schedules of Assets and Liabilities, Docket #565, page 23.
[137] Westman Tr. at 119:12-24; 122:13-20.

operating needs of GMAC Mortgage. Repayments on these borrowings were made on a recurring basis until the petition date." The Debtors' Corporate Representative (Westman) testified that this intercompany balance also reflected, in part, the movement of cash through the cash management system.[138]

88. The Debtors further stated that "[t]he interest rate under this agreement fluctuates monthly and is a stated margin, agreed between the Company and RHC, which is generally between 100 and 300 basis points above a quoted short-term market rate. Interest was accrued on a monthly basis until the petition date. The credit facility is payable upon demand."[139]

89. GMACM clearly identified and reported intercompany balances, including the Intercompany Balance between GMACM and ResHolding as receivables from affiliates or borrowings from parent (ResHolding) in its independently audited financial statements. For example, GMACM reported $515.89 million and $358.71 million of borrowings from parent (ResHolding) as of December 31, 2010 and 2009, respectively.[140]

90. It is apparent from the contemporaneous financial statements prepared by GMACM that GMACM expected to repay its intercompany payable due to ResHolding since it specifically reported those amounts as debts.

91. The Debtors also observed that interest was accrued on these borrowings.[141] The audited financial statements prepared by GMACM clearly reports that the interest expense, like the principal, was recorded on the books and records of GMACM. For

[138] Westman Tr. 79:12-18.
[139] RCUCCJSN30004106-11 and RCUCCJSN30004112-4, email thread starting on December 12, 2012 through January 17, 2013, including the attachment to the email thread.
[140] EXAM00234350-412 at 353 (p. 4).
[141] *See also* Westman Tr. at 159:18-25.

example, GMACM reported $15.54 million and $30.15 million of interest expense on borrowings from parent (ResHolding) for the years ended December 31, 2010 and December 31, 2009, respectively.[142]

IX. DEBT FORGIVENESS AMONG RESCAP ENTITIES AND APPROVALS RECEIVED FROM ALLY'S BOARD OF DIRECTORS

92. According to Article II, Section K of the Revised Disclosure Statement: "On numerous occasions, where the existence of an intercompany payable on a Debtor's balance sheet threatened the solvency and net worth thresholds required under external funding agreements, or by federal or state regulations, the putative debt obligations were forgiven. Additionally, putative debt obligations were forgiven among the Debtors and certain non-Debtor subsidiaries in connection with the Debtors' international transactions and the dissolution of entities. Approximately $16.6 billion of debt was forgiven without consideration from 2007 through the Petition Date."

93. The Debtors have noted the fact that the debt forgiveness was effectuated through a capital contribution (i.e., through the equity account). However, Cathy Dondzilla, the Debtors' former Controller, testified that the Debtors did so only because they had concluded that GAAP required that intercompany indebtedness be written off in this manner.[143] Internal communications reflect that the Debtors were relying upon AICPA Practice Alert 00-1 (Extinguishment of related Party Debt) ¶¶ 27-28[144] in arriving at their determination to use the equity account to effectuate the debt forgiveness.

[142] *Ibid*, at 410 (p. 61).
[143] Dondzila Tr. at 84:13-86:6.
[144] RCJSNII10041531 at RCJSNII10041532.

94. The forgiveness of intercompany debt required various levels of approval depending upon the amount forgiven. As the Debtors' Corporate Representative (Westman) explained, "[g]enerally, it would be determined that a particular debt was a balance that we would look to forgive to solve a certain net worth issue, et cetera. That balance would be identified and documentation would be put together in a request form. That would -- that request would go through Cathy, generally, and would be provided to the CFO or on up to board of directors or Executive Committee, depending on where it - where it needed to go for the particular balance and dollar amount, and it would be presented for recommendation and approval.[145] To the knowledge of the Debtors' Corporate Representative: "all debt forgiveness received the appropriate approvals as required by the particular transaction."[146] This review and approval process is set forth in detail in a document prepared by Ms. Westman in 2010.[147]

95. The ResCap Debt Forgiveness Schedule by Legal Entity (the "Debt Forgiveness Schedule")[148] identifies approximately $16.6 billion of debt forgiveness between 2008 and 2012. Of this amount, approximately $7.9 billion, $4.1 billion, $1.9 billion, $2.3 billion and $0.4 billion was forgiven in 2008, 2009, 2010, 2011 and 2012 respectively. This schedule does not appear to specifically enumerate the $44 million in debt owed to GMACM by PATI that was forgiven in 2008 (See Section VII. D. to this report).

96. The Debt Forgiveness Schedule identifies the specific "debt forgiveness":

- $2.151 billion owed by ResFunding to ResCap was forgiven between 2008 ($2.0 billion) and 2009 ($0.151 billion). The ResCap Executive Committee approved the forgiveness of the $2.0 billion on March 26, 2008 (RCUCCJSN10025065).

[145] Westman Tr. at 219:12-24.
[146] *Ibid*, at p. 220.
[147] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[148] RCUCCJSN11270924.

- $2.52 billion owed by GMACM to GMAC Residential Holding Co, LLC was forgiven in 2009. The ResCap Executive Committee approved the forgiveness of $0.5 billion on June 3, 2009 (RCJSNII10118387-8) and $2 billion on June 25, 2009 (RC40006569 – 70).

- $1.228 billion owed by RHAI to ResFunding was forgiven in 2008.

- The majority of the remaining forgiveness ($10.69 billion) relates to approximately 50 entities; consisting of foreign affiliates, special purpose entities and entities that were dissolved or sold.

- This schedule does not appear to include the $44 million in debt owed to GMACM by PATI that was forgiven in 2008 (See Section VII. D. to this report).

97. Concerning the first two items above, analysis of entries in Debtors' general ledgers shows that the "debt forgiveness" transactions were recorded as "capital injections . . . . In the form of forgiveness of debt"[149] or debt for equity exchanges. The entries recorded on the books of the obligor were:

- Debit: Intercompany Payable – reducing the amount of the obligation by the "forgiven" amount.
- Credit: Additional Paid in Capital (a component of the equity section of a company's balance sheet) – increasing equity by the "forgiven" amount.

98. It should be noted that a description field in the Debtors' general ledgers for the entries reflecting these "forgiveness" transactions identifies the transactions as "Debt Forgiveness." Regardless of whether such a transaction is recorded as a forgiveness or a capital infusion, the impact on the obligor's balance sheet is essentially identical:

- Intercompany debt is reduced by the amount of the "forgiveness."
- The obligor's equity is increased by the amount of the "forgiveness."

[149] RCUCCJSN30002765.

99. Releasing intercompany obligors from amounts owing required approval of ResCap's Chief Executive Officer, Board of Directors and/or Executive Committee. Debt forgiveness in amounts greater than $50 million also required the approval of the Ally Board of Directors.[150] The Debtors' Corporate Representative (Westman) testified that all debt forgiveness received appropriate approvals as required by a particular transaction.[151] The formal process described and carefully followed for each such transaction is further evidence that the transactions that resulted in the intercompany balances were considered debt transactions, not equity investments or distributions, when they were completed. As Ms. Westman testified, generating intercompany receivables or payables happened in the normal course of business and did not require Board approval. In contrast, "a capital contribution or a dividend would have been something that had to be declared by the board of those entities and would have been a specific type of transaction."[152]

100. The Debtors focused on both the interests of the "lender" and the "borrower" entity in connection with the debt forgiveness process. Ms. Hamzehpour testified that the entity forgiving intercompany debt would have had no desire to forgive more than the amount required to meet net worth or solvency requirements.[153] This suggests that the ResCap entities only exchanged debt for equity when it was absolutely necessary to do so in order to continue normal operations and avoid defaults under debt agreements. As articulated in a contemporaneous communication from Ms. Hamzehpour (in which she articulates the interests of the "lender" being asked to forgive the "debt"): "It is not in ResCap's or the Group's best

[150] EXAM10362089
[151] Hamzehpour Ex. 1 (EXAM10362088) at EXAM10362089.
[152] Westman Tr. 45:25-46:5.
[153] Hamzehpour Tr. at 31:13-16.

interest to release debt in excess of the amount needed to meet the above goals and, for this reason, the GMAC Inc. Board Resolutions authorizing debt forgiveness for certain ResCap subsidiaries referred to releases 'up to' a maximum amount."[154]

101. As set forth in paragraphs 16-18 of my report, the debt forgiveness process was formal and, according to the Debtors' Corporate Representative (Hamzepour), enabled the Debtors to continue operating from 2008 on.[155] Complying with the various tangible net worth requirements imposed on the Debtors by liquidity providers, state and federal regulators, and the GSE's were all, to varying degrees, critical to the continued operations of the Debtors. In that way, the debt forgiveness (which facilitated compliance with those tangible net worth requirements) provided value to both the obligor and obligee of the debt being forgiven.

102. In my opinion, there is nothing about the debt forgiveness process that would suggest to me that the Debtors intended to treat the Intercompany Balances as anything other than debt.

X. SIGNATURE AND RIGHT TO SUPPLEMENT AND/OR MODIFY

103. I reserve the right to supplement and/or modify my report based on the production of and/or access to additional information or any other information or data, including additional deposition testimony, that was not available to me prior to the issuance my report.

104. This report has been prepared for use in these subject legal proceedings and may not be used or relied upon for any other purpose without the express written consent of Zolfo Cooper.

[154] Hamzehpour Ex. 6 (EXAM11148024); *see also* Hamzehpour Tr. 30:15-32:10.
[155] Hamzehpour Ex. 6; Hamzehpour Tr. at 20:25-24:16.

XI. INDEX OF EXHIBITS

1. Curriculum Vitae of Robert S. Bingham
2. Documents Considered

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Robert S. Bingham

October 18, 2013

DRAFT

ZOLFO COOPER

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

I am a Senior Director with Zolfo Cooper LLC. I have 35 years of experience in a variety of auditing, financial and accounting management and consulting positions, including over 15,000 hours as an officer or advisor to companies either in preparing to file bankruptcy, in bankruptcy or recently emerged from bankruptcy. I have been an officer and/or advisor and confirmation hearing witness on several large bankruptcies involving multiple affiliated entities with large claims among the entities. I am a Certified Insolvency and Restructuring Advisor.

Representative Experience – Bankruptcies

- Enron Corp. – Associate Director of Restructuring; Interim Chief Financial Officer and Treasurer; 2002 through 2006

  The Enron group included in excess of 2,000 entities and in excess of 26,000 intercompany accounts with pre-petition balances amounting to multiple tens of billions of dollars. My primary responsibilities included plan of reorganization development, claims classification, including evaluation and treatment of intercompany claims, plan explanation and negotiation with various constituencies, resolution of certain claims and supervision of treasury, insurance and tax departments. Additionally, I served as a member of the board of directors and chairman of the audit committee for Portland General Electric, an Enron subsidiary with public reporting requirements. At the confirmation hearing, I testified concerning specific asset dispositions and claims settlements related to the recovery model, treatment of claims, including intercompany claims, the mechanics of a very complicated plan of reorganization and best interest test. I testified at the final status conference concerning plan implementation and distribution status.

- The Loewen Group Inc. – Financial Advisor to the Company, 2000 and 2001

  The Loewen Group Inc. was a holding company whose subsidiaries operated funeral homes throughout the United States and Canada. There were in excess of 1,500 legal entities in the group; over 800 of which filed for bankruptcy protection in the United States. Total intercompany claims amounted to several billion dollars. My responsibilities included plan development, recovery model preparation (including analysis and classification of intercompany claims). I testified at the confirmation hearing concerning the mechanics of a very complicated plan of reorganization, creditor recoveries under the plan at various debtors, intercompany claim treatment and best interest test.

ZOLFO COOPER

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

- Prime Motor Inns, Inc. – Co-Chief Financial Officer, 1990 through 1993

  Prime Motor Inns, Inc. was the holding company for a group of hotel-owning subsidiaries. My responsibilities included plan development, recovery model preparation, claims reconciliation (each of which involved analysis of the treatment of intercompany claims) and supervision of the treasury, budget, insurance and tax departments. I testified concerning certain assets sales and specific claims resolutions.

Expert Report

- In August 2011, I issued an expert report in an adversarial proceeding (Adv. Pro. No. 2:10-CV-198-MHT) related to the Colonial Bancgroup, Inc. chapter 11 bankruptcy for the Middle District of Alabama Case No. 2:10-cv-00409-MHT-WC (Bankr. Case No. 09-32303 (DHW)). My opinions and observations expressed in this report related to the treatment of intercompany transactions pursuant to a corporate tax sharing agreement.

Additional Experience – Bankruptcies and Public Accounting

- In addition to the above referenced bankruptcies, I have provided financial advisory services in bankruptcy matters including New Stream, New York Racing Association, Blue Bird, Sunbeam Corporation, and the Washington Group. I began my career in public accounting, serving as an auditor with Ernst & Young for 9 years.

Education & Certifications

- B.S. in mathematics from Trinity College, Hartford, Ct.
- M.B.A. from the Amos Tuck School at Dartmouth College
- Certified Insolvency and Restructuring Advisor (CIRA) program
- Numerous continuing education programs from 1976 forward to maintain CPA (now Inactive) and CIRA credentials

Professional Affiliations, Activities & Awards

- Member, Association of Insolvency & Restructuring Advisors; Board member for more than 6 years (AIRA)
- 2002 Gold Medal winner on CIRA Exam
- Frequent panelist at AIRA Annual Conference on topical issues, e.g., *Treatment of Intercompany Claims*, 2011; *Ethics for Financial Advisors*, 2009, 2008

EXHIBIT 1

Curriculum Vitae of Robert S. Bingham, CIRA

Teaching Experience

- CIRA course Part II (Bankruptcy Plan Development): 2009, 2010 and 2011
- CIRA course Part III (Bankruptcy Accounting and Reporting Issues and Taxes): 2009 and 2010.

Bates # / File Name	Docket #	Document Description	Category
001-EXAM00220919			Other
002-EXAM00220938			Other
003-EXAM00220948			Other
004-EXAM00220949		Timeline of key events 2007 to 2012; including notes on debt forgiveness	Bankruptcy Filings & Background Information
005-EXAM00220955		Debt Forgiveness by Asset Silo	Internal & External Financial Statements
006-EXAM00220956			Other
007-EXAM00221011			Other
008-EXAM00221012			Other
009-EXAM00221053			Other
010-EXAM00221452			Other
011-EXAM00221453			Other
012-EXAM00221454			Other
013-EXAM00221458		A/P file includes Intercompany Partner RC item	Internal & External Financial Statements
014-EXAM00221459			Other
015-EXAM00221460			Other
016-EXAM00221475			Other
017-EXAM00221485			Other
018-EXAM00221497			Other
019-EXAM00221498			Other
020-EXAM00221499			Other
021-EXAM00221509			Other
022-EXAM00221518		Settlement Credit Model, reference forgiveness	Internal & External Financial Statements
023-EXAM00221519			Other
024-EXAM00221529		Terms of Support Relating to Possible DOJ/State Attorney's General Settlement, Includes Form Of Debt Forgiveness Letter, 1/30/2012	Legal
025-EXAM00221558			Other
026-EXAM00221559			Other
027-EXAM00221563			Other
028-EXAM00221565			Other
029-EXAM00221577			Other
030-EXAM00221579		Interco Interest Summary	Internal & External Financial Statements
031-EXAM00221580			Other
032-EXAM00221838		Illustrative Waterfall Analysis Asset & Liabilities Input with intercompany	Internal & External Financial Statements
033-EXAM00221839			Other
034-EXAM00221840			Other
035-EXAM00221841			Other
036-EXAM00221844			Other
037-EXAM00221847			Other
038-EXAM00221850			Other
039-EXAM00221851		All Consolidated Entities Balance Sheet Trial Balance Reporting Period 2007 as of 1/25/2008	Internal & External Financial Statements
040-EXAM00221852			Other
041-EXAM00221854			Other
042-EXAM00221855			Other
043-EXAM00221856			Other
044-EXAM00221857			Other
045-EXAM00221858			Other
046-EXAM00221859			Other
047-EXAM00221860			Other
048-EXAM00221861			Other

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049-EXAM00221862		Debt Forgiveness Schedule for the years: 2007, 2008, 2009	Internal & External Financial Statements
050-EXAM00221863			Other
051-EXAM00221866			Other
052-EXAM00228748			Other
053-EXAM00229653			Other
054-EXAM00229654			Other
055-EXAM00229655			Other
056-EXAM00229659		Related Party Footnotes for the years: 2006 - 2011	Internal & External Financial Statements
057-EXAM00229660			Other
058-EXAM00229664			Other
059-EXAM00229668			Other
060-EXAM00229672			Other
061-EXAM00229675			Other
062-EXAM00229681			Other
063-EXAM00229953			Other
064-EXAM00229954			Other
065-EXAM00229955			Other
066-EXAM00229956			Other
067-EXAM00229957			Other
068-EXAM00229958			Other
069-EXAM00229959			Other
070-EXAM00229960			Other
071-EXAM00230933		Draft - 24 Month DIP and Wind-Down Analysis, 1/22/2012	Bankruptcy Filings & Background Information
072-EXAM00230986		Draft - 24 Month DIP and Wind-Down Analysis, 1/22/2012	Bankruptcy Filings & Background Information
073-EXAM00231039			Other
076-EXAM00231093			Other
077-EXAM00231094			Other
078-EXAM00231095			Other
079-EXAM00231101			Other
080-EXAM00231105			Other
081-EXAM00231109			Other
082-EXAM00231114			Other
083-EXAM00232588			Other
084-EXAM00232589			Other
085-EXAM00232590			Other
086-EXAM00232591			Other
087-EXAM00232592			Other
088-EXAM00232593			Other
089-EXAM00232594			Other
090-EXAM00232595			Other
091-EXAM00232596			Other
092-EXAM00232597			Other
093-EXAM00232598			Other
094-EXAM00232599			Other
095-EXAM00232600			Other
096-EXAM00232601			Other
097-EXAM00232602			Other
098-EXAM00232603			Other

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099-EXAM00232604			Other
100-EXAM00232605			Other
101-EXAM00232606			Other
102-EXAM00232607			Other
103-EXAM00232608			Other
104-EXAM00232639			Other
105-EXAM00232669			Other
106-EXAM00232699			Other
107-EXAM00232730			Other
108-EXAM00232761			Other
109-EXAM00232785			Other
110-EXAM00232809			Other
111-EXAM00232833			Other
112-EXAM00232858			Other
113-EXAM00232883			Other
114-EXAM00232907			Other
115-EXAM00232931			Other
116-EXAM00232947			Other
117-EXAM00232962			Other
118-EXAM00232976			Other
119-EXAM00232989			Other
120-EXAM00233003			Other
121-EXAM00233016			Other
122-EXAM00233017			Other
123-EXAM00233018			Other
124-EXAM00233019			Other
125-EXAM00233020			Other
126-EXAM00233021			Other
127-EXAM00233022			Other
128-EXAM00233023			Other
129-EXAM00233024			Other
130-EXAM00233027			Other
131-EXAM00233029			Other
132-EXAM00233100			Other
133-EXAM00233174			Other
134-EXAM00233176		Unaudited Consolidated Balance Sheet for periods ending: 6/30/2012 and 6/30/2011	Internal & External Financial Statements
135-EXAM00233178		ResCap Consolidation - Income Tax return ending 12/31/2009	Tax Returns
136-EXAM00233263		ResCap Consolidation - Income Tax return ending 12/31/2010	Tax Returns
137-EXAM00233517		ResCap Consolidation - Income Tax return ending 12/31/2011	Tax Returns
138-EXAM00233352			Other
139-EXAM00233353			Other
140-EXAM00233374		Audited Non-Consolidated Financial Statements of GMAC Residential Funding of Canada, Limited as of 12/31/2009	Internal & External Financial Statements
141-EXAM00233396		Audited Non-Consolidated Financial Statements of GMAC Residential Funding of Canada, Limited as of 12/31/2008	Internal & External Financial Statements
142-EXAM00233423		Audited Non-Consolidated Financial Statements of GMAC Residential Funding of Canada, Limited as of 12/31/2007	Internal & External Financial Statements
143-EXAM00233957			Other
144-EXAM00233958			Other
145-EXAM00233959			Other
146-EXAM00233960			Other

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147-EXAM00233970			Other
148-EXAM00233971			Other
149-EXAM00233972			Other
150-EXAM00233973			Other
151-EXAM00233961			Other
152-EXAM00233968			Other
153-EXAM00233969			Other
154-EXAM00233976			Other
155-EXAM00233977			Other
156-EXAM00233978			Other
157-EXAM00233979			Other
158-EXAM00233980			Other
159-EXAM00233981			Other
160-EXAM00233982			Other
161-EXAM00233983			Other
162-EXAM00233984			Other
163-EXAM00233985			Other
164-EXAM00233986			Other
165-EXAM00233987			Other
166-EXAM00233988			Other
1679_001		Letter written to Richard of Collura of Zolfo Cooper confirming delivery of external hard drive of documents below	General Ledger Transactional Data
167-EXAM00233989			Other
168-EXAM00233990			Other
169-EXAM00233991			Other
170-EXAM00233992			Other
171-EXAM00233993			Other
172-EXAM00233994			Other
173-EXAM00233995			Other
174-EXAM00233996			Other
175-EXAM00233997			Other
176-EXAM00233998			Other
177-EXAM00233999			Other
178-EXAM00234000			Other
179-EXAM00234001			Other
180-EXAM00234002			Other
181-EXAM00234003			Other
182-EXAM00234004		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2006	Internal & External Financial Statements
183-EXAM00234058		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2007	Internal & External Financial Statements
184-EXAM00234112		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2008	Internal & External Financial Statements
185-EXAM00234189		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2009	Internal & External Financial Statements
186-EXAM00234281		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2011	Internal & External Financial Statements
187-EXAM00234350		Audited Consolidated Financial Statements of GMAC Mortgage, LLC as of 12/31/2010	Internal & External Financial Statements
188-EXAM00234413			Other
189-EXAM00234414			Other
190-EXAM00234415			Other
191-EXAM00234416			Other
192-EXAM00234417			Other
193-EXAM00234418			Other

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194-EXAM00234419			Other
195-EXAM00234420			Other
196-EXAM00234421			Other
197-EXAM00234422			Other
198-EXAM00234423			Other
199-EXAM00234424			Other
200-EXAM00234425			Other
201-EXAM00234426			Other
202-EXAM00234427			Other
203-EXAM00234428			Other
204-EXAM00234429			Other
205-EXAM00234430			Other
207-EXAM00234462			Other
208-EXAM00237709			Other
209-EXAM00237710			Other
210-EXAM00237711			Other
211-EXAM00237712			Other
212-EXAM00237715			Other
213-EXAM00237716			Other
214-EXAM00237717			Other
215-EXAM00237718			Other
216-EXAM00237719			Other
217-EXAM00237720			Other
218-EXAM00237721			Other
219-EXAM00237722			Other
220-EXAM00237723			Other
221-EXAM00237724			Other
222-EXAM00237725			Other
223-EXAM00237726			Other
224-EXAM00237727			Other
225-EXAM00237728			Other
226-EXAM00237729			Other
227-EXAM00237730			Other
228-EXAM00237731			Other
229-EXAM00237732			Other
230-EXAM00237733			Other
231-EXAM00237734			Other
232-EXAM00237735			Other
233-EXAM00237736			Other
234-EXAM00237737			Other
235-EXAM00237738			Other
236-EXAM00237739			Other
237-EXAM00237740			Other
238-EXAM00237741			Other
239-EXAM00237742			Other
240-EXAM00237743			Other
241-EXAM00237744			Other
242-EXAM00237745			Other

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243-EXAM00237746			Other
244-EXAM00237747			Other
245-EXAM00237748			Other
246-EXAM00237749			Other
247-EXAM00237750			Other
248-EXAM00237751			Other
249-EXAM00237752			Other
250-EXAM00237753			Other
251-EXAM00237754			Other
252-EXAM00237755			Other
253-EXAM00237756			Other
254-EXAM00237757			Other
255-EXAM00237758			Other
256-EXAM00237759			Other
257-EXAM00237760			Other
258-EXAM00237761			Other
259-EXAM00237762			Other
260-EXAM00237763			Other
261-EXAM00239387			Other
262-EXAM00239388			Other
263-EXAM00267946			Other
264-EXAM00267959			Other
265-EXAM00267972			Other
266-EXAM00267985			Other
267-EXAM00267998			Other
268-EXAM00268011		Debt Forgiveness Transactions from 1/1/2008 - 5/13/2012 (Petition)	Internal & External Financial Statements
269-EXAM00268012			Other
270-EXAM00295528			Other
271-EXAM00295529			Other
272-EXAM00295553			Other
273-EXAM00295557			Other
274-EXAM00295573			Other
275-EXAM00295589		Operating Agreement.pdf, references IC notes	Legal
276-EXAM00295603			Other
277-EXAM00295615			Other
278-EXAM00295633			Other
279-EXAM00295653			Other
280-EXAM00295670			Other
281-EXAM00295688			Other
282-EXAM00295692			Other
283-EXAM00295701			Other
284-EXAM00295706			Other
285-EXAM00295710			Other
286-EXAM00295721			Other
287-EXAM00295725			Other
288-EXAM00295735			Other
289-EXAM00295738			Other
290-EXAM00295743			Other

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291-EXAM00295752			Other
292-EXAM00295756			Other
293-EXAM00295760			Other
294-EXAM00295768			Other
295-EXAM00295772			Other
296-EXAM00295776			Other
297-EXAM00295781			Other
298-EXAM00295783			Other
299-EXAM00295790			Other
300-EXAM00295848			Other
301-EXAM00295860			Other
302-EXAM00295870			Other
303-EXAM00295872			Other
304-EXAM00295875			Other
305-EXAM00295883			Other
306-EXAM00295887			Other
307-EXAM00295892			Other
308-EXAM00295902			Other
309-EXAM00295958			Other
310-EXAM00295971			Other
311-EXAM00295973			Other
312-EXAM00295983			Other
313-EXAM00295985			Other
314-EXAM00295992			Other
315-EXAM00296000			Other
316-EXAM00296004			Other
317-EXAM00296009			Other
318-EXAM00296017			Other
319-EXAM00296034			Other
320-EXAM00296035			Other
321-EXAM00296059			Other
322-EXAM00296063			Other
323-EXAM00296294			Other
324-EXAM00296301			Other
325-EXAM00296305			Other
326-EXAM00296316			Other
327-EXAM00296345			Other
328-EXAM00296350			Other
329-EXAM00296352			Other
330-EXAM00296353			Other
331-EXAM00296359			Other
332-EXAM00296509			Other
333-EXAM00296515			Other
334-EXAM00296615			Other
335-EXAM00296706			Other
336-EXAM00329293			Other
337-EXAM00329295			Other
338-EXAM00329296			Other

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339-EXAM00338622			Other
340-EXAM00338623		Loan Level reimbursement from 4/2012 - 1/2013, 2nd Lien Extinguishment	Internal & External Financial Statements
EXAM10362089		Debt Forgiveness Procedures	Email and Memo Communications
EXAM00107204		Note Certificate & Viaduct (No. 7) Limited	Other
EXAM00107205		Note Issuance Facility Deed	Other
EXAM00125358		GMAC Residential Folding Company, LLC Consolidated Financial Statements as of and for years ended Dec. 31, 2007 and 2006	Internal & External Financial Statements
EXAM00125417		Homecomings Financial, LLC Consolidated Financial Statements for the Years Ended December 31, 2006	Internal & External Financial Statements
EXAM00125624		GMAC Residential Holding Company, LLC Consolidated Financial Statements as of and for the years ended Dec. 31, 2006 and 2005	Internal & External Financial Statements
EXAM00125685		GMAC Residential Holding Corp. Consolidated Financial Statements as of and for the years ended Dec. 31, 2005 and 2004 (Restated)	Internal & External Financial Statements
EXAM00221003		Memo from Westman, B. to Disclosure Committee re: Q4 2011 ResCap Disclosure Committee Meeting Minutes	Email and Memo Communications
EXAM10184779		Letter to PricewaterhouseCoopers LLP re: Audits of the Combined Financial Statements of Residential Capital Corporation as of Dec. 31, 2004 and 2003	Email and Memo Communications
EXAM10490749		Email from Barberot, D. to Lombardo, J. re GMAC BoD Meeting Materials	Email and Memo Communications
EXAM10755596		Email from Hahn, R. to Corrigan, L. among other re SOX Control - Verification of Intercompany Transactions	Email and Memo Communications
EXAM10755597		RFG Intercompany Eliminations - Eliminations Between Resi/Bank (Smartstream) and RFC (PeopleSoft) Legal Entities Master List	Other
EXAM11944646		GMAC Residential Holding Corp Consolidated Financial Statements as of and for the years ended December 31, 2003 and 2002	Other
EXAM12263381		Email from Westman, B. to Stern, J. and Renzi, M. re: Waterfall Questions	Email and Memo Communications
EXAM12412896		Email from Dondzila, C. to Westman, B. re: RFC/ResCap Receivable Support Memo	Email and Memo Communications
EXAM12431944		Email from Dondzila, C. to Shapiro, D. re: Heads Up - GMAC Mortgage Agency Covenants	Email and Memo Communications
6-28-13 Answer And Counterclaims - Unredacted Final		Answer, Affirmative Defenses And Counterclaims Of Defendants Umb Bank, N.A. And The Ad Hoc Group Of Junior Secured Noteholders To Debtors' First Amended Complaint To Determine Extent Of Liens And For Declaratory Judgment	Bankruptcy Filings & Background Information
Adversary Complaint For Declaratory Judgment	3069	Adversary Complaint For Declaratory Judgment, Avoidance Of Liens, And Disallowance Of Claims	Bankruptcy Filings & Background Information
AFIJSN_0121091		ResCap Consolidation - Income Tax return ending 11/30/2006	Tax Returns
AFIJSN_0121092		ResCap Consolidation - Income Tax return ending 11/30/2006	Tax Returns
AFIJSN_0121093		ResCap Consolidation - Income Tax return ending 11/30/2006	Tax Returns
AFIJSN_0121094		ResCap Consolidation - Income Tax return ending 12/31/2006	Tax Returns
ALLY_0044635			Other
ALLY_0172540		GMAC, LLC- Return of Partnership Income ending 2007	Tax Returns
ALLY_0173635		GMAC, LLC- Return of Partnership Income ending 2008	Tax Returns
ALLY_0173654		GMAC, LLC- Return of Partnership Income ending 2008	Tax Returns
ALLY_0173687		GMAC, LLC- Return of Partnership Income ending 2008	Tax Returns
ALLY_0173738		GMAC, LLC - Reportable Transaction Disclosure Statement ending 12/31/2007	Tax Returns
ALLY_0173763		Ally Financial Inc. & Subsidiaries - Income Tax return ending 2010	Tax Returns
ALLY_0175031		GMAC, LLC- Return of Partnership Income ending 2009	Tax Returns
ALLY_0176077		GMAC, LLC - Information Return of U.S. Persons with Respect to Certain Foreign Confirmations ending 2009	Tax Returns
ALLY_0176269		GMAC, LLC - Information Return of U.S. Persons with Respect to Certain Foreign Confirmations ending 2009	Tax Returns
ALLY_0176426		GMAC, LLC- Return of Partnership Income ending 2006	Tax Returns
ALLY_0177397		GMAC, LLC - DC Tax Return 2008	Tax Returns
ALLY_0177399		GMAC, LLC - IL Tax Return 2008	Tax Returns
ALLY_0177402		GMAC, LLC - ND Tax Return 2008	Tax Returns
ALLY_0177405		GMAC, LLC - SD Tax Return 2008	Tax Returns
ALLY_0177410		GMAC, LLC - TN Tax Return 2008	Tax Returns
ALLY_0177416		GMAC, LLC - WV Tax Return 2008	Tax Returns
ALLY_0177428		GMAC, LLC - DC Tax Return 2008	Tax Returns
ALLY_0177430		GMAC, LLC - IL Tax Return 2008	Tax Returns
ALLY_0177433		GMAC, LLC - ND Tax Return 2008	Tax Returns

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ALLY_0177436		GMAC, LLC - SD Tax Return 2008	Tax Returns
ALLY_0177441		GMAC, LLC - TN Tax Return 2008	Tax Returns
ALLY_0177447		GMAC, LLC - WV Tax Return 2008	Tax Returns
ALLY_0208426		GMAC, LLC - NH Tax Return 2006	Tax Returns
ALLY_0208478		Ally Financial Inc. & Subsidiaries - ALLOCATION OF 12.31.11 TAX LIABILITY	Tax Returns
ALLY_0208479		G/L Acct No. 281132001 - Accrued US State and Local inc taxes - prior years	Tax Returns
ALLY_0208480		G/L Acct No. 281132001 - Accrued US State and Local inc taxes - prior years	Tax Returns
ALLY_0208481		All Account Reconciliation 12/31/2011 - Accrued US State and Local inc taxes - prior years	Tax Returns
ALLY_0208482		System Export -Journal Entries	Internal & External Financial Statements
ALLY_0208485		Intercompany Settlement - 5Q11 (2011 Extension)	Internal & External Financial Statements
ALLY_0208486		Intercompany Settlement - 4Q11	Internal & External Financial Statements
ALLY_0208487		Memo from Ally re: Tax Payments due from GMAC Insurance Holdings Inc. to Ally Financial Inc., date 4/18/11	Email and Memo Communications
ALLY_0208490		Ally Financial Inc. & Subs - Income Tax return ending 12/31/2011	Tax Returns
ALLY_0209096			Other
ALLY_0209100		Tax Payment Records - Q311 and Q411 tax payment from GMAC Insurance to Ally Financial	Tax Returns
ALLY_0242821		Accounting Policy 1040 Intercompany Accounting (Effective Jan 1, 2010)	Other
ALLY_0242959		Accounting Policy 1040 Intercompany Accounting (Effective Jan. 1, 2011)	Other
ALLY_0276171		Email from Malloy, J. to Peterson, J. among other re: ResCap Daily Recap/Liquidity Rollforward - 11/13/08	Email and Memo Communications
ALLY_0276172		ResCap Daily Liquidity Rollforward	Other
ALLY_0287162_email			Other
ALLY_0287163			Other
ALLY_0297136			Other
ALLY_0297137			Other
ALLY_0301438			Other
ALLY_0301439			Other
ALLY_0311783		GMAC ResCap Treasury Monthly Reports (July 2008)	Internal & External Financial Statements
ALLY_0336317		ResCap Consolidation - Income Tax return ending 12/31/2011	Tax Returns
ALLY_0336757		Residential Capital, LLC Consolidated Financial Statements for the Years ended December 31, 2011 and 2010	Internal & External Financial Statements
ALLY_0337021		ETS of Virginia - Income Tax return ending 12/31/2011	Tax Returns
ALLY_0337039		ResCap Consolidation - Income Tax return ending 12/31/2010	Tax Returns
ALLY_0337325		ResCap Consolidation - Income Tax return ending 12/31/2009	Tax Returns
ALLY_0337409		ResCap Consolidation - Capital Gains & Losses ending 12/31/2009	Tax Returns
ALLY_0337524		ResCap Consolidating Schedules	Tax Returns
ALLY_0337795		ResCap, LLC- Return of Partnership Income ending 2009	Tax Returns
ALLY_0337807		ResCap, LLC- Schedule C of Form 1065 ending 2009	Tax Returns
ALLY_0337941		ResCap, LLC- Form 8916-A ending 2009	Tax Returns
ALLY_0388745		Ally Financial Inc. & Subs - Income Tax return ending 12/31/2009	Tax Returns
ALLY_0390037		GMAC, LLC- Return of Partnership Income ending 2008	Tax Returns
Cash Management Motion	16	Debtors' Motion For Order Under Bankruptcy Code Sections 105(A), 345, 363, 364, And 503(B)(1) And Bankruptcy Rules 6003 And 6004 Authorizing (I) Continued Use Of Cash Management Services And Practices, (II) Continued Use Of Existing Bank Accounts, Checks, And Business Forms, (III) Implementation Of Modified Cash Management Procedures, (IV) Interim Waiver Of The Investment And Deposit Requirements Of Bankruptcy Code Section 345, (V) Debtors To Honor Specified Outstanding Prepetition Payment Obligations, (VI) Continuation Of Intercompany Transactions, Including Intercompany Transactions With Future Debtors, And Granting Administrative Expense Status To Intercompany Claims, And (VII) Scheduling A Final Hearing On The Relief Requested	Bankruptcy Filings & Background Information
Complaint To Determine Extent Of Liens	3592	Complaint To Determine Extent Of Liens And For Declaratory Judgment	Bankruptcy Filings & Background Information
Disclosure Statement	4157	Disclosure Statement For The Joint Chapter 11 Plan Proposed By Residential Capital, Lilac, Et Al. And The Official Committee Of Unsecured Creditors	Bankruptcy Filings & Background Information
Revised Disclosure Statement	4733	Revised Disclosure Statement	Bankruptcy Filings & Background Information
Doc Requests			Other

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Document Requests to Debtors (4822-9311-1317-3)			Other
Document Requests to Debtors (4822-9311-1317-3) ZC			Other
DT000673			Other
DT002796			Other
DT003621			Other
DT005538			Other
EXAM00107022		ResCap-RAHI Intercompany Advance Agreement as of 6/1/09	Legal
EXAM00107030		Homecomings-RFC A&R Intercompany Agreement as of 6/30/06	Legal
EXAM00107037		ResCap Restated Loan Agreement as of 1/1/2006	Legal
EXAM00107300		Passive Asset Transactions Intercompany Advance Agreement as of 6/1/09	Legal
EXAM00122166		Audited Consolidated Financial Statements of Homecomings Financial, LLC as of 12/31/2008	Internal & External Financial Statements
EXAM00123277		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2010	Internal & External Financial Statements
EXAM00124670		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2009	Internal & External Financial Statements
EXAM00124988		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2008	Internal & External Financial Statements
EXAM00125159		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2007	Internal & External Financial Statements
EXAM00125452		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2006	Internal & External Financial Statements
EXAM00125738		Audited Consolidated Financial Statements of Homecomings Financial Network, Inc. as of 12/31/2005	Internal & External Financial Statements
EXAM00125930		Audited Consolidated Financial Statements of Homecomings Financial Network, Inc. as of 12/31/2004	Internal & External Financial Statements
EXAM00135471		Audited Consolidated Financial Statements of Homecomings Financial, LLC as of 12/31/2006	Internal & External Financial Statements
EXAM00229659			Other
EXAM00231095		Consolidated Trial Balance for 12/31/2008	Internal & External Financial Statements
EXAM00231096			Other
EXAM00231097		Resi Trial Balance for 12/31/2008	Internal & External Financial Statements
EXAM00231098		RFC Trial Balance for 12/31/2008	Internal & External Financial Statements
EXAM00231099			Other
EXAM00231100		Parent Trial Balance for 12/31/2008	Internal & External Financial Statements
EXAM00231101		Consolidated Trial Balance for 12/31/2011	Internal & External Financial Statements
EXAM00231102		Resi Trial Balance for 12/31/2011	Internal & External Financial Statements
EXAM00231103		Parent Trial Balance for 12/31/2011	Internal & External Financial Statements
EXAM00231104		RFC Trial Balance for 12/31/2011	Internal & External Financial Statements
EXAM00231105		Resi Trial Balance for 12/31/2010	Internal & External Financial Statements
EXAM00231106		RFC Trial Balance for 12/31/2010	Internal & External Financial Statements
EXAM00231107		Consolidated Trial Balance for 12/31/2010	Internal & External Financial Statements
EXAM00231108		Parent Trial Balance for 12/31/2010	Internal & External Financial Statements
EXAM00231109		RFC Trial Balance for 12/31/2009	Internal & External Financial Statements
EXAM00231110		Parent Trial Balance for 12/31/2009	Internal & External Financial Statements
EXAM00231111		Resi Trial Balance for 12/31/2009	Internal & External Financial Statements
EXAM00231112			Other
EXAM00231113		Consolidated Trial Balance for 12/31/2009	Internal & External Financial Statements
EXAM00268011		ResCap Debt Forgiveness Schedule 1/1/2008 - 5/13/2013	Internal & External Financial Statements
EXAM00345894		Draft - Debtors' Intercompany & Debt Forgiveness Presentation, 4/4/2013	Bankruptcy Filings & Background Information
EXAM10115822			Other
EXAM101158361637631			Other
EXAM10115846		From: Todd Block, to Tom Marano, Email on use of cash collateral, 2/4/2009	Email and Memo Communications
EXAM10115851			Other
EXAM10115885			Other
EXAM1015266			Other
EXAM10199064		ResCap Board of Directors Meeting - ResCap Review, 9/26/2007	Bankruptcy Filings & Background Information

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EXAM10362088		Debt Forgiveness Procedures	Email and Memo Communications
EXAM10362090		Debt Forgiveness Procedures	Bankruptcy Filings & Background Information
EXAM104432252513821			Other
EXAM10443226			Other
EXAM1049075017068861			Other
EXAM10509272		Cash Management System Work Plan	Internal & External Financial Statements
EXAM11144172			Other
EXAM11144174			Other
EXAM11148007			Other
EXAM11148024		From: Tammy Hamzehpour, to Tom Marano & James Young, Intercompany debt forgiveness email, 3/22/2010	Email and Memo Communications
EXAM11150308			Other
EXAM11150309			Other
EXAM11150310			Other
EXAM11195215			Other
EXAM11195581		From: James Young, To: Jill Horner, Intercompany balance increases, 11/17/2010	Email and Memo Communications
EXAM11195706		From: James Young, To: Cathy Dondzila, Forgiven borrowings email, 4/20/2010	Email and Memo Communications
EXAM111959421431997			Other
EXAM11196051		From: James Young, To: Jill Horner, Debt forgiven email, 10/20/2010	Email and Memo Communications
EXAM11316929		From: James Young, To: Jim Jones and Tammy H, ResCap Debt Forgiveness to RFC - Subsidiary Capital need, 3/20/2008	Email and Memo Communications
EXAM11316941			Other
EXAM12263417		Note Issuance Facility Deed: Viaduct No. 7 as SPE, ResCap as Note Purchaser	Legal
EXAM12263518		From: Mark Renzi, 2013-04-23 Intercompany and OID Discussion	Email and Memo Communications
EXAM12431943		From: Cathy Dondzila, To: Dina Shapiro, Net Worth covenants email, 6/26/2009	Email and Memo Communications
EXAM20118572			Other
EXAM20118573			Other
EXAM20144871			Other
EXAM30006774		Report of Examination of GMAC Mortgage, LLC, as of 12/31/2009	Legal
PWC_001_1_00000021		Sarbanes Oxley, Mega Process: Cash Management, Sub-process: Bank Administration (Revised 8/19/2008)	Other
PWC_001_1_00000023		Sarbanes Oxley, Mega Process: Cash Management, Sub-process: Bank Administration (Revised 8/6/2009)	Other
PWC_001_1_00000053		Sarbanes Oxley, Mega Process: Cash Management, Sub-Process: Funds Transfer Process - Quantum (Revised 8/26/2008)	Other
PWC_001_1_00000056		Test Inter-company Elimination of Cash	Other
PWC_001_1_00000080		Sarbanes Oxley, Mega Process: Cash Management, Sub-process: Funds Transfer Process - WebSeries (Revised 8/19/2008)	Other
PWC_001_1_00000129		Sarbanes Oxley, Mega Process: Cash Management, Sub-process: Funds Transfer Process - WebSeries (Revised 10/28/2009)	Other
PWC_001_1_00000154		Sarbanes Oxley Mega Process: Cash Management Sub-process: ResCap Funds Transfer Process – Quantum	Email and Memo Communications
PWC00000056			Other
PWC00690			Other
PWC07231			Other
PWC07321		Description of Intercompany or Related-Party Transactions	Internal & External Financial Statements
PWC07709			Other
PWC07746			Other
PWC07810			Other
PWC07818		Trial balance detail on IC, Dec. 2007	Internal & External Financial Statements
PWC07820		Trial balance detail on IC, Dec. 2007	Internal & External Financial Statements
PWC07842		Trial balance detail on GMAC Mortgage Group IC, Dec. 2008	Internal & External Financial Statements
PWC07893			Other
PWC07895			Other

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PWC08278		Memo from Tax Team/McLean to Files/McLean re: ResCap LLC Conversion	Email and Memo Communications
PWC08437		Spreadsheet re: Flume, Warehouse Lending, GMAC LOC	Other
PWC08576		Spreadsheet re: Transactions Descriptions between Entities	Other
PWC07079			Other
PWC07082			Other
PWC07083			Other
PWC07084			Other
PWC07088			Other
PWC07093			Other
PWC07096			Other
PWC07097			Other
PWC07106			Other
PWC07108			Other
PWC07109			Other
PWC07110			Other
PWC07123			Other
PWC07126			Other
PWC07127			Other
PWC07128			Other
PWC07129			Other
PWC07132			Other
PWC07142			Other
PWC07150			Other
PWC07156			Other
PWC07159			Other
PWC07160			Other
PWC07161			Other
PWC07164			Other
PWC07165			Other
PWC07167			Other
PWC07168			Other
PWC07169			Other
PWC07170			Other
PWC07171			Other
PWC07172			Other
PWC07176			Other
PWC07178			Other
PWC07191			Other
PWC07204			Other
PWC07207			Other
PWC07211			Other
PWC07214			Other
PWC07219			Other
PWC07220			Other
PWC07222			Other
PWC07223			Other
PWC07224			Other
PWC07228			Other

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PWC07231			Other
PWC07232			Other
PWC07233			Other
PWC07234			Other
PWC07235			Other
PWC07261			Other
PWC07263			Other
PWC07265			Other
PWC07267			Other
PWC07272			Other
PWC07273			Other
PWC07281			Other
PWC07282			Other
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PWC07297			Other
PWC07301			Other
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PWC07308			Other
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PWC07311			Other
PWC07314			Other
PWC07410			Other
PWC07414			Other
PWC07417			Other
PWC07421			Other
PWC07422			Other
PWC07423			Other
PWC07426			Other
PWC07444			Other
PWC07451			Other
PWC07452			Other
PWC07453			Other
PWC07454			Other
PWC07455			Other
PWC07479			Other
PWC07529			Other
PWC07534			Other
PWC07535			Other
PWC07536			Other
PWC07537			Other
PWC07540			Other
PWC07543			Other
PWC07546			Other
PWC07549			Other
PWC07552			Other
PWC07555			Other
PWC07558			Other
PWC07563			Other

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PWC07691			Other
PWC07692			Other
PWC07693			Other
PWC07694			Other
PWC07697			Other
PWC07703			Other
PWC07709			Other
PWC07710			Other
PWC07736			Other
PWC07745			Other
PWC07746			Other
PWC07747			Other
PWC07751			Other
PWC07752			Other
PWC07754			Other
PWC07755			Other
PWC07756			Other
PWC07757			Other
PWC07758			Other
PWC07759			Other
PWC07761			Other
PWC07766			Other
PWC07780			Other
PWC07794			Other
PWC07802			Other
PWC07803			Other
PWC07805			Other
PWC07807			Other
PWC07809			Other
PWC07814			Other
PWC07818			Other
PWC07819			Other
PWC07820			Other
PWC07821			Other
PWC07822			Other
PWC07823			Other
PWC07827			Other
PWC07828			Other
PWC07829			Other
PWC07830			Other
PWC07831			Other
PWC07832			Other
PWC07833			Other
PWC07834			Other
PWC07839			Other
PWC07841			Other
PWC07842			Other
PWC07843			Other

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PWC07846			Other
PWC07849			Other
PWC07850			Other
PWC07851			Other
PWC07852			Other
PWC07853			Other
PWC07888			Other
PWC08305			Other
PWC08309			Other
PWC09029			Other
PWC09031			Other
PWC09035			Other
RC00034684		Audited Consolidated Financial Statements of Homecomings Financial, LLC as of 12/31/2007	Internal & External Financial Statements
RC40000001		Accounting Policy 1005 Creation, Approval, and Maintenance of Accounting Policies	Other
RC40000010			Other
RC40000035		Accounting Policy 1020 Financial Guarantees	Other
RC40000056		Accounting Policy 1025 Accounting Changes and Error Corrections	Other
RC40000082		Ally Accounting Policy 1030: Offsetting And Netting	Internal & External Financial Statements
RC40000099		Accounting Policy 1035 General Contingencies	Other
RC40000118		Ally Accounting Policy 1040: Intercompany Accounting	Internal & External Financial Statements
RC40000138			Other
RC40000173			Other
RC40000202		Accounting Policy 1060 Fair Value Measurement	Other
RC40000254		Accounting Policy 1065 The Fair Value Option	Other
RC40000275			Other
RC40000342		Ally Accounting Policy 1075: Related Party	Internal & External Financial Statements
RC40000361			Other
RC40000403			Other
RC40000421			Other
RC40000439		Accounting Policy 1205 Subsequent Events	Other
RC40000450		Accounting Policy 2055 Cash and Cash Equivalents	Other
RC40000462		Accounting Policy 2105 Retained Interests	Other
RC40000498			Other
RC40000536		Ally Accounting Policy 2115: Cost, Equity Method, And Consolidation Accounting	Internal & External Financial Statements
RC40000585			Other
RC40000608		Accounting Policy 2220 Loan and Lease Charge-Offs	Other
RC40000620		Global Nonaccrual Loans Policy: Accounting Policy 2255	Other
RC40000640		Accounting Policy 2260 Lending & Finance Receivables	Other
RC40000660		Accounting Policy 2270 Loan Modifications and Troubled Debt Restructurings	Other
RC40000689		Accounting Policy 2275 Purchased Distressed Loans & Securities	Other
RC40000718			Other
RC40000763		Global Allowance for Credit Losses Policy: Accounting Policy 2305	Other
RC40000790		Accounting Policy 2315 Reverse for Assets Sold with Recourse	Other
RC40000802		Accounting Policy 2451 Mortgage Servicing Rights	Other
RC40000823		Accounting Policy 2601 Fixed Assets	Other
RC40000839		Accounting Policy 2602 Software & Development Cost	Other
RC40000857		Accounting Policy 2650 Repossessed and Foreclosed Assets and Other Real Estate Owned	Other
RC40000876		Accounting Policy 2715 Goodwill	Other

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RC40000900		Accounting Policy 2725 Intangible Assets	Other
RC40000916			Other
RC40000936		Accounting Policy 2740 Loan Premiums, Discounts, and Deferred Fees or Costs	Other
RC40000953			Other
RC40001003		Accounting Policy 2905 Impairment of Long-Lived Assets (To be Held and Used)	Other
RC40001021			Other
RC40001043		Accounting Policy 4105 Preferred Stock	Other
RC40001058		Accounting Policy 5205 Insurance Accounting and Reporting	Other
RC40001092		Accounting Policy 5305 Advertising and Marketing	Other
RC40001105		Ally Accounting Policy 3055: Debt	Internal & External Financial Statements
RC40001136			Other
RC40001150		Accounting Policy 3310 Costs Associated with Exit or Disposal Activities	Other
RC40001174		Accounting Policy 3315 Employee Benefit Plans	Other
RC40001204		Accounting Policy 3320 Share Based Compensation	Other
RC40001269		Accounting Policy 3325 Accounting for Uncertain Tax Positions	Other
RC40001284		Accounting Policy 3330 Accounting for Income Taxes	Other
RC40001301		Accounting Policy 3405 Deposit Liabilities	Other
RC40001322		Accounting Policy 7105 Regulatory Capital	Other
RC40001369		Accounting Policy 7205 Average Daily Balance Policy	Other
RC40006523		Written Consent of the Executive Committee of ResCap, LLC for the Proposed Capital Infusion for GMAC-RFC Australia 3/31/2009	Legal
RC40006568		Debt Forgiveness from GMAC Residential Holding Company to GMAC Mortgage	Email and Memo Communications
RC40008678			Other
RCCUCCJSN20051023			Other
RCJSNII00003298		Intercompany Balances for February [Year Unknown]	Internal & External Financial Statements
RCJSNII00003299		Intercompany Balances for April and May [Year Unknown]	Internal & External Financial Statements
RCJSNII00003300		ResCap Consolidated - Intercompany Balances for period ending 1/31/2011	Internal & External Financial Statements
RCJSNII00003301		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 1/31/2011	Internal & External Financial Statements
RCJSNII00003304		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 2/28/2011	Internal & External Financial Statements
RCJSNII00003307		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 3/31/2011	Internal & External Financial Statements
RCJSNII00003311		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 4/30/2011	Internal & External Financial Statements
RCJSNII00003318		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 6/30/11	Internal & External Financial Statements
RCJSNII00003322		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 7/31/11	Internal & External Financial Statements
RCJSNII00003325		ResCap Consolidated - Intercompany Balances for period ending 8/31/2011	Internal & External Financial Statements
RCJSNII00003326		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 8/31/2011	Internal & External Financial Statements
RCJSNII00003330		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 9/30/2011	Internal & External Financial Statements
RCJSNII00003334		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 10/31/2011	Internal & External Financial Statements
RCJSNII00003337		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 11/30/2011	Internal & External Financial Statements
RCJSNII00003340		ResCap Intercompany Certification Document	Other
RCJSNII00003344		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003350		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003355		GMAC Mortgage Ops - External Reporting - Intercompany Accounts 12/31/2011	Internal & External Financial Statements
RCJSNII00003359		Intercompany Balances for April May and June [Year Unknown]	Internal & External Financial Statements
RCJSNII00003360		Intercompany Balances - ResCap, GMAC, RFC - 9/30/2012	Internal & External Financial Statements
RCJSNII00003361		Intercompany Balances - ResCap, GMAC, RFC - 7/31/2012	Internal & External Financial Statements
RCJSNII00003362		ResCap - Consolidated Intercompany Balance Information at 5/13/2012	Internal & External Financial Statements
RCJSNII00003363		Intercompany Balance - GMAC and ResCap at 1/31/2009	Internal & External Financial Statements
RCJSNII00003370		Intercompany Balance - GMAC, RFC and ResCap at 1/31/2009	Internal & External Financial Statements
RCJSNII00003371		Intercompany Balance - GMAC, RFC and ResCap at 1/31/2009	Internal & External Financial Statements

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RCJSNII00003372		Intercompany Balance - GMAC, RFC and ResCap at 1/31/2009	Internal & External Financial Statements
RCJSNII00003374		Intercompany Balance - GMAC, RFC and ResCap at 1/31/2009	Internal & External Financial Statements
RCJSNII00003376		Consolidated Intercompany Balance Information at 1/31/2009	Internal & External Financial Statements
RCJSNII00003377		Intercompany Balance details for GMAC including Collateral Silo Info - at 1/31/2009	Internal & External Financial Statements
RCJSNII00003379		Intercompany Balance - GMAC, RFC and ResCap at 2/28/2009	Internal & External Financial Statements
RCJSNII00003381		Intercompany Balance details for GMAC including Collateral Silo Info - at 2/28/2009	Internal & External Financial Statements
RCJSNII00003384		Intercompany Balance - GMAC and ResCap at 2/28/2009	Internal & External Financial Statements
RCJSNII00003387		Intercompany Balance - GMAC, RFC and ResCap at 3/31/2009	Internal & External Financial Statements
RCJSNII00003389		ResCap - Consolidated Intercompany Balance Information at 3/31/2009	Internal & External Financial Statements
RCJSNII00003390		ResCap - Consolidated Intercompany Balance Information at 3/31/2009	Internal & External Financial Statements
RCJSNII00003392		Intercompany Balance details for GMAC including Collateral Silo Info - at 3/31/2009	Internal & External Financial Statements
RCJSNII00003393		Intercompany Balance -RFC - 3/31/2009	Internal & External Financial Statements
RCJSNII00003396		Intercompany Balance -GMAC, Resi, RFC - 3/31/2009	Internal & External Financial Statements
RCJSNII00003399		ResCap - Consolidated Intercompany Balance Information at 4/30/2009	Internal & External Financial Statements
RCJSNII00003400		Intercompany Balance -RFC - 4/30/2009	Internal & External Financial Statements
RCJSNII00003401		Intercompany Balance -GMAC, ResMor, RFC - 4/30/2009	Internal & External Financial Statements
RCJSNII00003402			Other
RCJSNII00003403			Other
RCJSNII00003404		Intercompany Balance -RFC, Resi - 4/30/2009	Internal & External Financial Statements
RCJSNII00003405		Intercompany Balance -RFC Corp - 4/30/2009	Internal & External Financial Statements
RCJSNII00003406		Intercompany Balance -RFC - 4/30/2009	Internal & External Financial Statements
RCJSNII00003407			Other
RCJSNII00003408		Intercompany Balance -GMAC, ResCap, RFC - 4/30/2009	Internal & External Financial Statements
RCJSNII00003409		Intercompany Balance -GMAC, ResCap, RFC - 4/30/2009	Internal & External Financial Statements
RCJSNII00003410		Intercompany Balance -RFC, Resi - 4/30/2009	Internal & External Financial Statements
RCJSNII00003411		ResCap - Consolidated Intercompany Balance Information at 5/31/2009	Internal & External Financial Statements
RCJSNII00003412		Intercompany Balance -GMAC, ResMor, RFC - 5/31/2009	Internal & External Financial Statements
RCJSNII00003413		Intercompany Balance -GMAC, ResMor, RFC - 5/31/2009	Internal & External Financial Statements
RCJSNII00003414		Intercompany Balance -GMAC, ResMor, RFC - 5/31/2009	Internal & External Financial Statements
RCJSNII00003415			Other
RCJSNII00003416		Intercompany Balance - RFC, Resi - 5/31/2009	Internal & External Financial Statements
RCJSNII00003417		Intercompany Balance - GMAC, RFC Corp, Resi - 5/31/2009	Internal & External Financial Statements
RCJSNII00003418			Other
RCJSNII00003419		Intercompany Balance - RFC, ResMor, Resi - 5/31/2009	Internal & External Financial Statements
RCJSNII00003420		Intercompany Balance - RFC, Resi - 5/31/2009	Internal & External Financial Statements
RCJSNII00003421		Intercompany Balance - RFC, ResMor, Resi - 5/31/2009	Internal & External Financial Statements
RCJSNII00003422		Intercompany Balance - RFC, ResMor, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003423		ResCap - Consolidated Intercompany Balance Information at 6/30/2009	Internal & External Financial Statements
RCJSNII00003424		ResCap - Consolidated Intercompany Balance Information at 6/30/2009	Internal & External Financial Statements
RCJSNII00003425			Other
RCJSNII00003426		Intercompany Balance - GMAC, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003427		Intercompany Balance - GMAC, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003428		Intercompany Balance -GMAC, ResMor, RFC - 6/30/2009	Internal & External Financial Statements
RCJSNII00003429		Intercompany Balance - RFC, ResMor, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003430		Intercompany Balance - RFC, ResMor, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003431		Intercompany Balance - RFC, Resi - 6/30/2009	Internal & External Financial Statements
RCJSNII00003432		Intercompany Balance -GMAC, ResMor, RFC - 7/31/2009	Internal & External Financial Statements
RCJSNII00003433		ResCap - Consolidated Intercompany Balance Information at 7/31/2009	Internal & External Financial Statements

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RCJSNII00003434		ResCap - Consolidated Intercompany Balance Information at 7/31/2009	Internal & External Financial Statements
RCJSNII00003435		Intercompany Balance - GMAC, RFC, ResMor, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003436		Intercompany Balance - RFC, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003437		Intercompany Balance - RFC, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003438		Intercompany Balance - GMAC, RFC, ResMor, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003439		Intercompany Balance - GMAC, RFC, ResMor, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003440			Other
RCJSNII00003441			Other
RCJSNII00003442		Intercompany Balance - Resi, RFC - 7/31/2009	Internal & External Financial Statements
RCJSNII00003444		Intercompany Balance - GMAC, RFC, ResMor, Resi - 7/31/2009	Internal & External Financial Statements
RCJSNII00003445		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003446		ResCap - Consolidated Intercompany Balance Information at 8/31/2009	Internal & External Financial Statements
RCJSNII00003447		ResCap - Consolidated Intercompany Balance Information at 8/31/2009	Internal & External Financial Statements
RCJSNII00003448		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003449			Other
RCJSNII00003450		Intercompany Balance - RFC, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003451		Intercompany Balance - RFC, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003452		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003453		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003454		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003455		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003456		Intercompany Balance - RFC, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003457		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003458		Intercompany Balance - GMAC, RFC, ResMor, Resi - 8/31/2009	Internal & External Financial Statements
RCJSNII00003459		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003460		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003461		ResCap - Consolidated Intercompany Balance Information at 9/30/2009	Internal & External Financial Statements
RCJSNII00003462		ResCap - Consolidated Intercompany Balance Information at 9/30/2009	Internal & External Financial Statements
RCJSNII00003463		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003464			Other
RCJSNII00003465		Intercompany Balance - RFC, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003466		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003467		Intercompany Balance - RFC Corp. - 9/30/2009	Internal & External Financial Statements
RCJSNII00003468		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003469		Intercompany Balance - RFC, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003470		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003471		Intercompany Balance - GMAC, RFC, ResMor, Resi - 9/30/2009	Internal & External Financial Statements
RCJSNII00003472		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 10/31/2009	Internal & External Financial Statements
RCJSNII00003473		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 10/31/2009	Internal & External Financial Statements
RCJSNII00003474		ResCap - Consolidated Intercompany Balance Information at 10/31/2009	Internal & External Financial Statements
RCJSNII00003475		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 10/31/2009	Internal & External Financial Statements
RCJSNII00003476			Other
RCJSNII00003477		Intercompany Balance - RFC Corp. - 10/31/2009	Internal & External Financial Statements
RCJSNII00003478		Intercompany Balance - RFC, Resi - 10/31/2009	Internal & External Financial Statements
RCJSNII00003479			Other
RCJSNII00003480		Intercompany Balance - RFC Corp. - 10/31/2009	Internal & External Financial Statements
RCJSNII00003481		ResCap - Intercompany Out of Balance Condition - 10/2009 Month-End Status	Internal & External Financial Statements
RCJSNII00003482		Intercompany Balance - RFC, Resi - 10/31/2009	Internal & External Financial Statements

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RCJSNII00003483		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 11/30/2009	Internal & External Financial Statements
RCJSNII00003484		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 11/30/2009	Internal & External Financial Statements
RCJSNII00003485		ResCap - Consolidated Intercompany Balance Information at 11/30/2009	Internal & External Financial Statements
RCJSNII00003486		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 11/30/2009	Internal & External Financial Statements
RCJSNII00003487			Other
RCJSNII00003488		Intercompany Balance - RFC, Resi - 11/30/2009	Internal & External Financial Statements
RCJSNII00003489		Intercompany Balance - RFC, Resi - 11/30/2009	Internal & External Financial Statements
RCJSNII00003490		Intercompany Balance - GMAC, RFC, ResMor, Resi - 11/30/2009	Internal & External Financial Statements
RCJSNII00003491		Intercompany Balance - RFC Corp. - 11/30/2009	Internal & External Financial Statements
RCJSNII00003492			Other
RCJSNII00003493		ResCap - Intercompany Out of Balance Condition - 11/2009 Month-End Status	Internal & External Financial Statements
RCJSNII00003494		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 11/30/2009	Internal & External Financial Statements
RCJSNII00003495		Intercompany Balance - RFC Corp. - 11/30/2009	Internal & External Financial Statements
RCJSNII00003496		Intercompany Balance - RFC, Resi - 11/30/2009	Internal & External Financial Statements
RCJSNII00003497		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 12/31/2009	Internal & External Financial Statements
RCJSNII00003499		ResCap - Consolidated Intercompany Balance Information at 12/31/2009	Internal & External Financial Statements
RCJSNII00003506		ResCap - Intercompany Out of Balance Condition - 12/2009 Month-End Status	Internal & External Financial Statements
RCJSNII00003507		Intercompany Balance - RFC, Resi - 12/31/2009	Internal & External Financial Statements
RCJSNII00003508		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 12/31/2009	Internal & External Financial Statements
RCJSNII00003509		Intercompany Balance - RFC Corp. - 12/31/2009	Internal & External Financial Statements
RCJSNII00003510		Intercompany Balances and Trial Balances as of January 31, 2013	Internal & External Financial Statements
RCJSNII00003511		Intercompany Balances w/ GL Account Numbers [Period Unknown]	Internal & External Financial Statements
RCJSNII00003512		ResCap - Consolidated Intercompany Balance Information at 6/30/2012	Internal & External Financial Statements
RCJSNII00003513		ResCap - Consolidated Intercompany Balance Information at 5/31/2012	Internal & External Financial Statements
RCJSNII00003514		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 1/31/2010	Internal & External Financial Statements
RCJSNII00003515			Other
RCJSNII00003516		Intercompany Balance - RFC Corp. - 1/31/2010	Internal & External Financial Statements
RCJSNII00003517		ResCap - Intercompany Out of Balance Condition - 01/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003518		Intercompany Balance - RFC, Resi - 1/31/2010	Internal & External Financial Statements
RCJSNII00003519		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 1/31/2010	Internal & External Financial Statements
RCJSNII00003521		Intercompany Balance - RFC Corp. - 2/28/2010	Internal & External Financial Statements
RCJSNII00003522		ResCap - Intercompany Out of Balance Condition - 02/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003523		Intercompany Balance - RFC, Resi - 2/28/2010	Internal & External Financial Statements
RCJSNII00003524		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 2/28/2010	Internal & External Financial Statements
RCJSNII00003525		Intercompany Balance - RFC, Resi - 2/28/2010	Internal & External Financial Statements
RCJSNII00003526		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 3/31/2010	Internal & External Financial Statements
RCJSNII00003527		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 3/31/2010	Internal & External Financial Statements
RCJSNII00003528		Intercompany Balance - RFC Corp. - 3/31/2010	Internal & External Financial Statements
RCJSNII00003529		ResCap - Intercompany Out of Balance Condition - 03/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003530		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 3/31/2010	Internal & External Financial Statements
RCJSNII00003531		Intercompany Balance - RFC, Resi - 4/30/2010	Internal & External Financial Statements
RCJSNII00003532		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 4/30/2010	Internal & External Financial Statements
RCJSNII00003533		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 4/30/2010	Internal & External Financial Statements
RCJSNII00003534		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 4/30/2010	Internal & External Financial Statements
RCJSNII00003535		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 4/30/2010	Internal & External Financial Statements
RCJSNII00003536		Intercompany Balance - RFC Corp. - 5/31/2010	Internal & External Financial Statements
RCJSNII00003537		ResCap - Intercompany Out of Balance Condition - 04/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003538		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements

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RCJSNII00003539		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003540		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003541		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003542		ResCap - Intercompany Out of Balance Condition - 05/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003543		Intercompany Balance - Resi - 5/31/2010	Internal & External Financial Statements
RCJSNII00003544		Intercompany Balance - RFC, Resi - 5/31/2010	Internal & External Financial Statements
RCJSNII00003545		Intercompany Balance - RFC Corp. - 5/31/2010	Internal & External Financial Statements
RCJSNII00003546		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003547		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003548		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003549		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003550		ResCap - Intercompany Out of Balance Condition - 06/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003551		Intercompany Balance - Resi - 5/31/2010	Internal & External Financial Statements
RCJSNII00003552		Intercompany Balance - RFC, Resi, ResMor, Ally Bank - 5/31/2010	Internal & External Financial Statements
RCJSNII00003553		GL Trial Balance - Intercompany Accounts 7/31/2010	Internal & External Financial Statements
RCJSNII00003555		GL Trial Balance - Intercompany Accounts 8/31/2010	Internal & External Financial Statements
RCJSNII00003556		GL Trial Balance - Intercompany Accounts 9/30/2010	Internal & External Financial Statements
RCJSNII00003558		GL Trial Balance - Intercompany Accounts 10/31/2010	Internal & External Financial Statements
RCJSNII00003560		GL Trial Balance - Intercompany Accounts 11/30/2010	Internal & External Financial Statements
RCJSNII00003562		GL Trial Balance - Intercompany Accounts 12/31/2010	Internal & External Financial Statements
RCJSNII00003564		ResCap - Intercompany Out of Balance Condition - 12/2010 Month-End Status	Internal & External Financial Statements
RCJSNII00003565		Intercompany Balances/GL Account Balances - 10/31/2012	Internal & External Financial Statements
RCJSNII00003566		Intercompany Balances/GL Account Balances - 12/31/2012	Internal & External Financial Statements
RCJSNII00003567		GL Trial Balance - Intercompany Accounts 1/31/2012	Internal & External Financial Statements
RCJSNII00003569		ResCap - January 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003570		ResCap - February 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003571		Summary of I/C Account Reconciliations - ResCap at 2/29/12	Internal & External Financial Statements
RCJSNII00003572		GL Trial Balance - Intercompany Accounts 2/29/2012	Internal & External Financial Statements
RCJSNII00003573		GL Trial Balance - Intercompany Accounts 2/29/2012	Internal & External Financial Statements
RCJSNII00003575		Intercompany - asset balance difference reconciliation 2/29/12	Bankruptcy Filings & Background Information
RCJSNII00003578		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003579		GL Trial Balance - Intercompany Accounts 3/31/2012	Internal & External Financial Statements
RCJSNII00003584			Other
RCJSNII00003585		GL Trial Balance - Intercompany Accounts by Subsidiary [Period Unknown]	Internal & External Financial Statements
RCJSNII00003588		ResCap - March 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003589		ResCap - April 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003590		GL Trial Balance - Intercompany Accounts 4/30/2012	Internal & External Financial Statements
RCJSNII00003592		GL Trial Balance - Intercompany Accounts 5/31/2012	Internal & External Financial Statements
RCJSNII00003593		ResCap - May 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003594		GL Trial Balance - Intercompany Accounts 6/30/2012	Internal & External Financial Statements
RCJSNII00003595		ResCap - June 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003596		GL Trial Balance - Intercompany Accounts 7/31/2012	Internal & External Financial Statements
RCJSNII00003598		ResCap - July 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003599		ResCap - July 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003601		GL Trial Balance - Intercompany Accounts 9/30/2012	Internal & External Financial Statements
RCJSNII00003603			Other
RCJSNII00003604		GL Trial Balance - Intercompany Accounts 10/31/2012	Internal & External Financial Statements
RCJSNII00003605		ResCap - October 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements

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RCJSNII00003606		GL Trial Balance - Intercompany Accounts 11/30/2012	Internal & External Financial Statements
RCJSNII00003607		ResCap - November 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003608		ResCap Intercompany Certification - 12/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003610		ResCap - December 2012 Intercompany Out-of-Balance Certification	Internal & External Financial Statements
RCJSNII00003612		GL Trial Balance - Intercompany Accounts 12/31/2012	Internal & External Financial Statements
RCJSNII00003613		Intercompany Balances for April [Year Unknown]	Internal & External Financial Statements
RCJSNII00003624		Intercompany Balances for March [Year Unknown]	Internal & External Financial Statements
RCJSNII00003625		ResCap - Consolidated IC Balances and Debt Forgiveness Entries - 2/29/2012	Internal & External Financial Statements
RCJSNII00003626		Intercompany Account Relationships - Compliant and Non-Compliant - December 2011	Bankruptcy Filings & Background Information
RCJSNII00003627		Intercompany Balances/GL Account Balances - 8/31/2012	Internal & External Financial Statements
RCJSNII00003681		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003682		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003683		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003684		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003685		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003686		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003687		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003688		ResCap Intercompany Inventory Certification - 12/31/2011	Bankruptcy Filings & Background Information
RCJSNII00003692		ResCap Intercompany Inventory Certification - 12/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003694		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003695		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003696		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003697		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003698		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003699		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003700		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003701		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003702		ResCap Intercompany Inventory Certification - 3/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003703		ResCap Intercompany Inventory Certification - 9/30/2012	Bankruptcy Filings & Background Information
RCJSNII00003704		ResCap Intercompany Inventory Certification - 12/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003705		ResCap Intercompany Inventory Certification - 12/31/2012	Bankruptcy Filings & Background Information
RCJSNII00003706		ResCap Intercompany Inventory Certification - 9/30/2012	Bankruptcy Filings & Background Information
RCJSNII00003707		Intercompany Balances/GL Account Balances - 11/30/2012	Internal & External Financial Statements
RCJSNII00019891		Residential Funding - Corporation Franchise Tax (Minnesota) - 2007	Tax Returns
RCJSNII00019897		Residential Funding - Corporation Franchise Tax (California) - 2007	Tax Returns
RCJSNII00019923		Homecomings - Corporation Franchise Tax (Minnesota) - 2007	Tax Returns
RCJSNII00019927		Homecomings - Corporation Franchise Tax (California) - 2007	Tax Returns
RCJSNII00019939		RFC Asset Holdings II - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00019951		Residential Funding - PA Corporate Tax Report (2007)	Tax Returns
RCJSNII00019959		Residential Funding - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00019969		Asset Management Performance Services- LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00019976		LenOne - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00019986		KBOne - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00019996		GMCMTH - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00020007		GMAC Model Home Finance - PA Corporate Tax Report (2007)	Tax Returns
RCJSNII00020015		GMAC Model Home Finance - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00020028		RFC Construction Funding - LLC Return of Income (California) - 2007	Tax Returns
RCJSNII00020035		Homecomings Financial - Rhode Island Business Corporation Tax Return (2007)	Tax Returns

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RCJSNII00020037		PA CORPORATE TAX REPORT 2007	Tax Returns
RCJSNII00020045		Homecomings Financial, LLC - NH Tax Return 2007	Tax Returns
RCJSNII00020051		State Tax Return	Tax Returns
RCJSNII00020053		State Tax Return	Tax Returns
RCJSNII00020066		State Tax Return	Tax Returns
RCJSNII00020073		State Tax Return	Tax Returns
RCJSNII00020080		State Tax Return	Tax Returns
RCJSNII00020087		RFC, LLC - RI Tax Return 2007	Tax Returns
RCJSNII00020089		RFC, LLC - PA Tax Return 2007	Tax Returns
RCJSNII00020097		RFC, LLC - NH Tax Return 2007	Tax Returns
RCJSNII00020104		RFC, LLC - CA Tax Return 2007	Tax Returns
RCJSNII00020118		RFC, LLC - AL Tax Return 2008	Tax Returns
RCJSNII00020123		RFC Resort Funding, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020129		RFC Asset Holdings II, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020139		Residential Funding USA Corporation - CA Tax Return 2008	Tax Returns
RCJSNII00020159		Residential Funding USA Corporation - MN Tax Return 2008	Tax Returns
RCJSNII00020166		Residential Funding Securities, LLC - PA Tax Return 2008	Tax Returns
RCJSNII00020174		Residential Funding Securities, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020184		Residential Funding Real Estate Holdings, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020185		KBOne, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020194		Lenone, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020200		MFC Asset, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020207		RC Properties VI, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020212		RC Properties V, LLC - CA Tax Return 2008	Tax Returns
RCJSNII00020217		Homecomings Financial, LLC - KS Franchise Tax 2008	Tax Returns
RCJSNII00020218		Homecomings Financial, LLC - NH Tax Return 2008	Tax Returns
RCJSNII00020230		Homecomings Financial, LLC - PA Tax Return 2008	Tax Returns
RCJSNII00020239		Homecomings Financial, LLC - CA Limited Liability Return of Income 2008	Tax Returns
RCJSNII00020252		Homecomings Financial, LLC - RI Tax Return 2008	Tax Returns
RCJSNII00020255		Homecomings Financial, LLC - MN Tax Return 2008	Tax Returns
RCJSNII00020261		Homecomings Financial USA Corporation - CA Tax Return 2008	Tax Returns
RCJSNII00020276		GMCMTH, LLC - CA Limited Liability Return of Income 2008	Tax Returns
RCJSNII00020287		GMAC Model Home Finance, LLC - Tax Report 2008	Tax Returns
RCJSNII00020295		GMAC Model Home Finance, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020306		Equity Investments II, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020316		RFC Construction Funding, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020322		Residential Funding Company, LLC - RI Tax Return 2008	Tax Returns
RCJSNII00020325		Residential Funding Company, LLC - PA Tax Return 2008	Tax Returns
RCJSNII00020333		Residential Funding Company, LLC - NH Tax Return 2008	Tax Returns
RCJSNII00020346		Residential Funding Company, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020359		RFC Funding Company, LLC - AL Financial Institution Tax Return 2009	Tax Returns
RCJSNII00020365		Asset Management Performance Services, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020371		Residential Funding Company, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020385		RFC Funding Company, LLC - AL Financial Institution Tax Return 2010	Tax Returns
RCJSNII00020390		Residential Funding Company, LLC - NH Tax Return 2009	Tax Returns
RCJSNII00020405		Residential Funding Company, LLC - PA Corporate Tax Report 2008	Tax Returns
RCJSNII00020415		Residential Funding Company, LLC - RI Corporate Tax Report 2008	Tax Returns
RCJSNII00020418		RFC Asset Holdings II, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns

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RCJSNII00020427		MFC Asset, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020433		Equity Investment II, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020440		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020453		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020465		Homecomings Financial, LLC - PA Corporate Tax Report 2008	Tax Returns
RCJSNII00020475		Homecomings Financial, LLC - RI Corporate Tax Report 2008	Tax Returns
RCJSNII00020478		RFC Construction Funding, LLC - Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020484		Asset Management Performance Services, LLC - Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020489		Residential Funding Real Estate, LLC - RI Corporate Tax Return 2009	Tax Returns
RCJSNII00020493		RC Properties V, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020499		RC Properties VI, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020505		RC Properties XVIII, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020511		Residential Funding Securities, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020520		(AMENDED) Residential Funding Securities, LLC - CA Limited Liability Company Return of Income 2008	Tax Returns
RCJSNII00020529		Residential Funding Securities, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020537		Residential Funding Securities, LLC - PA Corporate Tax Report 2008	Tax Returns
RCJSNII00020545		Residential Funding Company, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020560		Residential Funding Company, LLC - AL Excise Tax Return 2010	Tax Returns
RCJSNII00020566		Residential Funding Company, LLC - NH Business Tax Summary 2009	Tax Returns
RCJSNII00020582		Residential Funding Company, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020590		Residential Funding Company, LLC - RI Business Corporate Tax Return 2009	Tax Returns
RCJSNII00020595		RFC Asset Holdings II, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020606		MFC Asset, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020614		Equity Investments II, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020622		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020636		Homecomings Financial, LLC - NH Business Tax Summary 2009	Tax Returns
RCJSNII00020649		Homecomings Financial, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020657		Homecomings Financial, LLC - RI Tax Return 2009	Tax Returns
RCJSNII00020662		RFC Construction Funding, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020670		Asset Management Performance Services, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020678		Residential Funding Real Estate Holdings, LLC - RI Tax Return 2009	Tax Returns
RCJSNII00020683		RC Properties V, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020689		RC Properties VI, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020697		RC Properties XVIII, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020703		RC Properties XX, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020709		Residential Funding Securities, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020715		Residential Funding Company, LLC - AL Excise Tax Return 2010	Tax Returns
RCJSNII00020722		Residential Funding Company, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020731		Residential Funding Company, LLC - RI Tax Return 2009	Tax Returns
RCJSNII00020734		RFC Asset Holdings II, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020740		MFC Asset, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020746		Equity Investments II, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020752		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020762		Homecomings Financial, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020771		Homecomings Financial, LLC - RI Tax Return 2009	Tax Returns
RCJSNII00020774		RFC Construction Funding, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020780		Asset Management Performance Services, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns

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RCJSNII00020785		Residential Funding Real Estate Holdings, LLC - RI Tax Return 2009	Tax Returns
RCJSNII00020788		RC Properties V, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020794		RC Properties VI, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020800		RC Properties XVIII, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020806		RC Properties XX, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020812		Residential Funding Securities, LLC - CA Limited Liability Company Return of Income 2009	Tax Returns
RCJSNII00020818		Residential Funding Securities, LLC - PA Corporate Tax Report 2009	Tax Returns
RCJSNII00020824			Other
RCJSNII00020826		Residential Funding Company, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020836		Residential Funding Company, LLC - AL Excise Tax Return 2011	Tax Returns
RCJSNII00020843		Residential Funding Company, LLC - PA Corporate Tax Report 2010	Tax Returns
RCJSNII00020853		Residential Funding Company, LLC - RI Tax Return 2010	Tax Returns
RCJSNII00020857		RFC Asset Holdings II, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020866		MFC Asset, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020872		Equity Investments II, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020879		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020888		Homecomings Financial, LLC - PA Corporate Tax Report 2010	Tax Returns
RCJSNII00020898		Homecomings Financial, LLC - RI Tax Return 2010	Tax Returns
RCJSNII00020902		RFC Construction Funding, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020908		Asset Management Performance Services, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020913		Residential Funding Real Estate Holdings, LLC - RI Tax Return 2010	Tax Returns
RCJSNII00020916		RC Properties V, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020922		RC Properties VI, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020928		RC Properties XVIII, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020934		RC Properties XX, LLC - CA Limited Liability Company Return of Income 2010	Tax Returns
RCJSNII00020940		Residential Funding Company, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00020947		Residential Funding Company, LLC - AL Tax Return & Annual Report 2011	Tax Returns
RCJSNII00020950		Residential Funding Company, LLC - PA Corporate Tax Report 2011	Tax Returns
RCJSNII00020958		Residential Funding Company, LLC - RI Tax Return 2011	Tax Returns
RCJSNII00020962		Residential Funding Real Estate Holdings, LLC - RI Tax Return 2011	Tax Returns
RCJSNII00020966		Homecomings Financial, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00020972		Homecomings Financial, LLC - PA Corporate Tax Report 2011	Tax Returns
RCJSNII00020980		Homecomings Financial, LLC - RI Tax Return 2011	Tax Returns
RCJSNII00020985		RFC Asset Holdings II, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00020992		RFC Construction Funding, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00020998		Equity Investments II, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00021004		RC Properties XX, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00021010		RC Properties V, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00021016		RC Properties VI, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00021022		RC Properties XVIII, LLC - CA Limited Liability Company Return of Income 2011	Tax Returns
RCJSNII00021028		Several Entities - Federal Tax Returns 2010	Tax Returns
RCJSNII00021514		Several Entities - Federal Tax Returns 2010	Tax Returns
RCJSNII00021895		Several Entities - Federal Tax Returns 2011	Tax Returns
RCJSNII00025494		ResCap - Monthly Intercompany Balances from 12/31/2007 - 10/31/2012	Internal & External Financial Statements
RCJSNII00025497			Other
RCJSNII00025498			Other
RCJSNII00025499			Other
RCJSNII00025500			Other

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RCJSNII00025502			Other
RCJSNII00025509			Other
RCJSNII00025516			Other
RCJSNII00025518		ResCap - Debt Forgiveness Schedule 2008-2009	Internal & External Financial Statements
RCJSNII00025521			Other
RCJSNII00025523			Other
RCJSNII00025524		Memo: ResCap Capital Contributions to Meet Net Worth Covenants	Email and Memo Communications
RCJSNII00025534		Memo: ResCap to Write Down a Viaduct 7 Note	Email and Memo Communications
RCJSNII00025542			Other
RCJSNII00025547		Proposed Debt Forgiveness for RFC -9/21/2009	Legal
RCJSNII00025553		Memo: From James Young, Allocation of Capital - Forgiveness of Intercompany Debt, June 25, 2009	Email and Memo Communications
RCJSNII00025557			Other
RCJSNII00025562			Other
RCJSNII00025565			Other
RCJSNII00025572			Other
RCJSNII00025581			Other
RCJSNII00025588			Other
RCJSNII00025589			Other
RCJSNII00025630			Other
RCJSNII00025670			Other
RCJSNII00025672			Other
RCJSNII00025673		ResCap Capital Support for RFC	Legal
RCJSNII00025675		Memo: From James Young: Allocation of Capital - Intercompany Debt Forgiveness 12/8/2009	Email and Memo Communications
RCJSNII00025680		Intercompany Information	Email and Memo Communications
RCJSNII00025681			Other
RCJSNII00025682			Other
RCJSNII00025683		ResCap - Intercompany Balances as of 12/31/2012	Internal & External Financial Statements
RCJSNII00025738			Other
RCJSNII00025745			Other
RCJSNII00025746			Other
RCJSNII00025747		Summary of Intercompany relationships with SOALs Descriptions	Internal & External Financial Statements
RCJSNII00025748			Other
RCJSNII00025750		Summary of Intercompany relationships with SOALs balances	Internal & External Financial Statements
RCJSNII00025751			Other
RCJSNII00025752			Other
RCJSNII00025755		Top 7 Intercompany Receivables	Bankruptcy Filings & Background Information
RCJSNII00025767			Other
RCJSNII00025768			Other
RCJSNII00025769			Other
RCJSNII00025770			Other
RCJSNII00025885			Other
RCJSNII00025886		Background of the April 20th Debt Forgiveness Report	Internal & External Financial Statements
RCJSNII00026018			Other
RCJSNII00026019			Other
RCJSNII00026020			Other
RCJSNII00026023			Other
RCJSNII00026037			Other
RCJSNII00026052		Debt Forgiveness Procedures	Bankruptcy Filings & Background Information

Bates # / File Name	Docket #	Document Description	Category
RCJSNII00026151			Other
RCJSNII00026152			Other
RCJSNII00026153			Other
RCJSNII00026154			Other
RCJSNII00026156			Other
RCJSNII10000453			Other
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RCJSNII10006962			Other
RCJSNII10006968			Other
RCJSNII10006983			Other
RCJSNII10006984			Other
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RCJSNII10007112			Other
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RCJSNII10007122			Other
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RCJSNII10009353			Other
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RCJSNII10009376			Other
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RCJSNII10009379			Other
RCJSNII10009383			Other

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RCJSNII10009384			Other
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RCJSNII10009387			Other
RCJSNII10009390			Other
RCJSNII10009392			Other
RCJSNII10009404			Other
RCJSNII10009757			Other
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RCJSNII10010524			Other
RCJSNII10010526			Other
RCJSNII10010536			Other
RCJSNII10010538			Other
RCJSNII10010539			Other

Bates # / File Name	Docket #	Document Description	Category
RCJSNII10010580			Other
RCJSNII10010638			Other
RCJSNII10010639			Other
RCJSNII10010640		Intercompany interest accrual	Internal & External Financial Statements
RCJSNII10010641		Intercompany interest	Internal & External Financial Statements
RCJSNII10010644			Other
RCJSNII10010645			Other
RCJSNII10010647		RFC PeopleSoft Detail 2012	Internal & External Financial Statements
RCJSNII10010651			Other
RCJSNII10010654			Other
RCJSNII10010658		2012 - Negative assets in PeopleSoft	Email and Memo Communications
RCJSNII10010730			Other
RCJSNII10010731			Other
RCJSNII10010734			Other
RCJSNII10010768			Other
RCJSNII10010773			Other
RCJSNII10010777			Other
RCJSNII10010780			Other
RCJSNII10011305			Other
RCJSNII10011306		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10011488			Other
RCJSNII10011490		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10012936			Other
RCJSNII10012937			Other
RCJSNII10012960			Other
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RCJSNII10012965			Other
RCJSNII10012966			Other
RCJSNII10012975		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10012976		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10013050			Other
RCJSNII10013052			Other
RCJSNII10013201			Other
RCJSNII10013202			Other
RCJSNII10013575		Summary Model Input - Resi	Other
RCJSNII10013629			Other
RCJSNII10013631			Other
RCJSNII10013729			Other
RCJSNII10013731			Other
RCJSNII10013766			Other
RCJSNII10013768			Other
RCJSNII10013771			Other
RCJSNII10014058			Other
RCJSNII10014059			Other
RCJSNII10014153			Other
RCJSNII10014455		ResCap Intercompany Balances Consolidated Version (2/29/2012)	Internal & External Financial Statements
RCJSNII10014742		Email from Westman, B. to Kornfeld, J. re: Intercompany Balances	Email and Memo Communications
RCJSNII10014743		ResCap Intercompany Balances Consolidated Version (2/29/2012)	Internal & External Financial Statements

Bates # / File Name	Docket #	Document Description	Category
RCJSNII10015113		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10015116		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10015117		Intercompany Legal Document	Legal
RCJSNII10015251		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10015258		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10015262		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10015265		Notes Legal Structure	Legal
RCJSNII10015269			Other
RCJSNII10015271			Other
RCJSNII10015298			Other
RCJSNII10015317			Other
RCJSNII10015574			Other
RCJSNII10015580		Intercompany Funding Schedule	Legal
RCJSNII10015721			Other
RCJSNII10015722			Other
RCJSNII10015800			Other
RCJSNII10015906			Other
RCJSNII10015992			Other
RCJSNII10015993			Other
RCJSNII10016075			Other
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RCJSNII10016244			Other
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RCJSNII10016984			Other
RCJSNII10017079			Other
RCJSNII10017080			Other
RCJSNII10017173			Other
RCJSNII10017254		ResCap Financial Statements	Internal & External Financial Statements
RCJSNII10017333			Other
RCJSNII10017334			Other
RCJSNII10017403			Other
RCJSNII10017485			Other
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RCJSNII10017720			Other

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RCJSNII10017884			Other
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RCJSNII10017965			Other
RCJSNII10017966			Other
RCJSNII10018000			Other
RCJSNII10018001		ResCap Financial Statements	Internal & External Financial Statements
RCJSNII10018080			Other
RCJSNII10018162			Other
RCJSNII10018242			Other
RCJSNII10018248			Other
RCJSNII10018530			Other
RCJSNII10018532			Other
RCJSNII10018613			Other
RCJSNII10018615			Other
RCJSNII10018702			Other
RCJSNII10018784		ResCap Financial Statements	Internal & External Financial Statements
RCJSNII10018904			Other
RCJSNII10018908			Other
RCJSNII10018988			Other
RCJSNII10019070		ResCap Financial Statements	Internal & External Financial Statements
RCJSNII10019155			Other
RCJSNII10019156			Other
RCJSNII10019221			Other
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RCJSNII10020113			Other
RCJSNII10020114			Other
RCJSNII10020204			Other

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RCJSNII10020205			Other
RCJSNII10020284			Other
RCJSNII10020285			Other
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RCJSNII10020785			Other
RCJSNII10020854			Other
RCJSNII10020917			Other
RCJSNII10020920			Other
RCJSNII10020989			Other
RCJSNII10021136		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10021139		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10021300			Other
RCJSNII10021301		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10021430			Other
RCJSNII10021434		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10021885		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10021888		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10022135			Other
RCJSNII10022136		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10022137			Other
RCJSNII10022138		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10022186			Other
RCJSNII10022187		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10022822		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10022825		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10022970			Other
RCJSNII10022973		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10023007			Other
RCJSNII10023008		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10023009			Other
RCJSNII10023355			Other
RCJSNII10023357		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10023866			Other
RCJSNII10023869		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024002			Other
RCJSNII10024004			Other
RCJSNII10024005			Other

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RCJSNII10024006			Other
RCJSNII10024007			Other
RCJSNII10024008			Other
RCJSNII10024009			Other
RCJSNII10024010			Other
RCJSNII10024011		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024027			Other
RCJSNII10024029			Other
RCJSNII10024030			Other
RCJSNII10024031		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10024034		Debt Forgiveness Schedule	Bankruptcy Filings & Background Information
RCJSNII10024182			Other
RCJSNII10024183		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024205		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10024209			Other
RCJSNII10024210			Other
RCJSNII10024215		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10024220		Debt Forgiveness Schedule	Bankruptcy Filings & Background Information
RCJSNII10024224			Other
RCJSNII10024225			Other
RCJSNII10024273			Other
RCJSNII10024276		State Tax Return	Tax Returns
RCJSNII10024279		State Tax Return	Tax Returns
RCJSNII10024282		State Tax Return	Tax Returns
RCJSNII10024285		State Tax Return	Tax Returns
RCJSNII10024288		State Tax Return	Tax Returns
RCJSNII10024289			Other
RCJSNII10024290			Other
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RCJSNII10024298			Other
RCJSNII10024841			Other
RCJSNII10024842		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024856			Other
RCJSNII10024857			Other
RCJSNII10024858		Accounting Memo	Bankruptcy Filings & Background Information
RCJSNII10024866			Other
RCJSNII10024867		Accounting Memo	Bankruptcy Filings & Background Information
RCJSNII10024869		Accounting Memo	Bankruptcy Filings & Background Information
RCJSNII10024870		Accounting Memo	Bankruptcy Filings & Background Information
RCJSNII10024872		Accounting Memo	Bankruptcy Filings & Background Information
RCJSNII10024874		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024943			Other

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RCJSNII10024944		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024953			Other
RCJSNII10024954		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024955			Other
RCJSNII10024956		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10024957			Other
RCJSNII10024958		Schedule with Intercompany Balances	Internal & External Financial Statements
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RCJSNII10025380			Other
RCJSNII10025475			Other
RCJSNII10025476			Other
RCJSNII10025490			Other
RCJSNII10025498			Other
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RCJSNII10025567			Other
RCJSNII10025581			Other
RCJSNII10025582			Other
RCJSNII10025583			Other
RCJSNII10025584			Other
RCJSNII10025642		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10025645		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10025646		Intercompany Legal Document	Legal
RCJSNII10025652		Intercompany Legal Document	Legal
RCJSNII10025660		Intercompany Legal Document	Legal
RCJSNII10027092			Other
RCJSNII10027093			Other
RCJSNII10027241			Other
RCJSNII10027242		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10027247		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10027285			Other
RCJSNII10027286		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10027291		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10027292		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10027299		Intercompany Schedule	Bankruptcy Filings & Background Information
RCJSNII10027311			Other
RCJSNII10027313		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10028118		Email from Park, L. to Dondzila, C. re: Proj Bounce - Top Intercompany Relationships	Email and Memo Communications
RCJSNII10028373		E-mail discussing intercompany	Email and Memo Communications
RCJSNII10028376			Other
RCJSNII10028377		Schedule with Intercompany Balances	Internal & External Financial Statements
RCJSNII10028378			Other
RCJSNII10028467			Other
RCJSNII10028472			Other
RCJSNII10028547			Other
RCJSNII10028548			Other
RCJSNII10028549			Other
RCJSNII10029545			Other
RCJSNII10029546		Legal Entity Tree, Accounts Tree, Department Tree	Internal & External Financial Statements

Bates # / File Name	Docket #	Document Description	Category
RCJSNII10029547		ResCap Month End Close and Consolidation Process - High Level	Bankruptcy Filings & Background Information
RCJSNII10029548		ResCap Month End Close and Consolidation Process - High Level	Email and Memo Communications
RCJSNII10029549		ResCap Financial Reporting, Monthly Schedule, August 2012	Bankruptcy Filings & Background Information
RCJSNII10029550			Other
RCJSNII10029551		Accounting Month End Close Calendar, August 2012	Bankruptcy Filings & Background Information
RCJSNII10029657		Debt forgiveness	Email and Memo Communications
RCJSNII10029661		ResCap, HoldCo Balance Sheets	Internal & External Financial Statements
RCJSNII10029662		ResCap, HoldCo Balance Sheets	Internal & External Financial Statements
RCJSNII10029672			Other
RCJSNII10029673			Other
RCJSNII10029683			Other
RCJSNII10029684			Other
RCJSNII10029685			Other
RCJSNII10029686		Debt Forgiveness - Residential Capital, LLC, PeopleSoft Financials, JOURNAL ENTRY DETAIL	Internal & External Financial Statements
RCJSNII10029687			Other
RCJSNII10029688			Other
RCJSNII10030238		GMAC Mortgage Annual Financial Statements	Email and Memo Communications
RCJSNII10030239		GMAC Mortgage Annual Financial Statements 2011	Internal & External Financial Statements
RCJSNII10030538			Other
RCJSNII10030540		Affiliate Transaction Deposit Requirements Tracking, Through 2/29/12	Bankruptcy Filings & Background Information
RCJSNII10030551		Intercompany Balances, 2012	Email and Memo Communications
RCJSNII10030552		ResCap Intercompany Balances, Consolidated Version, 2/29/2012	Bankruptcy Filings & Background Information
RCJSNII10030576		Top intercompany balances, 2012	Email and Memo Communications
RCJSNII10030579		Top intercompany balances, PeopleSoft data	Internal & External Financial Statements
RCJSNII10030580		Loan agreement for ICC, May 4, 2005	Legal
RCJSNII10030809		From: Barb Westman, To: Jeremy Stern and Mark Renzi, Intercompany with Parent, 3/19/2012	Email and Memo Communications
RCJSNII10030812		Top intercompany balances, PeopleSoft data	Internal & External Financial Statements
RCJSNII10030813		Amended and Restated Intercompany Advance Agreement, Homecomings Financial Network, June 30 2006	Legal
RCJSNII10030819		Intercompany Advance Agreement for PATI June 1, 2009	Legal
RCJSNII10030827		Intercompany Advance Agreement for RFC Asset Holdings II June 1, 2009	Legal
RCJSNII10031658		Intercompany Analysis	Email and Memo Communications
RCJSNII10031660		Affiliate Transactions	Email and Memo Communications
RCJSNII10031661		ResCap Intercompany Balances, 12/31/2011	Internal & External Financial Statements
RCJSNII10031678			Other
RCJSNII10031684			Other
RCJSNII10031693		Intercompany Balances, 2012	Email and Memo Communications
RCJSNII10031695		ResCap Intercompany Balances, Consolidated Version, 2/29/2012	Internal & External Financial Statements
RCJSNII10031711		Bounce - List of Legal Entities for AP	Email and Memo Communications
RCJSNII10031712		PROJECT BOUNCE, Financial Summary by Legal Entity Balances	Bankruptcy Filings & Background Information
RCJSNII10031728		Interco Inventory Schedule	Email and Memo Communications
RCJSNII10031731		ResCap Intercompany Balances, Consolidated Version, 5/13/2012	Bankruptcy Filings & Background Information
RCJSNII10031975		Interco file	Email and Memo Communications
RCJSNII10031977		ResCap Intercompany Balances, Consolidated Version, Period @ 5/13/2012	Bankruptcy Filings & Background Information
RCJSNII10032068		Intercompany Relationship Analysis	Email and Memo Communications
RCJSNII10032070		Intercompany Balances, Consolidated Version, Period @ 5/13/2012	Bankruptcy Filings & Background Information
RCJSNII10032129		Intercompany Relationship Analysis	Email and Memo Communications
RCJSNII10032131		Intercompany Balances, Consolidated Version, Period @ 5/13/2012	Bankruptcy Filings & Background Information
RCJSNII10032135		Intercompany Balances	Email and Memo Communications

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RCJSNII10032136		Intercompany Balances, Consolidated Version, Period @ 5/13/2012	Bankruptcy Filings & Background Information
RCJSNII10033540		Debt forgiveness	Email and Memo Communications
RCJSNII10033541		Residential Capital, LLC, Debt Forgiveness, January 1, 2008 - March 31, 2012	Bankruptcy Filings & Background Information
RCJSNII10033544			Other
RCJSNII10033545		ResCap/GMACM loan agreement	Bankruptcy Filings & Background Information
RCJSNII10033550		Intercompany Advance Agreement - Homecomings Financial - 6/30/2006	Legal
RCJSNII10033556		Note Issuance Facility Deed - 6/4/2008	Legal
RCJSNII10033603			Other
RCJSNII10033604		Project Bounce, Summary of Top 10 Intercompany Relationships, Balances as of 12/31/12	Bankruptcy Filings & Background Information
RCJSNII10033605		Top intercompany balances, PeopleSoft data	Internal & External Financial Statements
RCJSNII10033699			Other
RCJSNII10033701		ResCap Intercompany Balances	Bankruptcy Filings & Background Information
RCJSNII10034044		Email from Westman, B. to Dondzila, C. re: Discuss GSAP and Legal Entity Certifications	Email and Memo Communications
RCJSNII10035431			Other
RCJSNII10035433		ResCap - Draft Consolidated Financials December 2009 and 2010	Legal
RCJSNII10035541			Other
RCJSNII10037951			Other
RCJSNII10037952		Cash management generated balances	Email and Memo Communications
RCJSNII10037953		Intercompany Account Relationships in Compliance with Policy	Bankruptcy Filings & Background Information
RCJSNII10038865			Other
RCJSNII10038866		GL Trial Balance - Resi/GMAC Bank/BMMZ/RFC - 9/30/2011	Internal & External Financial Statements
RCJSNII10038886			Other
RCJSNII10038887		RFC - Unaudited Trial Balances 9/30/2011	Internal & External Financial Statements
RCJSNII10040842			Other
RCJSNII10040843			Other
RCJSNII10041452		Email from Westman, B. to Venne, S. re: Intercompany Files	Email and Memo Communications
RCJSNII10041500		Email from Jeffress, B. to Gyasi-twum, K. and Venne, S. re: Cash Management Policy	Email and Memo Communications
RCJSNII10042129			Other
RCJSNII10042130			Other
RCJSNII10042139			Other
RCJSNII10042140			Other
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RCJSNII10042512			Other
RCJSNII10042513			Other
RCJSNII10042514			Other
RCJSNII10042517			Other
RCJSNII10042530			Other
RCJSNII10042531		Balance Sheet - Period 10 - 2011-10-01 with Clear Intercompany Payable	Internal & External Financial Statements
RCJSNII10042777		I/C receivable at RFC	Email and Memo Communications
RCJSNII10042778			Other
RCJSNII10042928			Other
RCJSNII10042929			Other
RCJSNII10042994			Other
RCJSNII10042995			Other
RCJSNII10042996		Revolver Trial Balances (RFC/RFOC) - September 2011	Internal & External Financial Statements
RCJSNII10047980			Other
RCJSNII10047981		Intercompany Balance Information & Instructions	Internal & External Financial Statements
RCJSNII10047982		RFG Intercompany Eliminations	Internal & External Financial Statements

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RCJSNII10049180			Other
RCJSNII10049182		Accounting treatment	Internal & External Financial Statements
RCJSNII10049183			Other
RCJSNII10049184		Intercompany accounting T account	Bankruptcy Filings & Background Information
RCJSNII10049185			Other
RCJSNII10049309			Other
RCJSNII10049310			Other
RCJSNII10049801			Other
RCJSNII10049802			Other
RCJSNII10049803		ResCap - GL Trial Balance -12/31/2012	Internal & External Financial Statements
RCJSNII10050710			Other
RCJSNII10050711		Berkshire and Walter Asset Sales, Accounting Coordination, 1/31/2013	Bankruptcy Filings & Background Information
RCJSNII10050712			Other
RCJSNII10050713			Other
RCJSNII10051853			Other
RCJSNII10051855		ResCap - GL Trial Balance -9/30/2012	Internal & External Financial Statements
RCJSNII10051856			Other
RCJSNII10051857		RESI - GL Trial Balance -9/30/2012	Internal & External Financial Statements
RCJSNII10051858		RFC - GL Trial Balance -9/30/2012	Internal & External Financial Statements
RCJSNII10053760			Other
RCJSNII10053763		Intercompany Payables	Bankruptcy Filings & Background Information
RCJSNII10053764			Other
RCJSNII10053765			Other
RCJSNII10053766			Other
RCJSNII10053767		RESI - GL Trial Balance - 3/31/2008	Internal & External Financial Statements
RCJSNII10053768		RFC - GL Trial Balance - 3/31/2008	Internal & External Financial Statements
RCJSNII10053769			Other
RCJSNII10053770			Other
RCJSNII10053771			Other
RCJSNII10053772			Other
RCJSNII10053773		RESI - GL Trial Balance - 6/30/2008	Internal & External Financial Statements
RCJSNII10053774		RFC - GL Trial Balance - 6/30/2008	Internal & External Financial Statements
RCJSNII10053775			Other
RCJSNII10053776			Other
RCJSNII10053777			Other
RCJSNII10053778			Other
RCJSNII10053779		RESI - GL Trial Balance - 9/30/2008	Internal & External Financial Statements
RCJSNII10053780		RFC - GL Trial Balance - 9/30/2008	Internal & External Financial Statements
RCJSNII10053781			Other
RCJSNII10053782			Other
RCJSNII10053783			Other
RCJSNII10053784			Other
RCJSNII10053785		RESI - GL Trial Balance - 3/31/2009	Internal & External Financial Statements
RCJSNII10053786		RFC - GL Trial Balance - 3/31/2009	Internal & External Financial Statements
RCJSNII10053787			Other
RCJSNII10053788			Other
RCJSNII10053789		GMAC Mortgage - Trial Balance and Income Statement - 6/30/2009	Internal & External Financial Statements
RCJSNII10053790			Other

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RCJSNII10053791		RESI - GL Trial Balance - 6/30/2009	Internal & External Financial Statements
RCJSNII10053792		RFC - GL Trial Balance - 6/30/2009	Internal & External Financial Statements
RCJSNII10053793			Other
RCJSNII10053794			Other
RCJSNII10053795			Other
RCJSNII10053796		RESI - GL Trial Balance - 9/30/2009	Internal & External Financial Statements
RCJSNII10053797		RFC - GL Trial Balance - 9/30/2009	Internal & External Financial Statements
RCJSNII10053798		GMAC Mortgage - Trial Balance and Income Statement - 9/30/2009	Internal & External Financial Statements
RCJSNII10055074		PATI debt forgiveness	Email and Memo Communications
RCJSNII10055079			Other
RCJSNII10056338		Cash management generated balances	Email and Memo Communications
RCJSNII10056341		ResCap Intercompany Balances	Bankruptcy Filings & Background Information
RCJSNII10056342		Intercompany Discussion, 2012	Email and Memo Communications
RCJSNII10056345		ResCap Intercompany Balances	Bankruptcy Filings & Background Information
RCJSNII10056756		Project Bounce Intercompany Payable Balances	Internal & External Financial Statements
RCJSNII10056857			Other
RCJSNII10056858			Other
RCJSNII10056859		Cash management flow chart	Bankruptcy Filings & Background Information
RCJSNII10057257			Other
RCJSNII10057258		ResCap Intercompany Balances, Consolidated Version, 2/29/2012	Bankruptcy Filings & Background Information
RCJSNII10057291			Other
RCJSNII10057292		GSAP - Restatement and Trial Balances - 3/31/2012	Internal & External Financial Statements
RCJSNII10057293			Other
RCJSNII10057294		GSAP - Restatement and Trial Balances - 3/31/2012	Internal & External Financial Statements
RCJSNII10057317			Other
RCJSNII10057318		Liabilities Subject to Compromise at 5/13/2012	Internal & External Financial Statements
RCJSNII10057319			Other
RCJSNII10057320		ResCap, LLC, Liabilities Subject to Compromise - Open Items, Open Item as of 5/30/12	Bankruptcy Filings & Background Information
RCJSNII10057329			Other
RCJSNII10057330			Other
RCJSNII10057331		ResCap Intercompany, Debtor-to-Non Debtor balances, 4/1/2012	Bankruptcy Filings & Background Information
RCJSNII10057332			Other
RCJSNII10057333			Other
RCJSNII10057334		ResCap and Subsidiaries - GL Trial Balances at 5/13/2012	Internal & External Financial Statements
RCJSNII10057342			Other
RCJSNII10057343		Liabilities Subject to Compromise at 5/13/2012	Internal & External Financial Statements
RCJSNII10057344			Other
RCJSNII10057345			Other
RCJSNII10057346			Other
RCJSNII10057347			Other
RCJSNII10057349		ResCap and Subsidiaries - Trial Balances at 5/13/2012	Internal & External Financial Statements
RCJSNII10057350			Other
RCJSNII10057351			Other
RCJSNII10057352		Liabilities Subject to Compromise at 5/13/2012	Internal & External Financial Statements
RCJSNII10057353			Other
RCJSNII10057354		ResCap Intercompany Balances	Bankruptcy Filings & Background Information
RCJSNII10057355			Other
RCJSNII10057356			Other

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RCJSNII10057368		Liabilities Subject to Compromise at 5/13/2012	Internal & External Financial Statements
RCJSNII10057369		Residential Capital, LLC, et al. - Liabilities Subject to Compromise Matrix - Effect on Accounting Practices	Bankruptcy Filings & Background Information
RCJSNII10057370			Other
RCJSNII10057379			Other
RCJSNII10057380		Intercompany Discussion, 2012	Email and Memo Communications
RCJSNII10057385			Other
RCJSNII10057390			Other
RCJSNII10057392		ResCap Consolidated - Intercompany Balances - 5/13/2012	Internal & External Financial Statements
RCJSNII10057442			Other
RCJSNII10057443		Intercompany Borrowings and Reconciliation - [Period Unknown]	Internal & External Financial Statements
RCJSNII10057444			Other
RCJSNII10057445		FTI Report - Claims Processing including Intercompany Liability	Bankruptcy Filings & Background Information
RCJSNII10057458			Other
RCJSNII10057459		Intercompany Relationships	Email and Memo Communications
RCJSNII10057462			Other
RCJSNII10057552			Other
RCJSNII10057553		Intercompany	Email and Memo Communications
RCJSNII10057555		ResCap - Intercompany Balances (5/31/2012 & 9/30/2012) - FTI Review	Internal & External Financial Statements
RCJSNII10058065			Other
RCJSNII10058066		ResCap - GL Detail Run - April 2008	Internal & External Financial Statements
RCJSNII10058090		ResCap - GL Detail Run - March 2008	Internal & External Financial Statements
RCJSNII10058109			Other
RCJSNII10058110		2008 GL Query	Internal & External Financial Statements
RCJSNII10058111			Other
RCJSNII10058112		2007 GL Data Reconciliation including intercompany transactions	Internal & External Financial Statements
RCJSNII10058113			Other
RCJSNII10058114		2008 GL Extract including intercompany transactions	Internal & External Financial Statements
RCJSNII10058115			Other
RCJSNII10058117		ResCap Account Reconciliation Policies	Bankruptcy Filings & Background Information
RCJSNII10058155		ResCap Account Reconciliation Policies	Bankruptcy Filings & Background Information
RCJSNII10058167		2007 GL Extract including intercompany transactions	Internal & External Financial Statements
RCJSNII10058168		2007 GL Extract including intercompany transactions	Internal & External Financial Statements
RCJSNII10058169			Other
RCJSNII10058170		ResCap Account Reconciliation Policies	Bankruptcy Filings & Background Information
RCJSNII10058208		ResCap Account Reconciliation Policies	Bankruptcy Filings & Background Information
RCJSNII10058220		2007 GL Extract including intercompany transactions	Internal & External Financial Statements
RCJSNII10058221		2007 GL Extract including intercompany transactions	Internal & External Financial Statements
RCJSNII10058514		Equity Adjustments	Email and Memo Communications
RCJSNII10058516		RFC - October 2009 Balance Sheet (Unaudited)	Internal & External Financial Statements
RCJSNII10058554			Other
RCJSNII10058556		RESI/GMAC Bank/ResMor/ResCap Consol Trial Balance - 10/31/2009 (Unaudited)	Internal & External Financial Statements
RCJSNII10058559			Other
RCJSNII10058560		RESI/GMAC Bank/ResMor/ResCap Consol Trial Balance - 10/31/2009 (Unaudited)	Internal & External Financial Statements
RCJSNII10058563		Debt forgiveness	Email and Memo Communications
RCJSNII10058564			Other
RCJSNII10058610		Equity Adjustments	Email and Memo Communications
RCJSNII10058613		RFC - October 2009 Balance Sheet (Unaudited)	Internal & External Financial Statements
RCJSNII10058614			Other

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RCJSNII10058616		RFC - October 2009 Balance Sheet (Unaudited)	Internal & External Financial Statements
RCJSNII10059750		RFC Net Worth Covenants	Email and Memo Communications
RCJSNII10074531		Bill of Sale and Transfer Agreement (Execution Copy)	Legal
RCJSNII10082197			Other
RCJSNII10082198			Other
RCJSNII10082199			Other
RCJSNII10082200			Other
RCJSNII10082202			Other
rcjsnii10082203			Other
RCJSNII10082208			Other
rcjsnii10082210			Other
rcjsnii10082213			Other
RCJSNII10082215			Other
RCJSNII10082216			Other
RCJSNII10082262			Other
RCJSNII10082263			Other
RCJSNII10118386		Debt Forgiveness from GMAC Residential Holding Company to GMAC Mortgage	Email and Memo Communications
RCJSNII10131858		Ally General Intercompany Accounting Policy	Internal & External Financial Statements
RCUCCJSN00007239		Audited Financial Statements of Residential Funding Company, LLC as of 12/31/2011	Internal & External Financial Statements
RCUCCJSN00007300			Other
RCUCCJSN00007301			Other
RCUCCJSN00007302			Other
RCUCCJSN00007502			Other
RCUCCJSN00007504			Other
RCUCCJSN00007508			Other
RCUCCJSN00007509			Other
RCUCCJSN00007510			Other
RCUCCJSN00007511			Other
RCUCCJSN00007513			Other
RCUCCJSN00007516			Other
RCUCCJSN00007520			Other
RCUCCJSN00010178			Other
RCUCCJSN00010228			Other
RCUCCJSN00012497		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012498		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012499		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012500		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012501		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012502		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012503		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012504		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012505		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012506		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012507		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012508		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012509		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012510		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012511		General ledger extract	General Ledger Transactional Data

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RCUCCJSN00012512		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012513		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012514		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012515		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012516		General ledger extract	General Ledger Transactional Data
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RCUCCJSN00012518		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012519		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012520		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012521		General ledger extract	General Ledger Transactional Data
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RCUCCJSN00012527		General ledger extract	General Ledger Transactional Data
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RCUCCJSN00012531		General ledger extract	General Ledger Transactional Data
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RCUCCJSN00012560		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012561		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012562		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012563		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012564		General ledger extract	General Ledger Transactional Data
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RCUCCJSN00012566		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012567		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012568		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012569		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012570		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012571		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012572		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012573		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012574		General ledger extract	General Ledger Transactional Data
RCUCCJSN00012575		General ledger extract	General Ledger Transactional Data
RCUCCJSN00030169		Intercompany loan detail on filing date	Internal & External Financial Statements
RCUCCJSN00030170		Interco graph (in April 20 Intercompany Analysis Report)	Internal & External Financial Statements
RCUCCJSN00030215		Debt Forgiveness Transactions from 1/1/2008 - 5/13/2012 (Petition)	Internal & External Financial Statements
RCUCCJSN00050365			Other
RCUCCJSN00050366			Other
RCUCCJSN00050367			Other
RCUCCJSN00050368			Other
RCUCCJSN00050369			Other
RCUCCJSN00050370			Other
RCUCCJSN00050371			Other
RCUCCJSN00050372			Other
RCUCCJSN00050373			Other
RCUCCJSN00050374			Other
RCUCCJSN10005622			Other
RCUCCJSN10005688		Email From James Young authorizing Debt Forgiveness	Email and Memo Communications
RCUCCJSN10011161		Email From James Young authorizing Debt Forgiveness	Email and Memo Communications
RCUCCJSN10025065		Approval for $2.0 billion of ResCap forgiveness to RFC	Email and Memo Communications
RCUCCJSN10031823			Other
RCUCCJSN10032484			Other
RCUCCJSN10032487			Other
RCUCCJSN10032780			Other
RCUCCJSN10032788			Other
RCUCCJSN10032813			Other
RCUCCJSN10032820			Other
RCUCCJSN10032828			Other
RCUCCJSN10032835			Other
RCUCCJSN10038836			Other
RCUCCJSN10038909			Other
RCUCCJSN10208959			Other
RCUCCJSN10208961			Other
RCUCCJSN10209039			Other
RCUCCJSN10209041			Other

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RCUCCJSN10250359			Other
RCUCCJSN10252518			Other
RCUCCJSN10252582			Other
RCUCCJSN10293887		From: James Young, To: Cathy Dondzila, Tammy H., Tom Marano, Forgiveness of intercompany debt memo, 12/14/2009	Email and Memo Communications
RCUCCJSN10295626			Other
RCUCCJSN10295647			Other
RCUCCJSN10295655			Other
RCUCCJSN10354687		Email from Westman, B. to McDonald, B. and Renzi, M. re: Open Items for Various Requests	Email and Memo Communications
RCUCCJSN10354691		Residential Capital, LLC Accounting Operations - Open Items List	Other
RCUCCJSN10354692		Residential Capital, LLC Debt Forgiveness (January 1, 2008 - May 13, 2012)	Other
RCUCCJSN10357468		Email from Westman, B. to Dondzila, C. re: Interco File	Email and Memo Communications
RCUCCJSN10357470		ResCap Intercompany Balances Consolidated Version (5/13/2012)	Internal & External Financial Statements
RCUCCJSN10365228		Examiner Presentation - IC accounting overview, 12/4/2012	Bankruptcy Filings & Background Information
RCUCCJSN10371390			Other
RCUCCJSN10371391			Other
RCUCCJSN10371398			Other
RCUCCJSN10371399			Other
RCUCCJSN10371408			Other
RCUCCJSN10371409			Other
RCUCCJSN10383574			Other
RCUCCJSN10390867			Other
RCUCCJSN10427474			Other
RCUCCJSN10427475			Other
RCUCCJSN10427478			Other
RCUCCJSN10461561			Other
RCUCCJSN10461567			Other
RCUCCJSN10463436			Other
RCUCCJSN10465666			Other
RCUCCJSN10465669			Other
RCUCCJSN10465699			Other
RCUCCJSN10465701			Other
RCUCCJSN10465702			Other
RCUCCJSN10465704			Other
RCUCCJSN10467071			Other
RCUCCJSN10467082			Other
RCUCCJSN10473726			Other
RCUCCJSN10473734			Other
RCUCCJSN10566639		Email from Dondzila, C. to Young, J. re Refreshed RFC Equity Projection	Email and Memo Communications
RCUCCJSN10566662			Other
RCUCCJSN10566670			Other
RCUCCJSN10567368		Email from Haugen, S. to Bode, S. re: High Level Description of Solvency Entries	Email and Memo Communications
RCUCCJSN10605077		Memo from Young, J. to GMAC Inc. Board of Directors re: Request for Action by Board of Directors, GMAC Inc. Approval of Capital Allocation from ResCap to RFC and Certain of Its Subsidiaries	Email and Memo Communications
RCUCCJSN10692261			Other
RCUCCJSN106922612978989			Other
RCUCCJSN10692264		List created by MoFo that shows there should be a schedule of intercompany interest	Bankruptcy Filings & Background Information
RCUCCJSN10692265		Summary of Intercompany balances and schedule of interest payments	Internal & External Financial Statements
RCUCCJSN10692266			Other

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RCUCCJSN10692377			Other
RCUCCJSN10718209			Other
RCUCCJSN10718211			Other
RCUCCJSN10742580			Other
RCUCCJSN10744019		Ally Financial Inc., formerly GMAC Inc. Amended and Restated Loan Agreement dated as of 12/30/09	Legal
RCUCCJSN10745574			Other
RCUCCJSN10745614		Uncommitted Intercompany Advance Agreement	Legal
RCUCCJSN10780327			Other
RCUCCJSN10833618		Email from Ruhlin, J. to Dondzila, C. re: Intercompany Agreements	Email and Memo Communications
RCUCCJSN10881204			Other
RCUCCJSN10883521			Other
RCUCCJSN10883522			Other
RCUCCJSN10888066			Other
RCUCCJSN10891667			Other
RCUCCJSN10891668			Other
RCUCCJSN10891669			Other
RCUCCJSN10891684			Other
RCUCCJSN10891687			Other
RCUCCJSN10891969			Other
RCUCCJSN10891974			Other
RCUCCJSN10891977		Cash Balances including Intercompany Transactions	Internal & External Financial Statements
RCUCCJSN10891978		Post-Petition Intercompany Balance Summary, 11/3/2012	Bankruptcy Filings & Background Information
RCUCCJSN10891987		Cash Balances without Intercompany Movement of Cash	Email and Memo Communications
RCUCCJSN10891999		Cash Balances without Intercompany Movement of Cash	Email and Memo Communications
RCUCCJSN10892006			Other
RCUCCJSN10892015			Other
RCUCCJSN10895541		From: Joe Ruhlin, To: Tim McDonagh, intercompany interest payment details, 6/1/2012	Email and Memo Communications
RCUCCJSN10934309			Other
RCUCCJSN10934310			Other
RCUCCJSN10935402			Other
RCUCCJSN10935403		From: James Young, To: Jim Mackey, Request for action by the Board of Directors - Approval to adjust intercompany notes memo, 4/2011	Email and Memo Communications
RCUCCJSN10935407		Memo requesting intercompany debt forgiveness to be allowed	Email and Memo Communications
RCUCCJSN10962759		Email from Ruby, S. to Westman, B. re: Resolution of Ditech Issue	Email and Memo Communications
RCUCCJSN11077472			Other
RCUCCJSN11077708			Other
RCUCCJSN11077752			Other
RCUCCJSN11077934			Other
RCUCCJSN11077942			Other
RCUCCJSN11078338			Other
RCUCCJSN11078368			Other
RCUCCJSN11081836			Other
RCUCCJSN11081837			Other
RCUCCJSN11091668		Email from Horner, J. to Sullivan, C. re Legal Entity Report for 11/30/11	Email and Memo Communications
RCUCCJSN11091669		Consolidated ResCap Legal Entity - YTD November 2011	Other
RCUCCJSN11092270			Other
RCUCCJSN11186259		Meeting agenda, in attendance Jill Horner and Cathy Dondzila, meeting contained intercompany discussions, 10/10/2012	Email and Memo Communications
RCUCCJSN11186261			Other

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RCUCCJSN11241086			Other
RCUCCJSN11241093			Other
RCUCCJSN11241094			Other
RCUCCJSN11241095			Other
RCUCCJSN11243606		Request of Action from the BoD for approval of capital allocation within ResCap and certain of its subsidiaries	Email and Memo Communications
RCUCCJSN11254278		Special Examiner Presentation	Other
RCUCCJSN11254307			Other
RCUCCJSN11270924		Debt Forgiveness Schedule	Internal & External Financial Statements
RCUCCJSN11330021			Other
RCUCCJSN11330023			Other
RCUCCJSN11330048			Other
RCUCCJSN11448924		Email from Perlman, A. to Kook, J. among other re: Preliminary Chart of Accounts Strawman	Email and Memo Communications
RCUCCJSN11448925		SAP GGL Operational Accounts	Other
RCUCCJSN11465342		Debt Forgiveness on the Flume and Viaduct Notes	Email and Memo Communications
RCUCCJSN11624790			Other
RCUCCJSN11666201			Other
RCUCCJSN11666352			Other
RCUCCJSN11680080			Other
RCUCCJSN11680081			Other
RCUCCJSN116830153209658			Other
RCUCCJSN116830203209659			Other
RCUCCJSN116830253209660			Other
RCUCCJSN116830313209661			Other
RCUCCJSN116830393209662			Other
RCUCCJSN11683042			Other
RCUCCJSN116830433209664			Other
RCUCCJSN116830903209665			Other
RCUCCJSN11683095			Other
RCUCCJSN116830963209667			Other
RCUCCJSN116831433209668			Other
RCUCCJSN116831443209669			Other
RCUCCJSN116831523209670			Other
RCUCCJSN11683153		Summary of Top 10 Intercompany Relationships, 12/31/2012	Bankruptcy Filings & Background Information
RCUCCJSN11685937			Other
RCUCCJSN11685938			Other
RCUCCJSN11685939			Other
RCUCCJSN11690799			Other
RCUCCJSN11690804			Other
RCUCCJSN118604473277081			Other
RCUCCJSN118604483277082			Other
RCUCCJSN118604493277083			Other
RCUCCJSN118604503277084			Other
RCUCCJSN118604513277085			Other
RCUCCJSN11860454			Other
RCUCCJSN118604553277087			Other
RCUCCJSN118605023277088			Other
RCUCCJSN11860507			Other
RCUCCJSN118605083277090			Other

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RCUCCJSN118605553277091			Other
RCUCCJSN118605563277092			Other
RCUCCJSN118605643277093			Other
RCUCCJSN11860565			Other
rcuccjsn11922194			Other
RCUCCJSN11922198		ResCap Bank Account Structure at April 11, 2012	Bankruptcy Filings & Background Information
rcuccjsn11922208			Other
RCUCCJSN11979453		Draft - Debtors' Intercompany & Debt Forgiveness Presentation, 4/4/2013	Bankruptcy Filings & Background Information
RCUCCJSN20021816		Email from Szymik, F. to Whilinger, J. re: Interco Summary for Internal Distribution	Email and Memo Communications
RCUCCJSN20021817		ResCap Intercompany Balances Summary as of the Petition Date	Internal & External Financial Statements
RCUCCJSN20027424			Other
RCUCCJSN20027833			Other
RCUCCJSN20033109			Other
RCUCCJSN20033114			Other
RCUCCJSN20033249			Other
RCUCCJSN20033253			Other
RCUCCJSN20033254			Other
RCUCCJSN20037211			Other
RCUCCJSN20037674			Other
RCUCCJSN20038720			Other
RCUCCJSN20045765			Other
RCUCCJSN20045766			Other
RCUCCJSN20045767			Other
RCUCCJSN20047935			Other
RCUCCJSN20047936			Other
RCUCCJSN20051023		GMAC ResCap internal memo prepared by Barb Westman on 3/20/2012	Email and Memo Communications
RCUCCJSN20054889		Email from Westman, B. to Dondzila, C. re: GMACM Management Fee Writeup	Email and Memo Communications
RCUCCJSN20064737		Email from Dondzila, C. to Westman, D. re: Bounce - Intercompany Follow Up	Email and Memo Communications
RCUCCJSN20080786		Email from Dondzila, C. to Renzi, M. and Westman, B. re: Bounce - Intercompany Follow Up	Email and Memo Communications
RCUCCJSN20085299			Other
RCUCCJSN20090333			Other
RCUCCJSN20090334			Other
RCUCCJSN20090347			Other
RCUCCJSN20090357			Other
RCUCCJSN20090358			Other
RCUCCJSN20092910			Other
RCUCCJSN30000236			Other
RCUCCJSN30000243			Other
RCUCCJSN30000244			Other
RCUCCJSN30000245			Other
RCUCCJSN30001108			Other
RCUCCJSN30001110			Other
RCUCCJSN30001111			Other
rcuccjsn30001112			Other
RCUCCJSN30001113			Other
RCUCCJSN30001114			Other
rcuccjsn30001115			Other
RCUCCJSN30002097		Examiner List of Intercompany Files (and Bates numbers for various subjects) for UCC	Bankruptcy Filings & Background Information

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RCUCCJSN30002758		From: Barb Westman, To: Mark Renzi & Brian McDonald, Intercompany and OID discussion, 3/4/2013	Email and Memo Communications
RCUCCJSN30002763		Intercompany payables, document attached in email: RCUCCJSN30002758	Internal & External Financial Statements
RCUCCJSN30002764		Intercompany balances & debt forgiveness entries, attached in email: RCUCCJSN30002758	Internal & External Financial Statements
RCUCCJSN30002765		Intercompany capital injections, RCUCCJSN30002758	Legal
RCUCCJSN30003025		Email from Bazella, J. to Westman, B. and Renzi, M. re: Interco File	Email and Memo Communications
RCUCCJSN30004106		January 2013 Intercompany Analysis	Email and Memo Communications
RCUCCJSN30004112		Email body only, contains explanation of top intercompany balances	Email and Memo Communications
RCUCCJSN30005418		GMAC Residential Holding Corp Consolidated Financial Statements as of and for the years ended December 31, 2004 and 2003 (Restated)	Other
RCUCCJSN30005837		Summary of Top 10 Intercompany Relationships (Native), 12/31/2012	Bankruptcy Filings & Background Information
RCUCCJSN30006751		Summary of Intercompany Balances as of 9/30/2012	Internal & External Financial Statements
RCUCCJSN30006785		From: Cathy Dondzila, To: Brian McDonald, Intercompany follow-up response Alix's questions, 11/1/2012	Email and Memo Communications
RCUCCJSN30006795		Audited Financial Statements of ditech, LLC as of 12/31/2011	Internal & External Financial Statements
RCUCCJSN30006804		Audited Financial Statements of ditech, LLC as of 12/31/2008	Internal & External Financial Statements
RCUCCJSN30006824			Other
RCUCCJSN30006835		Audited Financial Statements of ditech.com, LLC as of 12/31/2007	Internal & External Financial Statements
RCUCCJSN30006849			Other
RCUCCJSN30006860			Other
RCUCCJSN30014296		Email from Westman, B. to Park, L. and Szymik, F. re: Legal Entity Trial Balance	Email and Memo Communications
RCUCCJSN30016049		Email from Westman, B. to Stern, J. and Renzi, M. re: Waterfall Questions	Email and Memo Communications
RCUCCJSN30017113			Other
RCUCCJSN30017115		Summary of Intercompany balances, netting to $7.8 Billion	Bankruptcy Filings & Background Information
RCUCCJSN30017116		ResCap Restated Loan Agreement	Legal
RCUCCJSN30021675			Other
RCUCCJSN30023149		From: Cathy Dondzila, To: Mark Renzi & Barb Westman, Responses and discussion regarding intercompany questions, 4/22/2012	Email and Memo Communications
RCUCCJSN30023156			Other
RCUCCJSN30038469			Other
RCUCCJSN30047169		Intercompany Relationships 05-31-12-FTI Analysis 07-20-2012	Internal & External Financial Statements
RCUCCJSN30054571			Other
ResCap - Auditors (Deloitte PwC) Search Terms (4813-5214-5429-1)			Other
ResCap - Auditors (Deloitte PwC) Search Terms (4813-5214-5429-1) ZC			Other
ResCap - Debtors Search Terms (4828-0789-7365-1)			Other
ResCap - Debtors Search Terms (4828-0789-7365-1) ZC			Other
ResCap - Deloitte - Second Request for Documents (4836-8456-9621-2)			Other
ResCap - Deloitte - Second Request for Documents (4836-8456-9621-2) ZC			Other
ResCap - KPMG - Request for Documents (4816-0386-9205-3)			Other
ResCap - KPMG - Request for Documents (4816-0386-9205-3) ZC			Other
ResCap - KPMG Search Terms (4827-0258-1013-1)			Other
ResCap - KPMG Search Terms (4827-0258-1013-1) ZC comments			Other
ResCap - PwC - Second Request for Documents (4844-0612-0981-2)			Other
ResCap - PwC - Second Request for Documents (4844-0612-0981-2) ZC			Other
Response_to_September_30__2013_Letter_from_Dan_Perry			Legal
Schedule of Assets and Liabilities	548	RFC	SOALs
Schedule of Assets and Liabilities	549	ResCap HoldCo	SOALs
Schedule of Assets and Liabilities	550	GMACM	SOALs

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Schedule of Assets and Liabilities	553	DOA Holding Properties, LLC	SOALs
Schedule of Assets and Liabilities	554	DOA Properties IX (Lots-Other), LLC	SOALs
Schedule of Assets and Liabilities	555	RAHI A, LLC	SOALs
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Schedule of Assets and Liabilities	557	Equity Investment I, LLC	SOALs
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UCC02853		Intercompany Relationships Spreadsheet	Other
UCC12846		From: Mark Renzi, To: AlixPartners, Email providing summary of top ten intercompany notes, 9/17/2012	Email and Memo Communications
UCC12848		Intercompany Balance Detail of Top Ten Accounts, 4/24/2012	Bankruptcy Filings & Background Information
UCC12852			Other
UCC14249		Email from Dove, A. to Goren, T. re: ResCap - Intercompany Rollforward	Email and Memo Communications
UCC14251			Other
UCC142512906182			Other
UCC17941			Other
UCC179412906433			Other
UCC17942		ResCap Monthly Intercompany Balances from 12/31/2007 - 10/31/2012	Internal & External Financial Statements
UCC179422906434			Other
UCC18655			Other
UCC18658		Monthly Changes in Intercompany Relationships	Internal & External Financial Statements
UCC24985			Other
UCC249852907050			Other
UCC24986		Index of relevant Intercompany documents as classified by AlixPartners	Bankruptcy Filings & Background Information
UCC25033			Other
UCC25289			Other
UCC27521		Written Consent from the BoD for the forgiveness of ResCap debt	Email and Memo Communications
CCM00199890		Liquidity Update - GMAC LLC Board of Directors Meeting	Other
DEH_001_1_00000001-01776-2		ResCap Notes From Intercompany Receivable Call	Other
ResCap 10Q/A		10Q for the Period ending June 30, 2009, filed on August 25, 2009	Internal & External Financial Statements
B. Westman Deposition - 10-15-13 Transcript		Deposition Transcript of B. Westman on 10/15/2013	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_01 (Deposition Agreement)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_02 (RCJSNII10041452)		Email: Intercompany files, cash management, with exhibits	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_03 (RCJSNII10041500)		Email: Cash management policy	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_04 (RCJSNII10037951)		Email: Intercompany process memo	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_05 (RCJSNII00003340)		ResCap IC certification	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_06 (RCUCCJSN30016049)		Email: Top 10 IC Relationships agreements	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_07 (RCUCCJSN200064737)		Email: Bounce Intercompany	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_08 (EXAM12263518)		Email: Cash management process	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_09 (Docket 586)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_10 (Docket 683)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_11 (Docket 684)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_12 (Docket 685)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_13 (Docket 687)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_14 (RCJSNII10028118)		Email: Bounce Intercompany	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_15 (UCC12846)		Email: TOP 10 IC	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_16 (RCUCCJSN30002758)		Email: debt forgiveness	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_17 (RCJSNII00025680)		Email: cash movement into debt	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_18 (EXAM00345894)		FTI IC presentation April 4, 2013	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_19 (EXAM00107037)			Deposition Transcripts and Exhibits

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B. Westman Deposition Exhibit_20 (EXAM00107030)		Amended and Restated Intercompany Loan Agreement	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_21 (EXAM00107022)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_22 (EXAM00107300)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_23 (EXAM12263381)		Email: IC balances "flip"	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_24 (RCJSNII10034044)		Email: subs filings	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_25 (RCUCCJSN10895541)		Email: cash management	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_26 (RCUCCJSN10692261)		Email: GL data	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_27 (EXAM00123277)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_28 (EXAM00234281)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_29 (EXAM00125358)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_30 (RCUCCJSN30014296)		Email: IC recoverable support	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_31 (RCJSNII10015251)		Email: IC impairment	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_32 (EXAM12412896)		Email: IC impairment	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_33 (RCJSNII10074531)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_34 (RCUCCJSN30003025)		Email: Key IC balances	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_35 (RCUCCJSN30016049)		Email: IC balance generation	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_36 (RC40000118)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_37 (RCJSNII10131858)			Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_38 (RCUCCJSN20080786)		Email: Bounce Intercompany	Deposition Transcripts and Exhibits
B. Westman Deposition Exhibit_39 (RCUCCJSN00030215)		Debt forgiveness	Deposition Transcripts and Exhibits
C. Dondzila Deposition - 10-17-2013 Transcript		Deposition Transcript of Cathy Dondzila on 10-17-2013	Deposition Transcripts and Exhibits
C. Dondzila Deposition Exhibit_01			Deposition Transcripts and Exhibits
C. Dondzila Deposition Exhibit_02			Deposition Transcripts and Exhibits
C. Dondzila Deposition Exhibit_03			Deposition Transcripts and Exhibits
C. Dondzila Deposition Exhibit_04			Deposition Transcripts and Exhibits
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C. Dondzila Deposition Exhibit_31			Deposition Transcripts and Exhibits
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T. Hamzehpour Deposition Exhibit_2			Deposition Transcripts and Exhibits
T. Hamzehpour Deposition Exhibit_3			Deposition Transcripts and Exhibits
T. Hamzehpour Deposition Exhibit_4			Deposition Transcripts and Exhibits
T. Hamzehpour Deposition Exhibit_5			Deposition Transcripts and Exhibits
T. Hamzehpour Deposition Exhibit_6			Deposition Transcripts and Exhibits

Exhibit C

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ALLY GENERAL INTERCOMPANY ACCOUNTING POLICY		**Division/Dept:** Corporate Controller's Group – Global Processes	**Page** 1 of 21
Supersedes: v1	**Distribution:** All Ally	**Issued by:** Mary Lou Lee, Corporate Controllers Group – Director Global Processes	**Approval Authority:** Financial Controls Committee (FCC)
Effective Date: November 28, 2011	**Last Review Date:** November 17, 2011	**Next Review Date:** December 31, 2013	**Published Date:** November 28, 2011

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ALLY GENERAL INTERCOMPANY ACCOUNTING POLICY		**Division/Dept:** Corporate Controller's Group – Global Processes	**Page** 2 of 21
Supersedes: v1	**Distribution:** All Ally	**Issued by:** Mary Lou Lee, Corporate Controllers Group – Director Global Processes	**Approval Authority:** Financial Controls Committee (FCC)
Effective Date: November 28, 2011	**Last Review Date:** November 17, 2011	**Next Review Date:** December 31, 2013	**Published Date:** November 28, 2011

1.0 Approval History

Version	Author	Approval Date	Approved By Name and Title
1	Rakesh Saini	12/15/09	Accounting Policy Group
2	Mary Lou Lee	11/17/11	Financial Controls Committee (FCC)

2.0 Purpose

The purpose of this policy is to establish guidelines and minimum requirements governing the creation, recording and reconciliation of both intracompany and intercompany transactions/accounts between consolidated entities of ALLY. The objective of this Policy is to reduce the risk of inaccurate record keeping, unreliable financial information, misappropriation of assets, incorrect payments, and fraud, as well as to establish a uniform standard for all Ally Business Units (BUs) and operations and facilitate an efficient consolidation process. Adherence to this policy is primarily the responsibility of the BU and Corporate Segment Controllers (hereinafter, Controller), Finance Shared Services (FSS), Capital Markets Finance (CMF), Securitization Accounting Group (SAG), and Treasury Operations.

Supplemental guidance on specific intracompany and intercompany transactions will be provided prospectively on an as needed basis by the Corporate Controller's Department.

For guidance on related party transactions and related BU standalone reporting, refer to ALLY Accounting Policy 1075, *Related Party Disclosure*.

This Policy is effective on a prospective basis beginning 08/31/09. Recognizing that current processes may initially preclude compliance with the cut-off requirements of Section 6.1, please contact Global Processes for an exception if deemed necessary.

3.0 Scope

The ALLY General Intercompany Accounting Policy ("the Policy") was established to define the accounting standards for ensuring the timely, accurate and consistent



reconciliation, recording and elimination of intercompany transactions in accordance with U.S. Generally Accepted Accounting Principles ("US GAAP"), including defining:

- roles and responsibilities
- process for dispute resolution
- process for non-routine transactions

For the purpose of this Policy, intercompany transactions are defined as both intra-business unit transactions (transactions within a consolidated business unit) and inter-business unit transactions (transactions between consolidated business units).

Intercompany transactions for the purposes of this Policy include, but are not limited to, the recording of actuals, estimates, accruals, expense/revenue reimbursements, loans, and allocations.

4.0 Definitions

Accrued Interest Payable – Intercompany

Interest expense accrued on debt between consolidated entities, for which payment has not yet been made. The accrued interest receivable and payable will be eliminated in consolidation.

Accrued Interest Receivable – Intercompany

Interest income accrued on debt between consolidated entities, for which payment has not yet been received. The accrued interest receivable and payable will eliminate in consolidation.

Affiliate

Any company of which Ally Financial Inc., or one of its subsidiaries, owns 20-50%, but which is not consolidated into Ally Financial Inc. (e.g. equity investments).

Business Unit/Segment (BU)

A grouping of business lines that represents how the company is presented to the public in its external financial reporting, e.g. the 20-F. This represents the way management views the businesses.

Close Calendar "the Calendar" Monthly and Quarterly

This document is defined as the monthly and quarterly schedule of all close-related due dates and deadlines published by the Corporate Controller's Office of ALLY.

Company Code

Four-digit code used to identify an entity. In the SAP instance, this also represents the code associated with trading partner as used in the EC-CS consolidation application.

Confirmation

This is a monthly process by which every Intercompany difference must be adjusted and recorded. This must be done to support intercompany matching and consolidation at the corporate level.

Confirmed balance

The agreed upon intercompany balance between each consolidated entity that will be reported monthly. This balance should be communicated by the intercompany cutoff date.

Consolidated Company

Any company that is consolidated into Ally Financial Inc..

Dispute Resolution

Formal process for resolving disputes between trading partners.

Dividends Payable – Intercompany

Dividend declared but not yet paid between consolidated entities. The dividend receivable and payable will be eliminated in consolidation.

Dividends Receivable – Intercompany:

Dividend declared but not yet paid between consolidated entities. The dividend receivable and payable will be eliminated in consolidation.

G/L Account

Operational account (9 digit) used to record financial transactions in SAP.

Global Group Account

Chart of accounts used by Corporate Consolidations and non-SAP entities. These accounts are 10 digits and may have several operational accounts mapped to them.

Initiator Rules

Rule that requires the trading partner to book intercompany transactions that are disputed until such time that the dispute has been resolved

Intercompany Accounts

Any general ledger account that holds intercompany activity or balances composed of the accounts in the SAP Intercompany Account Summary document which can be found in the Intercompany Teamroom (TeamRoom>BHC Close and Consolidation>Intercompany Teamroom>Shared Documents>Intercompany Policies.

Intercompany - Payables

Any legal obligation to compensate for the purchase of services or similar transactions that have been received (billed or unbilled) between consolidated entities. These transactions will be eliminated against the Trade Receivable – Intercompany in consolidation.

Intercompany - Receivables

Any legal right for compensation for the sale/delivery of services or similar transactions between consolidated entities. These transactions will be eliminated against the Trade Accounts Payable – Intercompany in consolidation.

Intercompany Transaction

Any transaction outside your legal entity with another consolidated entity.

Intercompany Transaction Cutoff Date

The last day an intercompany transaction can be created and posted. This will be the last calendar day of each month.

Interest Expense – Intercompany

Interest expense incurred during the current year on loans/notes between consolidated entities. The interest income and expense will be eliminated in consolidation.

Interest Income – Intercompany

Interest income earned during the current year on loans/notes between consolidated entities. The interest income and expense will be eliminated in consolidation.

Intracompany Transaction

Any transaction within a business unit.

Non-SAP entity

Entity that is not using the SAP environment of SAP. Currently these entities are IO foreign entities (excluding Mexico, Chile and Columbia), ResCap, and CFG.

One Sided Entry Model

Balanced entries made by two different legal entities to record activity with one another.

Profit Center

Organizational unit used by management for internal reporting. Used differently by each business unit (e.g. sub-segment, product, geography)

Receiving/Purchasing Unit

Unit in an intercompany transaction which will record a payable/expense as a result of the transaction (or will be negatively impacted by the transaction).

Reconciliation

A monthly process by which intercompany balances are reviewed and transactions not recorded by either side are identified. During this process, discrepancies are identified and action plans to resolve these discrepancies are agreed upon. The end result of this process is the entities coming to a common agreement of the balance due to/from each other about the balance that will be paid and how and when any discrepancies will be resolved.

Reconciliation Date

The date (usually end of the calendar month) at which all intercompany balances are reconciled.

Recording Unit

Business unit in an SAP-to-SAP transaction that makes the journal entry under the single entry model.

SAP entity

Entity that is using SAP environment of SAP prior to Release 1. These entities are Corporate, NAO, IO Corporate and Domestic entities, Insurance, Mexico, Chile and Columbia.

Self Eliminating Account

Account that crosses company codes. When all company codes with this account are totaled, the account balance equals zero.

Selling/Initiator unit

Unit in an intercompany transaction which will record a receivable/revenue as a result of the transaction (or will be positively impacted by the transaction).

Single Entry model

Intercompany entry recorded by one business unit which affects another business unit's ledger through the creation of a cross-company document.

Trading Partner (TP)

Company code of the entity with which the booking unit is transacting. As defined by the SAP instance, the company code associated with all entities that are in the EC-CS consolidation application.

5.0 Policy Statement

The proper accounting treatment of intercompany transactions and reconciliations serve as an important control in the financial reporting process at ALLY by ensuring that general ledger balances are accurate and supported by sufficient and appropriate documentation, along with validating the ongoing integrity of the financial statements.

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ALLY GENERAL INTERCOMPANY ACCOUNTING POLICY		Division/Dept: Corporate Controller's Group – Global Processes	Page 8 of 21
Supersedes: v1	**Distribution:** All Ally	**Issued by:** Mary Lou Lee, Corporate Controllers Group – Director Global Processes	**Approval Authority:** Financial Controls Committee (FCC)
Effective Date: November 28, 2011	**Last Review Date:** November 17, 2011	**Next Review Date:** December 31, 2013	**Published Date:** November 28, 2011

This Policy is intended to provide definitions and ownership of intercompany transactions, provide for a means of gathering and confirming transactions and/or balances, and provide guidance for reconciling items and corresponding write-offs throughout ALLY.

6.0 Standards, Practices and Procedures

6.1 Recording

Prior to entering into intracompany and/or intercompany arrangements greater than $1M, the transaction should be reviewed and approved by business unit management initiating and receiving the transaction as well as the tax department. These intercompany transactions should also be formally documented (i.e. service agreements, loan agreements, tax sharing agreements, memos).

For recording both intracompany and intercompany transactions between SAP entities, utilization of the single-entry (auto post) posting model is required unless the functionality does not currently exist. For one sided entries where each trading partner is recording their respective entry, communication is critical.

Intracompany and intercompany transactions should be booked to ***designated*** intra/intercompany accounts (either operational or global). **Refer to the Intercompany Teamroom for an inventory of such accounts (**Intercompany Teamroom > Shared Documents > Intercompany Policies**).** Intercompany activity not recorded in designated intercompany accounts must be reported to Corporate Consolidations and Global Processes in order to ensure that proper elimination entries are recorded. A detailed description of the item, including dollar amounts, account numbers, and the reason why the item cannot be included within an intercompany account should be provided. Such balances must be reported on a monthly basis.

All intercompany transactions/entries must be recorded with the TP field populated on the journal voucher/upload template. All entries that do not have this assignment will result in manual intervention at the corporate level and cause serious delays to the goal of a five day close. The BU recording the entry is expected to communicate with the partner BU to determine the correct TP. It is essential the correct TP be assigned to facilitate both legal and management reporting and consolidation.

Company Code	DR/CR	GL Account	Amount	Profit Center	Trading Partner
0100	DR	I/C Receivable	1000	100010	1001
1001	CR	I/C Payable	1000	112520	0100

One-Sided Entry

Company Code	DR/CR	GL Account	Amount	Trading Partner
1410	DR	Expense	1000	
1410	CR	I/C Payable	1000	1001
1420	DR	I/C Receivable	1000	0100
1420	CR	Accounts Payable	1000	

Trading Partner field will be required to be populated when posting to any inter-company account.

6.2 Communication/Confirmation Process

For all intracompany and intercompany activity communication is critical. For *one-sided* entries recorded between SAP and non-SAP entities, or between non-SAP entities, it is essential to avoid out of balance conditions.

Wherever possible, service agreements should be created for shared services or other regular recurring intracompany and intercompany expenses. Such agreements serve to support the transaction on the books and records of the underlying legal entity as well as help to ensure awareness about the transactions.

Supporting documentation for monthly activity should be provided by the trading partner who is the initiator (initiator/selling unit) of the transaction. Adjustments must be agreed to prior to recording by either party.

The preferred communication tool for intracompany and intercompany reconciliations and confirmations should be e-mail. E-mail communications should be retained in accordance with the CRIM Policy. (Refer to the *Records Management Policy* for more information.) Fax or phone calls should be used when e-mail is not available to communicate the intercompany detail or to provide further clarification of transactions as considered necessary.



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All intracompany and intercompany balances must be confirmed with trading partners prior to closing the books, regardless of the type of relationship. Prior to making a trial balance submission to the Consolidation Desk within the Corporate Controller's group, the expectation is that all intracompany balances have been eliminated properly and that intercompany balances will eliminate in the consolidation process without any adjustments required.

6.3 Dispute Resolution

Every effort shall be made to resolve disputed items directly between the Seller/Initiator and the Purchaser/Receiver Trading Partner prior to the deadline for recording intercompany transactions published in the Calendar. Resolution of disputed items is even more critical at quarter end and year end. In the event that "actual" transaction amounts cannot be mutually agreed upon (i.e., disputes over quantity and/or pricing), prior to this deadline, the Seller/Initiator's supporting documentation shall be used to record the transaction by both parties in the financial system in order to meet this deadline.

Disputed balances must be recorded at the initiated amounts. Disputed transactions between affiliates not resolved during the current accounting period will not be recorded or transferred to a deferred account or any other account on the balance sheet or income statement, nor shall the balance be offset against third party balances. These disputed balances (i.e., the difference between the amount recorded to the general ledger by the Initiator/Sender and the amount the Purchaser/Receiver Trading Partner believes to be the correct amount billed/received) shall be properly documented in the Intercompany Schedule of Disputed Items and shall be resolved before workday 1 of the following accounting period.

Sound business judgment shall be used when resolving disputes. For example, where a third party statement is the source and is available, it shall be used as the defining document for resolution. If a third party statement is not available, the parties shall refer to contractual documentation or tariffs as a means for resolution. In cases where one party did not record one side of the transaction, the other party shall provide the supporting documentation for issue resolution.

To reduce time spent processing and reconciling intercompany transactions, the relative value and materiality of the disputed transaction should be considered.



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6.4 Reconciliations

Reconciliations should be prepared in accordance with the Global Account Reconciliation Policy. From a risk categorization perspective, intracompany and intercompany accounts have been designated as medium risk. Accordingly, formal reconciliations must be prepared monthly, no later than the 25th calendar day of the following month.

6.5 Other Considerations

Settlement Procedures

To facilitate proper legal entity accounting, intercompany accounts should be settled on a monthly basis, but at the minimum, accounts must be settled quarterly. If given a BU's cash position, settlement is not feasible, an exception must be requested and documented. Additionally, consideration should be given to whether or not an intercompany line of credit arrangement is necessary, or if a capital contribution or dividend should be contemplated. BUs should consult with Legal and Treasury Operations to assess the specific situation.

Currency

All intercompany transactions will be in USD, the functional currency of the parent, or the settlement or contractual currency if trading with a non-USD functional currency company. Upon settlement, entities that have a gain/loss in local currency must book the difference to eliminate the currency variation from the intercompany balance.

Opening of new Intracompany or Intercompany Accounts

The opening of any new intracompany or intercompany accounts will need to be approved by the Data Governance Change Control Board. The Data Governance Change Control Board meets monthly to approve new accounts. Please refer to Ally Pulse, Master Data Requests, Finance Transformation and Support for the instructions. New account requests must be sent electronically to the G/L Account Requests Mailbox using the forms on the Master Data Requests page of the Finance Transformation and Support site on Ally Pulse. The request should be supported and rationalized by the need for such an account.

All intercompany accounts and transactions should also be in compliance with section 23A of the Federal Reserve Act (Regulations with Affiliates) in order to minimize any

regulatory risks. As a bank holding company, ALLY is required to comply with these regulations. Any questions should be directed to the Accounting Policy group.

Debt Transactions

Direct loans between the parent and its subsidiary (or between subsidiaries) result in reciprocal intercompany receivables and payables which are eliminated in consolidation. Loans between these entities result in an intercompany loan payable and receivable, and intercompany interest income and expense, which need to be eliminated in consolidation.

Intercompany loans and lines of credit between BUs should not be funded until a signed note or loan agreement has been finalized. When a new intercompany loan is initiated and set up, all of the relevant information on the new intercompany loans should be communicated to Corporate Consolidations or Global Processes to ensure the proper accounts are being used.

Services & Guarantee Fees

Services and guarantee fees provided from the parent to its subsidiary (or between subsidiaries) also result in reciprocal intercompany receivables and payables, as well as intercompany income and expense. These transactions and amounts must also be eliminated in consolidation.

Dividends

Dividends paid from a subsidiary to the parent company should be eliminated in consolidation.

Other Transactions

The Company and subsidiaries may enter into transactions with each other where parties to the transaction do not account for the transaction exactly the same way. In these situations, the amounts recorded by the different parties may not naturally offset, and thus require an elimination entry to be made at the consolidated level. For example, in a sales transaction between BUs, the selling BU may be allowed to record the revenue once the sale is complete. The purchasing BU in this example may not expense the item at the time of purchase, but rather amortize the cost over a period of time. In this example, an entry would be required at the consolidated level to ensure this intercompany transaction

is properly eliminated. Transactions of this nature should be communicated to Global Processes and the Corporate Controller's Consolidation Group to ensure that entries necessary in consolidation have been addressed, fully vetted and approved.

6.6 Write-offs

Please refer to the financial controls policies for write-off approval guidelines. In addition, Global Processes should be included in any correspondence related to write-offs of any designated intercompany accounts. All efforts should be made to be consistent with the current ALLY policy on write-offs

6.7 Tax

The Ally Financial Inc. Tax Department has a memoranda on transfer pricing to address issues on intercompany sales and any other tax-related issues. Please request this information from the Tax Department. Additionally, there is an intercompany withholding tax supplement which describes the proper intercompany accounting treatment for intercompany payments that require taxes to be withheld. This policy supplement can be located on Ally Pulse via Company> Policy Library> Intercompany Policies> Supplement #1-Withholding Taxes.

6.8 Reporting and Disclosure

When consolidated financial statements are presented, the following should be disclosed, if material:

- Principles of consolidation;
- A statement that significant intercompany transactions and balances have been eliminated;
- The information of the parent and its consolidated subsidiaries regarding marketable securities, if the parent follows specialized industry practices for such securities and two or more of its subsidiaries do not.

If a subsidiary is sold during the year, revenue and expense should be omitted from the consolidated income statement, and the equity in the earnings of the subsidiary prior to the date of sale should be identified as a separate item on the income statement. If the subsidiary that has been sold constitutes a segment, disclosures should be made in accordance with the requirements of discontinued operations (refer to ALLY Accounting Policy 1045, *Held for Sale and Discontinued Operations*). If the subsidiary is a foreign subsidiary, recognition of related amounts in the accumulated translation adjustment

account should be in accordance with ALLY Accounting Policy 1015, *Foreign Currency Translation*.

7.0 Accountability

It is the responsibility of the FCC to approve changes/revisions to this policy.

As stated in the Purpose section of this Policy, BU and Corporate Segment Controllers, FSS, CMF, SAG and Treasury Operations are responsible for the execution of this Policy.

7.1 Intercompany Roles

All corporate/business unit personnel of ALLY involved with the recording of intercompany transactions shall: ensure compliance with the Policy including all appendices and all related policies, standards or procedures referenced in the Policy; and make every effort to minimize the possibility of disputes arising from transactions between affiliates by properly documenting all intercompany transactions per the *Code of Business Ethics – Accuracy of Books & Records and Reporting Information and Contract*.

Corporate Controller or his/her designee, "Corp Controller" – defined as the person who is in the role of Controller for ALLY Inc. or his/her designee.

Enterprise Intercompany Process Owner, "Enterprise IPO" – defined as the person who is in the role of Intercompany Process Owner for all of ALLY Inc. and its consolidated subsidiaries. Also referred to as Corporate Controller's Group/Global Processes.

Business Unit and Functional Controller or his/her designee, "BU Controller" – defined as the person(s) who is in the role of Controller for each of the consolidated subsidiaries of ALLY Inc. or his/her designee.

Corporate/Business Unit/Functional Group Intercompany Process Owner, "Corp/BU IPO" – defined as the person who is in the role of Intercompany Process Owner for each of the consolidated subsidiaries of ALLY. The BU Process Owner has the lead responsibility for resolving intercompany and intracompany disputes involving BU trading partners.

Account Reconciler – individual responsible to reconcile specific intercompany accounts/ trading partner relationships for a company code/entity

Seller/Initiator Entity (SAP Company Code), "Seller/Initiator" – defined as the corporate or business unit who is selling the product/service or sending the charge.

Purchaser/Receiver Trading Partner (SAP Trading Partner), "Purchaser/Receiver" – defined as the corporate or business unit who is purchasing the product/service or receiving the charge.

7.2 Intercompany Responsibilities

A. Corporate Controller

- Ensure by policy, procedure, review and sign off that all business and corporate units are recording intercompany transactions on a timely, accurate and consistent basis;
- Designate an individual who will serve as Intercompany Process Owner at each of the business units as well as at the enterprise level;
- Establish and enforce a cutoff date for each accounting period for recording, reconciling and eliminating intercompany transactions and resolving any out of balance conditions which will be published in the ALLY Close Calendar;
- Address disputed intercompany transactions between business units and/or corporate that remain unresolved after close of workday 1 of the following accounting period and is ultimately responsible for ensuring resolution;
- Perform final review and sign off of monthly *Intercompany Schedule of Disputed Balances*, *Intercompany Out of Balance Report* (including any out of balance items associated with the mark-to-market of intercompany hedges and other derivatives recorded in third party accounts on the balance sheet) and other reports as deemed necessary to ensure the propriety of intercompany balances and the effect of the eliminations on consolidated financial statement line items;
- Perform general administration of the Policy, including periodic review within the guidelines established by the ALLY Accounting Policy Committee and update for changes in accounting standards, business conditions and other factors; and
- When accounting for non-routine transactions, ensure the accounting for intercompany transactions is considered and that any identified affiliate

transactions are accurately recorded and eliminated during the consolidation process.

B. Enterprise Global Intercompany Process Owner – Corporate Controller's Group/Global Processes

- Ensure each of the Corp/BU IPOs are in compliance with the Policy;
- Ensure all disputed balances between affiliates are resolved timely as required by this Policy;
- Ensure all intercompany balances are accurately and timely eliminated during the consolidations, review other reports as deemed necessary to ensure the propriety of intercompany balances and the effect of the eliminations on consolidated financial statement line items and is responsible for the general oversight and monitoring of intercompany balances;
- Ensure the Corp/BU IPOs facilitate the accurate and timely settlement of all ALLY affiliate transactions in accordance with related contractual documentation or tariffs, either through cash settlement, reclassification to intercompany advances, intercompany notes receivable or payable, or reclassification to equity; and
- Provide training on the Policy to all corporate/business unit personnel involved in the recording of intercompany transactions.

C. Business Unit Controllers

- Ensure assigned business units are recording intercompany transactions on a timely, accurate and consistent basis, and are in compliance with the Policy and all related policies and procedures;
- Designate an individual who will serve as Intercompany Process Owner for assigned business units;
- Understand the legal entity structure for assigned business units and ensure accounting entries are consistent with the legal hierarchy. Refer to the *Creation, Dissolution, or Restructuring of Legal Entities & Subsidiaries Policy*;
- Ensure disputed intercompany transactions between business units and/or corporate are resolved on a timely basis in accordance with this Policy;
- Perform final review and sign off of monthly *Intercompany Schedule of Disputed Balances*, *Intercompany Out of Balance Report* and other reports as deemed necessary to ensure the propriety of intercompany balances and

the effect of the eliminations on consolidated financial statement line items for assigned business units; and

- When accounting for non-routine transactions, ensure the accounting for intercompany transactions is considered and that any identified affiliate transactions are accurately recorded and eliminated during the consolidations process.

D. Corporate/Business Unit/Functional Group Intercompany Process Owners

- Ensure assigned corporate/business units are in compliance with the Policy;
- Maintain the *Intercompany Schedule of Disputed Items* for assigned corporate/business unit and ensure that all disputed items are resolved per the Policy;
- Ensure all intercompany balances are accurately and timely eliminated during the consolidation process by monitoring the *Intercompany Out of Balance Report*, by reviewing other reports as deemed necessary to ensure the propriety of intercompany balances and the effect of the eliminations on consolidated financial statement line items, and administering the *Eliminations Procedures* for assigned business/corporate units;
- Ensure the accurate and timely settlement of all assigned ALLY affiliate transactions in accordance with related contractual documentation or tariffs, either through cash settlement, reclassification to intercompany advances, intercompany notes receivable or payable or reclassification to equity;
- Notify the Corp/BU IPO of the Initiator/Sender business unit and the Enterprise IPO when the Purchaser/Receiver business unit is capitalizing any intercompany transactions; and
- Ensure that all intercompany relationships are documented and properly accounted for.

E. Corporate/Business Unit/Functional Group Account Reconciler

- Ensure that all intercompany accounts are reconciled at the Trading Partner (TP) level and in compliance with the account reconciliation policy.

F. Seller/Initiator and Purchaser/Receiver Trading Partner

- Seller/Initiator is responsible for contacting the Purchaser/Receiver Trading Partner by e-mail or other verifiable method prior to recording intercompany transactions to verify the accuracy and mutual agreement of all charges, volumes, values, and the account chart fields, and shall make every effort to resolve any discrepancies prior to recording intercompany transactions to the general ledger. Exceptions by the Seller/Initiator in contacting the Purchaser/Receiver Trading Partner prior to recording intercompany transactions may be granted for routine transactions (e.g. allocations) and must be approved in advance by the Enterprise IPO;
- Seller/Initiator shall record all intercompany transactions by the deadline as published in the Calendar;
- Purchaser/Receiver Trading Partner is responsible for reviewing and verifying all charges received and notifying the Seller/Initiator of any charges that were not recorded as previously agreed;
- Purchaser/Receiver Trading Partner is responsible for updating the *Intercompany Schedule of Disputed Items* and working with the Initiator/Sender to ensure all disputed items are resolved by close of workday 1 of the following accounting period

8.0 Information and Communication

Management will communicate to Global Processes Group information regarding major changes in corporate strategy, the regulatory environment, or financial conditions that may necessitate changes in the Policy and recommend changes.

This Policy and any updates to it are accessible on Ally Pulse.

9.0 Policy Monitoring and Maintenance

The updating of all ALLY Accounting Policies is to be performed by the Corporate Accounting Policy group. Any updates or revisions will be approved by the Accounting Policy Committee before issuance. Modifications will be made to this Policy to incorporate changes that impact the provisions of this Policy due to new or revised laws, regulations, standards or authoritative guidance. Questions or requested modification to this Policy should be directed to the Corporate Accounting Policy group.

All new and/or amended polices will be distributed to the BU Controllers. Policy distribution is the responsibility of the BU Controllers and should include, but is not

limited to, key personnel and departments involved in the activities supporting each respective policy (e.g. accounting, tax, internal audit, controls).

All issued policies will be made available online to all employees across the enterprise via the ALLY Corporate Accounting Policy intranet site. A listing of all recent policy updates and accounting policies in process are separately identified on the website.

10.0 Affected Areas and Exceptions

All affected parties must implement the procedures outlined in this policy. Exceptions to the Policy (I.E. entries made after month-end) will be made on a case by case basis by the Global Processes group.

11.0 Review Cycle

This Policy will be reviewed every two years by Global Processes Group. Additional reviews may be triggered by major changes in corporate strategy, the regulatory environment, financial market conditions, or applicable laws.

12.0 Effective Date

This Policy is effective December 1, 2011 and supersedes all previous versions and/or other policies that cover the same subject matter. All policies developed subsequent to Corporate Controller's approval must adhere to the elements defined in the Policy. Policies in existence prior to Corporate Controller's approval must be modified to conform to this Policy.

13.0 Appendices

Appendix I. Related Policies Referenced

The policies listed below may be in varying stages of publication and implementation and are found in the Global Policy Library.

- Ally Global Reconciliation Policy
- Ally General Intercompany Accounting Policy Supplement #1 – Intercompany Treatment of Withholding Taxes
- Global Records Management Policy
- ALLY Accounting Policy 1045, Held for Sale and Discontinued Operations
- ALLY Accounting Policy 1015, Foreign Currency Translation



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- ALLY Accounting Policy 1075, Related Party Disclosure

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Appendix II. Global Policy Governance Acknowledgement of Approval

Name of Policy: Ally General Intercompany Accounting Policy

[X] Reviewed	Richard Kent Legal Counsel	October 13, 2011 Date	
[X] Reviewed	Robert Sykes Compliance	October 12, 2011 Date	
[X] Approved	Mary Lou Lee Policy Owner	October 13, 2011 Date	

Typing your name and date serves as your official acknowledgement that the above areas have approved this Policy.

Mary Lou Lee Policy Author	October 13, 2011 Date
[X] Approved FCC Approval Authority	November 17, 2011 Date

Implementation Plan Communicated (Will Ally comply by the Effective Date of this Policy?) If no, enter comments

[X] Yes [ ] No

Comments:

Additional Comments:

Exhibit D

DX ATL

To: Lewis, Jeffrey[JLewis@HL.com]; Snellenbarger, Reid[RSnellenbarger@HL.com]; Ilhardt, Benjamin[BIlhardt@HL.com]
Cc: Goren, Todd M.[TGoren@mofo.com]; Marines, Jennifer L.[JMarines@mofo.com]; McDonald, Brian[Brian.McDonald@FTIConsulting.com]; Szymik, Filip[Filip.Szymik@fticonsulting.com]; Nolan, William[william.nolan@FTIConsulting.com]; Marinuzzi, Lorenzo[LMarinuzzi@mofo.com]
From: Renzi, Mark
Sent: Thur 4/11/2013 7:48:27 PM
Subject: ResCap - Interco Notes
ResCap - Interco Information DRAFT (2).pdf

Reid, Jeff and Ben,

Attached is the latest intercompany presentation that we reviewed with the UCC. Please treat this document as PEO and we can discuss at your convenience.

Regards,

Mark A. Renzi
Senior Managing Director | Corporate Finance

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RESCAP

ResCap – Intercompany Transactions – DRAFT

For Illustrative Purposes Only
April 4, 2013

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Limitations and Scope

Limitations of Report

- *The information contained herein has been prepared based upon financial and other data provided to FTI Consulting, Inc. ("FTI") from the management and staff of Residential Capital, LLC. ("ResCap" or the "Company"), its contract staff and advisors, or from public sources FTI deemed to be reliable. FTI further relied on the assurance of management and staff of the Company and its advisors that they were unaware of any facts that would make the information provided to FTI by them incomplete or misleading.*
- *FTI has not subjected the information contained herein to an audit in accordance with generally accepted auditing or attestation standards or the Statement on Standards for Prospective Financial Information issued by the AICPA. Further, the work involved did not include a detailed review of any transactions, and cannot be expected to identify errors, irregularities or illegal acts, including fraud or defalcations that may exist. Accordingly, FTI cannot express an opinion or any other form of assurance on, and assumes no responsibility for, the accuracy or correctness of the historical information or the completeness and achievability of the projected financial data, information and assessments upon which the enclosed report (the "Report") is presented.*
- *This Report is preliminary and for illustrative purposes only and is subject to further revision which may result in material changes.*

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Intercompany Transactions | Summary of Intercompany Balances

($ in millions)

	Paying Entity	Receiving Entity	Net Payable Balance
	Name	**Name**	
1	GMAC Residential Holding Co., LLC	Residential Capital, LLC	$ 3,333.9
2	Residential Capital, LLC	Residential Funding Co., LLC	1,955.0
3	Residential Funding Co., LLC	Homecomings Financial, LLC	1,251.5
4	GMAC Mortgage, LLC	Passive Asset Transactions, LLC	697.0
5	GMAC Mortgage, LLC	Executive Trustee Services, LLC	265.4
6	RFC Asset Holdings II, LLC	Residential Funding Co., LLC	231.9
7	GMAC Mortgage, LLC	Residential Funding Co., LLC	139.8
8	GMAC Residential Holding Co., LLC	Home Connects Lending Serv, LLC	54.6
9	GMAC Mortgage, LLC	GMAC Residential Holding Co., LLC	51.4
10	Home Connects Lending Serv, LLC	GMACRH Settlement Services, LLC	50.0
11	Residential Funding Co., LLC	RFC Asset Management, LLC	45.7
12	RFC Asset Management, LLC	RFC SFJV-2002, LLC Pre	36.3
13	Residential Funding Co., LLC	RCSFJV2004, LLC	17.0
14	RFC Asset Holdings II, LLC	Homecomings Financial, LLC	11.9
15	Residential Funding Co., LLC	GMAC Res Fund of Canada[1]	11.4
16	Other Entities	Other Entities	51.1
			$ 8,203.7

(1) Non-debtor entity.

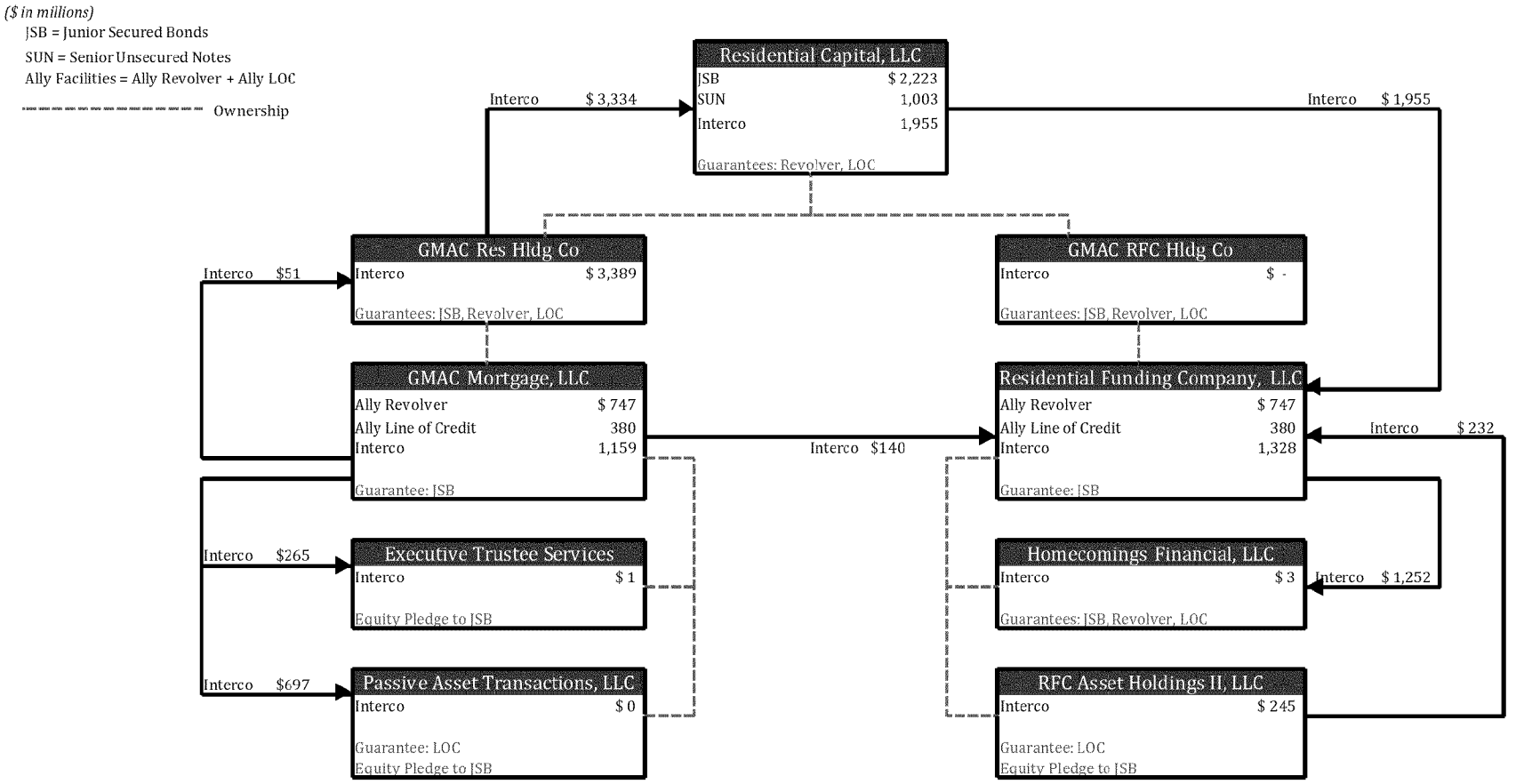
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Intercompany Transactions | Subset of Intercompany Balances

- The schedule below reflects certain intercompany activity at ResCap, RFC, GMACM and the intermediary holding companies. The schedule excludes other entities with no assets.



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Intercompany Transactions | Summary of Intercompany Balances - Matrix

($ in millions)

Receiving Entity Name	Receiving Entity PS	Paying Entities: 10010 Residential Funding Company, LLC	10015 RFC Asset Holdings II, LLC	10300 RFC Asset Management, LLC	50000 Residential Capital, LLC	SS001 GMAC Mortgage, LLC	SS033 GMAC Residential Holding Company, LLC	SS066 GMAC RH Settlement Service, LLC	SS067 Home Connects Lending Services, LLC	Various Other Legal Entities	Total
Residential Capital, LLC	50000	$ -	$ 1.7	$ -	$ -	$ 2.7	$ 3,333.9	$ -	$ -	$ -	$ 3,338.3
Residential Funding Company, LLC	10010	-	231.9	-	1,955.0	139.8	-	-	0.0	14.8	2,341.4
Homecomings Financial, LLC	10011	1,251.5	11.9	0.0	-	-	-	-	-	-	1,263.4
Passive Asset Transactions, LLC	SS095	-	-	-	-	697.0	-	-	-	-	697.0
Executive Trustee Services, LLC	SS002	0.4	-	-	-	265.4	-	-	-	0.0	265.8
Home Connects Lending Services, LLC	SS067	-	-	-	-	-	54.6	-	-	-	54.6
RFC Asset Management, LLC	10300	45.7	-	-	-	-	-	-	-	5.7	51.4
GMAC Residential Holding Company, LLC	SS033	-	-	-	-	51.4	-	-	-	-	51.4
GMAC RH Settlement Service, LLC	SS066	-	-	-	-	-	-	-	50.0	-	50.0
RFC SFJV-2002, LLC	10301	-	-	36.3	-	-	-	-	-	2.6	38.9
RCSFJV2004, LLC	10302	17.0	-	-	-	-	-	-	-	-	17.0
GMAC Mortgage, LLC	SS001	-	-	-	-	-	-	9.6	3.2	3.0	15.8
GMAC Res Fund of Canada[(1)]	14000	11.4	-	-	-	-	-	-	-	-	11.4
Ditech, LLC	SS026	-	-	-	-	2.6	-	-	-	-	2.6
GMAC Model Home Finance I, LLC	10550	2.0	-	-	-	-	-	-	-	-	2.0
ETS of Virginia, Inc.	SS019	-	-	-	-	0.0	-	-	-	1.3	1.3
GMAC Mortgage USA Corporation	SS009	-	-	-	-	0.6	-	-	-	-	0.6
RFC Construction Funding, LLC	30003	0.4	-	-	-	-	-	-	-	-	0.4
RFC Asset Holdings II, LLC	10015	-	-	-	-	-	-	-	-	0.3	0.3
Residential Consumer Services, LLC	SS007	-	-	-	-	0.1	-	-	-	-	0.1
Total		**$ 1,328.4**	**$ 245.5**	**$ 36.3**	**$ 1,955.0**	**$ 1,159.4**	**$ 3,388.5**	**$ 9.6**	**$ 53.2**	**$ 27.8**	**$ 8,203.7**

(1) Non-debtor entity.

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Intercompany Transactions | Top 7 Intercompany Balances (1)

#	"Accounts Receivable" Entity	"Accounts Payable" Entity	Net Claim Amount	Comments
1	Residential Capital, LLC ("ResCap")	GMAC Residential Holding Company, LLC ("ResHolding")	$3,334M	➢ Balance generally arose from borrowings under loan agreement between ResCap and ResHolding. ResHolding borrowed funds from ResCap and then distributed funds to GMACM for general operating purposes. ➢ Documentation exists reflecting lending relationship between ResCap and ResHoldings. ResCap Restated Loan Agreement, dated January 1, 2006, among ResCap, as lender, and ResHolding, GMACM, and RFC, as borrowers. This loan agreement is characterized by the following: ▪ upon termination, borrower's obligation to repay continues ▪ no fixed maturity date, interest rate, or repayment terms ▪ unsecured debt ➢ While there was no fixed interest rate in the loan agreement, interest was paid regularly until the petition date at an average rate of 9.6% (multi-tiered interest rate based on intercompany balances). ➢ In 2009, $2.52 billion of debt owed by GMACM to ResHolding was forgiven so that GMACM could meet certain tangible net worth debt covenants. ResCap did not forgive any of ResHolding's debt at that time because ResHolding was not at risk of defaulting on its net worth requirements. ➢ ResHolding has no assets other than an approximate $50 million intercompany claim against GMACM, so any intercompany "claim" asserted against it would have little, if any, value.
2	Residential Funding Company ("RFC")	ResCap	$1,955M	➢ Balance generally arose out of operation of the company's centralized cash management system. As RFC generated cash, that cash would be swept upstream to ResCap. Balance changed frequently. ➢ Interest was not accrued or paid. ➢ There is no documentation reflecting this intercompany relationship. Documentation exists reflecting the reverse lending relationship from ResCap to RFC. ResCap Restated Loan Agreement, dated January 1, 2006, among ResCap, as lender, and ResHolding, GMACM, and RFC, as borrowers. ➢ In 2008, $2 billion of debt owed by RFC to ResCap was forgiven so that RFC could meet certain tangible net worth debt covenants. ➢ ResCap has no unencumbered assets, so any intercompany "claim" asserted against it would have little, if any, value, absent an AFI contribution to ResCap.

(1) The top 7 intercompany balances represent 96% of the total intercompany balances.

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Intercompany Transactions | Top 7 Intercompany Balances (cont.)

#	"Accounts Receivable" Entity	"Accounts Payable" Entity	Net Claim Amount	Comments
3	Homecomings Financial, LLC ("Homecomings")	RFC	$1,252M	➢ Balance generally arose out of operation of the company's centralized cash management system. Homecomings sold loans to RFC for securitization as part of normal business operations, subserviced loans, and generated other cash through operations that was swept up to RFC. Receivable balance consists largely of this, less payables to RFC for general overhead expenses. Balance changed frequently until 2008. ➢ Homecomings became largely dormant in 2008, but continued to have wind down activity that created cash that has been swept up to RFC. ➢ Interest was accrued but not paid on the intercompany balance (this amount has been included in the intercompany balance). ➢ There is no documentation reflecting this intercompany relationship. Documentation exists reflecting the reverse lending relationship from RFC to Homecomings. Intercompany Advance Agreement, dated June 30, 2006, between Homecomings, as borrower, and RFC, as lender.
4	Passive Asset Transactions, LLC ("PATI")	GMAC Mortgage, LLC ("GMACM")	$697M	➢ Balance generally arose out of operation of the company's centralized cash management system. Majority of balance reflects cash collected by PATI from non-Debtor entities (Flume and GX II) that were swept to GMACM and then to ResCap. ➢ Interest was not accrued or paid. ➢ Documentation exists reflecting a lending relationship from PATI to ResCap (not GMACM). Intercompany Advance Agreement, dated June 9, 2009, between ResCap, as borrower, and PATI, as lender. This loan agreement is characterized by the following: ▪ contains bankruptcy standstill provision indicating claims on account of obligations are not enforceable in bankruptcy ▪ no fixed maturity date, interest rate, or repayment terms ▪ unsecured debt
5	Executive Trustee Services, LLC ("ETS")	GMACM	$265M	➢ Balance generally arose out of operation of the company's centralized cash management system. Revenue received by ETS (as foreclosure trustee) was upstreamed to GMACM. GMACM, in turn, satisfied ETS's cash needs. Intercompany balances were created to record impact to ETS, but no cash settlements occurred. ➢ Interest was accrued but not paid on the intercompany balance (this amount has been included in the intercompany balance). ➢ There is no documentation reflecting this intercompany relationship.

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Intercompany Transactions | Top 7 Intercompany Balances (cont.)

#	"Accounts Receivable" Entity	"Accounts Payable" Entity	Net Claim Amount	Comments
6	RFC	RFC Asset Holdings II, LLC ("RAHI")	$232M	➢ Balance generally arose out of operation of the company's centralized cash management system. RAHI owned a portfolio of non-economic residuals that generated excess inclusion income that resulted in current taxes payable. Balance primarily attributable to settlement of taxes under the tax sharing agreement. ➢ Interest was accrued but not paid on the intercompany balance (this amount has been included in the intercompany balance). ➢ There is no documentation reflecting this intercompany relationship. Documentation exists reflecting the reverse lending relationship from RAHI to ResCap. Intercompany Advance Agreement, dated June 9, 2009 between Residential Capital, LLC, as borrower, and RAHI, as lender. ➢ RAHI has no unencumbered assets, so any intercompany "claim" asserted against it would have little, if any, value.
7	RFC	GMACM	$140M	➢ Majority of balance consists of (i) amounts recorded in connection with AFI billings for shared services (e.g. payroll, outside counsel) – RFC routinely remitted payment to AFI for services and RFC then charged GMACM for its portion; and (ii) service fee income received by GMACM as subservicer relating to RFC MSR. ➢ Prior to the petition date, cash settlements occurred. ➢ Interest was not accrued or paid. ➢ There is no documentation reflecting this intercompany relationship.

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Intercompany Transactions | Summary of Debt Forgiveness

- Approximately $9.6 billion of debt was forgiven by Residential Capital, LLC and GMAC Residential Holding Company, LLC from 2008 to the petition date.

- Debt was forgiven primarily:
  - To maintain solvency/net worth requirements under certain funding facility agreements;
  - To maintain solvency/net worth requirements imposed by federal and state regulatory entities (*e.g.,* GSEs, state licensing regulations);
  - As part of the company's sale of non-core assets and other M&A transactions (e.g. sale of European and Australian entities or assets); and
  - As part of dissolution of entities.

- A review of the Debtors' records reflects evidence of corporate approval for all debt forgiveness transactions discussed in this presentation.

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Intercompany Transactions | Subset of Debt Forgiveness by Year

($ in millions)

Forgiven By	In Favor Of	Entity Status	Year 2008	2009	2010	2011	2012	Grand Total
Residential Capital, LLC	Residential Funding Co., LLC	Debtor	$ 2,000	$ 151	$ -	$ -	$ -	$ 2,151
	GMAC RFC Europe Limited	Non Debtor/Active	1,800	-	-	-	-	1,800
	GMAC - RFC (UK) Limited	Sold 9/30/2010	725	371	80	-	-	1,176
	GMAC RFC Investment B.V	Sold 10/01/2010	154	435	-	-	-	589
	Investments BV GX1	SPE/Active	-	165	285	3	-	452
	RFC UK Ltd Viaduct	SPE/Active	15	175	231	-	-	420
	GMAC Res Fund of Canada	Non Debtor/Active	154	5	-	-	-	159
	Australia GMAC RFC	Sold 7/02/2009	23	122	-	-	-	145
	Viaduct (no.7)	SPE/Active	-	-	-	-	134	134
	Financiera Auritec, S.A.	Non Debtor/Active	-	39	-	-	-	39
	GMAC-RFC Property Finance Ltd	Non Debtor/Active	-	33	-	-	-	33
	PREEMAC 2 NL NETH B.V.	SPE/Active	-	-	19	3	-	22
	Subtotal		$ 4,871	$ 1,495	$ 615	$ 5	$ 134	$ 7,120
GMAC Residential Holding Co LLC	GMAC Mortgage LLC	Debtor	$ -	$ 2,520	$ -	$ -	$ -	$ 2,520
	Total		$ 4,871	$ 4,015	$ 615	$ 5	$ 134	$ 9,640

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Intercompany Claims | Subset of Debt Forgiveness by Reason

❖ The schedule below summarizes debt forgiveness activity by Residential Capital, LLC and GMAC Residential Holding Co., LLC.

($ in millions)	Residential Capital, LLC			GMAC Residential Holding Co., LLC	
Date	Debt forgiveness required to meet net worth requirement	General sale of assets[1]	Total Residential Capital, LLC	Debt forgiveness required to meet net worth requirement	**Total**
3/31/2008	$ 2,023	$ -	$ 2,023	$ -	**$ 2,023**
6/30/2008	348	-	348	-	**348**
7/31/2008	1,800	-	1,800	-	**1,800**
10/31/2008	377	-	377	-	**377**
11/30/2008	-	15	15	-	**15**
12/31/2008	308	-	308	-	**308**
3/31/2009	60	-	60	-	**60**
5/31/2009	-	-	-	500	**500**
6/30/2009	33	62	95	2,000	**2,095**
8/31/2009	-	175	175	-	**175**
9/30/2009	201	221	422	-	**422**
10/31/2009	96	-	96	-	**96**
11/30/2009	77	-	77	-	**77**
12/31/2009	571	-	571	20	**591**
1/29/2010	-	126	126	-	**126**
6/7/2010	80	-	80	-	**80**
10/29/2010	-	409	409	-	**409**
7/31/2011	-	5	5	-	**5**
5/11/2012	-	134	134	-	**134**
Total	**$ 5,974**	**$ 1,146**	**$ 7,120**	**$ 2,520**	**$ 9,640**

(1) Includes sale of assets from special purpose entities, Australian entities and other assets.

Exhibit E

DX AUC

FW: Open Items

From:
"McDonald, Brian" <brian.mcdonald@fticonsulting.com>
To:
ttoaso@alixpartners.com
Cc:
"Zide, Stephen (SZide@KRAMERLEVIN.com)" <szide@kramerlevin.com>, "Landy, Marc" <mlandy@alixpartners.com>, "Goren, Todd M. (TGoren@mofo.com)" <tgoren@mofo.com>, "Renzi, Mark" <mark.renzi@fticonsulting.com>, "Park, Liz" <liz.park@fticonsulting.com>
Date:
Thu, 17 Jan 2013 23:13:49 +0000
Attachments:
Interco Documentation 7_15 final.doc (52.22 kB)

Todd,

Per Mark's request, I'm re-sending the attached information.

Thanks

Brian

Brian J. McDonald

Corporate Finance

F T I

212.499.3675 direct

347.330.0412 mobile

212.841.9350 fax

brian.mcdonald@fticonsulting.com

From: Renzi, Mark
Sent: Friday, December 21, 2012 9:55 AM
To: Landy, Marc; McDonald, Brian; Nolan, William
Cc: Tandberg, Scott; Jenkins, Brian; Strouse, Davin
Subject: RE: Open Items

Marc,

Please find the additional intercompany information that we discussed.

Regards,

Mark

From: Landy, Marc [mailto:mlandy@alixpartners.com]
Sent: Friday, December 21, 2012 9:08 AM
To: Renzi, Mark; McDonald, Brian; Nolan, William
Cc: Tandberg, Scott; Jenkins, Brian; Strouse, Davin
Subject: RE: Open Items

Mark:

Any update on the inter-debtor materials?

With respect to the 1099s, I assume under the tax sharing and/or shared services AFI would be

obligated to provide ResCap with relevant records it needs to operate its business. Therefore it seems to me that ResCap can ask AFI for these. Can you look into this? (We don't have any contacts at AFI and this should be a simple request that doesn't necessitate a team of lawyers to get involved.)

Thanks. Have a good holiday and a happy new year.

Best regards,

Marc

From: Renzi, Mark [mailto:mark.renzi@FTIConsulting.com]
Sent: Monday, December 17, 2012 9:22 AM
To: Landy, Marc; McDonald, Brian
Cc: Tandberg, Scott; Jenkins, Brian; Strouse, Davin
Subject: RE: Open Items

Marc,

I have surveyed our side. We do not have the 1099s. I think you have to go directly to White and Case (Harrison Denman) / Milbank (Gerry Uzzi) to get them. I can help facilitate and get on call with you if it helps. The inter-debtor analysis is almost complete and we are waiting for sign off from the Company. I will touch base with Cathy and Jim today.

Regards,

Mark

From: Landy, Marc [mailto:mlandy@alixpartners.com]

Sent: Monday, December 17, 2012 9:16 AM
To: Renzi, Mark; McDonald, Brian
Cc: Tandberg, Scott; Jenkins, Brian; Strouse, Davin
Subject: RE: Open Items

Mark:

Any update on these two items? Thanks.

Marc

From: Renzi, Mark [mailto:mark.renzi@FTIConsulting.com]
Sent: Wednesday, December 12, 2012 8:44 PM
To: Landy, Marc; McDonald, Brian
Cc: Tandberg, Scott; Toaso, Todd; Goren, Todd M.
Subject: RE: Open Items

Marc,

Correct me if I am wrong, but I believe that we posted the attached schedule. It is a schedule of net borrowings, by year and by legal entity. It shows increases, decreases (due to payment), decreases due to business disposal and forgiveness all broken out.

As far as the 1099's, I thought that we were all set on the JSN info but let's discuss tomorrow.

Thanks,

Mark

From: Landy, Marc [mailto:mlandy@alixpartners.com]
Sent: Wednesday, December 12, 2012 7:31 PM
To: McDonald, Brian; Renzi, Mark

Cc: Tandberg, Scott; Toaso, Todd
Subject: Open Items

Gentlemen:

I am following up on two open items.

· What is the status of the inter-debtor analyses, etc., about which we spoke to Cathy Dondzila on November 15th?

· A while back, I spoke to Brian about getting 1099's that would have been issued to holders on the JSNs, since 2008.

I am not aware if we ever received any of this information. If we did, can you please direct us to it? If we did not, can you please let us know the status?

Thanks.

Best regards,

Marc

Marc Landy

AlixPartners |40 West 57th Street | New York, NY 10019

+1.212.845.4011 (o) | +1.203.216.0942 (m) | *mlandy@alixpartners.com*

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Paying Entity		Receiving Entity		
Code	**Name**	**Code**	**Name**	**Payable Balance**
1SS033	GMAC Residential Holding Co LL	50000	Residential Capital, LLC	$3,333,920,279
250000	Residential Capital, LLC	10010	Residential Funding Co., LLC	1,954,984,471
310010	Residential Funding Co., LLC	10011	Homecomings Financial, LLC	1,251,521,437
4SS001	GMAC Mortgage LLC	SS095	Passive Asset Transactions LLC	696,960,091
5SS001	GMAC Mortgage LLC	SS002	Executive Trustee Services LLC	265,432,321
610015	RFC Asset Holdings II, LLC	10010	Residential Funding Co., LLC	231,862,293
7SS001	GMAC Mortgage LLC	10010	Residential Funding Co., LLC	139,702,020
8SS033	GMAC Residential Holding Co LL	SS067	Home Connects Lending Serv LLC	54,584,051
9SS001	GMAC Mortgage LLC	SS033	GMAC Residential Holding Co LL	51,354,628
10SS067	Home Connects Lending Serv LLC	SS066	GMACRH Settlement Services LLC	49,980,712
1110010	Residential Funding Co., LLC	10300	RFC Asset Management, LLC	45,726,683
1210300	RFC Asset Management, LLC	10301	RFC SFJV-2002, LLC	36,300,928
1310010	Residential Funding Co., LLC	10302	RCSFJV2004, LLC	16,967,819
1410015	RFC Asset Holdings II, LLC	10011	Homecomings Financial, LLC	11,859,528
1510010	Residential Funding Co., LLC	14000	GMAC Residential Funding of Canada Limited	11,422,757

On November 8, 2012, financial advisors to the Unsecured Creditors Committee (Alix Partners) requested certain information related to the intercompany relationships highlighted above (#7 – 15). The specific information request included the following:

1. Please confirm no agreement exists.
2. Describe how and when the balance was incurred.
3. To what extent did the balance arise from the operations of the company's cash management system?
4. Explain intent for each balance – debt or equity?
5. Was there an expectation of repayment?
    a. Were balances ever repaid?
    b. If yes, when and how often?
6. Was interest accrued or paid?
7. Was interest paid regularly or sporadically?
8. At a fixed or variable rate?
9. When was the last interest payment due, and when was it paid?

Following is information the Company was able to find/identify based upon a review of the accounting records.

Relationship #7 – GMAC Mortgage (SS001) and Residential Funding Company (RFC) (10010)

The balance at October 31, 2012 arose during the period September 2011 to the present. The balance consists primarily of:

- Amounts recorded in connection with AFI billings. RFC routinely remits payment to AFI for received invoices. RFC in turn charges GMAC Mortgage for their portion. This is recorded through the intercompany balance between the two entities.
- Service fee income received by GMAC Mortgage as subservicer that relates to RFC MSR.
- Various amounts paid by RFC or GMAC Mortgage on behalf of the other.

The balance has not changed significantly since the petition date as no cash settlements have been processed since that date. The last pre-petition settlement was in May 2012. Interest is not accrued on this balance and there is no agreement that we have been able to identify.

Relationship #8 – GMAC Residential Holding Company (SS033) and Home Connects Lending Services (SS067), and
Relationship #10 – Home Connects Lending Services (SS-67) and GMACRH Settlement Services (SS066)

The balances at October 31, 2012 have not changed significantly since December 2008. The balances resulted from intercompany transfers and clean up related to the closure of HCLS, LLC (SS097) and related entities.

There have been no settlements that we can identify related to these balances, and there are no agreements that we are aware related to these balances. Interest is not accrued on the balances.

Relationship #9 – GMAC Mortgage (SS001) and GMAC Residential Holding Company (RHC) (SS033)

The balance at October 31, 2012 represents borrowings under an unsecured credit facility between GMAC Mortgage and its parent, RHC. This agreement was originally entered into in December 1998. The monthly activity represents the borrowings for the general operating needs of GMAC Mortgage. Repayments on these borrowings were made on a recurring basis until the petition date.

The interest rate under this agreement fluctuates monthly and is a stated margin, agreed to between the Company and RHC, which is generally between 100 and 300 basis points above a quoted short-term market rate. Interest was accrued on a monthly basis until the petition date. The credit facility is payable upon demand.

Relationship #11 – RFC (10010) and RFC Asset Management (10300)

The balances between December 2007 and October 31, 2012 have generally not fluctuated more than $1 million each month. The nature of the original intercompany balance could not be readily determined. More recent activity relates to interest and tax payments. RFC and its subsidiaries are part of a tax sharing agreement with Ally Financial Inc. Under the tax sharing agreement, federal and state income taxes are calculated on a 'stand alone' basis and amounts were periodically settled until the petition date.

Outside of the tax items noted above, we have not identified any other recurring or periodic settlements or agreements related to the balance.

Interest charged on the balance fluctuates monthly and is based upon an average cost of funds rate.

Interest was accrued on a monthly basis until the petition date.

Relationship #12 – RFC Asset Management (10300) and RFC SFJV-2002 (10301)

The balance has not changed from December 2007 to October 2012. The nature of the original intercompany balance is not readily determinable. There have been no settlements related to these balances, and there are no agreements that we are aware related to these balances. Interest is not accrued on the balance.

Relationship #13 – RFC (10010) and RFC SFJV 2004 (10302)

The balances between December 2007 and October 2012 have not fluctuated materially. The nature of the original intercompany balance is not readily determinable. More recent activity relates to tax settlements. RFC and its subsidiaries are part of a tax sharing agreement with Ally Financial Inc. Under the tax sharing agreement, federal and state income taxes are calculated on a 'stand alone' basis and amounts were periodically settled until the petition date.

Outside of the tax items noted above, we have not identified any other recurring or periodic settlements or agreements related to the balance. Interest is not accrued on the balance.

Relationship #14 – RFC Asset Holding II (10015) and Homecomings Financial (10011)

The balance has not changed significantly from December 2007 to October 2012. The nature of the original intercompany balance is not readily determinable. There have been no settlements related to these balances, and there are no agreements that we are aware related to these balances. Interest is not accrued on the balance.

Relationship #15 – RFC (10010) and Residential Funding of Canada (14000)

The intercompany balance of $11.4 million between RFC and Residential Funding of Canada (RFOC) as of October 31, 2012 relates to a balance that RFC owes RFOC Canada as part of the Conduit 6 wind down.

There were a few month-end intercompany settlements in 2008, and a $7.3 million dividend from RFOC to RFC in December 2011. Other than these settlements, there have been no other settlements that we can identify related to these balances. There are no agreements that we are aware related to the balance. Interest is not accrued on the balance.

Exhibit F

DX AYE

From: Young, James </O=RFC/OU=MSP/CN=RECIPIENTS/CN=JYOUNG5>
Sent: Sunday, September 23, 2007 10:32 AM
To: Svitak, Jennifer <Jennifer.Svitak@gmacrescap.com>
Subject: FW: Final ResCap BOD package for 9/26/07
Attach: 09-26-07 ResCap Board of Directors 9-21 FINAL.ppt

---

pls print

Jim Young
GMAC ResCap
952-857-8908 (office)
312-502-8961 (cell)
james.young@gmacrescap.com

From: Wright, Melody
Sent: Friday, September 21, 2007 5:15 PM
To: Khattri, Sanjiv; Zukauckas, Linda; Jones, Jim; Young, James
Cc: Cox, Bill; Foster, Dave
Subject: Final ResCap BOD package for 9/26/07

Dear All,

Please find attached the final **ResCap** Board of Directors Package for the meeting with the ResCap board on Wednesday, September 26th.

This document is very similar to the GMAC package. The only change being that we took out the recommendation for the equity injection.

Please let me know if you have any questions or concerns.

Thanks and regards,
Melody

Melody Wright
Senior Reporting & Communications Analyst
Financial Planning & Analysis
GMAC ResCap, LLC
Ph: 952.857.6588
Blackberry: 651-212-0813
Cell: 917-523-9817

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ResCap Review

Mike Rossi
Chairman, ResCap

ResCap Board of Directors Meeting
September 26th, 2007

EXAM10199064

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Overview

Executive Summary

- ResCap liquidity position improved since August but still fragile
  - IBG Europe represents most immediate near-term risk
- Significant losses forecast for rest of the year due to continued, unprecedented weakness in both mortgage sector and capital markets
- Have developed aggressive restructuring plan across all three ResCap business segments
  - Have to implement even as we evaluate all options for long-term value potential of ResCap
- Have requested from GMAC Board $725 million of cash equity before Q3-end to provide required financial cushion
  - Will likely need more equity in Q4 depending on status at that time

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Assessment of Current Situation

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Funding Update

As a result of numerous actions by GMAC and ResCap to address unprecedented market disruptions, cash balances have improved after declines in July and August

- ResCap cash at September 30 likely to exceed what was projected in mid-August

Forecasted Cash & Liquidity Balance

Dollars in Millions

	Projected 9/30/2007	
ResCap Investment Balance	$ 2,038.6	a
Resi Operating Account	120.0	
RCG Operating Account	40.0	
GRS	30.0	
GMAC Bank	2,121.5	
Warehouse	30.0	
BCG	7.0	
IBG	289.6	
Total Cash & Cash Equivalents	**$ 4,676.7**	
Unused Revolvers	1,750.0	
Total Liquidity	**$ 6,426.7**	
Equity Infusion	725.0	
Total Liquidity	**$ 7,151.7**	

Notes:

(a): Forecasted amount based on ResCap Baseline Forecast.

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Funding Update (cont'd)

Global capital markets continue to be very stressed

- Banks reluctant to lend new money and struggle to extend existing facilities
- Investors very nervous about structured product risk and weaker credits
- Rating agencies downgraded mortgage sector once and may do so again

GMAC and ResCap have responded aggressively around the world

- Execution of $21 billion joint GMAC-ResCap commitment from Citi
- Sale of healthcare business from BCG to GMAC Commercial Finance
- Greater use of GMAC Bank for new mortgage originations subject to regulatory limitations
- Whole loan sales for mortgage where possible

ResCap ratings outlook remains challenged

- As a result of both sector and ResCap operating performance, ResCap likely to be downgraded to non-investment grade by remaining two agencies (S&P and DBRS)
    - Some meaningful risk of pressure on GMAC ratings as well

Q4 outlook clouded by heavy IBG inventories and continued tough markets

- More than $6 billion in mortgage warehouse lines in IBG need to be renewed
    - $4.6 B in the U.K expires on October 7
- Some risk for $3.1B in whole loan sales planned this week in the UK
- Have scaled back productions significantly across IBG, but due to long production pipeline, risk of bank renewals not happening and capital markets not re-opening, liquidity will be impaired
    - Risk that IBG Europe will need significant inter-company loans in October

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YTD 2007 Financial Results

Deterioration in results driven by market disruption, weaker credit, market weakness in all products in inventory, reduction in volume sold and softness in residential home building

ResCap net income ($ millions)	Q1	Q2	Jul	Aug	Memo: YTD	RBP* YTD
RFG	$ (1,000)	$ (260)	$ (284)	$ (560)	$ (2,104)	$ (1,310)
BCG	52	6	13	15	86	175
IBG	45	15	(8)	(18)	34	81
Corp Other	(7)	(15)	(4)	(2)	(28)	(54)
Total ResCap	$ (910)	$ (254)	$ (283)	$ (564)	$ (2,012)	$ (1,108)

* Revised Business Plan (RBP) reflects the original Business Plan for all units except RFG and Corporate, which were revised based on 2007 earnings outlook in April, 2007

August results are highlighted by the following:

- BCG – Model home sales were executed at increased level of net loss, with continued reduction in lot option extension fees and equity investment income. August results exclude impairments expected to be taken in September
- IBG – Margin on $2.2 billion sale of whole loans in UK executed at 19bps loss vs. plan of 62 bps of income due to extension of US mortgage market illiquidity to certain international markets
- RFG – August results significantly impacted by non-cash items, including net unrealized marks of $251 million and credit losses of $241 million
  - $137 million of unrealized LOCOM adjustments due to market illiquidity- $127 million associated with Prime Non-Conforming product (prior to 8/15 transfer to HFI) and $10 million related to HFS Home Equity Line product
  - $185 million of unrealized loss on mortgage-related securities due to market illiquidity and widening credit spreads – including decrease in value of $80 million and $90 million in CDO and home equity residuals, respectively
  - $182 million provision for credit loss due to severity and frequency
  - $59 million impairment of REO due to deteriorating home values
  - Favorable MSR valuations driven by decrease in base mortgage rate and reductions in prepayments

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2007 (8+4) Forecast

ResCap net income ($ millions)	August YTD	Sept *	Q4*	Memo: CY *	RBP
RFG	$ (2,104)	$ (352)	$ (681)	$ (3,136)	$ (1,290)
BCG (1)	86	(205)	7	(112)	265
IBG	34	(38)	(75)	(79)	112
Corporate/Other	(28)	(11)	(75)	(114)	(94)
Total ResCap Net Loss	$ (2,012)	$ (606)	$ (824)	$ (3,441)	$ (1,007)

* Net loss does not include any restructuring charges, associated severance costs or any impairments of goodwill/intangibles (based on inability to recover or decision to sell), or gains/losses on sales or assets (e.g., HFI residuals or businesses/divisions). Consolidated ResCap Goodwill totaled $472 million at August 31, 2007

(1) BCG's forecast includes Health Capital Group 2007 forecast earnings of $26 million (for 12 months)

- BCG – Credit provision expected to increase to $88 million in September primarily due to specific reserves across the Real Estate Lending Business, Model Home Finance and lot impairment, increase interest expense of $30 million due to step-up of funding costs related to expected credit rating downgrade in Q4, and lower equity income. In addition significant downside in Q4 forecast of $7M with incremental provisions of as much as $100M
- IBG – Continued dramatic reduction in volume sold and execution margins ($169 million impact for the yr) and $58 million increase in interest expense ($35 million due to debt coupon step ups, $23 million due to higher outstandings due to lower sold volume). Moreover, significant downside risk of as much as $200 million due to continued deterioration in marks to asset value and residuals
- RFG – Losses continue due to:
  - Interest income declines through remainder of 2007 as balance sheet shrinks ($136 million)
  - Higher interest expense of $84 million due to step-up in funding costs
  - Provision for loan loss expected to increase $270 million and $385 million in September and Q4, respectively, due to expected deterioration in credit frequency and severity; Home Price Appreciation (HPA) assumptions alone contribute $140 million to provision in September
  - Projected unrealized loss on investment securities of $30 million in September and $30 million in Q4
  - Additional impairment of $41 million related to REO forecasted in September
  - Other expenses include write-off of Lendscape system ($20 million)

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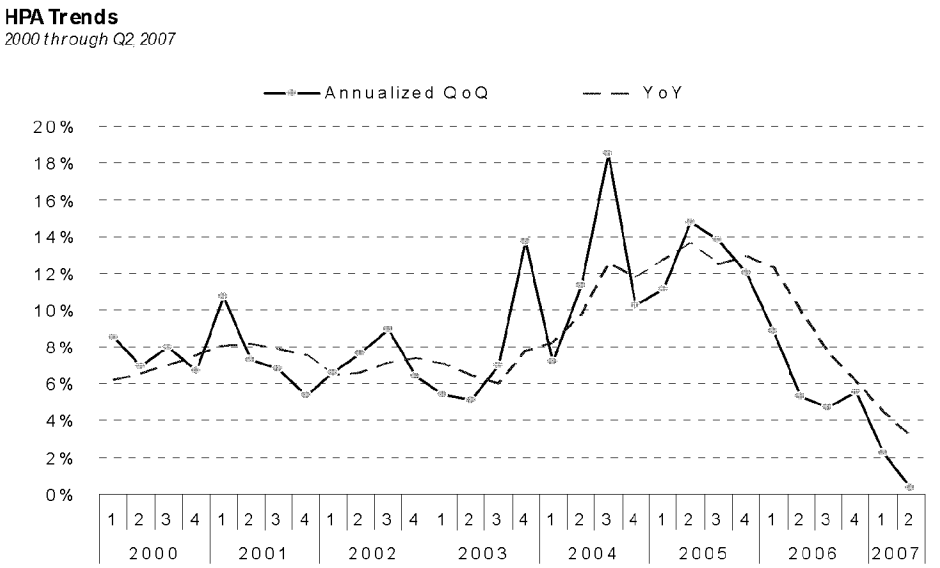
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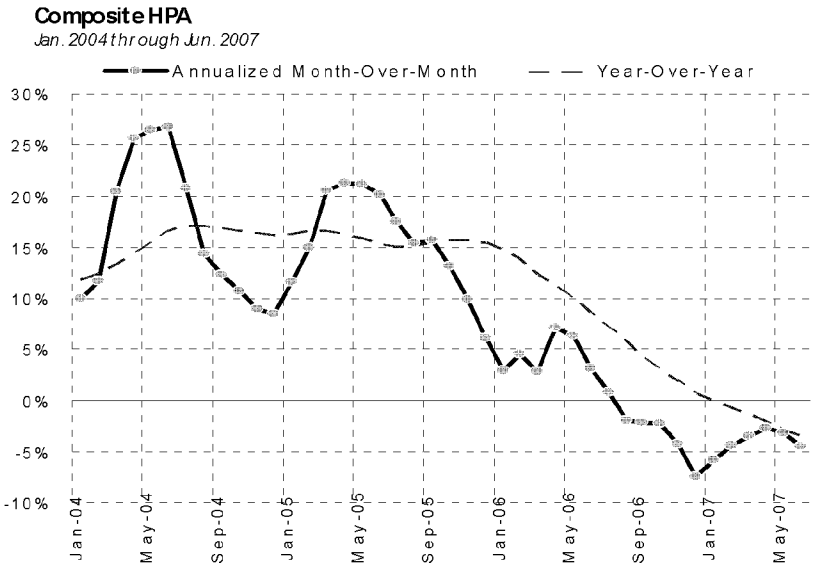
RFG Credit Trends

- Downward price momentum in Home Price Appreciation (HPA) continues and indicates further deterioration in Q3 and Q4

OFHEO HPA – Regional and State



S&P Case-Shiller HPA



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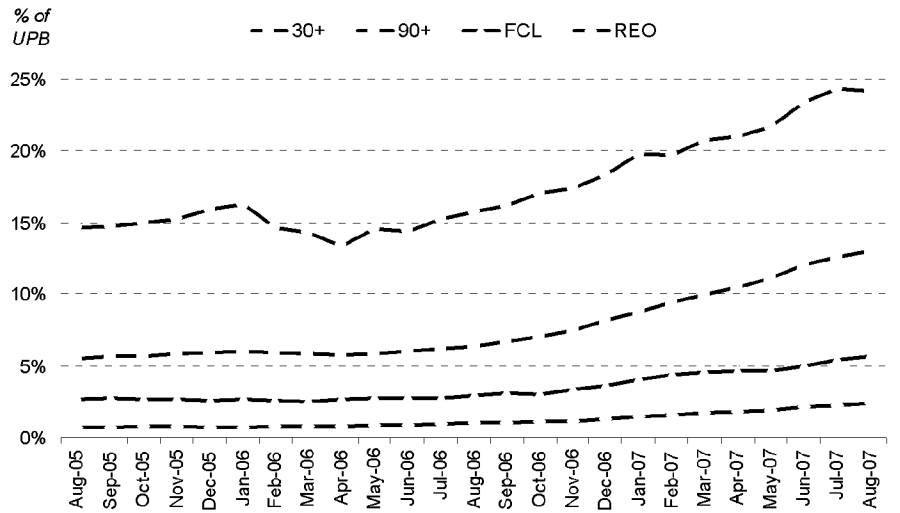
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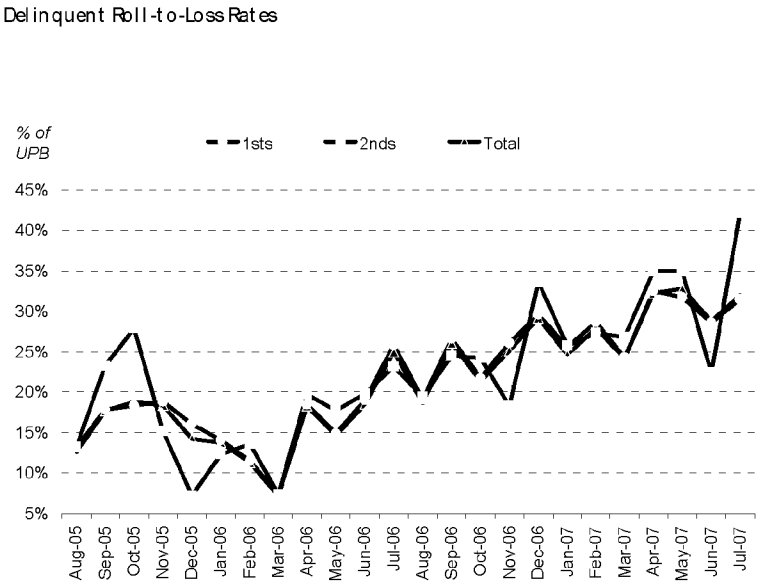
RFG Credit Trends (cont'd)

- Our performance in this segment is comparable to the industry. Negative trends and shrinking portfolio will magnify the percentage rates

HFI-FIN Delinquency Rates



HFI-FIN Roll-to-Loss Rates



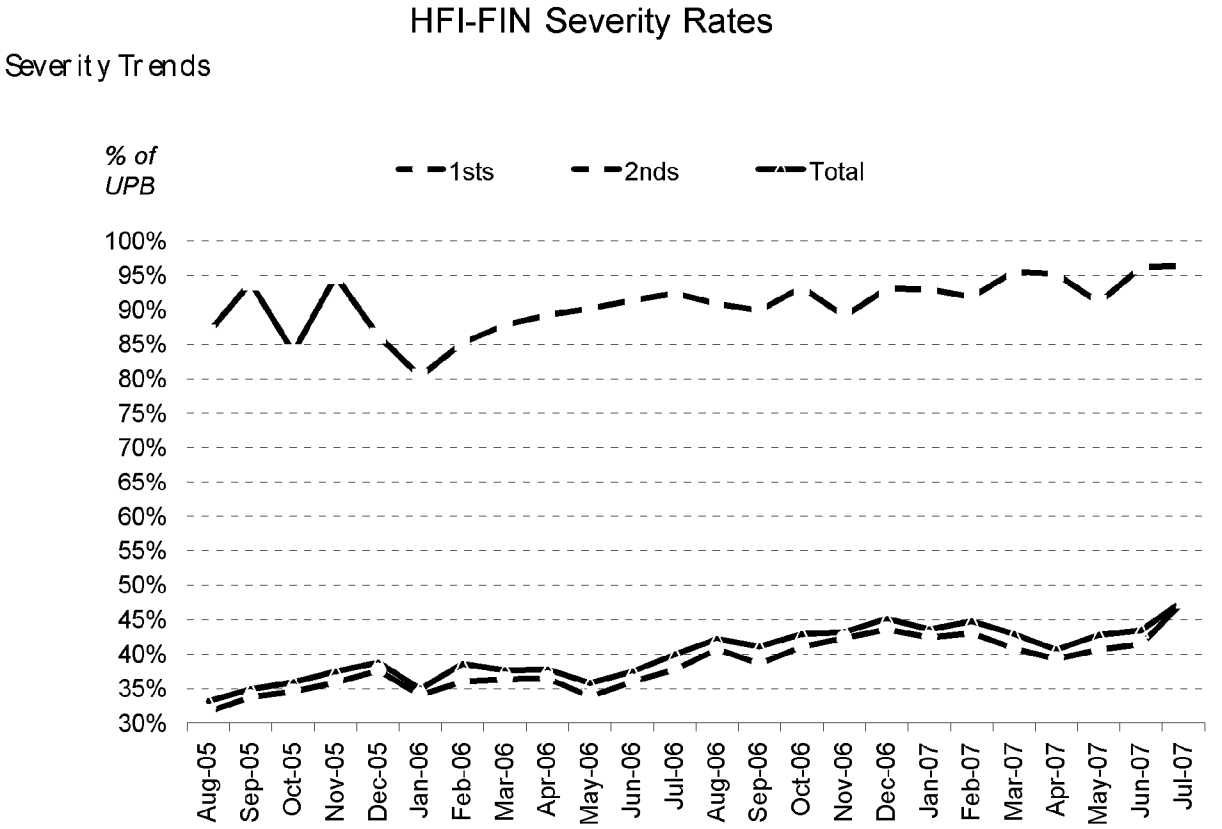
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RFG Credit Trends (cont'd)

- Since severity is typically a lagging indicator, deterioration will accelerate based on trends shown in preceding charts



- In summary, recent deterioration suggests continued and accelerating credit exposure and resulting losses

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Liquidity Outlook

- Over next 6 months ResCap has adequate liquidity under baseline scenario
  - However, baseline scenario assumes most funding and cash generation initiatives will be achieved
  - Risk Adjusted/Draconian and Draconian with Opportunities highlights range of outcomes in more adverse circumstances
  - Will continue to update outlook based on latest environment

Six Month Cash Forecast

Dollars in Millions	*Projected* Weeks 1-2 **Sep 2007**	*Projected* Weeks 3-7 **Oct 2007**	*Projected* Weeks 8-11 **Nov 2007**	*Projected* Weeks 12-15 **Dec 2007**	*Projected* Weeks 16-20 **Jan 2008**	*Projected* Weeks 21-24 **Feb 2008**	*Projected* Weeks 24-26 **Mar 2008**	**6 Month Total [1]**
Baseline [2]								
1 RFG	$ (340.3)	$ (23.7)	$ (282.0)	$ (33.8)	$ (37.1)	$ 233.8	$ 557.5	$ 74.4
2 BCG	(104.2)	(0.9)	69.3	114.1	14.2	48.6	22.6	163.8
3 IBG	(318.5)	(128.3)	(188.8)	(247.0)	103.7	(165.5)	134.5	(809.8)
4 ResCap Other	(119.5)	(283.2)	(300.5)	(236.3)	(277.2)	(237.4)	(73.9)	(1,528.2)
5 Net Cash Activity - Baseline [3]	**(882.5)**	**(436.1)**	**(701.9)**	**(403.1)**	**(196.4)**	**(120.5)**	**640.7**	**(2,099.8)**
Risk Adjusted / Draconian [4]								
6 RFG	$ (985.1)	$ (229.1)	$ (317.9)	$ (481.7)	$ 57.8	$ 259.9	$ (105.8)	$ (1,801.8)
7 BCG	(28.4)	(50.0)	-	(207.2)	(240.1)	(180.0)	(99.0)	(804.7)
8 IBG	(233.7)	(126.0)	(1,099.7)	(2,430.9)	(2,024.5)	(2,784.6)	(267.0)	(8,966.4)
9 ResCap Other	-	-	-	(97.8)	(14.9)	(14.9)	(7.4)	(135.0)
10 Total Risk Adjusted	(1,247.2)	(405.1)	(1,417.6)	(3,217.5)	(2,221.7)	(2,719.6)	(479.2)	(11,707.8)
11 Net Cash Activity - Risk Adjusted / Draconian [5]	**(2,129.7)**	**(841.1)**	**(2,119.6)**	**(3,620.6)**	**(2,418.1)**	**(2,840.1)**	**161.5**	**(13,807.6)**
Opportunities								
12 Health Capital Sale - net [5]	101.8	-	-	-	-	-	-	101.8
13 RFG Residual Sale - net [6]	-	35.5	42.9	35.9	(1.9)	(2.8)	0.9	110.5
14 Resort Finance Sale - net [7]	895.5	9.8	3.7	2.6	53.0	2.5	0.1	967.2
15 Whole Loan Sales to BAWAG - net [8]	3.4	-	-	-	-	-	-	3.4
16 Total Opportunities	1,000.6	45.3	46.5	38.6	51.1	(0.3)	1.0	1,182.8
17 Net Cash Activity - After Risks & Opportunities [3]	**$ (1,129.1)**	**$ (795.8)**	**$ (2,073.0)**	**$ (3,582.0)**	**$ (2,367.0)**	**$ (2,840.4)**	**$ 162.6**	**$ (12,624.8)**

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Liquidity Outlook (cont'd)

Dollars in Millions	*Projected* Weeks 1-2 **Sep 2007**	*Projected* Weeks 3-7 **Oct 2007**	*Projected* Weeks 8-11 **Nov 2007**	*Projected* Weeks 12-15 **Dec 2007**	*Projected* Weeks 16-20 **Jan 2008**	*Projected* Weeks 21-24 **Feb 2008**	*Projected* Weeks 24-26 **Mar 2008**	**6 Month Total [1]**
Cash Roll Forwards								
Baseline								
18 Beginning Cash	$ 2,921.0	$ 2,038.5	$ 1,602.5	$ 900.5	$ 497.5	$ 301.0	$ 180.5	$ 2,921.0
19 Net Cash Activity - Baseline [4]	(882.5)	(436.1)	(701.9)	(403.1)	(196.4)	(120.5)	640.7	(2,099.8)
20 Ending Cash	**$ 2,038.5**	**$ 1,602.5**	**$ 900.5**	**$ 497.5**	**$ 301.0**	**$ 180.5**	**$ 821.2**	**$ 821.2**
Risk Adjusted / Draconian								
21 Beginning Cash	$ 2,921.0	$ 791.3	$ (49.8)	$ (2,169.4)	$ (5,790.0)	$ (8,208.0)	$ (11,048.1)	$ 2,921.0
22 Net Cash Activity - Risk Adjusted [4]	(2,129.7)	(841.1)	(2,119.6)	(3,620.6)	(2,418.1)	(2,840.1)	161.5	(13,807.6)
23 Ending Cash	**$ 791.3**	**$ (49.8)**	**$ (2,169.4)**	**$ (5,790.0)**	**$ (8,208.0)**	**$ (11,048.1)**	**$ (10,886.6)**	**$ (10,886.6)**
Risk Adjusted / Draconion with Opportunities								
24 Beginning Cash	$ 2,921.0	$ 1,791.9	$ 996.1	$ (1,077.0)	$ (4,658.9)	$ (7,025.9)	$ (9,866.3)	$ 2,921.0
25 Net Cash Activity - Risk Adjusted [4]	(1,129.1)	(795.8)	(2,073.0)	(3,582.0)	(2,367.0)	(2,840.4)	162.6	(12,624.8)
26 Ending Cash	**$ 1,791.9**	**$ 996.1**	**$ (1,077.0)**	**$ (4,658.9)**	**$ (7,025.9)**	**$ (9,866.3)**	**$ (9,703.8)**	**$ (9,703.8)**

Key Points:

(1) Total production is forecasted at $29.7B with 87% designated as Conforming / Government.

(2) GMAC Bank is forecasted to fund 72% of the Conforming / Government loans and 94% of the Non-Conforming.

(3) Under a risk adjusted scenario, ResCap is forecasted to be a net user of $14.5B of cash over the six month period. With cash on hand today of $2.9B as of 9/17/07, we will be in a negative cash position of $11.6B. Key components to this cash usage include:

- $2.1B of cash funding needed to offset reductions or elimination of external funding facilities in the UK (specifically Gully, Silo, Trench & Canal).
- $2.8B of cash funding needed to offset reductions or elimination of external funding facilities in the CE (specifically RBC Netherlands, DB, & RBOS Spain).
- $0.4B of cash funding needed to offset reductions or elimination of external funding facilities in the LA (specifically Banorte & CP).
- $0.5B of cash funding needed to offset reductions or elimination of external funding facilities in the CA (specifically TD TRS & RBC).
- $4.0B of new originations in excess of net sales proceeds that are unable to funded by external facilities (specifically $2.5B in CE & $1.5B in UK).
- $0.7B of fundings in Residential Construction due to an early trigger in their external facility because of customer concentration on "watch list".
- $1.6B to cover net interest expense (assuming a ratings downgrade in Q4), accounts payable and payroll for ResCap.
- $1.0B of fundings to cover the 20% haircut on assets unable to be funded by the Bank due to asset limitations at 12/31/07.
- $0.6B of capital infusions into GMAC Bank to maintain regulatory capital limits at 11%.
- $0.5B additional capital need to cover additional haircuts instilled on various RFC facilities and Repo lines.
- $0.5B of fundings to cover assets rolling off Walnut Grove in 12/2007 due to non-renewal upon maturity.

(4) Forecast assumes a 100bp increase in ResCap's COF due to downgrades by two rating agencies in Q4.

(5) Several opportunities have been identified to raise cash of approximately $0.9B including the closing of the Health Capital, Resort Finance and Resids sales during Q4.

Notes:

(1) Six month total covers the 26 week period from Sept 17, 2007 - March 14, 2008. September and March are not forecasted as full months in this analysis.

(2) Baseline Scenario is sourced from the 180-Day Cash Flow Forecast, dated as of Sept. 17, 2007.

(3) Net Cash Activity is calculated after all Non-ResCap Financing.

(4) The risk adjusted scenario includes the Risks and Opportunities provided by the Company's Management as well as application of additional Draconian adjustments.

(5) Proceeds for sale of the Health Capital business of $101.8M represent net asset value of $876.8M less cash received on August 17, 2007 of $775.0M.

(6) Proceeds from the sale of residuals is preliminary assuming $362.0M sale less $265.0M of residual repo financing for net proceeds of $97.0M.

(7) Net proceeds from the sale of Resort Finance to GMAC is estimated at $849.4M.

(8) Assumes €1,325.0M of assets at a 90% advance rate converted at an exchange rate of EUR-US$ 1.35 less $1,190.0M paydown of existing lines.

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Covenants/Capital Shortfall

- ResCap and its subsidiaries have approximately 40 debt facilities that contain financial covenants
  - Failure of covenants not desirable as in most cases would trigger cross defaults and/or potential cross acceleration on other facilities
  - Based on latest forecast, ResCap net worth covenant closest to failing
    - Would impact at a minimum the $1.75B in unsecured credit lines and $1.75B of unsecured bank term loans
- Based on latest financial forecast, covenant will have $118M cushion at Q3 and a $707M shortfall at year end
  - $725M equity injection will provide adequate cushion in Q3 and no cushion at year-end

Amounts in thousands

	1st half	*Q3 fcst**	*Q4 fcst*	YTD 2007
TNW - Beginning of Period	$7,155,631	$7,023,060	*$ 5,517,845*	$7,155,631
Actual/Forecast Net Loss	(1,164,472)	*(1,452,240)*	*(824,500)*	(3,441,212)
Capital Contribution	1,000,000	-	-	1,000,000
Other , net	31,901	*(52,975)*	-	(21,074)
TNW - End of Period	$7,023,060	*$5,517,845*	*$ 4,693,345*	$4,693,345
Memo: Total Equity - End of Period	$7,507,405	*$5,999,430*	*$ 5,174,930*	$ 5,174,930
ResCap covenant requirement	$5,400,000	$5,400,000	$5,400,000	$5,400,000
Excess/(deficiency), existing capital	$1,623,060	*117,845*	*(706,655)*	*(706,655)*
Illustrative: $725 million Capital from GMAC		***725,000***	***725,000***	***725,000***
Excess/(deficiency), pro forma		*$842,845*	*$18,345*	$18,345

* Assumes $606 million of losses for September 2007.

Note: Net loss does not include any restructuring charges, associated severance costs or impairments of goodwill/intangibles (based on inability to sell), or gains/losses on sales of assets (e.g., HFI residuals and business divisions).

$thousands

	Fcst. Sept. 30, 2007
TNW - Before Capital Contribution	*$5,517,845*
Capital Contribution	*725,000*
TNW - After Capital Contribution	*$6,242,845*
TNW Covenant	*$5,400,000*
Memo: Cushion	*$842,845*

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ResCap Restructuring Plan

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ResCap Turnaround Plan

ResCap Strategy

Detailed Restructuring Plan (RFG, IBG, BCG)

- Lines of business (Risk-based Approach)
- Efficient Cost Structure (Scalable)
- Adequate Liquidity & Capital
- Superior Talent Management (Retention & right Org Structure)

Preliminary 2008 Outlook

EXAM10199078

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Executive Summary - Strategy

- **Simpler, more focused business model**
  - Fewer production channels
  - Streamlined product suite … 80% government / agency production
  - World class servicing … U.S. $425B primary servicing and over $60B third-party servicing
  - Greater utilization of GMAC Bank subject to regulatory approvals
- **Restructure to become low-cost producer**
  - $2.6B 2007 cost structure reduced to $1.2B by mid 2008
  - $476M reduction in expense through non-core business disposition / wind-down
  - $900M savings through headcount (13,000 1/07 to 6,600 6/08) & other reductions
  - Consolidate sprawling facilities footprint into Ft Washington, PA
- **Reduce risk and income volatility via balance sheet restructuring**
  - Sell subprime HFI residuals, deconsolidate $38B in subprime loans
  - Avoidance of potential future provisioning creates $200M net income pickup in 2008
- **Create reliable credit and control environment to manage risk going forward**
  - Build strong credit function … all decisions based on risk/reward trade off
  - Build strong audit function … with real teeth
  - Simplify controls process and systems … massive legal entity minimization and reduction in number of systems/platforms

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RFG Business Restructuring

RFG Production Strategy

- Simpler, more focused business strategy … streamlined product set & production platform

Product Suite		Production Channels
Agency Paper Prime Jumbo	>80% of Production	Correspondent Wholesale
Alt A (Agency Eligible)		Retail
POA (Agency Eligible)		Direct
Narrowly Focused Subprime		EXIT INSTITUTIONAL

- World class servicing business
  - $425B currently primary serviced (+$60B third-party serviced currently)
  - Pursue growth in fee-based servicing
  - Pursue consolidating acquisitions for additional scale
- GMAC Bank
  - Currently 50% of Broker/Consumer & 100% of Correspondent is bank originated

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RFG Asset Sales/Restructuring

($ in millions)	'07 EBT	Headcount Reduction	Expense Reduction	Strategy
R&W/EPD Improvement	-	-	$200	Significant reduction in repurchase activity based on product mix and underwriting changes
2007 G&A Initiatives	-	2,200	$143	Expense initiatives executed in the second half of 07 yield an additional $143 of run rate savings in 08
GMAC Home Services	($10)	1,236	$416	Pursue sale of real estate brokerage (both owned & franchised) & relocation businesses. GHS Mortgage to wind-down if unsaleable
Other Non-Core Business (Broker/Dealer, Warehouse, Home Connects)	($230)	226	$60	70% reduction in Warehouse headcount & expense Significant reduction in Broker/Dealer capacity Elimination of Home Connects title services
Core Restructuring	($2,754)	2,940	$505	Comp & Benefits reduction of $310 and additional reductions of $195 from Systems, Facilities, Advertising and Professional Fees

Driving RFG Cost Base from $2.6B to $1.2B by mid-2008

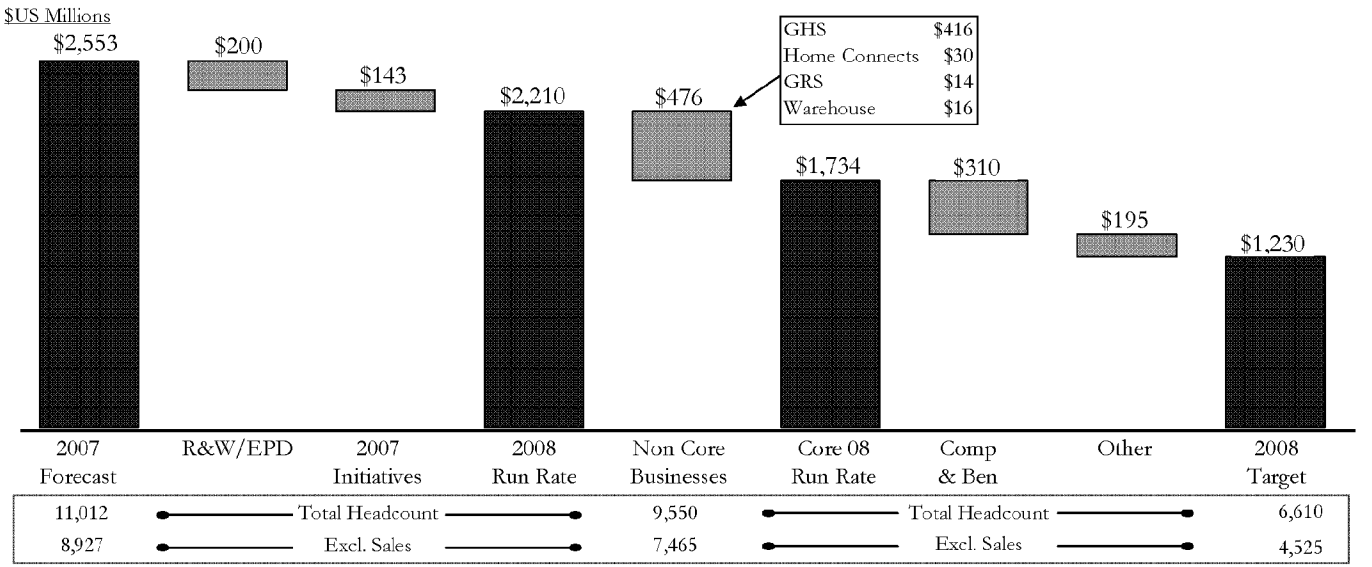
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RFG Cost Restructuring

RFG Cost Base



* Expense data does not include ResCap Enterprise Tax Allocations of $56M, FAS91 deferrals of ($344M), or Transfers of $93M
** Exclusive of IBG ($364M '07 Expense / 1,731 Headcount), BCG ($57M '07 Expense / 160 Headcount), & ResCap Corp ($129M '07 Expense / 413 Headcount)

- $200M reduction in R&W / EPD driven by underwriting tightening & product mix shift
- 2007 expense initiatives will yield $143M in run rate savings in 2008 (above $225M realized in '07)
- Non-core business reductions will eliminate $476M in expense and 1,462 total headcount
- Driving towards incremental $505M in savings through headcount reductions & other initiatives (Systems, Facilities, Sourcing)

Focused on Reducing Direct Operating Expenses to $1.2B in 2008

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RFG Cost Restructuring (cont'd)

RFG Cost Base ($ millions) **RFG Cost Base**

	2007 Forecast	2007 Forecast	A 2008 Carryover	2007 Ending Run Rate	Proposed Reduction	B Proposed Reduction	(A + B) Total Reduction	2008 Target	2007 Headcount	Proposed Reduction	2008 Headcount
Total RFG Expense - 2007	2,553										
R&W / EPD	(200)										
2007 Initiatives	(143)										
2008 Run Rate	2,210										
Resi Home Services (GHS)	116						116	-	1,236	1,236	-
Home Connects	60						30	30	164	123	41
GRS (Broker/Dealer)	20						14	6	43	32	11
Warehouse Lending	22						16	6	94	71	24
Non Core Business**	518						476	**42**	**1,537**	**1,462**	**75**
Core 2008 RFG Expense	1,734										
	2007 Forecast	2007 Forecast	2008 Carryover	2007 Ending Run Rate	Proposed Reduction	Proposed Reduction	Total Reduction	2008 Target	2007 Headcount	Proposed Reduction	2008 Headcount
Total Core RFG Expense	**1,734**	**1,692**	**66**	**1,626**	**27%**	**437**	**504**	**1,230**	**N/A**	**N/A**	**N/A**
Total C&B Expenses (Core)	**931**	**931**	**66**	**865**	**28%**	**244**	**310**	**621**	**11,012**	**4,402**	**6,610**
Business Lending	252	179	11	167	40%	67	78	100	1,518	732	786
IT / Business Technology	239	96	15	82	25%	20	35	61	972	293	679
Capital Markets (Incl PIA)	283	52	-	52	60%	31	31	21	258	187	71
Servicing	283	140	8	132	15%	20	28	112	2,334	422	1,912
Portfolio Asset Management	183	29	-	29	35%	10	10	19	301	127	174
B2C	555	307	18	290	25%	72	90	217	3,221	970	2,251
CFO Office	38	38	3	36	20%	7	10	28	263	63	200
Credit Risk	41	28	2	26	20%	5	7	21	264	64	200
HR	16	9	3	6	20%	1	4	5	78	19	59
ResCap Risk	20	14	4	11	20%	2	6	9	115	28	87
All Other	77	38	3	35	20%	7	10	28	151	36	115
Total Non C&B Expense (Core)	**761**	**761**	**-**	**761**	**25%**	**194**	**195**	**566**	Functional Owners		
Systems / IT	249	249	-	249	25%	62	62	187	Stadler		
Professional Fees	136	136	-	136	35%	48	48	88	Young / Marple		
Advertising	98	98	-	98	20%	20	20	78	Gray		
Equipment / Supplies	92	92	-	92	30%	28	28	64	Young		
Occupancy	87	87	-	87	25%	22	22	65	Kraft		
Other	99	99	-	99	15%	15	15	84	Bossidy / Tietjen / Leary		

** Non Core Business Assumes 100% Sale of GHS & significant reductions in Home Connects, GRS, Warehouse Lending

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2007 Potential Sale of Residuals

- **HFI residual book (excluding PIA) ("HFI Book") created to provide stable earnings stream that investors would place a high value on (versus more volatile earnings related to gain on sale treatment)**
  - Predicated on assumption that assets retained were not being valued properly by the Street and that ResCap credit risk analytics and servicing data provided an information advantage

7/31/07 $ *in billions*	RFG Total	Potential Sale
HFI	$55.2	$33.6
Less Allowance	(1.4)	(1.3)
Net HFI	$53.8	$32.3
NBV	NM#	0.8

Not meaningful as not all assets securitized

- **HFI Book has exhibited significant volatility in loss provision and credit performance has been consistently worse than projected**
  - HFI Book expected to generate $200M of GAAP net losses in 2008 but over $300M in positive cashflow
  - Major assumptions:
    - 0.3% Home Price Appreciation (HPA) through Q2 2008, growing to 3% by 2010
    - 37% Prepayment rate
    - Average 30+ delinquency of 27%

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2007 Potential Sale of Residuals

- **4 options have been identified to address the issue**
  - Hold HFI Book and endure earnings volatility and losses
  - Sell "Targeted" Residuals over next 6-18 months to alleviate some earnings volatility and losses
  - Sell the entire HFI Book by the end of 2007 with the aid of a third party reserve bid
  - Sell the entire HFI Book in an orderly fashion by the end of 2008
- **As of July 31, 2007, HFI Book represented $33.6 billion UPB and $756 million of GAAP net book value**
  - Market value of entire HFI Book preliminarily priced at $362 million
- **Recommend proceeding with the sale of the HFI Book prior to December 31, 2008**
  - Baseline anticipates cashflow of $30-35 million per month 12/08
  - Orderly multi-step sale process will best optimize cashflow/earnings trade-off and realize maximum value for ResCap
  - Earnings volatility to steadily diminish as more residuals get sold
- **Have already sold 10 deals and has targeted 28 others for sale by the end of the year**
  - 28 deals represent $13.6 billion UPB and $188 million net book value
  - These deals have been preliminarily priced at $113 million

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2007 Sale of Residuals

	UPB	GAAP NBV	Repo Provider Value	Repo Amount	Estimated Midpt. Value	Estimated Value as % of NBV	Mgmt. 2008E Pre-Tax Income	Mgmt. 2008E Cash Flow	Mgmt. 2009E Cash Flow
1 RCG - HFI: Saleable	33,583.9	756.3	441.4	264.8	361.5	47.8%	(199.6)	333.5	212.8
2 PIA - HFI @ 7/31/07	3,835.3	169.4	-	-	12.2	7.2%	(5.0)	12.9	15.4
3 **HFI Subtotal**	**37,419.2**	**925.7**	**441.4**	**264.8**	**373.7**	**40.4%**	**(204.6)**	**346.3**	**228.3**
4									
5 RCG - GOS @ 7/31/07	6,457.8	129.2	72.2	43.3	NA	NA	18.3	44.6	TBD
6 RESI - GOS @ 7/31/07	12,604.2	520.0	160.0	96.0	NA	NA	39.0	192.0	TBD
7 PIA - GOS @ 7/31/07	5,012.2	47.9	-	-	NA	NA	3.0	12.1	TBD
8 **GOS Subtotal**	**24,074.1**	**697.2**	**232.2**	**139.3**	-	**0.0%**	**60.3**	**248.7**	-
9									
10 **Total**	**61,493.3**	**1,622.9**	**673.6**	**404.1**	**373.7**	**23.0%**	**(144.2)**	**595.0**	**228.3**
11									
12 **RCG - HFI Sale Rollforward**									
13 RCG - HFI: July 31, 2007	38,272.0	699.7	450.0	270.0	361.5	51.7%	(239.3)	333.5	212.8
14 RCG - HFI: August Sales	(1,743.1)	22.6	-	-	-	0.0%	16.1	-	-
15 RCG - HFI: September Sales	(2,945.1)	34.1	(8.7)	(5.2)	-	0.0%	23.5	-	-
16 **RCG - HFI: Saleable**	**33,583.9**	**756.3**	**441.4**	**264.8**	**361.5**	**47.8%**	**(199.6)**	**333.5**	**212.8**
19									
20									
21 **Non-Targeted Deals**									
22									
23 RCG - HFI: Saleable	33,583.9	756.3	441.4	264.8	361.5	47.8%	(199.6)	333.5	212.8
24 Targeted Q4 Sales (28 Deals)	13,629.1	188.4	136.6	81.9	113.1	60.0%	(72.2)	125.2	73.8
25 **Remainder**	**19,954.7**	**567.9**	**304.8**	**182.9**	**248.5**	**43.8%**	**(127.4)**	**208.3**	**139.1**
26									
27									

28 **Net Book Value Roll-Forward and Book Gain/Loss Estimate**

29

30	NBV
33 RCG - HFI: July 31, 2007	699.7
34 RCG - HFI: August Sales	22.6
35 RCG - HFI: September Sales	34.1
36 Aug/Sep Net Loss	(314.4)
37 August New Deals (MBS Deals)	(84.0)
38 **Estimated 9/30/07 NBV**	**358.0**
39	
40 2007E Net Loss (RoY)	(140.0)
41 2008E Net Loss	(199.6)
42 **Estimated 12/31/08 NBV**	**18.4**

	Low	Middle	High
Estimated Sale Price	275.0	325.0	375.0
Estimated 9/30/07 NBV	(358.0)	(358.0)	(358.0)
Rep & Warrant Expense	(95.7)	(95.7)	(95.7)
Est. Book Gain / (Loss)	**(178.7)**	**(128.7)**	**(78.7)**

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2007 RFG Forecast – Impact of Restructuring

Residential Finance Group (RFG)
2007 Net Income (Targeted Residual Sale Scenario)

$ in millions	August YTD Loss	September	Q3	Q4	Full Year 2007	Full Year 2008
Net Loss - Targeted Residual Sale	$ (2,104)	$ (352)	$ (1,196)	$ (681)	$ (3,136)	$ (192)
Estimated Restructuring Charges (1)	-	(130)	(130)	-	(130)	-
Net Loss after Restructuring	$ (2,104)	$ (482)	$ (1,326)	$ (681)	$ (3,266)	$ (192)
Impact of selling all remaining HFI Residuals	$ -	$ -	$ -	$ 20	$ 20	$ 194
Net Loss (All HFI Sold)	$ (2,104)	$ (482)	$ (1,326)	$ (660)	$ (3,246)	$ 2

1. Goodwill impairments or gain/loss on disposition of business is not included. Total RFG goodwill is $382 million.

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2007 Primary Forecast Assumptions for RFG

September - December 2007 (Targeted HFI Sales)

1. **Interest Income** declines through the remainder of 2007 as the balance sheet decreases due to asset sales and prepayments. HFI residual sales for the remainder of 2007 are forecast to be $13.6 billion of UPB, which will reduce interest income and interest expense by approximately $138 million over the four month period.
2. **Interest Expense** includes the additional step-up of ResCap funding costs in October due to a further downgrade, resulting in $8.3 million per month in interest expense. Overall interest expense declines due to the lower balance sheet, but net interest margin is minimal.
3. **Provision Expense** includes $140 million of additional expense in September for changes to the HPA assumptions. As the HFI portfolio residuals are sold and the portfolio declines the provision expense are expected to decrease, however increasing severity and roll to loss assumptions are of concern. Overall provision expense and the allowance remain high due to rising delinquencies and market conditions.
4. **Gain on Sale of Mortgage Loans** for September includes $60 million of gains from the sale of HFI residuals and GOS of HFS and other gains of $20 million. October includes losses on sale of ($32) million from HFI residuals offset by GOS of HFS of $25 million. November and December forecast includes gain/loss on HFI residual sales of $1 and ($9) million, respectively, offset with GOS of HFS loans of approximately $25 million per month.
5. **Net Servicing Fees** represent the income from the MSR assets and are expected to provide positive income throughout the remainder of the year. As interest rates have risen, the value of the MSR assets have increased, resulting in additional income. There is potential for additional income during the remainder of the year due to changes in valuation of the MSR asset due to slowing prepayments and other factors.
6. **Gain on Investment Securities** reflects the mark to market and gain/loss on the trading securities portfolio, including the CDOs, credit residuals and GRS securities sales. September forecast includes $30 million of losses due to market movement and an estimate of $10 million per month for Q4.
7. **REO Operating Income** represents the additional impairment on REO properties due to the continued deterioration in the housing market. September includes approximately $40 million of additional impairment on PIA REO properties. Monthly REO impairment has been approximately $20 million per month.
8. **Compensation & Benefits** is projected to decrease through the remainder of the year due to lower commission expenses in the impact of the restructuring.
9. **REO Operating Expenses** are expected to be approximately $12 million per month to maintain the REO inventory of properties.
10. **EPD & Rep & Warrants Expenses** includes a $20 million reduction of expense in September resulting from a change in EPD reserve estimate. Due to the existing reserve balances, lower volumes, tighter underwriting and additional focus in this area, Q4 expenses are significantly lower than previous quarters.
11. **Other Expenses** include the write-off of the Lendscape capitalized asset values in September, as use of the system will be discontinued.
12. **Income Taxes** are based on legal entity income from GMAC Bank, which is taxed at an effective rate of 38.5%.
13. **Forecast does NOT include any goodwill impairment write-off in 2007. Estimated restructuring charges are shown at the bottom of the schedule.**

All HFI Sold – Changes to Assumptions Above

1. **Net Interest Income** drops due to removal of asset balances and related debt.
2. **Provision Expense** lowered in December, due to assets removed from balance sheet.
3. **Gain on Sale of Mortgage Loans** decreased due to incremental loss on sale of $89 million recorded in December.

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2007 Forecast for RFG – Income Statement (Targeted HFI Sold)

RFG
Income Statement - Forecast
2007 Forecast (Targeted HFI Sold)
($ Millions)

		Quarterly Trend					Monthly Trend					
		Q1 Actual	Q2 Actual	Q3 Actual	Q4 Forecast	Full Year Forecast	Jul Actual	Aug Actual	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast
	Revenue											
1	Net Interest Income	$ 328	$ 258	$ 101	$ 54	$ 741	$ 63	$ 15	$ 24	$ 19	$ 18	$ 17
2	Provision	(511)	(277)	(620)	(385)	(1,794)	(174)	(177)	(270)	(135)	(119)	(131)
3	Net Interest Income After Provision	(184)	(19)	(519)	(331)	(1,054)	(111)	(163)	(245)	(116)	(101)	(114)
4	Gain on Sale of Mortgage Loans, net	(341)	98	(130)	36	(337)	(71)	(138)	79	(7)	25	18
5	Net Servicing Fees	130	285	302	124	841	102	151	49	41	41	42
6	Gain on Investment Securities, net	32	(55)	(282)	(30)	(335)	(51)	(202)	(30)	(10)	(10)	(10)
7	Other Income	91	86	26	78	280	35	2	(11)	24	27	27
8	**Total Net Revenue**	(272)	395	(604)	(124)	(604)	(96)	(349)	(158)	(70)	(17)	(37)
	Expense											
9	Compensation and Benefits	262	286	265	214	1,028	91	91	83	85	71	58
10	REO Operating Expense	24	23	31	38	117	14	5	12	12	13	13
11	EPD & Reps and Warrants	160	60	(5)	10	225	3	16	(23)	3	(1)	8
12	Other	256	238	275	250	1,020	70	96	110	83	81	86
13	**Total Expenses**	702	608	567	513	2,390	178	208	181	183	164	165
14	**Pretax Income (Loss)**	(974)	(213)	(1,171)	(636)	(2,994)	(274)	(557)	(340)	(253)	(181)	(202)
15	Income Tax	26	47	25	44	143	10	3	12	14	15	15
16	**Net Income (Loss)**	$ (1,000)	$ (260)	$ (1,196)	$ (681)	$ (3,136)	$ (284)	$ (560)	$ (352)	$ (267)	$ (196)	$ (218)
17	Restructuring Charge	-	-	(130)	-	(130)	-	-	(130)	-	-	-
18	**Net Income (Loss) After Restructuring**			**(1,326)**		**(3,266)**			**(482)**			

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2007 Forecast for RFG – Balance Sheet (Targeted HFI Sold)

RFG
Balance Sheet
2007 Forecast (Targeted HFI Sold)

($ Millions)	Quarterly Trend				Monthly Trend					
	Q1 Actual	Q2 Actual	Q3 Forecast	Q4 Forecast	Jul Actual	Aug Actual	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast
Cash and Cash Equivalents	$ 677	$ 688	$ 566	$ 566	$ 551	$ 566	$ 566	$ 566	$ 566	$ 566
Trading Securities	5,343	5,133	3,060	2,769	5,281	3,581	3,060	2,826	2,798	2,769
Mtg Loans HFS	15,893	12,322	5,425	4,817	12,169	5,661	5,425	5,218	5,013	4,817
Bank HFI	12,184	13,168	15,308	16,111	13,478	13,758	15,308	15,580	15,847	16,111
HFI Securitized	44,497	40,519	33,823	19,628	38,905	36,908	33,823	29,050	26,392	19,628
Other HFI	5,294	5,865	11,084	10,635	7,207	12,885	11,084	10,968	10,800	10,635
Allow for Credit Losses	(1,624)	(1,650)	(1,646)	(1,589)	(1,683)	(1,598)	(1,646)	(1,615)	(1,598)	(1,589)
Mtg Loans Held for Investment	60,350	57,901	58,568	44,785	57,907	61,953	58,568	53,983	51,442	44,785
Lending Receivables	6,469	4,181	2,350	2,048	3,569	2,579	2,350	2,250	2,182	2,048
Capitalized Servicing Rights	5,094	6,026	5,456	5,366	5,888	5,481	5,456	5,424	5,394	5,366
Other	6,343	6,871	7,340	8,300	7,461	7,326	7,340	8,308	8,304	8,300
Total Assets	$ 100,169	$ 93,122	$ 82,766	$ 68,652	$ 92,827	$ 87,148	$ 82,766	$ 78,575	$ 75,699	$ 68,652
Collateralized Borrowings	45,974	42,534	36,020	21,932	41,233	39,379	36,020	31,501	28,762	21,932
Other Borrowings	31,948	26,435	22,061	21,699	26,278	21,594	22,061	21,526	21,613	21,699
Payables to Affiliates / Allocated Equity	13,564	14,704	15,009	14,000	15,389	16,114	15,009	14,323	14,169	14,000
Deposit Liabilities	5,573	6,437	6,970	8,273	6,687	7,140	6,970	8,414	8,371	8,273
Other Liabilities	3,110	3,011	2,705	2,748	3,240	2,921	2,705	2,812	2,785	2,748
Total Liab's and Equity	$ 100,169	$ 93,122	$ 82,766	$ 68,652	$ 92,827	$ 87,148	$ 82,766	$ 78,575	$ 75,699	$ 68,652

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2007 Forecast for RFG – Income Statement (All HFI Sold)

RFG
Income Statement - Forecast
2007 Forecast (All HFI Sold)
($ Millions)

		Quarterly Trend					Monthly Trend					
		Q1 Actual	Q2 Actual	Q3 Forecast	Q4 Forecast	Full Year Forecast	Jul Actual	Aug Actual	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast
	Revenue											
1	Net Interest Income	$ 328	$ 258	$ 101	$ 49	$ 736	$ 63	$ 15	$ 24	$ 19	$ 20	$ 11
2	Provision	(511)	(277)	(620)	(271)	(1,680)	(174)	(177)	(270)	(135)	(119)	(17)
3	Net Interest Income After Provision	(184)	(19)	(519)	(222)	(944)	(111)	(163)	(245)	(116)	(99)	(6)
4	Gain on Sale of Mortgage Loans, net	(341)	98	(130)	(53)	(426)	(71)	(138)	79	(7)	25	(71)
5	Net Servicing Fees	130	285	302	124	841	102	151	49	41	41	42
6	Gain on Investment Securities, net	32	(55)	(282)	(30)	(335)	(51)	(202)	(30)	(10)	(10)	(10)
7	Other Income	91	86	26	78	280	35	2	(11)	24	27	27
8	**Total Net Revenue**	(272)	395	(604)	(103)	(583)	(96)	(349)	(158)	(70)	(16)	(18)
	Expense											
9	Compensation and Benefits	262	286	265	214	1,028	91	91	83	85	71	58
10	REO Operating Expense	24	23	31	38	117	14	5	12	12	13	13
11	EPD & Reps and Warrants	160	60	(5)	10	225	3	16	(23)	3	(1)	8
12	Other	256	238	275	250	1,020	70	96	110	83	81	86
13	**Total Expenses**	702	608	567	513	2,390	178	208	181	183	164	165
14	**Pretax Income (Loss)**	(974)	(213)	(1,171)	(616)	(2,973)	(274)	(557)	(340)	(253)	(180)	(183)
15	Income Tax	26	47	25	44	143	10	3	12	14	15	15
16	**Net Income (Loss)**	$ (1,000)	$ (260)	$ (1,196)	$ (660)	$ (3,116)	$ (284)	$ (560)	$ (352)	$ (267)	$ (194)	$ (199)
17	Restructuring Charge	-	-	(130)	-	(130)	-	-	(130)	-	-	-
18	**Net Income (Loss) After Restructuring**			**(1,326)**		**(3,246)**			**(482)**			

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2007 Forecast for RFG – Balance Sheet (All HFI Sold)

RFG
Balance Sheet
2007 Forecast (All HFI Sold)
($ Millions)

	Quarterly Trend				Monthly Trend					
	Q1 Actual	Q2 Actual	Q3 Forecast	Q4 Forecast	Jul Actual	Aug Actual	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast
Cash and Cash Equivalents	$ 677	$ 688	$ 566	$ 566	$ 551	$ 566	$ 566	$ 566	$ 566	$ 566
Trading Securities	5,343	5,133	3,060	2,769	5,281	3,581	3,060	2,826	2,798	2,769
Mtg Loans HFS	15,893	12,322	5,425	4,817	12,169	5,661	5,425	5,218	5,013	4,817
Bank HFI	12,184	13,168	15,308	16,111	13,478	13,758	15,308	15,580	15,847	16,111
HFI Securitized	44,497	40,519	33,823	1,299	38,905	36,908	33,823	29,050	26,392	1,299
Other HFI	5,294	5,865	11,084	10,635	7,207	12,885	11,084	10,968	10,800	10,635
Allow for Credit Losses	(1,624)	(1,650)	(1,646)	(84)	(1,683)	(1,598)	(1,646)	(1,615)	(1,598)	(84)
Mtg Loans Held for Investment	60,350	57,901	58,568	27,961	57,907	61,953	58,568	53,983	51,442	27,961
Lending Receivables	6,469	4,181	2,350	2,048	3,569	2,579	2,350	2,250	2,182	2,048
Capitalized Servicing Rights	5,094	6,026	5,456	5,366	5,888	5,481	5,456	5,424	5,394	5,366
Other	6,343	6,871	7,340	7,693	7,461	7,326	7,340	8,308	8,027	7,693
Total Assets	$ 100,169	$ 93,122	$ 82,766	$ 51,221	$ 92,827	$ 87,148	$ 82,766	$ 78,575	$ 75,422	$ 51,221
Collateralized Borrowings	45,974	42,534	36,020	5,192	41,233	39,379	36,020	31,501	28,762	5,192
Other Borrowings	31,948	26,435	22,061	21,699	26,278	21,594	22,061	21,526	21,613	21,699
Payables to Affiliates / Allocated Equity	13,564	14,704	15,009	13,308	15,389	16,114	15,009	14,323	13,892	13,308
Deposit Liabilities	5,573	6,437	6,970	8,273	6,687	7,140	6,970	8,414	8,371	8,273
Other Liabilities	3,110	3,011	2,705	2,748	3,240	2,921	2,705	2,812	2,785	2,748
Total Liab's and Equity	$ 100,169	$ 93,122	$ 82,766	$ 51,221	$ 92,827	$ 87,148	$ 82,766	$ 78,575	$ 75,422	$ 51,221

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EXAM10199092

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2008 Preliminary Outlook for RFG

2008 Draft Plan Assumptions

- **Business Environment:**
  - Market size of $1.8T, 25% below 2007 Q3 YTD annualized of $2.4T
  - One month LIBOR declining 1% during the year from 5.5% to 4.5%
  - Current investor appetite / liquidity constraints remain throughout 2008
  - Annual home price appreciation rate of -1.8% for Q1/Q2, rising to +1% in Q4
- **RFG Profile:**
  - Business exits and cost reductions in line with restructuring plan, reducing costs 50% to $1.3B in 2008
  - Sale of all financing residuals and CDO III completed in 2007
  - Further credit rating decline and corresponding ResCap cost of funds increase to L+400
  - Bank to include Correspondent, Wholesale and Warehouse and fund 40% of Consumer Lending while keeping all new mortgage servicing rights from Bank funded loans (Bank funds ~80% of volume)
- **Volume/Margins:**
  - Share reduction of 15%, resulting in production of $66B versus $99B in 2007
  - No sub-prime volume
  - Conforming, Government and Jumbo margins approximate 2007 actuals
  - Volume by channel: Consumer = $21B, Correspondent = $27B and Wholesale = $18B
- **Hold/Sell:**
  - Agency eligible and Fixed Jumbo loans will be sold with GOS treatment
  - HE Loans/Lines, Alt-A, POA and Jumbo ARMs will be held as HFI ($7.6B)

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2008 Preliminary Outlook for RFG

Residential Finance Group
Income Statement - Forecast
2008 Forecast
($ Millions)

		FY 07	Q1 08	Q2 08	Q3 08	Q4 08	FY 08
	Revenue						
1	Net Interest Income	$ 736	$ 76	$ 91	$ 96	$ 102	$ 365
2	Provision	(1,680)	(59)	(57)	(58)	(54)	(226)
3	Net Interest Income After Provision	(944)	18	34	38	48	139
4	Gain on Sale of Mortgage Loans, net	(426)	107	142	149	132	530
5	Net Servicing Fees	841	133	135	118	126	512
6	Gain on Investment Securities, net	(335)	0	0	0	0	0
7	Other Income	280	33	34	34	35	136
8	**Total Net Revenue**	(583)	292	345	339	341	1,317
	Expense						
9	Compensation and Benefits	1,028	140	112	112	112	477
10	REO Operating Expense	117	8	8	8	7	31
11	EPD & Reps and Warrants	225	5	5	5	5	20
12	Other	1,020	179	147	147	147	619
13	**Total Expenses**	2,390	332	272	272	272	1,148
14	**Pretax Income (Loss)**	(2,973)	(40)	73	67	69	170
15	Income Tax	143	40	41	43	45	168
16	**Net Income (Loss)**	$ (3,116)	$ (80)	$ 32	$ 25	$ 25	$ 2
17	Restructuring Charge	(130)					
18	**Net Income (Loss) After Restructuring**	**(3,246)**					

Note: All securitized HFI sold in 2007

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2008 Preliminary Outlook for RFG

Residential Finance Group
Balance Sheet - Period End Balance
2008 Forecast
($ Millions)

	Q4 07	Q1 08	Q2 08	Q3 08	Q4 08
Cash and Cash Equivalents	$ 566	$ 566	$ 566	$ 566	$ 566
Trading Securities	2,769	2,205	2,129	2,058	1,988
Mtg Loans HFS	4,817	4,817	5,317	5,517	5,217
Bank HFI	16,111	16,950	18,035	19,251	20,401
HFI Securitized	1,299	1,269	1,230	1,186	1,139
Other HFI	10,635	9,079	8,537	8,307	7,787
Allow for Credit Losses	(84)	(94)	(105)	(118)	(128)
Mtg Loans Held for Investment	27,961	27,205	27,697	28,626	29,200
Lending Receivables	2,048	2,000	2,000	2,000	2,000
Capitalized Servicing Rights	5,366	5,257	5,191	5,124	5,059
Other	7,693	7,607	7,595	7,581	7,568
Total Assets	$ 51,221	$ 49,657	$ 50,495	$ 51,472	$ 51,599
Collateralized Borrowings	5,192	4,984	4,787	4,606	4,430
Other Borrowings	21,699	20,685	21,815	22,856	23,534
Payables to Affiliates / Allocated Equity	13,308	10,376	9,998	9,614	9,264
Deposit Liabilities	8,273	10,465	10,765	11,252	11,300
Other Liabilities	2,748	3,147	3,130	3,144	3,070
Total Liab's and Equity	$ 51,221	$ 49,657	$ 50,495	$ 51,472	$ 51,599

Note: All securitized HFI sold in 2007

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2008 Cashflow Outlook

- Still finalizing free cashflow forecast of 2008 RFG preliminary plan
  - Break-even earnings, but with significant scale-back of balance sheet would suggest some free cash flow generation
  - However, as primary growth engine is likely to be GMAC bank there is a potential issue of "trapped cash"
  - Cash forecast needs to be developed factoring in Bank vs. non-bank balance sheets
  - Moreover, ResCap's external obligations (primarily unsecured term debt) are on the non-bank balance sheet and as the bank grows, ability to pay dividends or transfer cash will be compromised
  - As part of evaluating all options will develop robust cashflow outlook that will factor in these issues

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IBG Assessment

- IBG, ResCap's global mortgage arm primarily operates in U.K. with smaller operations in Germany, Netherlands, Spain, Canada, Mexico, Latin America and Australia
  - Historically, very strong growth and profitability driven by buoyant markets, first mover advantage and product innovations
  - However, combination of liquidity crisis, long production pipelines and timing of both planned bank line renewals and whole-loan sales has significantly increased near-term liquidity risks at IBG
    - Moreover, fundamental change in credit rating, cost of funds and investor risk-return profile will challenge medium-term profitability of franchise
  - As discussed earlier near-term focus is on liquidity generation with multiple options being pursued
    - However, have also developed preliminary restructuring plan to address more fundamental challenges
- Latest financial outlook has deteriorated significantly due to decreased margins, increased interest expense and potential markdowns (for example, a 3% markdown in pipeline would create an additional $100M pre-tax loss in Q3)

IBG 2007 Financial Outlook Amount (Millions)

	Q1	Q2	Q3F	Q4F	Full Year Forecast	RBP
Net Revenues	169.2	110.4	16.8	(6.3)	290.0	583.7
Operating Expenses	91.2	98.3	103.2	103.9	396.5	422.5
Net Income	45.0	14.8	(63.9)	(74.7)	(78.8)	112.0

Note: Q3 & Q4 Net Income forecast has significant downward risk due to markdowns of as much as $200M after-tax

IBG 2007 Financial Outlook Amount (Millions)

Managed Assets	15.5
Secured Debt	9.5
Unsecured ResCap Debt	3.1
Unsecured Third Party Debt	1.6
Economic Capital	1.0

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IBG Assessment

- Preliminary IBG Restructuring Plan
  - Initiate sales of Netherlands, Germany and Spain
  - Entertain a third party capital source for Mexican business that would aid it in gaining a separate rating and funding independently
  - Slow down the growth in Australia and shore up all funding. Prove the concept of our business and consider for sale
  - Right-size U.K. business for current market/future growth or sale under more favorable conditions
  - Pursue purchase of ResMor Trust and add capital to allow growth of deposits to fund some current and all future Canadian lending. For an additional 25 million CDN (23.75) equity contribution into ResMor (25 + 55 purchase price) a potential of 100 million in liquidity (20 net) could be released to ResCap by ResMor purchase of mortgage assets from IBG Canada
  - Develop compensation plan for retention of critical people in businesses to ensure business has resources to continue

- 2008 forecast still very preliminary
  - Likely break-even results with Mexico profits being offset by losses elsewhere

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BCG

- BCG suffering direct impact of weakness in residential real estate market
  - All 3 businesses related to housing have been adversely impacted with liquidity shortfall, increased credit risk and lack of production
  - Resort Finance and Health Capital not impacted except due to general liquidity strains in market
- Latest financial outlook has deteriorated significantly primarily due to higher credit provisions, impairment charges and higher cost of funds

BCG 2007 Financial Outlook Amount (Millions)

	Q1	Q2	Q3F	Q4F	Full Year Forecast	RBP
Net Revenues	70.6	25.2	(158.0)	26.1 *	(36.0)	377.3
Operating Expenses	18.8	18.8	19.7	18.9	76.2	111.0
Net Income	51.5	6.4	(176.8)	7.2	(111.7)	265.0

Note: BCG Q4 Net Income forecast of $7 M does not include potential downside of as much as $100M due to incremental credit reserves

Sepember 30, 2007 Balance Sheet* Amount (Billions)

Managed Assets	7.6
Secured Debt	2.4
Unsecured Rescap Debt	3.7
Equity	1.5

*Includes Health Capital

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BCG

- Preliminary BCG Restructuring Plan
  - Health Capital business sold to GMAC Commercial Finance in August
  - Pursuing sale of Resort Finance
    - Resort Finance not core to overall mortgage franchise and more akin to asset-based lending business
    - Will immediately evaluate saleability and valuation and sale to third party or to GMAC as part of Commercial Finance's asset-based lending portfolio
      - Pending a sale, Resort Finance also represents potential stand-alone source of short-term secured funding from GMAC (unencumbered assets of $0.3B)
  - Re-aligning Real Estate business, Residential Construction and REG into one organization
    - Reduced target customer list
    - New structure focused on single relationship officer for each client and cross product risk management
  - Explore exit of Model Home and Lot Option business
  - Creating a special asset workout function for problem credits
    - Significant increase in number of workout and watch list clients

- 2008 forecast still very preliminary
  - Likely outlook gains at Residential Construction being more than offset by losses at Residential Equity and Model Homes due to continued credit/impairment issues

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EXAM10199100

Conclusion

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2008 Preliminary Consolidated Outlook

- Under baseline assumptions ResCap outlook will be strained in 2008
  - Break-even to loss of net income absent any market rebound (following a very poor 2007)
  - Free cashflow generation likely to be constrained due to encumbered nature of assets being run-off

ResCap Consolidated Outlook

Amount (Millions)	2006	2007F	2008F
Net Revenues	$ 2,988	$ (449)	$ 1,642
Total Expenses	2,573	2,874	1,474
Net Income	705	(3,441)	0

Amount (Billions)	Bal. Sheet (Sep 30, 2007)
Cash	$ 5.6
Unsecured Debt	19.3
Book Equity (Ending)*	6.7

*Assumes $725M of equity and no goodwill write-offs

  - Need to efficiently execute massive restructurings and asset sales
  - $4.5B in unsecured term debt maturities in 2008
  - Continued challenging liquidity environment due to bearish outlook for mortgage sector, in general, and ResCap in particular
- However, positive variables could include:
  - A market rebound in terms of both liquidity and mortgage fundamentals
  - Efficient solution to ResCap firewall that currently prevents optimization of scarce capital and liquidity between GMAC and ResCap
  - Successful restructuring of ResCap could position ResCap to exploit potentially less competitive U.S. mortgage market
  - If able to maintain world-class servicing franchise, then could exploit significant third-party servicing opportunities
- Need to evaluate other options for ResCap versus baseline scenario presented here
  - However, due to immediate liquidity and covenant issues, need to inject $725 milllion of incremental equity even as we evaluate the various options and maintain focused on liquidity
    - Restructuring of business discussed herein positive under any future scenario

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ResCap Options

Current Path

- Aggressively restructure
- Achieve profitability in 2008
- Inject $725M equity
- Stabilize operations, preserve the franchise and fight for survival until conditions improve
- Return to Board within 60 days to discuss capital situation and other business options

JV / Sale

- Explore opportunities to sell ResCap in whole or in part
- Understand valuation for whole business/parts of the business (i.e. RFG, IBG, BCG, Servicing) in the current environment
- Identify potential acquisitions and/or JV partners
- Discuss potential M&A options with Board within 60 days

Orderly Liquidation/Other

- Explore viability and economics of an orderly liquidation
- Explore viability and economics of other exit or partial exit options

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EXAM10199103

Exhibit G

RE: Bounce - Intercompany Follow Up

From:
"Dondzila, Cathy - PA" <cathy.dondzila@ally.com>
To:
"Renzi, Mark" <mark.renzi@fticonsulting.com>, "Westman, Barbara - MN" <bwestman@gmacm.com>
Cc:
"Nolan, William" <william.nolan@fticonsulting.com>, "Park, Liz" <liz.park@fticonsulting.com>, "Szymik, Filip" <filip.szymik@fticonsulting.com>
Date:
Sun, 22 Apr 2012 18:07:35 +0000
Attachments:
Intercompany Questions v2.xls (24.58 kB)

This is a very complicated situation and likely cannot be answered at the level of detail everyone would like (as evidenced by the detailed questions noted below).

The first step is a bit of a walk down memory lane. In the beginning (and neither Barb nor I were here), ResCap issued public debt and generated cash. Some of the agreements provided were likely created during that time, and were intended to push this cash into the primary operating companies (GMAC Mortgage, RFC and probably Homecomings). This would have created a receivable on the books of the ResCap holding company and a payable on the operating company books. These were likely interest bearing agreements.

Fast forward to the credit crisis and market implosion and the situation changes dramatically. ResCap holding company is now a consumer of cash and the operating companies are generators of cash. Liquidity providers want to be as close as possible to the collateral securing their facilities. As a result, borrowings are now recorded on the books of the operating companies. This changes the relationship, and cash is now moving in a different direction, from the operating companies to the Parent. This creates payables on the Parent and receivables on the subs.

The Company also uses daily sweep process to consolidate all of its available liquidity at the Parent. As the operating companies generate cash, through asset sales, borrowings, asset liquidations etc., this cash moves upstream to ResCap. This again creates the payable on the Parent and the receivable at the operating company.

Finally, in order to maintain sufficient regulatory net worth to satisfy requirements, and to clean up balance sheets as part of entity minimization or sale activities, intercompany balances have been forgiven. In many cases, with the approval of the Ally Board of Directors. In most cases, but not all, the forgiveness has been treated as equity. In limited cases, where the forgiveness occurred with respect to collateralized borrowings, it may have been treated as income/expense. Barb and I will see if we can put together a comprehensive list of all debt forgiveness since 2007 by entity. Not sure what that effort will entail or how long it will take. Will let you know what we conclude.

I've included some thoughts with respect to the specific questions below. In many cases, the information being requested is not possible to provide or would require a significant amount of research to be able to even partially respond.

Barb and I will confer on a couple of potential additions to the list, if you guys could review what has been provided and give us some insight into next steps?

From: Renzi, Mark [mailto:mark.renzi@FTIConsulting.com]
Sent: Friday, April 20, 2012 3:58 PM
To: Dondzila, Cathy - PA; Westman, Barbara - MN
Cc: Nolan, William; Park, Liz; Szymik, Filip
Subject: Bounce - Intercompany Follow Up

Cathy and Barb,

After we provided MoFo with interco files we received from you (zipped folder), MoFo, K&E, Evercore and Ally had follow up questions on the top 10 intercompany relationships which we have consolidated. Please see below:

1) For each intercompany balance:

a) Explain intent for each balance - loan or equity? Was there an expectation of repayment? This is not a question accounting can answer. To the extent we have deemed a collateralized

affiliate balance impaired we have impaired it through earnings. Otherwise we have concluded for GAAP financial statement purposes the balances were expected to be repaid.

b) Describe how and when the balance was incurred. See above and the attached email which provided much better descriptions about some of the drivers of the balances (not sure who summarized what was provided on the FTI list).

c) To what extent has the balance arisen from the operation of the company's cash management system? Does the company intend to continue to operate the same way post-petition? For example, is the balance in entry #7 a result of the intercompany cash management system? How did it arise? How old is the balance? Yes, the Company expects to continue to follow its cash management practices post-petition.

d) What were the funds used for (capital improvements or operating expenses)? Yes, among other things including running its servicing business activities and funding the purchase of new assets.

e) Was interest accrued or paid for any intercompany balance? Will see if Barb can have someone add this to the spreadsheet.

i) Was interest paid regularly or sporadically?

ii) At a fixed or variable rate?

iii) When was the last interest payment due, and when was it paid?

f) Have principal payments been made? If so, since when, how often and how much? My guess is that certain of these balances have 'principal' repayments and 'draws' regularly as cash activity flows in and out but I'll see if Barb can have someone evaluate.

g) Where the source document does not support the intercompany balance (e.g., #2, #3), what is the explanation for the reversed balance? Does the balance track to a different agreement (or no agreement)? See descriptions above. No new agreements.

h) Where the source document is not between the same entities as the intercompany balance (e.g., #4, #8), what is the explanation? Does the balance track to a different agreement (or no agreement)? No agreement.

2) Were any intercompany balances reported in any public or regulatory filings as debt or equity? All intercompany balances eliminate in consolidation. In standalone financial statements of the operating companies they are reported as affiliate receivables/payables/debt.

3) What is the explanation for the different "Intercompany Types" noted on the FTI Summary Chart? Appears to correspond to the operational account description in the general ledger.

4) For #2, what does "cash movement related to revolver" mean? Does this reflect a onetime book entry? Has this balance remained static over time? How were other revolver-related entries treated? As described above, to the extent an operating company records a direct borrowing secured by its assets (includes the Ally Senior Secured Credit (Revolver) and LOC facilities, among others), the cash generated by that agreement is repatriated up to the Parent through the cash management sweep. The description is not 100% complete and does not describe the entire balance. On a monthly basis, the outstanding balances on the Revolver and LOC are recorded to the operating companies in proportion to their pledged collateral. As such, each month there will be changes in the balance of the intercompany generated. This particular balance has also been impacted by earlier forgiveness of liabilities to ResCap as we have had to shore up the RFC net worth to comply with state and other regulatory requirements.

5) For transactions #4 and #8:

a) Do we have fully executed notes for transactions #4 and #8? No. With respect to #4, this is part of regular cash management activities. The source of the cash into PATI was cash received from the Flume and GXII notes that were contributed to PATI by ResCap. Flume and GXII were securitization facilities for international (UK and CE) assets. As cash was received by PATI, it was swept to GMACM and from there up to the Parent. I'm not sure what drove RAHI balance with RFC but wouldn't be surprised if it didn't relate to gains/ losses on sales of securitizations/retained interests as RAHI was the transferor and holder of retained interests historically for RFC securitizations. The cash sweep process would have taken that all up the chain.

b) Are these balances specific to any transaction or facility?

i) Why do balances exist between these entities? Note: the corresponding agreement for #4 only names ResCap as Borrower, not GMAC Mortgage. There appears to be no evidence of a direct relationship between GMACM and PATI. For #8, the corresponding agreement only names RAHI II and ResCap, not RFC. There appears to be no direct agreement between RFC and RAHI II.

ii) Do PATI and RAHI II earn income from any source other than as holders of the GSAP-related preference shares? PATI and RAHI do not hold the GSAP preference shares, PATI-A and RAHI-A do. PATI holds the remaining Flume notes and certain retained interests, including the FHA/VA securitization bon, and RAHI has mortgage loans and retained interests. RAHI also is required, under to GAAP, to recognize certain on-balance sheet securitizations due to either failed sale or consolidation or both.

iii) For Intercompany Advance Agreements (PAT and RAHI) (#4 and #8), PATI and RAHI II are listed as Lenders and ResCap is listed as the Borrower. Why do notes accompanying #4 and #8 state the source document supports ResCap as lender?

6) For transactions #5 and #6:

a) Explain existing balances between GMACM, PATI, and the GSAP Issuer (which is an offshore SPE). Are these entities directly related? See b) for explanation.

b) Supporting emails state that GMACM sold balances to the GSAP Trust, but it was GMACR Mortgage Products, LLC, not GMACM. Emails also state that PATI purchased assets from the GSAP Trust – what are these assets and are they supported by documents? GMACM was the initial seller (through the transferor GMACR Products) to GSAP. In 2008, the GSAP facility was amended and RFC also became a seller (through the transferor RFC-GSAP). In connection with the amendment, the Class A-1 preference shares were transferred by GMACM to PATI and Class A-2 preference shares were issued to RAHI. While the transfers of financial assets achieved legal true sale, the initial sale by the sellers (GMACM and RFC) did not meet the criteria for sale accounting under GAAP. As a result, intercompany balances were created between the sellers and the GSAP SPE. The GSAP entity was also evaluated, in accordance with GAAP, to determine whether it was required to be consolidated under predecessor GAAP (FIN46R) and current GAAP (FAS167). In both cases, it was determined GSAP should be consolidated under GAAP to the primary beneficiary, which was determined to be GMACM. There are a variety of GSAP documents, including facility agreements, asset sale agreements between the seller and transferor and the transferor and GSAP etc.

7) Was the Rescap Restated Loan Agreement dated as of January 1, 2006 amended or extended beyond its termination date?

8) Why is transaction #9 reflected as an intercompany balance if Borrower is not a ResCap sub? What is the current amount owing on the Note and when is it due? The general ledger is prepared on a basis consistent with GAAP. With respect to certain transactions (Viaduct, Flume, GSAP), we failed sale (meaning the transfers of financial assets did not meet the criteria to be recorded as sales) and we also tripped consolidation accounting rules. As a result, the Viaduct and Flume bankruptcy-remote SPEs are consolidated to ResCap and the transferred financial assets remain on the books of GPF (one of our wholly-owned international subsidiaries). The failed sale accounting creates intercompany balances between the entities.

9) Were any guidelines in place regarding the determination of whether an acquisition of assets (e.g., purchased assets from the GSAP facility) would be accounted for through equity or intercompany accounts? Also, to what extent were there any guidelines with respect to allocating expenses and overhead among companies by means of intercompany accounts? With respect to GSAP, the transfers of the financial assets between the sellers (GMACM and RFC), the transferors (GMACR Products and RFC-GSAP) and GSAP did not qualify for sale. There are a variety of memorandum supporting the GAAP accounting treatment for these transfers. In addition, the GSAP entity is required to be consolidated by GMACM, as the primary beneficiary. In the situation of failed sales, the accounting is recorded through the use of intercompany accounts. The GSAP transaction is particularly complex due to having two sellers and by having other subsidiaries within the group owning the preferences shares of GSAP (PATI-A and RAHI-A). These create additional intercompany accounting that had the transfers met the criteria for true sale would not have otherwise existed. In the waterfall we eliminated all of the

GSAP balances EXCEPT the intercompany balances. Should probably think through whether those intercompany balances shouldn't also be removed. In the end, GMACM and RFC sold assets for cash and an indirect investment in the preference shares held by the PATI-A and RAHI-A entities, who dividend any cash they receive back to GMACM and RFC, respectively.

10) Need to address intercompany balance spreadsheet sent by Evercore and obtain documentation in relation to those balances. ("Project Rodeo – Intercompany Comparisonv2" excel file attached)

a) Are there any documents or information supporting a $254 mm balance between Executive Trustee Services, LLC and GMAC Mortgage, LLC ("Project Rodeo – Intercompany Comparisonv2" excel file attached)? This results from the cash management activities whereby cash generated by an entity is swept through the organization up to the Parent. Cash is actually deposited into a GMACM bank account directly in connection with the services ETS provides (you'll note the intercompany is awfully close to the retained earnings). GMACM books the intercompany payable to ETS and ETS books the intercompany receivable vs. income. Not sure why this didn't make the FTI list of top ten. Balance was $253.5 million at 12/31/11 (Corp SS002 vs. SS001).

Please let us know when you would like to review the list and how we can help pull together this information. The intercompany notes have become a critical item for the Junior Secured Bonds and the respective recovery. We are available at your convenience.

Best regards,

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Intercompany Balances in millions

Receiving Entity	Paying Entity	Balance	Description
Residential Capital	GMAC Residential Holdings	$3,186	This is the ResHoldings note with ResCap. This balance acts as an LOC where GMACM can borrow funds, or contribute funds, to ResCap as needed. This borrowing is funneled through its parent, Resi Holdings. Note there is no similar large balance between Resi Holdings and GMACM, as $2.6 billion of GMACM debt was forgiven by Resi Holdings in 2009.
Residential Funding Company	Residential Capital	$1,847	This relationship is similar to the Residential Holdings relationship above, and in the past was in a similar position where RFC owed ResCap. However, in 2008, $2 billion of debt was forgiven. Activity since 2008 has generated a receivable from ResCap. This post-2008 activity makes sense as RFC is generally generating cash through pledging its assets for direct borrowings (Ally Revolver, LOC, BMMZ repo etc.) or generating cash from asset sales. Cash generated by the operating companies is swept up to the holding company (ResCap) for centralized treasury management.
Homecomings Financial	Residential Funding Company	$1,231	The majority of this balance was created in 2008 when loans were sold from Homecomings to its parent. No cash was exchanged.
Passive Asset Transactions	GMAC Mortgage	$647	The majority of the balance represents the cash collections transferred from the IBG entities for the Flume and GXII note receivables. The cash was transferred from IBG to PATI and then from PATI to GMACM and up to ResCap (through that same treasury sweep function described above).
Executive Trustee Services	GMAC Mortgage	$254	Cash needs for the ETS entity are handled through GMACM accounts, and intercompany transactions are created to record the impact to ETS, however, no cash settlement occurs.

13-01277-mg Doc 221-7 Filed 11/12/13 Entered 11/12/13 23:45:07 Exhibit G
Pg 9 of 9

Exhibit H

To: Nielsen, Ryan[Ryan.Nielsen@gmacrescap.com]
Subject: RE: Asset Sales Info
SOFA Sale Agreements.zip
SOFA 10 6_11_12 v2.xls
Changes 2007-now.xls

Attached is a draft of the SOFA 10 showing sales from 2010 forward. The zip file includes all the agreements I have. The only sale I can't find agreements on is the German Bond sale. You may have to go to legal for that one. And note the agreements for the RFC/RFOC sale are not executed, nor do they show RFC as a party. I am still researching that one.

I have also included a download of our STM site. You can search this document to find any other sales you might be interested in from prior years. If you find some, let me know, and I can see if we have the sale agreements in the STM directory.

Barb Westman

Senior Director - Accounting Operations and Compliance
952-857-7789
barbara.westman@gmacrescap.com

From: Nielsen, Ryan
Sent: Thursday, June 21, 2012 11:36 AM
To: Westman, Barbara - MN
Subject: Asset Sales Info

Hi Barb,

Just wanted to know if you had an ETA on the Asset Sales info as we are to be done with the executory contracts for the SOAL by tomorrow.

Thanks,

Ryan Nielsen
Manager FP&A
Financial Planning & Analysis
Phone: (952) 857-7332
Email: ryan.nielsen@gmacrescap.com

Withheld as Privileged

EXECUTION COPY

BILL OF SALE AND TRANSFER AGREEMENT

This BILL OF SALE AND TRANSFER AGREEMENT (this "Bill of Sale"), dated as of April 22, 2011, is by and between GMAC Mortgage, LLC, a Delaware limited liability company, as seller (the "Seller"), and Residential Funding Company, LLC, a Delaware limited liability company, as purchaser (the "Purchaser").

The Seller, for and in consideration of $171,323,565.91 (the "Purchase Price"), does hereby absolutely sell, transfer and assign to the Purchaser as of the date hereof, without recourse except as set forth in this Bill of Sale, all right, title and interest in and to the Mortgage Loans listed on Exhibit A attached hereto (the "Mortgage Loans"), on a servicing released basis, together with all principal, interest and other proceeds of any kind received with respect to such Mortgage Loans from and after April 21, 2011 (the "Cutoff Date"), including, but not limited to, proceeds derived from the conversion, voluntary or involuntary, of any of such assets into cash or other liquidated property, the mortgage loan files, servicing files and other records and documents with respect to the Mortgage Loans and the proceeds of any related title, hazard, or other insurance policies and any escrow, reserve or other comparable accounts related to the Mortgage Loans.

The ownership of the Mortgage Loans and related assets is hereby vested in the Purchaser and the ownership of all records and documents with respect to the related Mortgage Loans prepared by or which come into the possession of the Seller shall immediately vest in the Purchaser and shall be retained and maintained, in trust, by the Seller in a custodial capacity only, until delivery of such documents to the Purchaser at its direction.

The Seller hereby acknowledges receipt of the Purchase Price, which sum represents payment in full of the purchase price for all of Seller's right, title and interest in and to Mortgage Loans and related assets.

The Seller hereby represents and warrants that the Mortgage Loans and related assets are being sold to the Purchaser free and clear of all liens (other than liens described in clauses (b) through (f), (i), (j), (k), (l), (m) and (o) of the definition of Permitted Liens set forth in that certain Amended and Restated Loan Agreement, dated as of December 30, 2009, as amended, supplemented, restated or otherwise modified as of the date hereof, among the Seller and the Purchaser, as borrowers, Passive Asset Transactions, LLC, RFC Asset Holdings II, LLC, GMAC Residential Holding Company, LLC, GMAC-RFC Holding Company, LLC, Homecomings Financial, LLC, Equity Investment I, LLC and Residential Capital, LLC, as guarantors, and Ally Financial, as lender and lender agent).

The Seller covenants that it has previously delivered to either Ally Bank, in its capacity as custodian under (a) that certain Custodial Agreement, dated as of May 19, 2009, among the Seller, the Purchaser, Ally Financial Inc. (f/k/a GMAC LLC) and Ally Bank, or (b) Wells Fargo Bank, National Association, in its capacity as custodian under that certain Custodial Agreement, dated as of May 19, 2009, among the Seller, the Purchaser, Ally Financial Inc. (f/k/a GMAC LLC) and Wells Fargo Bank, National Association, the documents required to be contained in the Mortgage File (as defined in the applicable Custodial Agreement) for each Mortgage Loan. The Seller covenants and agrees that no later than April 29, 2011, it will notify Ally Bank and

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Wells Fargo Bank, National Association, as applicable, in their capacities as custodian, that the Mortgage Loans have been sold by the Seller to the Purchaser and that ownership of the related Mortgage Files has been transferred to the Purchaser.

The Seller covenants and agrees that it shall, no later than 90 days after the date hereof, at its own expense, deliver an original mortgage note relating to each Mortgage Loan, bearing all intervening endorsements, endorsed "Pay to the order of Residential Funding Company, LLC, without recourse" and signed in the name of the Seller.

The Seller covenants and agrees that for any Mortgage Loan registered on the system of electronically recording transfers of mortgages maintained by Mortgage Electronic Registration Systems, Inc., a Delaware corporation ("MERS"), and for which MERS is listed as the record mortgagee or beneficiary on the related mortgage or assignment thereof (each, a "MERS Loan"), the Seller shall, no later than April 29, 2011, cause, at its own expense and in accordance with the rules and procedures of MERS, such system to indicate that such MERS Loans have been sold by the Seller to the Purchaser pursuant to this Bill of Sale.

The Seller covenants and agrees that for each Mortgage Loan that is not a MERS Loan, the Seller shall, no later than 90 days after the date hereof, at its own expense (including the costs of any recording fees): (i) prepare, in recordable form, all Assignments of Mortgage (as defined below) necessary to assign the Mortgage Loans to the Purchaser and (ii) submit each such Assignments of Mortgage for recording with the applicable recording office. "Assignment of Mortgage" means an assignment of the mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related mortgaged property is located to reflect the sale of the mortgage to the Purchaser.

The Seller covenants that with respect to each Mortgage Loan that is the subject of litigation (including the related mortgagor being the subject of a bankruptcy proceeding), the Seller shall promptly, but no later than 90 days after the date hereof, prepare all necessary assignments and file appropriate substitutions in order to name the Purchaser as mortgagee in connection with the related litigation.

The Seller has separately agreed to service the Mortgage Loans for the Purchaser pursuant to that certain Seller/Servicer Contract, dated as of November 24, 1992, between the Purchaser and the Seller, as amended through the date hereof (the "Servicing Agreement"). The Seller and the Purchaser hereby agree that any servicing advances previously made by the Seller with respect to the Mortgage Loans and outstanding as of the Cutoff Date may be recovered by the Seller from collections on the Mortgage Loans in accordance with the terms of the Servicing Agreement.

The Purchaser shall, at its own cost and expense, deliver the notice required by Section 404 of the Helping Families Save Their Houses Act of 2009 (P.L. 111-22) to be provided within thirty (30) calendar days of the date hereof to each mortgagor who is primarily liable with respect to each Mortgage Loan.

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Each party shall, upon the written request of the other, execute and deliver to the other party such reasonable and appropriate additional documents, instruments or agreements, or take such other actions, as may be reasonably necessary or appropriate to effectuate the purposes of this Bill of Sale.

It is the express intention of the parties that the transactions contemplated by this Bill of Sale be, and be construed as, a sale of the Mortgage Loans by the Seller and not a pledge of the Mortgage Loans by the Seller to the Purchaser to secure a debt or other obligation of the Seller. Further, the transactions contemplated by this Agreement are not intended in any way to constitute the sale of a "security" or "securities" within the meaning of any applicable securities laws, and none of the representations, warranties or agreements of the Seller or the Purchaser shall create any inference that the transactions involve any "security" or "securities." Consequently, the sale of each Mortgage Loan shall be reflected as a sale on the Seller's and the Purchaser's business records, tax returns and financial statements.

THIS BILL OF SALE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (BUT WITH REFERENCE TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS BILL OF SALE).

EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS BILL OF SALE.

EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS BILL OF SALE OR THE TRANSACTIONS CONTEMPLATED HEREBY AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH SUCH LITIGATION. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS BILL OF SALE, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS BILL OF SALE OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO THE OTHER PARTIES. THE FOREGOING SHALL NOT LIMIT THE

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ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY JURISDICTION.

This Bill of Sale embodies the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understanding relating to the matters provided for herein.

If any provision of this Bill of Sale, or the application thereof to any party or any circumstance, is held to be unenforceable, invalid or illegal (in whole or in part) for any reason (in any jurisdiction), the remaining terms of this Bill of Sale, modified by the deletion of the unenforceable invalid or illegal portion (in any relevant jurisdiction), will continue in full force and effect, and such unenforceability, invalidity or illegality will not otherwise affect the enforceability, validity or legality of the remaining terms of this Bill of Sale so long as this Bill of Sale, as so modified, continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the deletion of such portion of this Bill of Sale will not substantially impair the respective expectations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties.

This Bill of Sale may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original (whether such counterpart is originally executed or an electronic copy of an original and each party hereto expressly waives its rights to receive originally executed documents) and all of which when taken together shall constitute one and the same agreement.

[signature page follows]

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IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Bill of Sale and Transfer Agreement to be executed and delivered by its respective officer thereunto duly authorized as of the date above written.

GMAC MORTGAGE, LLC, as Seller

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

RESIDENTIAL FUNDING COMPANY, LLC, as Purchaser

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

EXHIBIT A

MORTGAGE LOAN SCHEDULE

(see attached)

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EXECUTION COPY

April 22, 2011

Residential Funding Company, LLC
8400 Normandale Lake Blvd.
Suite 350
Minneapolis, MN 55437

GMAC Mortgage, LLC
8400 Normandale Lake Blvd.
Suite 350
Minneapolis, MN 55437

GMAC Residential Holding Company, LLC
8400 Normandale Lake Blvd.
Suite 350
Minneapolis, MN 55437

Residential Capital, LLC
8400 Normandale Lake Blvd.
Suite 350
Minneapolis, MN 55437

Re: Netting relating to Transferred Mortgage Loans

Ladies and Gentlemen:

Reference is hereby made to that certain Bill of Sale and Transfer Agreement, dated as of April 22, 2011 (the "Bill of Sale"), by and between GMAC Mortgage, LLC, a Delaware limited liability company (the "Seller"), and Residential Funding Company, LLC, a Delaware limited liability company (the "Purchaser"), pursuant to which the Seller is selling certain mortgage loans to the Purchaser. Pursuant to the Bill of Sale, the Purchaser is obligated to pay the Seller $171,323,565.91 as the purchase price for the mortgage loans being sold pursuant thereto (the "Purchase Price").

Pursuant to various intercompany loans, the Seller owes amounts to GMAC Residential Holding Company, LLC, a Delaware limited liability company ("GMAC RHC"), in excess of the Purchase Price as of the date hereof. Pursuant to various intercompany loans, GMAC RHC owes amounts to Residential Capital, LLC, a Delaware limited liability company ("ResCap"), in excess of the Purchase Price as of the date hereof. Pursuant to various intercompany loans, ResCap owes amounts to the Purchaser in excess of the Purchase Price as of the date hereof. The outstanding amounts under each of the intercompany loans referenced above are due and payable, and the obligee with respect to each of the foregoing intercompany loans hereby demands payment from the respective obligor as repayment of such intercompany loan of an amount equal to the Purchase Price payable on the date hereof.

In order to avoid cash transfers between themselves and to discharge their payment obligations in the amounts set forth above, the parties hereto each agree that the obligations:

(a) of the Purchaser to pay the Purchase Price to the Seller as consideration for the purchase of the mortgage loans pursuant to the Bill of Sale;

(b) of the Seller to pay $171,323,565.91 to GMAC RHC as repayment of certain intercompany loans;

(c) of GMAC RHC to pay $171,323,565.91 to ResCap as repayment of certain intercompany loans; and

(d) of ResCap to pay $171,323,565.91 to the Purchaser as repayment of certain intercompany loans;

will be netted against each other so that the respective obligations will be discharged without a cash payment having been made as of the date hereof.

As a consequence of the forgoing netting:

(w) the Seller hereby fully and finally discharges the Purchaser from its obligation to pay the Purchase Price as consideration for the purchaser of the mortgage loans pursuant to the Bill of Sale;

(x) GMAC RHC hereby fully and finally discharges the Seller from its obligation to repay $171,323,565.91 to GMAC RHC under the intercompany loans (and subtracts such amount from the total amount due by the Seller to GMAC RHC under the intercompany loans);

(y) ResCap hereby fully and finally discharges GMAC RHC from its obligation to repay $171,323,565.91 to ResCap under the intercompany loans (and subtracts such amount from the total amount due by GMAC RHC to ResCap under the intercompany loans);

(z) the Purchaser hereby fully and finally discharges ResCap from its obligation to repay $171,323,565.91 to the Purchaser under the intercompany loans (and subtracts such amount from the total amount due by ResCap to the Purchaser under the intercompany loans).

Each of the parties hereto hereby represents and warrants that, as of the date hereof, it has the corporate power and authority to enter into this letter agreement and that all necessary action has been taken to approve its execution and delivery of this letter agreement and the consummation of the netting set forth herein.

THIS LETTER AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (BUT WITH REFERENCE TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS LETTER AGREEMENT).

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EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS LETTER AGREEMENT.

EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS LETTER AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH SUCH LITIGATION. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS LETTER AGREEMENT, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS LETTER AGREEMENT OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO THE OTHER PARTIES. THE FOREGOING SHALL NOT LIMIT THE ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY JURISDICTION.

This letter agreement embodies the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understanding relating to the matters provided for herein.

This letter agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original (whether such counterpart is originally executed or an electronic copy of an original and each party hereto expressly waives its rights to receive originally executed documents) and all of which when taken together shall constitute one and the same agreement.

[signature pages follow]

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IN WITNESS WHEREOF, the parties hereto have caused this letter agreement to be executed and delivered by its respective officer thereunto duly authorized as of the date above written.

Residential Funding Company, LLC

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

GMAC Mortgage, LLC

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

GMAC Residential Holding Company, LLC

By:_____
Name: Jerry Lombardo
Title: Treasurer

Residential Capital, LLC

By:_____
Name: Jerry Lombardo
Title: Treasury Executive

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EXECUTION COPY

COLLATERAL ADDITION DESIGNATION NOTICE

(Pledge of Transferred US Mortgage Loans – Domestic Loans)

April 22, 2011

Reference is hereby made to (i) the Amended and Restated Loan Agreement, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), among Residential Funding Company, LLC, a Delaware limited liability company ("RFC"), GMAC Mortgage, LLC, a Delaware limited liability company ("GMAC Mortgage" and, together with RFC, each a "Borrower" and together the "Borrowers"), Passive Asset Transactions, LLC, a Delaware limited liability company ("PATI"), RFC Asset Holdings II, LLC, a Delaware limited liability company ("RAHI"), GMAC Residential Holding Company, LLC, a Delaware limited liability company ("GMAC RHC"), GMAC-RFC Holding Company, LLC, a Delaware limited liability company ("GMAC-RFC"), Homecomings Financial, LLC, a Delaware limited liability company ("Homecomings"), Equity Investment I, LLC, a Delaware limited liability company ("Equity I") and Residential Capital, LLC, a Delaware limited liability company ("ResCap" and, together with PATI, RAHI, GMAC RHC, GMAC-RFC, Homecomings and Equity I, a "Guarantor" and together the "Guarantors"), and Ally Financial Inc., a Delaware corporation formerly known as GMAC Inc., as Lender Agent and Initial Lender ("Ally Financial"); (ii) the Amended and Restated Pledge and Security Agreement and Irrevocable Proxy, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Security Agreement"), among the Borrowers and the Guarantors, as grantors, and Ally Financial, as Lender Agent; and (iii) the Amended and Restated Pledge and Security Agreement and Irrevocable Proxy, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Fourth Security Agreement"), among the Borrowers and the Guarantors, as grantors, and Ally Financial, as secured party. Capitalized terms which are not otherwise defined herein have the meanings assigned to such terms in the Loan Agreement.

Reference is hereby also made to that certain Bill of Sale and Transfer Agreement, dated as of the date hereof, between GMAC Mortgage, as seller, and RFC, as purchaser (the "Bill of Sale"), pursuant to which GMAC Mortgage is selling to RFC on the date hereof certain mortgage loans that GMAC Mortgage has previously pledged pursuant to the Security Agreement and the Fourth Security Agreement (the "Transferred Mortgage Loans").

RFC hereby notifies the Lender Agent that the Transferred Mortgage Loans, which are described on the tab labeled "Transferred Mortgage Loans" of the Mortgage Schedule dated April 21, 2011 (the "Transferred Loans Mortgage Schedule") delivered by RFC to the Lender Agent, are being pledged pursuant to the Security Agreement and the Fourth Security Agreement. RFC hereby requests that the Lender Agent consent to the addition of such Subject Mortgage Loans.

Each of GMAC Mortgage and RFC hereby represents and warrants to the Lender Agent that each of the Transferred Mortgage Loans described in the Transferred Loans Mortgage Schedule that are being added are Eligible Assets, all of the Transferred Mortgage Loans were pledged by GMAC Mortgage pursuant to the Security Agreement and Fourth Security Agreement, all of the Transferred Mortgage Loans are set forth on the Transferred Loans Mortgage Schedule, all conditions precedent to such Transferred Mortgage Loans constituting Approved Additional Collateral have been satisfied, that the addition of such Transferred Mortgage Loans otherwise complies with the terms of the Facility Documents and that the Lender Agent is being granted a security interest in such Transferred Mortgage Loans contemporaneously with the execution hereof. Each of GMAC Mortgage and RFC hereby further represents, warrants and covenants that the Mortgage File (as defined in the applicable Custody Agreement) with respect to each Transferred Mortgage Loan has been delivered to one of the custodians pursuant to the Custody Agreements.

Each Borrower covenants and agrees to perform its obligations set forth in the Bill of Sale. Each Borrower covenants and agrees, not later than 90 days after the date hereof, (a) to endorse the original mortgage note relating to each Transferred Mortgage Loan as required pursuant to the terms of the applicable Custody Agreement and (b) to deliver to the applicable Custodian for each Transferred Mortgage Loan which is not a MERS Loan (as defined in the applicable Custody Agreement), an original Assignment of Mortgage (as defined in the applicable Custody Agreement), executed in blank, in recordable form, and signed in the name of RFC.

The Lender Agent hereby consents (a) to the sale of the Transferred Mortgage Loans from the Seller to the Purchaser pursuant to the Bill of Sale and waives any requirement that the related Collateral Disposition Proceeds be deposited as Collections in accordance with Article IV of the Loan Agreement and (b) to the Transferred Mortgage Loans constituting Approved Additional Collateral, to the extent constituting Eligible Assets, as of the date hereof.

The Borrowers each hereby acknowledge and agree that neither this Collateral Addition Designation Notice nor the waiver or consents contained herein shall constitute (w) a waiver or forbearance by any Lender or the Lender Agent under any of the Facility Documents except as explicitly set forth herein, (y) the acceptance by any Lender or the Lender Agent of any course of conduct by any Obligor or any other Person or (z) an agreement by any Lender or the Lender Agent to provide any further consents or waivers or amend any of the Facility Documents without all required approvals or related certifications. The Borrowers each hereby further acknowledge and agree that the Lenders and the Lender Agent reserve all rights, remedies and options under the Facility Documents, including to require the Borrowers to satisfy in all respects the conditions relating to the making of any loan under the Facility Documents and the right to require each Obligor to perform all of its obligations under the Facility Documents which are then due and owing or are susceptible of performance, as the case may be.

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The Transferred Mortgage Loans are hereby designated on the Transferred Loans Mortgage Schedule as being in either the Loan Group "Domestic Loans" or the Loan Group "Domestic Loans A". The Collateral Value of the US Mortgage Loans in the Loan Groups "Domestic Loans" and "Domestic Loans A" shall be calculated in accordance with Schedule 2.04 of the Loan Agreement, taking into account the Specified Percentage stated below. Effective as of the date hereof, the Specified Percentage with respect to (a) all US Mortgage Loans belonging to the Loan Group "Domestic Loans" shall be 92.50% and (b) all US Mortgage Loans belonging to the Loan Group "Domestic Loans A" shall be 55.5%.

THIS COLLATERAL ADDITION DESIGNATION NOTICE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (BUT WITH REFERENCE TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS COLLATERAL ADDITION DESIGNATION NOTICE).

[Signatures follow]

Professionals' Eyes Only RCJSNII10074543

Very truly yours,

RESIDENTIAL FUNDING COMPANY, LLC,
as Obligor under the Loan Agreement,
and as Grantor under the Security Agreement

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

GMAC MORTGAGE, LLC,
as Obligor under the Loan Agreement,
and as Grantor under the Security Agreement

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

Professionals' Eyes Only RCJSNII10074544

Acknowledged and Agreed
as of the date first written above:

ALLY FINANCIAL INC.,
as Lender Agent

By: _____
Name: JEFFREY J. BROWN
Title: TREASURER

EXECUTION COPY

BILL OF SALE AND TRANSFER AGREEMENT

This BILL OF SALE AND TRANSFER AGREEMENT (this "Bill of Sale"), dated as of April 22, 2011, is by and between GMAC Mortgage, LLC, a Delaware limited liability company, as seller (the "Seller"), and Residential Funding Company, LLC, a Delaware limited liability company, as purchaser (the "Purchaser").

The Seller, for and in consideration of $171,323,565.91 (the "Purchase Price"), does hereby absolutely sell, transfer and assign to the Purchaser as of the date hereof, without recourse except as set forth in this Bill of Sale, all right, title and interest in and to the Mortgage Loans listed on Exhibit A attached hereto (the "Mortgage Loans"), on a servicing released basis, together with all principal, interest and other proceeds of any kind received with respect to such Mortgage Loans from and after April 21, 2011 (the "Cutoff Date"), including, but not limited to, proceeds derived from the conversion, voluntary or involuntary, of any of such assets into cash or other liquidated property, the mortgage loan files, servicing files and other records and documents with respect to the Mortgage Loans and the proceeds of any related title, hazard, or other insurance policies and any escrow, reserve or other comparable accounts related to the Mortgage Loans.

The ownership of the Mortgage Loans and related assets is hereby vested in the Purchaser and the ownership of all records and documents with respect to the related Mortgage Loans prepared by or which come into the possession of the Seller shall immediately vest in the Purchaser and shall be retained and maintained, in trust, by the Seller in a custodial capacity only, until delivery of such documents to the Purchaser at its direction.

The Seller hereby acknowledges receipt of the Purchase Price, which sum represents payment in full of the purchase price for all of Seller's right, title and interest in and to Mortgage Loans and related assets.

The Seller hereby represents and warrants that the Mortgage Loans and related assets are being sold to the Purchaser free and clear of all liens (other than liens described in clauses (b) through (f), (i), (j), (k), (l), (m) and (o) of the definition of Permitted Liens set forth in that certain Amended and Restated Loan Agreement, dated as of December 30, 2009, as amended, supplemented, restated or otherwise modified as of the date hereof, among the Seller and the Purchaser, as borrowers, Passive Asset Transactions, LLC, RFC Asset Holdings II, LLC, GMAC Residential Holding Company, LLC, GMAC-RFC Holding Company, LLC, Homecomings Financial, LLC, Equity Investment I, LLC and Residential Capital, LLC, as guarantors, and Ally Financial, as lender and lender agent).

The Seller covenants that it has previously delivered to either Ally Bank, in its capacity as custodian under (a) that certain Custodial Agreement, dated as of May 19, 2009, among the Seller, the Purchaser, Ally Financial Inc. (f/k/a GMAC LLC) and Ally Bank, or (b) Wells Fargo Bank, National Association, in its capacity as custodian under that certain Custodial Agreement, dated as of May 19, 2009, among the Seller, the Purchaser, Ally Financial Inc. (f/k/a GMAC LLC) and Wells Fargo Bank, National Association, the documents required to be contained in the Mortgage File (as defined in the applicable Custodial Agreement) for each Mortgage Loan. The Seller covenants and agrees that no later than April 29, 2011, it will notify Ally Bank and Wells

Fargo Bank, National Association, as applicable, in their capacities as custodian, that the Mortgage Loans have been sold by the Seller to the Purchaser and that ownership of the related Mortgage Files has been transferred to the Purchaser.

The Seller covenants and agrees that it shall, no later than 90 days after the date hereof, at its own expense, deliver an original mortgage note relating to each Mortgage Loan, bearing all intervening endorsements, endorsed "Pay to the order of Residential Funding Company, LLC, without recourse" and signed in the name of the Seller.

The Seller covenants and agrees that for any Mortgage Loan registered on the system of electronically recording transfers of mortgages maintained by Mortgage Electronic Registration Systems, Inc., a Delaware corporation ("MERS"), and for which MERS is listed as the record mortgagee or beneficiary on the related mortgage or assignment thereof (each, a "MERS Loan"), the Seller shall, no later than April 29, 2011, cause, at its own expense and in accordance with the rules and procedures of MERS, such system to indicate that such MERS Loans have been sold by the Seller to the Purchaser pursuant to this Bill of Sale.

The Seller covenants and agrees that for each Mortgage Loan that is not a MERS Loan, the Seller shall, no later than 90 days after the date hereof, at its own expense (including the costs of any recording fees): (i) prepare, in recordable form, all Assignments of Mortgage (as defined below) necessary to assign the Mortgage Loans to the Purchaser and (ii) submit each such Assignments of Mortgage for recording with the applicable recording office. "Assignment of Mortgage" means an assignment of the mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related mortgaged property is located to reflect the sale of the mortgage to the Purchaser.

The Seller covenants that with respect to each Mortgage Loan that is the subject of litigation (including the related mortgagor being the subject of a bankruptcy proceeding), the Seller shall promptly, but no later than 90 days after the date hereof, prepare all necessary assignments and file appropriate substitutions in order to name the Purchaser as mortgagee in connection with the related litigation.

The Seller has separately agreed to service the Mortgage Loans for the Purchaser pursuant to that certain Seller/Servicer Contract, dated as of November 24, 1992, between the Purchaser and the Seller, as amended through the date hereof (the "Servicing Agreement"). The Seller and the Purchaser hereby agree that any servicing advances previously made by the Seller with respect to the Mortgage Loans and outstanding as of the Cutoff Date may be recovered by the Seller from collections on the Mortgage Loans in accordance with the terms of the Servicing Agreement.

The Purchaser shall, at its own cost and expense, deliver the notice required by Section 404 of the Helping Families Save Their Houses Act of 2009 (P.L. 111-22) to be provided within thirty (30) calendar days of the date hereof to each mortgagor who is primarily liable with respect to each Mortgage Loan.

Each party shall, upon the written request of the other, execute and deliver to the other party such reasonable and appropriate additional documents, instruments or agreements, or take such other actions, as may be reasonably necessary or appropriate to effectuate the purposes of this Bill of Sale.

It is the express intention of the parties that the transactions contemplated by this Bill of Sale be, and be construed as, a sale of the Mortgage Loans by the Seller and not a pledge of the Mortgage Loans by the Seller to the Purchaser to secure a debt or other obligation of the Seller.

Further, the transactions contemplated by this Agreement are not intended in any way to constitute the sale of a "security" or "securities" within the meaning of any applicable securities laws, and none of the representations, warranties or agreements of the Seller or the Purchaser shall create any inference that the transactions involve any "security" or "securities." Consequently, the sale of each Mortgage Loan shall be reflected as a sale on the Seller's and the Purchaser's business records, tax returns and financial statements.

THIS BILL OF SALE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (BUT WITH REFERENCE TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS BILL OF SALE).

EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS BILL OF SALE.

EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS BILL OF SALE OR THE TRANSACTIONS CONTEMPLATED HEREBY AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH SUCH LITIGATION. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS BILL OF SALE, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS BILL OF SALE OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO THE OTHER PARTIES. THE FOREGOING SHALL NOT LIMIT THE ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY JURISDICTION.

This Bill of Sale embodies the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understanding relating to the matters provided for herein.

If any provision of this Bill of Sale, or the application thereof to any party or any circumstance, is held to be unenforceable, invalid or illegal (in whole or in part) for any reason (in any jurisdiction), the remaining terms of this Bill of Sale, modified by the deletion of the

unenforceable invalid or illegal portion (in any relevant jurisdiction), will continue in full force and effect, and such unenforceability, invalidity or illegality will not otherwise affect the enforceability, validity or legality of the remaining terms of this Bill of Sale so long as this Bill of Sale, as so modified, continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the deletion of such portion of this Bill of Sale will not substantially impair the respective expectations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties.

This Bill of Sale may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original (whether such counterpart is originally executed or an electronic copy of an original and each party hereto expressly waives its rights to receive originally executed documents) and all of which when taken together shall constitute one and the same agreement.

[signature page follows]

IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Bill of Sale and Transfer Agreement to be executed and delivered by its respective officer thereunto duly authorized as of the date above written.

GMAC MORTGAGE, LLC, as Seller

By:_____
Name: Heather Anderson
Title: Senior Treasury Services Officer

RESIDENTIAL FUNDING COMPANY, LLC, as Purchaser

By:_____
Name: Heather Anderson
Title: Senior Treasury Services Officer

Professionals' Eyes Only RCJSNII10074550

EXHIBIT A

MORTGAGE LOAN SCHEDULE

(see attached)

Professionals' Eyes Only RCJSNII10074551

Document comparison by Workshare Professional on Friday, April 22, 2011 3:09:00 PM

Input:	
Document 1 ID	interwovenSite://CHIMDM/AMECURRENT/700083632/7
Description	#700083632v7<AMECURRENT> - Bill of Sale and Transfer Agreement re: Transferred Mortgage Loans (April 2011) - FINAL
Document 2 ID	interwovenSite://CHIMDM/AMECURRENT/700083632/8
Description	#700083632v8<AMECURRENT> - Bill of Sale and Transfer Agreement re: Transferred Mortgage Loans (April 2011) - FINAL
Rendering set	Deletions struck through - Inserts dbl und and bold

Legend:
Insertion
~~Deletion~~
~~Moved from~~
Moved to
Style change
Format change
~~Moved deletion~~
Inserted cell
Deleted cell
Moved cell
Split/Merged cell
Padding cell

Statistics:	
	Count
Insertions	3
Deletions	0
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	3

EXECUTION COPY

COLLATERAL ADDITION DESIGNATION NOTICE

(Pledge of Transferred US Mortgage Loans – Domestic Loans)

April 22, 2011

Reference is hereby made to (i) the Amended and Restated Loan Agreement, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), among Residential Funding Company, LLC, a Delaware limited liability company ("RFC"), GMAC Mortgage, LLC, a Delaware limited liability company ("GMAC Mortgage" and, together with RFC, each a "Borrower" and together the "Borrowers"), Passive Asset Transactions, LLC, a Delaware limited liability company ("PATI"), RFC Asset Holdings II, LLC, a Delaware limited liability company ("RAHI"), GMAC Residential Holding Company, LLC, a Delaware limited liability company ("GMAC RHC"), GMAC-RFC Holding Company, LLC, a Delaware limited liability company ("GMAC-RFC"), Homecomings Financial, LLC, a Delaware limited liability company ("Homecomings"), Equity Investment I, LLC, a Delaware limited liability company ("Equity I") and Residential Capital, LLC, a Delaware limited liability company ("ResCap" and, together with PATI, RAHI, GMAC RHC, GMAC-RFC, Homecomings and Equity I, a "Guarantor" and together the "Guarantors"), and Ally Financial Inc., a Delaware corporation formerly known as GMAC Inc., as Lender Agent and Initial Lender ("Ally Financial"); (ii) the Amended and Restated Pledge and Security Agreement and Irrevocable Proxy, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Security Agreement"), among the Borrowers and the Guarantors, as grantors, and Ally Financial, as Lender Agent; and (iii) the Amended and Restated Pledge and Security Agreement and Irrevocable Proxy, dated as of December 30, 2009 (as amended, supplemented, restated or otherwise modified from time to time, the "Fourth Security Agreement"), among the Borrowers and the Guarantors, as grantors, and Ally Financial, as secured party. Capitalized terms which are not otherwise defined herein have the meanings assigned to such terms in the Loan Agreement.

Reference is hereby also made to that certain Bill of Sale and Transfer Agreement, dated as of the date hereof, between GMAC Mortgage, as seller, and RFC, as purchaser (the "Bill of Sale"), pursuant to which GMAC Mortgage is selling to RFC on the date hereof certain mortgage ~~loan~~**loans** that GMAC Mortgage has previously pledged pursuant to the Security Agreement and the Fourth Security Agreement (the "Transferred Mortgage Loans").

RFC hereby notifies the Lender Agent that the Transferred Mortgage Loans, which are described on the tab labeled "Transferred Mortgage Loans" of the Mortgage Schedule dated April 21, 2011 (the "Transferred Loans Mortgage Schedule") delivered by RFC to the Lender Agent, are being pledged pursuant to the Security Agreement and the Fourth Security Agreement. RFC hereby requests that the Lender Agent consent to the addition of such Subject Mortgage Loans.

Each of GMAC Mortgage and RFC hereby represents and warrants to the Lender Agent that each of the Transferred Mortgage Loans described in the Transferred Loans Mortgage Schedule that are being added are Eligible Assets, all of the Transferred Mortgage Loans were pledged by GMAC Mortgage pursuant to the Security Agreement and Fourth Security Agreement, all of the Transferred Mortgage Loans are set forth on the Transferred Loans Mortgage Schedule, all conditions precedent to such Transferred Mortgage Loans constituting Approved Additional Collateral have been satisfied, that the addition of such Transferred Mortgage Loans otherwise complies with the terms of the Facility Documents and that the Lender Agent is being granted a security interest in such Transferred Mortgage Loans contemporaneously with the execution hereof. Each of GMAC Mortgage and RFC hereby further represents, warrants and covenants that the Mortgage File (as defined in the applicable Custody Agreement) with respect to each Transferred Mortgage Loan has been delivered to one of the custodians pursuant to the Custody Agreements.

Each Borrower covenants and agrees to perform its obligations set forth in the Bill of Sale. Each Borrower covenants and agrees, not later than 90 days after the date hereof, (a) to endorse the original mortgage note relating to each Transferred Mortgage Loan as required pursuant to the terms of the applicable Custody Agreement and (b) to deliver to the applicable Custodian for each Transferred Mortgage Loan which is not a MERS Loan (as defined in the applicable Custody Agreement), an original Assignment of Mortgage (as defined in the applicable Custody Agreement), executed in blank, in recordable form, and signed in the name of RFC.

The Lender Agent hereby consents (a) to the sale of the Transferred Mortgage Loans from the Seller to the Purchaser pursuant to the Bill of Sale and waives any requirement that the related Collateral Disposition Proceeds be deposited as Collections in accordance with Article IV of the Loan Agreement and (b) to the Transferred Mortgage Loans constituting Approved Additional Collateral, to the extent constituting Eligible Assets, as of the date hereof.

The Borrowers each hereby acknowledge and agree that neither this Collateral Addition Designation Notice nor the waiver or consents contained herein shall constitute (w) a waiver or forbearance by any Lender or the Lender Agent under any of the Facility Documents except as explicitly set forth herein, (y) the acceptance by any Lender or the Lender Agent of any course of conduct by any Obligor or any other Person or (z) an agreement by any Lender or the Lender Agent to provide any further consents or waivers or amend any of the Facility Documents without all required approvals or related certifications. The Borrowers each hereby further acknowledge and agree that the Lenders and the Lender Agent reserve all rights, remedies and options under the Facility Documents, including to require the Borrowers to satisfy in all respects the conditions relating to the making of any loan under the Facility Documents and the right to require each Obligor to perform all of its obligations under the Facility Documents which are then due and owing or are susceptible of performance, as the case may be.

The Transferred Mortgage Loans are hereby designated on the Transferred Loans Mortgage Schedule as being in either the Loan Group "Domestic Loans" or the Loan Group "Domestic Loans A". The Collateral Value of the US Mortgage Loans in the Loan Groups "Domestic Loans" and "Domestic Loans A" shall be calculated in accordance with Schedule 2.04 of the Loan Agreement, taking into account the Specified Percentage stated below. Effective as of the date hereof, the Specified Percentage with respect to (a) all US Mortgage Loans belonging to the Loan Group "Domestic Loans" shall be 92.50% and (b) all US Mortgage Loans belonging to the Loan Group "Domestic Loans A" shall be 55.5%.

THIS COLLATERAL ADDITION DESIGNATION NOTICE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (BUT WITH REFERENCE TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS COLLATERAL ADDITION DESIGNATION NOTICE).

[Signatures follow]

Very truly yours,

RESIDENTIAL FUNDING COMPANY, LLC,
as Obligor under the Loan Agreement,
and as Grantor under the Security Agreement

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

GMAC MORTGAGE, LLC,
as Obligor under the Loan Agreement,
and as Grantor under the Security Agreement

By:_____
Name: Jerry Lombardo
Title: Treasurer and Global Funding & Liquidity Executive

Acknowledged and Agreed
as of the date first written above:

ALLY FINANCIAL INC.,
as Lender Agent

By:_____
Name:
Title:

Professionals' Eyes Only RCJSNII10074557

Exhibit I

DX AYH

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1.0 Approvals and Revision History

Version	Author	Approval Date	Approved By Name and Title
1.0	Gary Ford	10/19/09	Accounting Policy Committee
2.0	Mark Sitlinger	11/09/2011	Accounting Policy Committee

2.0 Purpose

The purpose of this Accounting Policy 1030, *Offsetting and Netting* (Policy) is to establish guidelines for the accounting of certain financial assets and liabilities and whether those assets should be reported on a gross or net basis. This policy provides a uniform standard for such items and is applicable throughout all Ally Financial Inc. and its direct or indirect subsidiaries, including all Lines of Business (LoBs), Business Units (BUs), and Global Functions, (collectively, Ally). Adherence to this policy is the responsibility of the LoB Controller, or similar role.

3.0 Scope

This Policy addresses U.S. Generally Accepted Accounting Principles (US GAAP) and reporting requirements related to offsetting and netting of assets and liabilities. This policy also addresses additional reporting requirements which pertain to Bank Holding Companies and are enforced by various regulatory authorities including the Federal Reserve (the Fed), the Federal Financial Institutions Examination Council (FFIEC), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the Office of Thrift Supervision (OTS). These additional regulatory reports should be prepared in accordance with US GAAP as outlined in this policy and with the instructions provided for the reports.

4.0 Definitions

Definitions of significant terms used in this Policy are listed below:

Business Unit (BU) – An organizational entity within Ally, which is distinguishable from other Ally business units because it serves a defined external market where management can conduct strategic planning in relation to products and markets.

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Global Function – Those organization groups that combine or consolidate certain globally-required support services, some of which may be responsible for corporate policy making corporate governance, including such functions as audit, compliance, corporate communications, legal, marketing, risk, finance, human resources, and technology and operations.

Line of Business (LoB) – An organization reporting entity involved in the origination of products or services such as GMAC Insurance (GMACI), North American Operations (NAO), International Operations (IO), Commercial Finance (CF), and Mortgage Operations.

U.S. Generally Accepted Accounting Principles – US GAAP

5.0 Policy Statement

This policy provides Ally applicable guidance and accounting requirements for most general transactions or issues associated with this accounting topic. For guidance regarding the proper accounting treatment of any significant new or atypical transactions, or questions on particular items contained within this policy, please contact the Global Accounting Policy Department.

6.0 Standards, Practices and Procedures

It is a general principle of accounting that the offsetting of assets and liabilities in the balance sheet is improper except if the **right of offset** exists. This policy provides criteria for offsetting amounts related to certain contracts and provides guidance on presentation. This policy applies to unconditional receivables and payable to another party as well as conditional contracts under which the amounts to be received or paid or items to be exchanged in the future depend on future interest rates, future exchange rates or other factors.

Ally enters into various conditional contracts including, but not limited to, short securities, reverse repos, to-be-announced securities (TBAs), options, futures, swaps and caps. Due to the nature of these instruments, they may be in a receivable (asset) position or a payable (liability) position at the end of any accounting period.

Amounts payable to, and receivable from, the same party under contracts may be offset as long as certain conditions are met. These conditions must be met before offsetting is permitted, and the decision to offset should be consistently applied throughout Ally.

If the conditions to offset are not met, amounts payable to and receivable from must be presented on a gross basis in Ally's financial statements.

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6.1 Applicable Laws and Regulations

This Policy, including all risk standards described herein, is intended to be consistent with all applicable legal and regulatory requirements regarding their subject matter.

GAAP/SEC References

FASB ASC 210-20	*Balance Sheet→Offsetting*
FASB ASC 815-10	Derivatives and Hedging→*Overall*
FASB ASC 860-10	*Transfers and Servicing→Overall*
FASB ASC 860-30	*Transfers and Servicing→Secured Borrowing and Collateral*

GAAP References Superseded by FASB Codification

SFAS 140	*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*
FIN 39	*Offsetting of Amounts Related to Certain Contracts*
FIN 41	*Offsetting of Amounts Related to Certain Repurchase and Reverse Repurchase Agreements*
APB Opinion No. 10	*Omnibus Opinion – 1966*
FSP FAS 140-3	*Accounting for Transfers of Financial Assets and Repurchase Financing Transactions*
FSP FIN 39-1	*Amendment of FASB Interpretation No. 39, Offsetting of Amounts Related to Certain Contracts*

Bank Regulatory References

Bank Holding Company Supervision Manual	*Sections 3240 Underwriting and Dealing in U.S. Obligations, Municipal Securities, and Money Market Instruments, 4060.3.5.3.15 Netting of Swaps and Similar Contracts*
Commercial Bank Examination Manual	*Sections 2020.1, 2030.1, 2030.3, 2030.4, 3020.1*
Trading and Capital Markets Activities Manual	*Section 2120.1 Accounting for netting for various products*

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Federal Reserve

Consolidated Financial Statements for Bank Holding Companies: Reporting Form & Instructions for FR Y-9C

6.2 Policy

The netting of assets and liabilities in the balance sheet is improper except where a right of offset exists. A **right of offset** is defined as a borrower's legal right, by contract or otherwise, to discharge all or a portion of the debt owed to another party by applying against the debt an amount that the other party owes to the borrower. In this context, "borrower" is the specific entity that is a party to the agreement from which the debt arises, which is generally a single legal entity, not a consolidated group. A separate agreement may permit multiple entities of a group to be responsible for each others debts (see additional discussion of other types of "master netting arrangements" below). "Discharge" means that the debt is considered paid, and the amount will never have to be paid to the creditor in the future.

A right of offset exists when all of the following conditions are met:

1. Each of two parties owes the other determinable amounts
2. The reporting party has the right to offset the amount owed with the amount owed by the other party.
3. The reporting party intends to offset (except as discussed in the Derivative Payables and Receivables section below). The "intent to offset" does not refer to intent to present the amounts net in the financial statements, but rather the intent to pay or receive only the net amount to or from the other party. Intent of the parties may be established via specific contractual terms or their actions in the normal course of business. Presenting assets and liabilities as net amounts is inappropriate if the full amount of the payable will be paid, and the full amount of the receivable will be received. For example, when the due dates of the amounts are different, such that the payable is due currently but the receivable is not due for several months or years, the intent to offset typically does not exist and the amounts should be presented gross.
4. The right of offset is enforceable by law.

Offsetting is permitted only if the payable and the receivable are due to and from the same counterparty. Additionally, legal constraints should be considered to determine whether the right of offset is enforceable. For example, the U.S. Bankruptcy Code imposes restrictions on, or prohibitions against, the right of offset in bankruptcy under

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certain conditions. The right to offset the payable and receivable amounts should generally be evidenced by a contractual agreement signed by both parties, to provide assurance that the right of offset would be enforceable in a court of law.

When all of the above four conditions are met a valid right of offset exists. In such cases, LoBs may offset the related asset and liability and report the net amount in the balance sheet. If the four conditions are **not** met, the LoBs should report the amounts gross in the balance sheet.

For futures contracts, offsetting is permissible when the futures contracts with the same settlement date are settled through an exchange or a clearinghouse, provided the exchange or clearinghouse provides a guarantee on the settlement of the trades. In other words, the exchange or clearinghouse would be viewed as the counterparty to the transaction. A clearinghouse typically acts as an intermediary in futures transactions. If Ally chooses to offset at the exchange or clearinghouse level, an assessment of whether the exchange or clearinghouse is guaranteeing settlement, as well as if such settlement will occur on a net basis, should be made. If settlement is guaranteed by the exchange or clearinghouse, the transaction can be netted, provided settlement is performed on a net basis. However, some contracts, regardless of guarantee features by a clearinghouse could be settled gross, therefore a blanket assumption that these contracts are settled net should not be made without further review of the settlement attributes.

The LoB should review historic practice; however consideration must also be given to intent in assessing whether the above criteria are met. In some circumstances, a LoB may have transactions which meet the four criteria and therefore are reported on a net basis; however, it may also have transactions with the same type of instrument which do not meet the four criteria and therefore are reported gross.

6.3 Derivative Payables and Receivables

If all but criteria 3 (the intent to offset) are met in section 6.2 above, the guidance allows an entity to make an election regarding the offsetting of fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim cash collateral (receivable) or the obligation to return cash collateral (payable) arising from derivative instruments recognized at fair value executed with the same counterparty under a master netting arrangement. Ally has elected to present derivatives which **do not meet** all of the four criteria listed above on a **gross** basis in the balance sheet. For those derivative payable and receivable instruments that meet all of the four criteria above, LoBs may offset these amounts and report the net amount in the balance sheet.

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6.4 General Concepts

6.4.1 Master Netting Arrangements

A master netting arrangement exists if one of Ally's legal entities has multiple contracts (whether for the same type of derivative instrument or for different types of derivative instruments) with a single counterparty. These contracts must be subject to a contractual agreement that provides for the net settlement of all contracts through a single payment in a single currency in the event of default on or termination of any one contract. The master netting arrangement need not be a separate agreement as long as the settlement provisions within **each** contract acknowledges the existence of the other contracts and provides that **all** contracts executed between the parties will be settled with a single net payment in the event of default or termination of one of the contracts.

6.4.2 Cash Collateral

Cash Collateral (margin deposits) paid to a counterparty or received from a counterparty in connection with certain derivative or repurchase contracts may be included in the netting process, if the terms of the netting arrangement specify that the party holding the margin cash may use that cash as a portion of the settlement, requiring the counterparty to pay only the net additional amount necessary to settle the contract(s).

6.4.3 Use of an Agent

In general, the use of an "agent", such as a clearinghouse that does not provide a guarantee on the settlement of its trades, to process derivative contract settlements with various counterparties does not create a netting arrangement. Such contracts should be netted only at the counterparty level and only if the agreements with the counterparty permits netting of multiple contracts.

6.4.4 Exchange Settled Transactions

An exception to the "by counterparty" rule relates to instruments settled through exchanges (e.g. Chicago Futures Exchange) where the exchange is viewed as the counterparty. In these instances, the exchange has a margin agreement which contains a feature that guarantees settlement. Therefore, instruments settled through an exchange meet all of the four criteria, have offsetting positions, and therefore may be reported net in the balance sheet.

NOTE: This logic also applies to a clearinghouse, if the clearinghouse guarantees the settlement of the trades.

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6.4.5 Non-Derivative Payables and Receivables

If a right of offset exists, and Ally intends to offset a payable to another party with a receivable from that same party, only the net payable or receivable will actually be exchanged in cash in the future, Ally may report those balances on a net basis.

6.4.6 Repurchase and Reverse Repurchase Agreements

Ally enters into repurchase and reverse repurchase transactions in the normal course of business. An agreement that both entitles and obligates the transferor to repurchase or redeem transferred assets from the transferee maintains the transferor's effective control over those assets, and the transfer is therefore accounted as a secured borrowing, if and only if all of the following conditions are met:

- The assets to be repurchased or redeemed are the same or substantially the same as those transferred
- The transferor is able to repurchase or redeem them on substantially the agreed terms, even in the even of default by the transferee
- The agreement is to repurchase or redeem them before maturity at a fixed determinable price
- The agreement is entered into concurrently with the transfer.

In situations where the above criteria are met, Ally should record the transaction as a secured borrowing to reflect its economic substance.

With respect to receivables and payables related to repurchase and reverse repurchase agreements, the guidance allows an entity an election to present those receivables and payables on a net basis, by counterparty, provided certain conditions are met. With respect to this election, Ally has elected to present receivables and payables related to repurchase and reverse repurchase agreements on a gross basis in the balance sheet, unless they meet all 4 of the criteria in Section 6.2 above. This treatment should be applied consistently across all LoBs.

6.4.7 Repurchase Agreements Related to Separate Security Transactions

In circumstances where the security under the repurchase or reverse repurchase agreement is the same or similar to a security that was separately purchased or sold in a recent transaction, the transferor and transferee should account for the purchase and/or sale transaction and the related repurchase and reverse repurchase

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agreements as a single transaction (i.e. on a net basis, as a secured financing) unless:

- The two transactions have a valid and distinct business purpose for being entered into separately and;
- The repurchase financing does not result in the initial transferor regaining control over the financial asset (in other words, does the initial transfer qualify as a sale under Ally Accounting Policy 2280, *Loan Sales and Securitizations*).

6.4.8 Repurchase Agreements Related to Contemporaneous Security Transactions

An initial transfer of a financial asset and repurchase financing that are entered into contemporaneously with (i.e. at the same time), or in contemplation of (i.e. consideration at the same time of initial transfer), one another shall be considered linked (and therefore reported on a net basis, as a secured financing) unless **all** of the following criteria are met at the inception of the transaction:

- The initial transfer and the repurchase financing are not contractually contingent on one another. Even if no contractual relationship exists, the pricing and performance of either the initial transfer or the repurchase financing must not be dependent on the terms and execution of the other transaction. Repos involving less liquid securities (e.g. residual bonds) should be netted regardless of whether or not there is a contractual link to the two sides of the transaction.
- The repurchase financing provides the initial transferor with recourse to the initial transferee upon default. That recourse must expose the initial transferor to the credit risk of the initial transferee, or its affiliates, and not solely to the market risk of the transferred financial asset. The initial transferee's agreement to repurchase the previously transferred financial asset (or substantially the same asset) is for a fixed price and not fair value.
- The financial asset subject to the initial transfer and repurchase financing is readily obtainable in the marketplace. In addition, the initial transfer of a financial asset and the repurchase financing are executed at market rates. This criterion may not be circumvented by embedding off-market terms in a separate transaction contemplated with the initial transfer or the repurchase financing.

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- The financial asset and repurchase agreement are not coterminous (the maturity date of the repurchase financing must be prior to the maturity date of the financial asset)

Additionally, if Ally buys or sells a security and then contemporaneously enters into a repurchase agreement for the same or substantially the same security with the same counterparty (similar to a securities lending arrangement), those transactions should be viewed as linked and therefore netted unless all of the above criteria are met at the inception of the transaction.

If the transactions meet all of these provisions, then the initial transfer and the repurchase financing should be accounted for as two separate transactions (i.e. reported gross). Also, at this point, the initial transfer should be evaluated to determine if it meets sale accounting under FASB ASC 860 (refer to Ally Accounting Policy 2280, *Loan Sales and Securitizations*).

If any of the provisions above are not met, the transactions should be considered linked (i.e. reported on a net basis). The linked transaction would generally be accounted for as a forward contract and should be evaluated to determine whether or not it is a derivative. If the linked transaction is deemed to be a derivative, it should be accounted for and disclosed along with other derivatives of Ally (refer to Ally Accounting Policy 2800, *Derivative and Hedge Accounting)*.

Refer to Appendix III – Securities Lending Transaction Gross vs. Net Decision Tree for additional information related to offsetting and netting.

6.4.9 Accounting for Cash Collateral

In a derivatives, securities lending or repurchase transactions, cash may be received as collateral. We account for that cash collateral by recording the cash and an offsetting liability to return the cash collateral. If we are restricted from using this cash under the ISDA Credit Support Annex (derivative), Securities Lending Agreement (securities lending), Master Repurchase Agreement (repo) or other contract, we record the cash as restricted cash on our balance sheet. If we need to post cash collateral with our counterparty, we remove the cash from our balance sheet and record a receivable for the cash due back to us. The accounting is illustrated below.

Receiving Cash Collateral

Debit	Cash/Restricted Cash (depends on contractual terms)
Credit	Obligation to Return Cash Collateral

Posting Cash Collateral

Debit Right to Reclaim Cash Collateral

Credit Cash

Since transactions vary, the facts and circumstances of each transaction should be reviewed to determine whether cash collateral is required to be classified as restricted cash. Note: Refer to Ally Accounting Policy 1040, *Intercompany Accounting* for treatment of intercompany cash collateral.

6.4.10 Accounting for Non-Cash Collateral (Securities)

Recognition of non-cash collateral depends on whether the secured party (the transferee or the party receiving the collateral) has the right to sell or repledge the collateral and whether the borrower (the transferor or posting party) has defaulted. The following details the recognition principles:

- Securities or other non-cash instruments received by the transferee (collateral receiving entity) as collateral should continue to be recognized on the transferor's (collateral posting entity) balance sheet regardless of whether or not the transferee has the right to sell or repledge the collateral.
- When the transferee sells the non-cash collateral, it should recognize any proceeds it receives from the transaction and record a liability for its obligation to return the collateral. Prior to the sale, the pledged asset should not be recognized on the transferee's balance sheet unless the transferor has defaulted on its obligation.
- If the transferor defaults and is no longer entitled to redeem the assets pledged as collateral, it should derecognize the collateral and the transferee should either (1) recognize the collateral as its own asset at fair value or (2) derecognize any obligation to return the collateral if an obligation was previously recognized.
- If the transferee has the ability (implicitly or through the contract terms) to sell or repledge the collateral it receives, separate classification is required by the transferor in either the balance sheet or noted in the notes to the financial statements.

6.4.11 Broker Dealer Unsettled Trades

Specific to our broker dealer entity, payable and receivable balances that arise from unsettled regular way security trades may be recorded and reported on a net

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basis. See definition of regular way securities in Ally Accounting Policy 2110, *Investment Securities*.

6.5 Documentation Requirements

Sufficient documentation must be maintained in order to support the decision to offset and net certain assets and liabilities in accordance with this policy. Documentation should include, but is not limited to: name of the counterparties involved, a detailed description of the asset or liability and transaction(s), and an analysis which discusses why and/or how the items meet the offsetting criteria.

6.6 Financial Statement Disclosures - US GAAP and SEC requirements

For consolidated financial reporting, Ally will disclose its policy to offset or not offset certain assets and liabilities in accordance with this policy. Ally will disclose, if material:

- An accounting policy statement regarding Ally's election of gross or net presentation; and
- At the end of each reporting period the amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral under master netting arrangements.

6.7 Regulatory Reporting and Other Information

The list below represents forms and related instructions issued by bank regulatory authorities pertaining to offsetting and netting. These forms and instructions can be accessed by the links below. Information reported to the Federal Reserve on the FR Y series reports represent the consolidated activity for Ally as a bank holding company while information reported to the FFIEC on the 041 (i.e. call report) is limited to the activity of Ally Bank. In addition, please contact the Corporate Regulatory Reporting department to determine if data gaps or errors warrant any notification or restatement.

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Regulatory Reports and Schedules	Regulatory Authority	Regulatory Report	Regulatory Report Instructions
Consolidated Financial Statements for Bank Holding Companies - Form FR Y-9C Schedule HC: Trading Assets Schedule HC-B: Securities Schedule HC-D: Derivatives with a positive/negative fair value Schedule HC-G: Other Liabilities Schedule HC-M: Memorandum Schedule HC-Q: Financial Assets and Liabilities Measured at Fair Value Instructions: See Glossary for definitions	Federal Reserve	FR Y-9C	FR Y-9C Instructions
Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only -- Form FFIEC 041 Schedule RC: Trading Assets Schedule RC-B: Securities Schedule RC-D: Derivatives with positive/negative fair value Schedule RC-G: Other Liabilities Schedule RC-M: Memorandum Schedule RC-Q: Financial Assets and Liabilities Measured at Fair Value Instructions: See Glossary for definitions	FFIEC	FFIEC 041	FFIEC 041 Instructions

7.0 Accountability

Treasury

- Initiate transactions

Line of Business Accounting Department / TAG / Global Function

- Review and record offsetting and netting transactions
- Maintain transaction documentation and decision support

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- Each line of business and/or department (e.g., Tax, Treasury Accounting, etc.) is responsible for preparing and reviewing data sent to the SEC and Regulatory Reporting groups to ensure accurate disclosure.

Corporate Accounting Policy

- Review and approve new significant, unusual, or complex offsetting and netting transactions

SEC Reporting

- The SEC Reporting group is responsible for ensuring that disclosures as defined in section 6.6 are completed in compliance with the FASB and SEC.

Corporate Regulatory Reporting

- The Regulatory Reporting group is responsible for ensuring that all relevant reports and related disclosures as defined in section 6.7 are completed in compliance with regulatory requirements.
- In gathering information for the regulatory reports, the Regulatory Reporting group will gather data from the lines of business or coordinate with the SEC Reporting group.

8.0 Information and Communication

Management will communicate to the Accounting Policy Committee information regarding major changes in corporate strategy, the regulatory environment, or financial conditions that may necessitate revision of this Policy and recommend changes.

This Policy and any updates to it are accessible on the Policy Library page of the Ally Pulse website.

https://exchange.gmacfs.com/web/controllers/accountingpolicies

This Policy will be communicated to all organization employees affected. Training for this Policy will be by notification only. Should training be required, it will be implemented through the Ally Learning Center.

All new and/or amended polices will be distributed to the LoB CFOs and/or Controllers. Policy distribution is the responsibility of the LoB and should include (but not be limited to) key employees and departments involved in the activities supporting each respective policy (e.g. accounting, tax, internal audit, controls). All issued policies will be made available on-line to all employees across Ally via Ally Pulse on the Ally Corporate Accounting Policy webpage. A listing of all recent policy updates and accounting policies in process are separately identified on the website.

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9.0 Policy Monitoring and Maintenance

Compliance with this Policy will be monitored through the processes and departments listed in Section 7.0. Evidence of non-compliance with this Policy must be reported to the appropriate LoB Controller (or similar role). Any such issues that are either not promptly corrected or are material to Ally must be reported to the Global Accounting Policy Department and SEC Reporting on a quarterly basis.

The updating of all Ally Accounting Policies is to be performed by the Global Accounting Policy Department. Any updates or revisions will be approved by the Accounting Policy Committee before issuance. Modifications will be made to this policy to incorporate changes that impact the provisions of this policy due to new or revised laws, regulations, standards or authoritative guidance. Questions or requested modification to this policy should be directed to the Global Accounting Policy Department.

10.0 Affected Areas and Exceptions

This Policy applies to all of Ally. There are no exceptions to this Policy.

11.0 Review Cycle

This Policy will be reviewed and approved by the Accounting Policy Committee every two years. Additional reviews may be triggered by major changes in corporate strategy, the regulatory environment, or financial market conditions.

12.0 Effective Date

This Policy is effective December 1, 2011 and supersedes all previous versions and/or other policies that cover the same subject matter.

13.0 Appendices

Appendix I. Related Policies Referenced

The policies listed below may be in varying stages of publication and implementation and are found in the Global Policy Library.

- Ally Accounting Policy 1040 – *Intercompany Accounting*
- Ally Accounting Policy 2280 – *Loans, Sales, and Securitizations*
- Ally Accounting Policy 2800 – *Derivatives and Hedge Accounting*

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Appendix II. Revision History



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Appendix III. Securities Lending Transaction Gross vs. Net Decision Tree

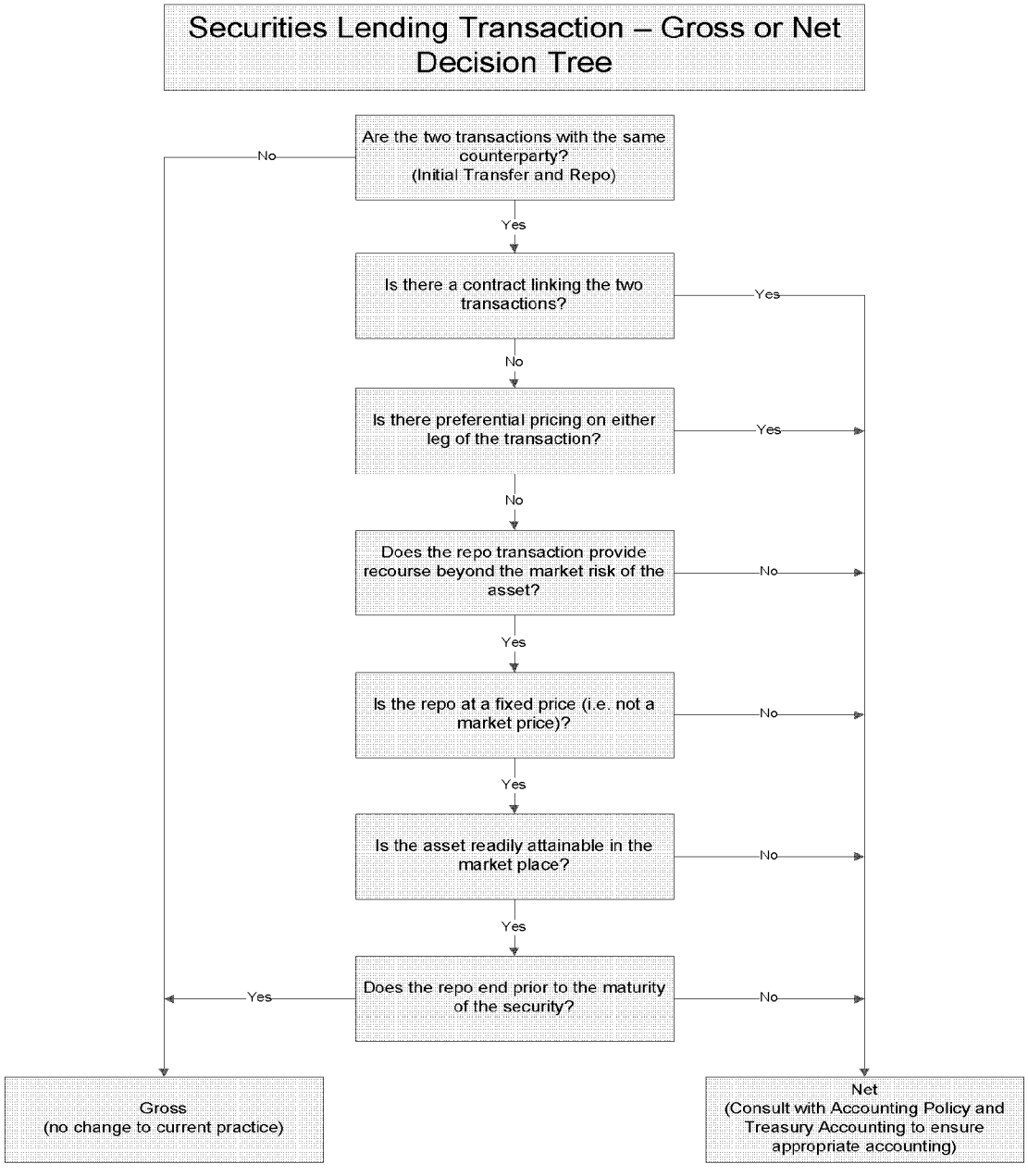


Exhibit J

DX ATQ

From: Westman, Barbara - MN
Sent: Friday, March 23, 2012 1:08 PM
To: Dondzila, Cathy - PA
Subject: RFC Receivable
Attachments: 2012-12-31 Receivable Support Memo Final.doc

Here is the memo for our meeting with D&T this morning, just so you have it handy.

Barb Westman

ResCap
Senior Director - Accounting Operations and Compliance
952-857-7789
barbara.westman@ally.com

GMAC ResCap
Memo

Date: March 20, 2012

From: Barb Westman

To: Files

Subject: Intercompany Receivable between Residential Funding Company, LLC and Residential Capital, LLC

Introduction

This memo supports the appropriate accounting treatment for intercompany balances between Residential Funding Company, LLC (RFC) and Residential Capital, LLC (ResCap). As of 12/31/11, RFC has an intercompany receivable balance from ResCap for $1.8 billion. This receivable is carried at its full value with no impairment.

Background

Under various facility documents, ResCap is allowed to maintain a certain level of unrestricted cash within its operations. If ResCap consolidated entities hold excess cash above this threshold, the cash must be used to repay its funding Line of Credit with Ally. Likewise, if the cash balance falls below certain thresholds, ResCap is allowed to borrow funds from the LOC.

To best facilitate this process, ResCap centralizes cash balances, and does not hold cash within most of its operating units. As operating entities acquire cash, it is moved through intercompany transactions to ResCap. Likewise, as operating entities require cash, the cash is provided by ResCap to those entities.

Under current business conditions, RFC generates cash as a borrower under most of our facilities and through asset sales, creating a large intercompany receivable from ResCap.

Analysis

For stand-alone RFC financial statements, the issue has been raised as to whether the receivable from ResCap should be considered impaired.

Generally, assets presented in accordance with GAAP would be assessed for collectability. FASB Codification Subtopic 310-10-35-22 provides guidance on the impairment of receivables. A creditor is deemed impaired when it is probable that a creditor will be unable to pay all amounts due according to the contractual terms of the loan agreement

There is no specific GAAP guidance related to evaluation of intercompany balances. However, should it be deemed in the future that ResCap does not have the ability to support its intercompany obligation with RFC, it would be more appropriate to settle the receivable as an equity transaction, in this case as a dividend from the subsidiary to the parent, rather than impair the receivable.

Intercompany balance repayments under this receivable are not tied directly to any specific collateral cash flows. The Company does have a practice of impairing receivables in situations where repayment is tied directly to specific collateral cash flows (see GMAC Mortgage financial statement disclosures related to PATI notes). Therefore, if there were a reasonable expectation that the entity will have the capability to meet its obligations, no impairment would be necessary.

Conclusion

ResCap has $2.6 billion in equity in its other major operating subsidiary, GMAC Mortgage, LLC (GMACM). If required, ResCap could support its payable to RFC through sales or other liquidations of its GMACM holdings. ResCap also maintains a $3.6 billion receivable from GMACM, and could move assets from GMACM to RFC to reduce both outstanding balances.

Due to these circumstances, management concludes that ResCap maintains the ability to support its intercompany obligations with RFC, and therefore, no impairment of this receivable is warranted for the RFC stand-alone financial statements.

Exhibit K

To: Anderson, Heather[Heather.Anderson@ally.com]
From: Ruhlin, Joe
Sent: Thur 11/18/2010 3:27:03 PM
Subject: FW: UK advance Agreement (Revised draft)/RFC-ResCap advance agreement (first draft)
RFCRESCAP INTERCOMPANY ADVANCE AGREEMENT.doc
REVISED UNCOMMITTED INTERCOMPANY ADVANCE AGREEMENT (4).doc
DVComparison_#1911388v1_DAL_ - Revised Uncommitted Intercompany Advance Agreem-
#1911388v2_DAL_ - Revised Uncommitted Intercompany Advance Agreem.doc

Since you're named on the RFC-ResCap line...

From: Porto, Frederico
Sent: Wednesday, November 17, 2010 5:21 PM
To: Fjellman, Scott - MN (Fourpoint LLC); Farley, Terry; Horner, Jill; Ruhlin, Joe; Steele, Andrew; McDonald, John; Switzer, Michelle; Gregory, Janet; Malloy, John - PA; Tweed, Mark; Brading, D
Cc: Hamzehpour, Tammy
Subject: UK advance Agreement (Revised draft)/RFC-ResCap advance agreement (first draft)

Attached is a revised version (clean and marked against the version previously distributed) of the uncommitted intercompany advance agreement between GMAC-RFC Holdings Limited and Residential Funding Company, LLC ("RFC") reflecting comments from Tax (interest rate, maturity/renewal) and Treasury (currency denomination, Maximum amount of the Line and notice section). I understand that GMAC Holdings will hold a board meeting on November 22, 2010 to approve the execution of the agreement.

Also attached is a first draft of the uncommitted intercompany advance agreement between RFC and Residential Capital, LLC. Should you have any question or comments re the attachments, please fell free to contact me. Best regards.

Frederico Porto

Ally Financial Inc.

Ally | Legal - Global Treasury/Capital Markets

2711 N. Haskell Avenue, Suite 900, Dallas, Texas, 75204

T + 214 874 6381 | M + 972 333 0099

frederico.porto@ally.com

Please note my new e-mail address

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UNCOMMITTED INTERCOMPANY ADVANCE AGREEMENT

THIS INTERCOMPANY ADVANCE AGREEMENT is made as of November [22], 2010 (the "Agreement") between Residential Funding Company, LLC, a Delaware limited liability company (the "Lender"), and Residential Capital, LLC, a Delaware limited liability company (the "Borrower").

WHEREAS, the Borrower has requested that the Lender make available to it an uncommitted, unsecured, line of credit in order to enable the Borrower to conduct business activities. The Lender is willing to make such line of credit available to the Borrower on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Advances. Subject to the terms and conditions hereof (including, without limitation, the representations and warranties of the Borrower set forth herein) and prior to the Termination Date the Lender may, upon the Borrower's request therefore, make loans (each an "Advance"), to the Borrower on a business day in New York, United States of America ("Business Day") in U.S. dollars ("USD" or "US$"); provided, that the amount of any such Advances when added to the unpaid principal amount of all other Advances then outstanding shall not exceed US$175,000,000 (the "Maximum Amount"). The amount of each Advance will be agreed upon by the Borrower and the Lender on an on-going basis. The date of maturity of each Advance (each, a "Maturity Date") shall be specified in the relevant Borrower's Confirmation Letter provided that no Advance made under this Agreement may have a Maturity Date falling more than 360 days after the related Drawdown Date.

2. Currency. Except as specifically indicated in this Agreement, all calculations and reports shall be made in USD.

3. Interest. Each Advance will bear interest at rates agreed to by the Borrower and the Lender at the time of the borrowing and shall be contained in the relevant Borrower's Confirmation Letter. Interest shall be paid in arrears on the Maturity Date of each Advance (or the date of earlier prepayment hereunder). Interest shall accrue on an Actual / 365 day basis for each Advance.

4. Draws. Any request by the Borrower for an Advance shall be by telephone by the Borrower's president, chief financial officer, controller or treasurer (or a duly appointed agent thereof) to the Lenders' Funding Desk Operations followed by an e-mail confirmation in accordance with Section 11 herein, including the relevant banking or wire transfer instructions for receipt of such Advances, and must be given by the Borrower so as to be received by the Lender not later than 9 a.m. (New York time) one Business Day prior to the Business Day for which such Advance is requested (the

"Drawdown Date") or such other time as the Lender and the Borrower shall agree. Advances shall be evidenced by the Borrower's confirmation letter to the Lender in substantially the form of Exhibit A attached hereto ("Borrower's Confirmation Letter"). Each request by the Borrower for an Advance hereunder will be deemed to constitute a representation by the Borrower that the representations and warranties set forth in paragraph 7 below are true and correct as of the date of such request. The Borrower and the Lender agree that the amount of the requested Advance may be approved by the Lender at the Lender's discretion.

5. Repayment, Payments and Withholdings.

5.1 To the extent not prepaid hereunder, the principal amount of each Advance shall be repaid by the Borrower in full on its Maturity Date (as specified in the relevant Borrower's Confirmation Letter) unless, and to the extent, redrawn on the relevant Maturity Date by way of a further Advance (in which case the Borrower's obligation to repay the maturing Advance and the Lender's obligation to transfer funds to the Borrower in respect of such further Advance shall be discharged by way of set-off). All payments by the Borrower of principal or interest in respect of the Advances shall be made in the United Kingdom (or in a USD denominated account) and shall be made in the same currency in which such Advances shall have been made. For the avoidance of doubt, the Lender may also, at its sole discretion, extend the Maturity Date pursuant to the submission of an e-mail confirmation to the Borrower in accordance with Section 11 herein.

5.2 The Borrower may, by giving not less the 1 (one) Business Day's prior notice to the Lender, prepay any Advance at any time prior to its Maturity Date in whole or in part.

5.3 All payments shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, taxes, charges or otherwise) provided that if the Borrower is required by law to make any such deduction or withholding, then it shall:

(a) subject to Section 5.3(b) below, ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) subject to Section 5.5, pay to the Lender such additional amount as shall be required to ensure that the net amount received and retained by the Lender (free of any liability in respect of any deduction or withholding) will equal the full amount which the Lender would have received and retained had no such deduction or withholding been required to be made;

(c) pay to the relevant taxation or other authorities, as appropriate, the full amount of the deduction or withholding; and

(d) furnish to the Lender within 30 days of such payment an official receipt from such authorities for all amounts deducted or withheld if such is available, or otherwise a certificate of deduction or equivalent evidence

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of the relevant deduction or withholding.

5.4 To the extent that any deduction or withholding in respect of which the Borrower has paid an additional amount under Section 5.3 results in the Lender obtaining a relief in respect of tax (including any allowance, credit, deduction, exemption or set-off in relation to tax), the Lender shall repay to the Borrower an amount equal to such amount as the Lender determines has been saved by virtue of the relief (less the amount of all reasonable costs and expenses in obtaining such relief), provided that the amount of any such repayment shall not exceed the amount which will secure that the Lender is left in no worse an after-tax position by virtue of making such repayment than it would have been in had the deduction or withholding not been required. The Lender shall use its reasonable endeavors to obtain any such relief in respect of tax.

5.5 Upon reasonable demand made by the Borrower, the Lender will use its reasonable endeavours to supply to the Borrower, or to such taxation or other authority as the Borrower directs, any form or document that may be required or reasonably requested in order to allow the Borrower to make a payment under this Agreement without any deduction or withholding for or on account of tax, or with such deduction or withholding at a reduced rate (a "Payment Direction"). Provided that it has complied with its obligations as aforementioned under this clause, and in circumstances where the Lender reasonably considers that a Payment Direction will be obtained from the relevant taxation or other authority, the Lender may require the Borrower to defer payment of any amounts due under this Agreement pending receipt of such Payment Direction. Any amounts so deferred will bear interest at a rate of 1% over the applicable rate of interest on such Advance, and will become payable (together with interest) on the earliest to occur of (i) receipt of valid Payment Direction, (ii) notice from the Lender revoking its direction to the Borrower to defer payment, and (iii) the Termination Date.

5.6 Subject to Section 10, the Borrower shall repay the whole of the Advances then outstanding (together with all accrued interest, charges, fees, costs and expenses due under this Agreement) on the Termination Date.

6. Bankruptcy Standstill. The Lender agrees that it will not commence, or join with any other creditor of the Borrower in commencing, against the Borrower, any bankruptcy, insolvency, arrangement, reorganization, receivership, relief or similar proceeding under any bankruptcy or similar law or assignment for the benefit of creditors or any marshalling of assets and liabilities, that it will not look to property or assets of the Borrower in respect to the Advances or interest thereon, and that such obligations shall not constitute a claim against the Borrower in the event that the Borrower's assets are insufficient to pay in full such obligations.

7. Borrower's Representations. The Borrower hereby represents and warrants that:

(a) The Borrower is a limited liability company validly existing and in good standing in the United States of America and has all requisite corporate power and authority to perform the obligations on its part arising hereunder; and

(b) The execution, delivery and performance of this Agreement by the Borrower, and any borrowing hereunder or thereunder, has been duly and effectively authorized by all necessary corporate action, and this Agreement has been duly executed and delivered by the Borrower and is the valid and binding obligation of the Borrower.

8. Events of Default.

(a) Definition. An "Event of Default" shall occur if the Borrower shall default in the payment of interest and any other amounts when due or shall fail to pay the outstanding principal of any Advance within five days after its Maturity Date (unless, and to the extent, redrawn on the relevant Maturity Date by way of a further Advance).

(b) Consequences of Event of Default. Subject to Section 6 hereof, if an Event of Default shall occur and be continuing, the Lender may, at its option, (a) declare the Termination Date to have occurred, (b) reduce the Maximum Amount to zero and/or (c) by written notice to the Borrower, declare the unpaid balance on any outstanding Advance and any interest accrued thereon and all other liabilities of the Borrower to the Lender hereunderto be forthwith due and payable, and the same shall thereupon become and be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived.

9. Termination. The original term of this Agreement is for one year and shall commence on November [22], 2010. On the expiration of the original term (or any subsequent renewal term) the term of this Agreement will automatically renew for one year unless, at least one month prior to the end of the original one year term (or any subsequent renewal term, as appropriate), a written notice of termination as of the end of such original term (or such renewal term) is provided by either party to the other (the "Termination Date"). Notwithstanding any termination of this Agreement, the Borrower's obligation to pay interest and repay principal on the Maturity Date with respect to any outstanding Advance, and all related rights and obligations of the parties under the Agreement in respect to any such outstanding Advance, shall continue in full force and effect.

10. Governing Law. This Agreement and the Advances shall be deemed to be made under, and shall be construed and enforced in accordance with the laws of the State of New York.

11. Notices. Except as otherwise expressly provided herein, all notices or other communications hereunder will be in writing and will be delivered by electronic email, in person or by courier or by telecopy, to the parties at the following addresses:

To Lender: Residential Funding Company, LLC
8400 Normandale Lake Blvd, Suite [350]
Minneapolis, Minnesota 55437

United States of America
Attn: Joe Ruhlin
Email: Joseph.Ruhlin@ally.com

To Borrower: Residential Capital, LLC
8400 Normandale Lake Blvd, Suite [350]
Minneapolis, Minnesota 55437
United States of America
Attn: Heather Anderson
Email Jill.Horner@gmacrescap.com
With a copy to: Jill.Horner@gmacrescap.com and michelle.switzer@ally.com

Or to such other address or to the attention of such other person as the recipient has previously designated to the sender in writing. All such notices and communications will be effective when delivered (if delivered personally or by courier) or received (in the case of telecopy).

12. Miscellaneous.

(a) Modification and Amendment of Agreement. The provisions of this Agreement may be modified, amended or waived, but only by a written document signed by both parties or, in the case of a waiver, signed by the party against which such waiver is being enforced. No delay of the Lender in exercising any remedies hereunder or under applicable law shall be deemed to constitute waiver by the Lender of any of its rights hereunder or thereunder or preclude any further exercise thereof.

(b) Paragraph Headings. Paragraph headings in this Agreement are for convenience only and shall not affect its interpretation.

(c) Counterparts. This Agreement may be executed and delivered by each party hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original and both of which taken together shall constitute but one and the same agreement.

(d) Assignment of Agreement. This Agreement shall not be assigned or transferred by the Lender to any person other than a direct or indirect subsidiary of the Lender or a direct or indirect subsidiary of the Lender's shareholder. This Agreement shall not be assigned or transferred by the Borrower.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

RESIDENTIAL FUNDING COMPANY, LLC

By: _
Name:

Title:

RESIDENTIAL CAPITAL, LLC

By: _
Name:

Title:

Exhibit A
to Intercompany Agreement

FORM OF BORROWER'S CONFIRMATION LETTER TO LENDER

_____, 2010

To: Residential Funding Company, LLC
8400 Normandale Lake Blvd, Suite [350]
Minneapolis, Minnesota 55437
United States of America
Attn: Treasury Operations - Joe Ruhlin
Email: Joseph.Ruhlin@ally.com

This Confirmation Letter is governed by and subject to the provisions of the InterCompany Advance Agreement, dated _____, 2010, between Residential Funding Company, LLC and Residential Capital, LLC. Any terms used in this Confirmation Letter shall have the same meaning as defined therein.

Following are the details of the terms for an Advance as agreed between the Borrower and the Lender:

1.	Principal Amount:	[Currency and Amount]
2.	Drawdown Date:	[Date]
3.	Maturity Date:	[Date]
4.	Interest Rate:	[5.53] percent
6.	Borrower's Bank and Account Number for Deposit of the Funds:	[Name of Bank, Account Number]
7.	Other:	

Residential Funding Company, LLC

By:_____
Name:_____
Title:_____

Residential Capital, LLC

By:_____
Name:_____
Title:_____

UNCOMMITTED INTERCOMPANY ADVANCE AGREEMENT

THIS INTERCOMPANY ADVANCE AGREEMENT is made as of November [22], 2010 (the "Agreement") between Residential Funding Company, LLC, a Delaware limited liability company (the "Borrower"), and GMAC-RFC Holdings Limited, a limited liability company registered in England and Wales (the "Lender").

WHEREAS, the Borrower has requested that the Lender make available to it an uncommitted, unsecured, line of credit in order to enable the Borrower to conduct business activities. The Lender is willing to make such line of credit available to the Borrower on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Advances. Subject to the terms and conditions hereof (including, without limitation, the representations and warranties of the Borrower set forth herein) and prior to the Termination Date the Lender may, upon the Borrower's request therefore, make loans (each an "Advance"), to the Borrower on a business day in London, United Kingdom, ("London Business Day") in U.S. dollars ("USD" or "US$"); provided, that the amount of any such Advances when added to the unpaid principal amount of all other Advances then outstanding shall not exceed US$175,000,000 (the "Maximum Amount"). The amount of each Advance will be agreed upon by the Borrower and the Lender on an on-going basis. The date of maturity of each Advance (each, a "Maturity Date") shall be specified in the relevant Borrower's Confirmation Letter provided that no Advance made under this Agreement may have a Maturity Date falling more than 360 days after the related Drawdown Date.

2. Currency. Except as specifically indicated in this Agreement, all calculations and reports shall be made in USD.

3. Interest. Each Advance will bear interest at rates agreed to by the Borrower and the Lender at the time of the borrowing and shall be contained in the relevant Borrower's Confirmation Letter. Interest shall be paid in arrears on the Maturity Date of each Advance (or the date of earlier prepayment hereunder). Interest shall accrue on an Actual / 365 day basis for each Advance.

4. Draws. Any request by the Borrower for an Advance shall be by telephone by the Borrower's president, chief financial officer, controller or treasurer (or a duly appointed agent thereof) to the Lenders' Funding Desk Operations followed by an e-mail confirmation in accordance with Section 11 herein, including the relevant banking or wire transfer instructions for receipt of such Advances, and must be given by the Borrower so as to be received by the Lender not later than 9 a.m. (London time) one London Business Day prior to the London Business Day for which such Advance is

requested (the "Drawdown Date") or such other time as the Lender and the Borrower shall agree. Advances shall be evidenced by the Borrower's confirmation letter to the Lender in substantially the form of Exhibit A attached hereto ("Borrower's Confirmation Letter"). Each request by the Borrower for an Advance hereunder will be deemed to constitute a representation by the Borrower that the representations and warranties set forth in paragraph 7 below are true and correct as of the date of such request. The Borrower and the Lender agree that the amount of the requested Advance may be approved by the Lender at the Lender's discretion.

5. Repayment, Payments and Withholdings.

5.1 To the extent not prepaid hereunder, the principal amount of each Advance shall be repaid by the Borrower in full on its Maturity Date (as specified in the relevant Borrower's Confirmation Letter) unless, and to the extent, redrawn on the relevant Maturity Date by way of a further Advance (in which case the Borrower's obligation to repay the maturing Advance and the Lender's obligation to transfer funds to the Borrower in respect of such further Advance shall be discharged by way of set-off). All payments by the Borrower of principal or interest in respect of the Advances shall be made in the United Kingdom (or in a USD denominated account) and shall be made in the same currency in which such Advances shall have been made. For the avoidance of doubt, the Lender may also, at its sole discretion, extend the Maturity Date pursuant to the submission of an e-mail confirmation to the Borrower in accordance with Section 11 herein.

5.2 The Borrower may, by giving not less the 1 (one) London Business Day's prior notice to the Lender, prepay any Advance at any time prior to its Maturity Date in whole or in part.

5.3 All payments shall be made in full without any deduction or withholding (whether in respect of set-off, counterclaim, duties, taxes, charges or otherwise) provided that if the Borrower is required by law to make any such deduction or withholding, then it shall:

(a) subject to Section 5.3(b) below, ensure that the deduction or withholding does not exceed the minimum amount legally required;

(b) subject to Section 5.5, pay to the Lender such additional amount as shall be required to ensure that the net amount received and retained by the Lender (free of any liability in respect of any deduction or withholding) will equal the full amount which the Lender would have received and retained had no such deduction or withholding been required to be made;

(c) pay to the relevant taxation or other authorities, as appropriate, the full amount of the deduction or withholding; and

(d) furnish to the Lender within 30 days of such payment an official receipt from such authorities for all amounts deducted or withheld if such

is available, or otherwise a certificate of deduction or equivalent evidence of the relevant deduction or withholding.

5.4 To the extent that any deduction or withholding in respect of which the Borrower has paid an additional amount under Section 5.3 results in the Lender obtaining a relief in respect of tax (including any allowance, credit, deduction, exemption or set-off in relation to tax), the Lender shall repay to the Borrower an amount equal to such amount as the Lender determines has been saved by virtue of the relief (less the amount of all reasonable costs and expenses in obtaining such relief), provided that the amount of any such repayment shall not exceed the amount which will secure that the Lender is left in no worse an after-tax position by virtue of making such repayment than it would have been in had the deduction or withholding not been required. The Lender shall use its reasonable endeavors to obtain any such relief in respect of tax.

5.5 Upon reasonable demand made by the Borrower, the Lender will use its reasonable endeavours to supply to the Borrower, or to such taxation or other authority as the Borrower directs, any form or document that may be required or reasonably requested in order to allow the Borrower to make a payment under this Agreement without any deduction or withholding for or on account of tax, or with such deduction or withholding at a reduced rate (a "Payment Direction"). Provided that it has complied with its obligations as aforementioned under this clause, and in circumstances where the Lender reasonably considers that a Payment Direction will be obtained from the relevant taxation or other authority, the Lender may require the Borrower to defer payment of any amounts due under this Agreement pending receipt of such Payment Direction. Any amounts so deferred will bear interest at a rate of 1% over the applicable rate of interest on such Advance, and will become payable (together with interest) on the earliest to occur of (i) receipt of valid Payment Direction, (ii) notice from the Lender revoking its direction to the Borrower to defer payment, and (iii) the Termination Date.

5.6 Subject to Section 10, the Borrower shall repay the whole of the Advances then outstanding (together with all accrued interest, charges, fees, costs and expenses due under this Agreement) on the Termination Date.

6. Bankruptcy Standstill. The Lender agrees that it will not commence, or join with any other creditor of the Borrower in commencing, against the Borrower, any bankruptcy, insolvency, arrangement, reorganization, receivership, relief or similar proceeding under any bankruptcy or similar law or assignment for the benefit of creditors or any marshalling of assets and liabilities, that it will not look to property or assets of the Borrower in respect to the Advances or interest thereon, and that such obligations shall not constitute a claim against the Borrower in the event that the Borrower's assets are insufficient to pay in full such obligations.

7. Borrower's Representations. The Borrower hereby represents and warrants that:

(a) The Borrower is a limited liability company validly existing and in good standing in the United States of America and has all requisite corporate power and authority to perform the obligations on its part arising hereunder; and

(b) The execution, delivery and performance of this Agreement by the Borrower, and any borrowing hereunder or thereunder, has been duly and effectively authorized by all necessary corporate action, and this Agreement has been duly executed and delivered by the Borrower and is the valid and binding obligation of the Borrower.

8. Events of Default.

(a) Definition. An "Event of Default" shall occur if the Borrower shall default in the payment of interest and any other amounts when due or shall fail to pay the outstanding principal of any Advance within five days after its Maturity Date (unless, and to the extent, redrawn on the relevant Maturity Date by way of a further Advance).

(b) Consequences of Event of Default. Subject to Section 6 hereof, if an Event of Default shall occur and be continuing, the Lender may, at its option, (a) declare the Termination Date to have occurred, (b) reduce the Maximum Amount to zero and/or (c) by written notice to the Borrower, declare the unpaid balance on any outstanding Advance and any interest accrued thereon and all other liabilities of the Borrower to the Lender hereunderto be forthwith due and payable, and the same shall thereupon become and be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived.

9. Termination. The original term of this Agreement is for one year and shall commence on November [22], 2010. On the expiration of the original term (or any subsequent renewal term) the term of this Agreement will automatically renew for one year unless, at least one month prior to the end of the original one year term (or any subsequent renewal term, as appropriate), a written notice of termination as of the end of such original term (or such renewal term) is provided by either party to the other (the "Termination Date"). Notwithstanding any termination of this Agreement, the Borrower's obligation to pay interest and repay principal on the Maturity Date with respect to any outstanding Advance, and all related rights and obligations of the parties under the Agreement in respect to any such outstanding Advance, shall continue in full force and effect.

10. Governing Law. This Agreement and the Advances shall be deemed to be made under, and shall be construed and enforced in accordance with English law.

11. Notices. Except as otherwise expressly provided herein, all notices or other communications hereunder will be in writing and will be delivered by electronic email, in person or by courier or by telecopy, to the parties at the following addresses:

To Borrower: Residential Funding Company, LLC
8400 Normandale Lake Blvd, Suite [350]
Minneapolis, Minnesota 55437
United States of America

CONFIDENTIAL RCUCCJSN10745624

Attn: Joe Ruhlin
Email: Joseph.Ruhlin@ally.com
With a copy to: michelle.switzer@ally.com

To Lender: GMAC-RFC Holdings Limited
[No. 5 Arlington Sq
Downshire Way
Bracknell RG12 1 WA
United Kingdom]
Attn: Jill Horner
Email: Jill.Horner@gmacrescap.com
With a copy to: janet.gregory@gmacfs.com and mark.tweed@gmacfs.com

Or to such other address or to the attention of such other person as the recipient has previously designated to the sender in writing. All such notices and communications will be effective when delivered (if delivered personally or by courier) or received (in the case of telecopy).

12. Miscellaneous.

(a) Modification and Amendment of Agreement. The provisions of this Agreement may be modified, amended or waived, but only by a written document signed by both parties or, in the case of a waiver, signed by the party against which such waiver is being enforced. No delay of the Lender in exercising any remedies hereunder or under applicable law shall be deemed to constitute waiver by the Lender of any of its rights hereunder or thereunder or preclude any further exercise thereof.

(b) Paragraph Headings. Paragraph headings in this Agreement are for convenience only and shall not affect its interpretation.

(c) Counterparts. This Agreement may be executed and delivered by each party hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original and both of which taken together shall constitute but one and the same agreement.

(d) Assignment of Agreement. This Agreement shall not be assigned or transferred by the Lender to any person other than a direct or indirect subsidiary of the Lender or a direct or indirect subsidiary of the Lender's shareholder. This Agreement shall not be assigned or transferred by the Borrower.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

RESIDENTIAL FUNDING COMPANY, LLC

By: _
Name:

Title:

GMAC-RFC HOLDINGS LIMITED

By: _
Name:

Title:

Exhibit A
to Intercompany Agreement

FORM OF BORROWER'S CONFIRMATION LETTER TO LENDER

_____, 2010

To: GMAC-RFC Holdings Limited
No. 5 Arlington Sq
Downshire Way
Bracknell RG12 1 WA
United Kingdom
Attn: Treasury Operations IBG
Email: Jill.Horner@gmacrescap.com

This Confirmation Letter is governed by and subject to the provisions of the InterCompany Advance Agreement, dated _____, 2010, between Residential Funding Company, LLC and GMAC-RFC Holdings Limited. Any terms used in this Confirmation Letter shall have the same meaning as defined therein.

Following are the details of the terms for an Advance as agreed between the Borrower and the Lender:

1.	Principal Amount:	[Currency and Amount]
2.	Drawdown Date:	[Date]
3.	Maturity Date:	[Date]
4.	Interest Rate:	[5.53] percent
6.	Borrower's Bank and Account Number for Deposit of the Funds:	[Name of Bank, Account Number]
7.	Other:	

Residential Funding Company, LLC

By:_____
Name:_____
Title:_____

GMAC-RFC Holdings Limited

By:_____
Name:_____
Title:_____

Withheld for: Not Responsive

Exhibit L

PRICEWATERHOUSECOOPERS

HomeComings Financial, LLC

Consolidated Financial Statements
for the Year Ended December 31, 2008

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
300 Madison Avenue
New York NY 10017
Telephone (646) 471-3000
www.pwc.com

Report of Independent Auditors

To the Board of Directors and Member of Homecomings Financial, LLC:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of changes in member's equity and of cash flows present fairly, in all material respects, the financial position of Homecomings Financial, LLC ("the Company") at December 31, 2008, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As more fully discussed in footnote 1, the Company is a wholly-owned subsidiary of Residential Capital, LLC, and, as disclosed in the consolidated financial statements, the Company has extensive transactions and relationships with affiliates. The financial results of the Company are not necessarily indicative of those which would have occurred had the Company operated independently.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company's liquidity and capital needs, combined with volatile conditions in the marketplace raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As discussed in Notes 2 and 8 to the consolidated financial statements, effective January 1, 2008 the Company has adopted SFAS No. 157, "Fair Value Measurements."

PricewaterhouseCoopers LLP

March 25, 2009

HOMECOMINGS FINANCIAL, LLC
CONSOLIDATED BALANCE SHEET
December 31, 2008
(Dollars in Thousands)

ASSETS	
Cash and cash equivalents	$1,217
Affiliate receivables, net	1,051,047
Accounts receivable	20,025
Other assets	4,326
TOTAL ASSETS	$1,076,615
LIABILITIES	
Liability for assets sold with recourse	64,813
Other liabilities	15,932
TOTAL LIABILITIES	80,745
MEMBER'S INTEREST	
Member's interest	129,103
Retained earnings	866,767
TOTAL MEMBER'S INTEREST	995,870
TOTAL LIABILITIES AND MEMBER'S INTEREST	$1,076,615

The notes to the consolidated financial statements are an integral part of these statements.

HOMECOMINGS FINANCIAL, LLC
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2008
(Dollars in Thousands)

REVENUE	
Interest income	$57,964
Interest expense	1,331
Net interest income	56,633
Gain on sale of mortgage loans, net	10,280
Servicing fees	134,139
Loss on foreclosed real estate	(16,060)
Other income	456
Total net revenue	185,448
Provision for loan losses	24,471
EXPENSES	
Compensation and benefits	30,605
Professional fees	3,786
Data processing and telecommunications	1,802
Occupancy	1,571
Restructuring	14,682
Loan processing	2,888
Provision for assets sold with recourse	51,758
Management fees to affiliates	87,143
Other	7,539
Total expenses	201,774
Loss before income tax benefit	(40,797)
Income tax benefit	(184)
NET LOSS	($40,613)

The notes to the consolidated financial statements are an integral part of these statements.

HOMECOMINGS FINANCIAL, LLC
CONSOLIDATED STATEMENT OF EQUITY
For the year ended December 31, 2008
(Dollars in Thousands)

	Member's Interest	Retained Earnings	Total Equity
BALANCE AT DECEMBER 31, 2007	$129,103	$905,013	$1,034,116
Cumulative effect of change in accounting principles as of January 1, 2008, net of tax:			
Adoption of Statement of Financial Accounting Standards No. 157		2,367	2,367
Comprehensive Income:			
Net loss		(40,613)	(40,613)
BALANCE AT DECEMBER 31, 2008	$129,103	$866,767	$995,870

The notes to the consolidated financial statements are an integral part of these statements.

HOMECOMINGS FINANCIAL, LLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2008
(Dollars in Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	($40,613)
Reconciliation of net loss to net cash used in operating activities:	
Depreciation, amortization and market valuation	(6,296)
Provision for loan losses	24,471
Gain on sale of mortgage loans, net	(10,280)
Loss on sale of foreclosed assets	21,411
Originations and purchases of mortgage loans held for sale	(5,416,447)
Proceeds from sales and repayments of mortgage loans held for sale	5,586,967
Deferred income tax	(30)
Net change in:	
Affiliate receivables, net	(437,729)
Accounts receivable	91,749
Other assets	9,172
Servicing liabilities	(18,625)
Other liabilities	7,098
Net cash used in operating activities	(189,152)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Originations and purchases of mortgage loans held for investment	(256,947)
Proceeds from sales and repayments of mortgage loans held for investment	469,874
Proceeds from sales of foreclosed assets	63,999
Other assets, net	4,072
Net cash provided by investing activities	280,998
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from borrowings	69,069
Repayments of borrowings	(205,678)
Net cash used in financing activities	(136,609)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(44,763)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	45,980
CASH AND CASH EQUIVALENTS AT END OF YEAR	$1,217
SUPPLEMENTAL DISCLOSURES:	
Interest paid	$957
Taxes paid (received)	(445)
Non-cash transactions:	
Mortgage loans held for investment transferred to mortgage loans held for sale	12,228
Mortgage loans held for investment transferred to other assets	19,769

The notes to the consolidated financial statements are an integral part of these statements.

CONFIDENTIAL EXAM00122171

1. Organization and Operations

HomeComings Financial, LLC (the Company) is a wholly-owned subsidiary of Residential Funding Company, LLC (RFC or the Parent). RFC is a wholly-owned subsidiary of Residential Capital, LLC (ResCap), which is a wholly-owned subsidiary of GMAC Mortgage Group, LLC (GMACMG). GMACMG is a wholly-owned subsidiary of GMAC LLC (GMAC).

Prior to 2008, the Company had been engaged in the business of originating and acquiring residential mortgage loans for resale. These loans were typically sold to affiliated entities along with their servicing rights. The Company also acquired mortgage loans and other real estate at a discount for resolution through special servicing or sale to RFC. During 2008, the Company suspended mortgage loan production due to current market conditions and sold its remaining mortgage loans held for sale and investment to affiliates. The Company's primary business activity involves performing subservicing activities for substantially all of the primary mortgage servicing rights owned by its Parent.

Mortgage loans originated and acquired are referred to as prime conforming, prime non-conforming, nonprime and prime second-lien. Prime conforming mortgage loans are prime credit quality first-lien mortgage loans secured by single-family residences that meet or "conform" to the underwriting standards established by Fannie Mae or Freddie Mac for inclusion in their guaranteed mortgage securities programs. Prime non-conforming mortgage loans are prime credit quality first-lien mortgage loans secured by single-family residences that either (1) do not conform to the underwriting standards established by Fannie Mae or Freddie Mac, because they have original principal amounts exceeding Fannie Mae and Freddie Mac limits, which are commonly referred to as jumbo mortgage loans, or (2) have alternative documentation requirements and property or credit-related features (e.g., higher loan-to-value or debt-to-income ratios) but are otherwise considered prime credit quality due to other compensating factors. Nonprime mortgage loans are first-lien mortgage loans secured by single-family residences that are either (a) made to individuals with credit profiles that do not qualify for a prime loan; (b) have credit-related features that fall outside the parameters of traditional prime mortgage products; or (c) have performance characteristics that otherwise expose the Company to a comparatively higher risk of loss. Prime second-lien mortgage loans are open- and closed-end mortgage loans secured by a second or more junior lien on single-family residences, which include home equity mortgage loans. Mortgage loans are either originated by the Company or are purchased from mortgage brokers, correspondents, banks, or other institutions.

The Company and its parent and affiliates have been negatively impacted by the events and conditions in the mortgage banking industry and the broader economy. The market deterioration has led to fewer sources of, and significantly reduced levels of, liquidity available to finance the Company's operations. Most recently, the widely publicized credit defaults and/or acquisitions of large financial institutions in the marketplace has further restricted credit in the United States and international lending markets. As a result, during 2008 the Company has undertaken a significant restructuring initiative, including the suspension of all loan production activities, and on going primary focus on loan subservicing activities.

ResCap, RFC and the Company actively manage their liquidity and capital position and are continually working on initiatives to address any liquidity or capital needs. Although GMAC's continued actions through various funding and capital initiatives demonstrate support to ResCap, RFC and the Company, and GMAC's status as a bank holding company and completion of its debt exchange better positions GMAC to be capable of supporting ResCap, RFC and the Company, there are currently no commitments or assurances for future funding and/or capital support, except as otherwise provided in these financial statements. Consequently, there remains substantial doubt about ResCap, RFC's and the Company's ability to continue as a going concern. Should GMAC no longer continue to support the capital or liquidity needs of ResCap and/or ResCap elect not to support the liquidity needs of the Company or should the Company be unable to successfully execute other initiatives, it would have a material adverse effect on its business, results of operations and financial position.

2. Critical Accounting Estimates and Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements of the Company were prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The consolidated financial statements include the accounts of the Company after eliminating all significant intercompany balances and transactions. The accounting and reporting policies of the Company conform with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates and Assumptions

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and income and expenses during the reporting period. The Company's estimates and assumptions primarily arise from risks and uncertainties associated with prepayment estimates, interest rate volatility, and credit exposure. In developing the estimates and assumptions, management uses all available evidence. Because of uncertainties associated with estimating the amounts, timing and likelihood of possible outcomes, actual results could differ from the Company's estimates.

Allowance for Loan Losses
The allowance for loan losses is management's estimate of incurred losses inherent in the mortgage loans held for investment portfolio. Additions to the allowance for loan losses are reflected within the provision for loan losses on the statement of income. The allowance for loan losses consists of a component for individual loan impairment recognized and measured in accordance with Statement of Financial Accounting Standards ("SFAS") No. 114, *Accounting by Creditors for Impairment of a Loan,* and one or more components of collective loan impairment recognized in accordance with SFAS No. 5, *Accounting for Contingencies*. A loan is considered impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement.

Loans outside the scope of SFAS No. 114 and loans that are individually evaluated and determined not to be impaired under SFAS No. 114 are grouped into pools, based on similar risk characteristics, and evaluated for impairment in accordance with SFAS No. 5. Impairment of loans determined to be impaired under SFAS No. 114 is measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, an observable market price, or the fair value of the collateral, whichever is determined to be the most appropriate. Included in the impairment measurement are estimated costs to sell or realize the value of the collateral on a discounted basis.

Management's judgment as to the adequacy of the allowance is a result of the Company's ongoing, consistently applied methodology taking into consideration historical loss experience, changes in the size or characteristics of the portfolio, economic conditions and other relevant factors. The uncollectible portion of loans is charged off against the allowance when they are deemed uncollectible. Recoveries of previously charged-off amounts increase the allowance for loan losses. The adequacy of the allowance for loan losses is highly dependent upon management's estimate of variables affecting valuation of collateral, evaluation of performance and status, and the amounts and timing of future cash flows expected to be received on impaired loans. Such estimates, appraisals, evaluations, and cash flows may be subject to frequent adjustments due to changing economic conditions of borrowers or the value of the underlying collateral. These estimates are reviewed periodically and adjustments, if necessary, are recorded in the provision for loan losses in the periods in which they become known.

Significant Accounting Policies

Cash and Cash Equivalents
Cash and cash equivalents include cash on hand and short-term investments with original maturities of 90 days or less. Cash and cash equivalents that have restrictions as to the Company's ability to withdraw the funds are included in other assets in the consolidated balance sheet.

Mortgage Loans Held for Sale
Mortgage loans held for sale are carried at the lower of cost or estimated fair value on an aggregate basis. Fair value is based on contractually established commitments from investors or current investor yield requirements. Mortgage loans held for sale are placed on nonaccrual status when contractually delinquent for 60 days. Interest income accrued at the date a loan is placed on nonaccrual status is reversed and subsequently realized only to the extent it is received in cash. Loan origination fees, as well as discount points and incremental direct origination costs, are initially recorded as an adjustment of the cost of the loan and are reflected in gain on sale of mortgage loans when the loan is sold.

Mortgage Loans Held for Investment
The carrying value of mortgage loans held for investment includes the principal amount outstanding, purchase premium and discount, net deferred origination fees and allowance for loan losses. The Company's classification of its mortgage loans between loans held for sale and loans held for investment is based on management's assessment of its intent and ability to hold loans for the foreseeable future or until maturity. Management's intent and ability with respect to certain mortgage loans may change from time to time depending on a number of factors, including economic conditions. Net deferred origination fees, which include origination fees reduced by origination costs, are amortized as a yield adjustment over the estimated remaining life of the related loan. Mortgage loans held for investment are placed on nonaccrual status when contractually delinquent for 60 days. Interest income accrued at the date a loan is placed on nonaccrual status is reversed and subsequently realized only to the extent it is received in cash. Loans are restored to accrual status only when contractually current and the collection of future payments is reasonably assured.

Affiliate Receivables
Affiliate receivables are comprised of amounts due for servicing advances transferred at carrying value, fees charged for subservicing activities, and mortgage loans sold to affiliates of the Company. These receivables are recorded at their net realizable value.

Accounts Receivable
Accounts receivable are recorded at net realizable value and include subservicing related receivables.

Foreclosed Assets
Foreclosed assets represents properties acquired through foreclosure and are carried at the lower of cost or fair value less estimated selling costs. Cost associated with foreclosure proceedings are expensed as incurred. Gains and losses on the sale of foreclosed assets are reported in loss on foreclosed real estate.

Property and Equipment
Property and equipment, stated at cost net of accumulated depreciation and amortization, are reported in other assets. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which generally ranges from two to ten years. Direct software development costs associated with the design, coding and testing of internally developed software are capitalized. Capitalized software is generally amortized on a straight-line basis over its useful life for a period not to exceed three years. Capitalized software that is not expected to have substantive service potential or development costs that significantly exceed the amount originally expected are considered impaired and written down to fair value. Software expenditures that are considered general, administrative or of a maintenance nature are expensed as incurred.

Liability for Assets Sold with Recourse
In connection with the sale of certain mortgage loans, the Company estimates a liability for representations and warranties made in the normal course of the sales process for assets sold with recourse. The Company provides for such exposures at the time the loans are sold based upon management's estimate of losses. The liability is adjusted through provision for assets sold with recourse to reflect changes in the anticipated liability. Management believes that the liability for assets sold with recourse is adequate to provide for probable losses related to loans sold with limited recourse obligations.

Derivative Instruments and Hedging Activities

All derivative financial instruments, whether designated for hedging relationships or not, are recorded on the consolidated balance sheet as assets or liabilities and carried at fair value. At the inception of the derivative contract, the Company designates each qualifying derivative financial instrument as a hedge of the fair value of a recognized asset or liability (fair value hedge) or a hedge of the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). The Company also uses derivative financial instruments that do not qualify as hedges under GAAP. Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges, along with the gain or loss on the hedged asset or liability attributable to the hedged risk, are recorded in the current period earnings. For qualifying cash flow hedges, the effective portion of the change in the fair value of the derivative financial instruments is recorded in other comprehensive income, a component of stockholder's equity, and recognized in the income statement when the hedged cash flows affect earnings. Changes in the fair value of derivative financial instruments held for risk management purposes that do not meet the criteria to qualify as hedges under GAAP are reported in current period earnings. The ineffective portions of fair value and cash flow hedges are immediately recognized in earnings.

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the consolidated balance sheet, to specific firm commitments or the forecasted transactions. Both at the hedge's inception and on an ongoing basis, the Company formally assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The Company did not hold any derivative instruments designated as fair value or cash flow hedges during 2008.

Loan commitments

The Company enters into commitments to make loans whereby the interest rate on the loan is set prior to funding (i.e. interest rate lock commitments or "IRLCs"). IRLCs for loans to be originated or purchased for sale, and for loans to be purchased and held for investment, are derivative financial instruments carried at fair value in accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities,* and Staff Accounting Bulletin ("SAB") No. 105, *Application of Accounting Principles to Loan Commitments*. In November 2007, the SEC issued Staff Accounting Bulletin No. 109, *Written Loan Commitments Recorded at Fair Value Through Earnings*. SAB No. 109 superseded previous SEC guidance on written loan commitments and now requires expected net future cash flows related to the associated servicing of the loan be included in the measurement of all written loan commitments that are accounted for at fair value through earnings. Effective January 1, 2008, the expected net future cash flows related to the associated servicing of the loan are accounted for through earnings for all written loan commitments accounted at fair value. Servicing assets are recognized as distinct assets once they are contractually separated from the underlying loan by sale or securitization. IRLCs are recorded at fair value with changes in value recognized in current period earnings. The determination of the change in fair value includes an estimate of the future mortgage servicing rights that will arise when the loan is sold or securitized. Additionally, Emerging Issues Task Force ("EITF") issue No. 02-3, *Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities*, was rescinded by SFAS No. 157, *Fair Value Measurements*; accordingly, the Company now recognizes day-one gains on derivative IRLCs when applicable.

Income Taxes

The Company, and its Parent, are pass-through entities for U.S. tax purposes and therefore, they do not provide for federal income tax. The Company is included in the consolidated GMAC unitary and/or consolidated state income tax returns. The Company provides for its unitary and/or consolidated filings pursuant to a tax sharing arrangement with GMAC. GMAC will periodically settle these income tax liabilities or receivables. Any separate state tax filing liabilities are accrued on a stand-alone basis.

On January 1, 2007, the Company adopted Financial Accounting Standards Board ("FASB") Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, which supplements SFAS No. 109, *Accounting for Income Taxes*, by defining the confidence level that a tax position must meet in order to be recognized in the financial statements. The Interpretation requires that the tax effects of a position be recognized only if it is more-likely-than-not to be sustained solely on its technical merits as of the reporting date. The more-likely-than-not threshold represents a positive assertion by management that a company is entitled to the economic benefits of a tax position. If a tax position is not considered more-likely-than-not to be sustained based solely on its technical merits, no benefits of the position are to be recognized.

Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more-likely-than-not.

In November 2006, GMAC elected to be treated as a multi-member LLC and to be taxed as a partnership for federal income tax purposes. At the same time, the Company was converted to an LLC for tax purposes. Prior to the election, the Company was included in the consolidated U.S. federal income tax return and several unitary and/or consolidated state returns of GM. The Company provided for its unitary and/or consolidated state filings pursuant to a tax sharing arrangement with GM. Periodically, GM settled these income tax liabilities or receivables. Any separate state tax filing liabilities were accrued on a stand-alone basis.

Recently Issued Accounting Standards

Statement of Financial Accounting Standards No. 141(R) — In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations*, which replaces SFAS No. 141, *Business Combinations*. SFAS No. 141(R) establishes principles and requirements for how an acquiring company (1) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, (2) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (3) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) is effective for business combinations occurring on or after December 15, 2008. SFAS No. 141(R), effective for the Company on January 1, 2009, applies to all transactions or other events in which the Company obtains control in one or more businesses. Management will assess each transaction on a case-by-case basis as they occur.

Statement of Financial Accounting Standards No. 160 — In December 2007, the FASB also issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51*, which requires the ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent's equity. It also requires the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008, and early adoption is prohibited. SFAS No. 160 shall be applied prospectively as of the beginning of the fiscal year in which it is initially applied, except for the presentation and disclosure requirements. Management will assess each transaction on a case-by-case basis as they occur.

FASB Staff Position ("FSP") SFAS No. 140-3 — In February 2008, the FASB issued FSP SFAS No. 140-3, *Accounting for Transfers of Financial Assets and Repurchase Financing Transactions*, which provides a consistent framework for the evaluation of a transfer of a financial asset and subsequent repurchase agreement entered into with the same counterparty. FSP SFAS No. 140-3 provides guidelines that must be met in order for an initial transfer and subsequent repurchase agreement to not be considered linked for evaluation. If the transactions do not meet the specified criteria, they are required to be accounted for as one transaction. This FSP is effective for fiscal years beginning after November 15, 2008, and shall be applied prospectively to initial transfers and repurchase financings for which the initial transfer is executed on or after adoption. The Company believes the impact of adopting FSP SFAS No. 140-3 will not have a material effect on the consolidated financial statements.

Statement of Financial Accounting Standards No. 161 — In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities*. SFAS No. 161 requires specific disclosures regarding the location and amounts of derivative instruments in the financial statements; how derivative instruments and related hedged items are accounted for; and how derivative instruments and related hedged items affect the financial position, financial performance, and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008; however, early application is permitted. Because SFAS No. 161 impacts the disclosure and not the accounting treatment for derivative instruments and related hedged items, the adoption of SFAS No. 161 will not have an impact on the Company's consolidated financial statements.

EITF Issue No. 08-5 — In September 2008, the EITF issued EITF No. 08-5, *Issuer's Accounting for Liabilities at Fair Value with a Third-Party Credit Enhancement*. EITF No. 08-5 states that the issuer of debt with a third-party credit enhancement that is inseparable from the debt instrument shall not include the effect of the credit enhancement in the fair value measurement of the liability. This Issue is effective on a prospective basis for periods beginning after December 15, 2008. The impact of adopting Issue No. 08-5 is not expected to have a material impact on the consolidated financial statements.

FSP SFAS 132(R)-1 — In December 2008, the FASB issued FSP SFAS 132(R)-1, *Employers' Disclosures about Postretirement Benefit Plan Assets*, to provide guidance on an employer's disclosure about plan assets of a defined benefit pension or other postretirement plan. This FSP provides objectives for the disclosure about the Company's (1) investment policies and strategies, (2) categories of plan assets, (3) fair value measurements, and (4) significant concentrations of risk. This FSP is effective for fiscal years ending after December 15, 2009. Upon initial application, the provisions of this FSP are not required for earlier periods that are presented for comparative purposes. Earlier adoption is permitted. Because this impacts the disclosure and not the accounting treatment for benefit and other postretirement plans, adoption of this FSP will not have a material effect on the Company's consolidated financial statements.

Recently Adopted Accounting Standards

Statement of Financial Accounting Standards No. 157 — On January 1, 2008, the Company adopted SFAS No. 157, *Fair Value Measurements*. SFAS No. 157 provides a definition of fair value, establishes a framework for measuring fair value under GAAP, and requires expanded disclosures about fair value measurements. The standard applies when GAAP requires or allows assets or liabilities to be measured at fair value and, therefore, does not expand the use of fair value in any new circumstance. The Company adopted SFAS No. 157 on a prospective basis. SFAS No. 157 required retrospective adoption of the revision of EITF issue No. 02-3, *Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities* and certain other guidance. The impact of adopting SFAS No. 157 and the revision of EITF No. 02-3 on January 1, 2008, was an increase to beginning retained earnings through a cumulative effect of a change in accounting principle of approximately $2,367, related to the recognition of day-one gains on certain residential loan commitments. Refer to Note 8 - Fair Value - for further detail.

Statement of Financial Accounting Standards No. 159 — On January 1, 2008, the Company adopted SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*. SFAS No. 159 permits entities to choose to measure at fair value many financial instruments and certain other items that are not currently required to be measured at fair value. Subsequent changes in fair value for designated items are required to be reported in earnings in the current period. SFAS No. 159 also establishes presentation and disclosure requirements for similar types of assets and liabilities measured at fair value. The Company adopted SFAS No. 159 on January 1, 2008 without impact to its financial condition or results of operation.

SEC Staff Accounting Bulletin No. 109 — On January 1, 2008, the Company adopted Staff Accounting Bulletin ("SAB") No. 109, *Written Loan Commitments Recorded at Fair Value Through Earnings.* SAB No. 109 provides the SEC staff's views on the accounting for written loan commitments recorded at fair value under GAAP, and revises and rescinds portions of SAB No. 105, *Application of Accounting Principles to Loan Commitments*. SAB No. 105 provided the views of the SEC staff regarding derivative loan commitments that are accounted for at fair value through earnings pursuant to SFAS No. 133. SAB No. 105 states that in measuring the fair value of a derivative loan commitment, the staff believed it would be inappropriate to incorporate the expected net future cash flows related to the associated servicing of the loan. SAB No. 109 supersedes SAB No. 105 and expresses the current view of the SEC staff that, consistent with the guidance in SFAS No. 156, *Accounting for Servicing of Financial Assets*, and SFAS No. 159, the expected net future cash flows related to the associated servicing of the loan should be included in the measurement of all written loan commitments that are accounted for at fair value through earnings. SAB No. 105 also indicated that the SEC staff believed that internally developed intangible assets (such as customer relationship intangible assets) should not be recorded as part of the fair value of a derivative loan commitment. SAB No. 109 retains that SEC staff view and broadens its application to all written loan commitments that are accounted for at fair value through earnings. The adoption of SAB No. 109 did not have a material impact on the Company's consolidated financial statements.

FSP FIN No. 39-1 — On January 1, 2008, the Company adopted FSP Interpretation No. ("FIN") 39-1, *Amendment of FASB Interpretation No. 39*. FSP FIN No. 39-1 defines "right of setoff" and specifies what conditions must be met for a derivative contract to qualify for this right of setoff. It also addresses the applicability of a right of setoff to derivative instruments and clarifies the circumstances in which it is appropriate to offset amounts recognized for those instruments in the statement of financial position. In addition, this FSP requires an entity to make an election related to the offsetting of fair value amounts recognized for multiple derivative instruments executed with the same counterparty under a master netting arrangement and fair value amounts recognized for the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) arising from the same master netting arrangement as the derivative instruments without regard to the company's intent to settle the transactions on a net basis. The adoption of FSP FIN No. 39-1 did not have a material impact on the Company's consolidated financial statements.

Statement of Financial Accounting Standards No. 162 — In May 2008, the FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles*. SFAS No. 162 identifies a consistent framework, or hierarchy, for selecting accounting principles to be used in preparing financial statements that are presented in conformity with GAAP for nongovernmental entities (the "Hierarchy"). The Hierarchy within SFAS No. 162 is consistent with that previously defined in the AICPA Statement on Auditing Standards ("SAS") No. 69, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles.* SFAS No. 162 was effective as of November 2008, 60 days following the SEC approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles* approved in September 2008. The adoption of SFAS No. 162 did not have a material effect on the consolidated financial statements because the Company has utilized the guidance within SAS No. 69.

FSP SFAS No. 133-1 and FIN No. 45-4 — In September 2008, the FASB issued FSP SFAS No. 133-1 and FIN No. 45-4, *Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133 and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161*. FSP SFAS No. 133-1 and FIN No. 45-4 amends FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities,* to require disclosures by sellers of credit derivatives, including credit derivatives embedded in a hybrid instrument. This FSP also amends FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others,* to require an additional disclosure about the current status of the payment/performance risk of a guarantee. Further, this FSP clarifies the Board's intent about the effective date of SFAS No. 161, *Disclosures about Derivative Instruments and Hedging*. FSP SFAS No. 133-1 and FIN No. 45-4 are effective for annual and interim reporting periods ending after November 15, 2008. In addition, this FSP encourages that the amendments be applied in periods earlier than the effective date to facilitate comparisons at initial adoption. Because this impacts the disclosure and not the accounting treatment for credit derivative instruments and other guarantees, the adoption of this FSP will not have an impact on the consolidated financial statements.

FSP SFAS 157-3 — In October 2008, the FASB directed the FASB Staff to issue FSP SFAS No. 157-3, *Determining Fair Value of a Financial Asset in a Market that is Not Active*. This FSP applies to financial assets within the scope of all accounting pronouncements that require or permit fair value measurements in accordance with SFAS No. 157. This FSP clarifies the application of SFAS No. 157 in a market that is not active and provides key considerations in determining the fair value of a financial asset when the market for that financial asset is not active. This FSP is effective upon issuance, including prior periods for which financial statements have not been issued. Revisions resulting from a change in the valuation technique or its application shall be accounted for as a change in accounting estimate (SFAS No. 154, *Accounting Changes and Error Corrections*, paragraph 19). The disclosure provisions of SFAS No. 154 for a change in accounting estimate are not required for revisions resulting from a change in valuation technique or its application. The impact of adopting FSP SFAS No. 157-3 did not have a material impact on the Company's consolidated financial statements.

FSP SFAS No. 140-4 and FIN No. 46(R)-8 — In December 2008, the FASB directed the FASB Staff to issue FSP SFAS No. 140-4 and FIN No. 46(R)-8, *Disclosures about Transfers of Financial Assets and Interests in Variable Interest Entities: An amendment to FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities,* to require public entities to provide additional disclosures about transfers of financial assets. It also amends *FASB Interpretation No. 46, Consolidation of Variable Interest Entities*, to require public enterprises to provide additional disclosures about their involvement with variable interest entities. Additionally, this FSP requires certain disclosures to be provided by a public enterprise that is a sponsor that has a variable interest in a variable interest entity and an enterprise that holds a significant variable interest in a qualifying special-purpose entity but was not the transferor of financial assets to the qualifying special-purpose entity. The disclosures are intended to provide greater transparency to financial statement users about a transferor's continuing involvement with transferred financial assets and enterprise's involvement with variable interest entities. FSP SFAS No. 140-4 and FIN No. 46(R)-8 are effective for the first reporting period ending after December 15, 2008. Because this impacts the disclosure and not the accounting treatment for transfers of financial assets, extinguishments of liabilities and involvements with variable interest entities and other guarantees, the adoption of this FSP did not have a material impact on the consolidated financial statements.

FSP EITF 99-20-1 — In January 2009, the FASB issued FSP EITF 99-20-1, *Amendments to the Impairment and Interest Income Measurement Guidance of EITF Issue No. 99-20*, to achieve a more consistent determination of whether an other-than-temporary impairment has occurred for debt securities classified as available-for-sale or held-to-maturity. This FSP amends Issue 99-20 to align the impairment guidance for beneficial interests with that of other investments analyzed for impairment under Statement of Financial Accounting Standards No. 115, *Accounting for Certain Investment is Debt and Equity Securities.* This FSP shall be effective for interim and annual reporting periods ending after December 15, 2008, and shall be applied prospectively. The adoption of this FSP did not have a material impact on the Company's consolidated financial statements.

3. Allowance for Loan Losses

The following is a summary of the activity in the allowance for loan losses for mortgage loans held for investment:

Balance at December 31, 2007	$	8,748
Provision for loan losses		24,471
Net charge-offs		(33,219)
Balance at December 31, 2008	$	-

4. Liability for Assets Sold with Recourse

The following is a summary of the activity in the liability for assets sold with recourse:

Balance at December 31, 2007	$	54,748
Provision for assets sold with recourse		51,758
Net charge-offs		(41,693)
Balance at December 31, 2008	$	64,813

Certain mortgage loans are sold under agreements that contain limited recourse provisions. These recourse provisions consist of customary mark representations and warranty provisions. Generally, representations and warranty provisions require the Company to repurchase loans to the extent it is subsequently determined that the loans were ineligible or were otherwise defective at the time of sale.

5. Other Assets

Other assets consisted of the following:

Property and equipment, net	$	3,814
Prepaid expenses		60
Foreclosed assets		357
Other		95
Total other assets	$	4,326

Depreciation and amortization expense was $2,064 for the year ended December 31, 2008.

6. Income Taxes

In November 2006, GMAC elected to be treated as a multi-member LLC to be taxed as a partnership for federal income tax purposes. At the same time, the Company was converted to an LLC for tax purposes. Subsequent to the tax conversion date, income taxes are accrued at the member level with the exception of certain local jurisdictions that tax LLCs as entities, despite their pass-thru status.

The significant components of income tax expense were as follows:

Current income tax benefit:		
U.S. federal	$	-
State and local		(155)
	$	(155)
Deferred income tax benefit:		
U.S. federal	$	-
State and local		(29)
	$	(29)
Total income tax benefit	$	(184)

The tax effect of temporary differences that give rise to deferred tax assets and liabilities include the following:

Deferred tax assets:		
Allowance for loan losses	$	205
Loss carryforwards		4
Accruals not currently deductible		34
Depreciation		29
Gross deferred tax asset	$	272
Valuation allowance		(207)
Net deferred tax asset	$	65
Deferred tax liabilities:		
Expense deductible when paid	$	65
Total deferred tax liabilities	$	65
Net deferred tax asset (liability)	$	-

At December 31, 2008, a valuation allowance has been established against the domestic net deferred tax asset. A valuation allowance has been established because the Company has determined that it is more-likely-than-not that all such tax assets will not be realized.

At December 31, 2008 the Company has a state net operating loss carryforward of $1,378. The net operating loss carryforward relates to certain states that impose an income tax on limited liability companies. The state net operating loss carryforward expires in the years 2008 - 2028.

The Company adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, on January 1, 2007. As of the adoption date, the Company had no uncertain tax positions. Consequently, the adoption of the interpretation had no impact on retained earnings. As of December 31, 2008, the Company had no uncertain tax positions.

The following table is a reconciliation of the statutory federal income tax benefit and rate to the effective income tax benefit and rate:

		Amount	Percent
Tax at statutory rate	$	(14,209)	35.00 %
State income taxes		(391)	0.96
Valuation allowance		207	(0.51)
LLC losses not subject to federal tax		14,209	(35.00)
Total income tax benefit	$	(184)	0.45 %

7. Employee Benefit Plans

The Company participates in GMAC Mortgage Group, LLC's (the Group) defined contribution savings plan for domestic employees meeting certain eligibility requirements. Employees may contribute a percentage of base compensation to the plan, not to exceed annual limits. The Company matches employee contributions up to 6% each year, with certain limitations. Funds contributed and earned by the defined contribution savings plans can be withdrawn only under specific conditions. The Company's expense for the plan was $1,997 in 2008.

8. Fair Value of Financial Instruments

Fair Value Measurements (SFAS No. 157)

The Company adopted SFAS No. 157 on January 1, 2008, which provides a definition of fair value, establishes a framework for measuring fair value, and requires expanded disclosures about fair value measurements. The standard applies when GAAP requires or allows assets or liabilities to be measured at fair value and, therefore, does not expand the use of fair value in any new circumstance.

SFAS No. 157 nullified guidance in EITF 02-3. EITF 02-3 required the deferral of day-one gains on derivative contracts, unless the fair value of the derivative contracts were supported by quoted market prices or similar current market transactions. In accordance with EITF 02-3, the Company previously deferred day-one gains on purchased mortgage servicing rights and certain residential loan commitments. When SFAS No. 157 was adopted, the day-one gains previously deferred under EITF 02-3 were recognized as a cumulative effect adjustment that increased beginning retained earnings by $2,367.

SFAS No. 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS No. 157 clarifies that fair value should be based on the assumptions market participants would use when pricing an asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy gives the highest priority to quoted prices available in active markets (i.e. observable inputs) and the lowest priority to data lacking transparency (i.e. unobservable inputs). Additionally, SFAS No. 157 requires an entity to consider all aspects of nonperformance risk, including the entity's own credit standing, when measuring fair value of a liability. SFAS No. 157 establishes a three level hierarchy to be used when measuring and disclosing fair value. An instrument's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation.

Following is a description of the three levels:

Level 1 Inputs are quoted prices in active markets for identical assets or liabilities as of the measurement date. Additionally, the entity must have the ability to access the active market and the quoted prices cannot be adjusted by the entity.

Level 2 Inputs include quoted prices in active markets for similar assets or liabilities; quoted prices in inactive markets for identical or similar assets or liabilities; or inputs that are observable or can be corroborated by observable market data by correlation or other means for substantially the full-term of the assets or liabilities.

Level 3 Unobservable inputs are supported by little or no market activity. The unobservable inputs represent management's best assumptions of how market participants would price the assets and liabilities. Generally, Level 3 assets and liabilities are valued using pricing models, discounted cash flow methodologies, or similar techniques that require significant judgment or estimation.

Recurring Fair Value

Due to the suspension of mortgage loan production, the Company has no assets or liabilities measured at fair value on a recurring basis at December 31, 2008.

The table below presents the reconciliation for all of the Company's Level 3 assets and liabilities measured at fair value on a recurring basis. The Level 3 items presented below may be hedged by derivatives and other financial instruments that are classified as Level 1 or Level 2. Thus, the table below does not fully reflect the impact of the Company's risk management activities.

Level 3 Recurring Fair Value Measurements
Year Ended December 31, 2008

	January 1, 2008 Level 3 Fair Value	Realized Gains (Losses)	Purchases, Sales, Issuances and Settlements, Net	December 31, 2008 Level 3 Fair Value
Assets:				
Loan commitments in asset positions	3,546	15,910	(19,456)	-
Total	$ 3,546	$ 15,910	$ (19,456)	$ -

Nonrecurring Fair Value

The Company may be required to measure certain assets or liabilities at fair value from time-to-time. These periodic fair value measures typically result from application of lower of cost or estimated fair value (LOCOM) or certain impairment measures under GAAP. These items would constitute nonrecurring fair value measures under SFAS No. 157.

The table below presents the items which the Company measures at fair value on a nonrecurring basis. The year ended December 31, 2008 losses are shown below for those items.

Level 3 Nonrecurring Fair Value Measurements
Year Ended December 31, 2008

	Level 1	Level 2	Level 3	Total Estimated Fair Value	LOCOM or Credit Allowance
Assets:					
Foreclosed assets	-	-	357	357	(109)
Total	$ -	$ -	$ 357	$ 357	$ (109)

Fair Value of Financial Instruments (SFAS No. 107)

In accordance with SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*, the Company is required to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized in the statement of financial position, for which it is predictable to estimate fair value.

The fair value of financial instruments is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced sale or liquidation. When possible, the Company uses quoted market prices to determine fair value. Where quoted market prices are not available, the fair value is internally derived based upon appropriate valuation methodologies with respect to the amount and timing of future cash flows and estimated discount rates. Changes to these estimation methodologies could significantly affect fair value, and accordingly, the net realizable value could be materially different from the estimates presented below. In addition, the estimates below are only indicative of individual financial instrument fair values and should not be considered an indication of the fair value of the Company taken as a whole.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments:

	Carrying	Estimated
Assets		
Cash and cash equivalents	$ 1,217	$ 1,217

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and cash equivalents – The estimated fair value for these financial instruments approximates carrying value due to the relatively short-term period of time between origination of the instrument and its expected realization and/or due to the short-term floating interest rates on such investments.

9. Derivative Instruments

The Company's historic risk management objectives were to minimize market risk and cash flow volatility associated with interest rate risk related to certain assets and liabilities. Derivative financial instruments were used as part of the Company's risk management policy to manage interest rate risk related to mortgage loans held for sale and mortgage loans held for investment. The Company also held derivative instruments such as commitments to purchase or originate mortgage loans that it entered into in the normal course of business.

The Company entered into commitments to sell the majority of its mortgage loans held for sale at the time of entering into the interest rate lock. These forward sales were also derivatives. At December 31, 2008, the Company did not hold any interest rate lock commitments or other derivative instruments.

10. Related Party Transactions

During 2008, the Company sold to affiliates $5,813,256 of mortgage loans at market prices, recognizing $13,537 in gains on these sales.

The Company performed subservicing activities for its Parent's primary mortgage loan servicing portfolio during 2008. A Company affiliate performed subservicing activities for certain loans in the Company's loan portfolio. The Company received approximately $134,139 in net servicing fees.

The Company is allocated a monthly management fee from an affiliate for certain servicing functions performed by the affiliate including customer operations, investor reporting, default operations, claims and collections. During 2008, these management fees totaled $87,143.

The Company currently receives certain management, operational and accounting services from its Parent for which no costs are allocated or fees charged. In addition, the Company's employees participate in RFC's bonus plan for which no costs are allocated or fees charged.

The Company is subject to potential liability under laws and government regulation and various claims and legal actions that are pending or may be asserted against it. Liabilities related to such potential claims of the Company are recorded and held by RFC.

In addition, RFC enters into derivative contracts on behalf of the Company to mitigate risks associated with the Company's mortgage loans held for investment. These derivatives are not on the balance sheet of the Company. However, an allocation of the gain or loss on these instruments is recorded in the Company's income statement. RFC allocated a $2,608 gain related to derivative contracts specific to mortgage loans held for investment for the year ended December 31, 2008.

The Company is charged or credited interest by RFC for the net affiliate receivable/payable balance outstanding each month at a rate that represents RFC's borrowing rate. At December 31, 2008, $1,051,047 net receivable was outstanding at an interest rate of 8.9%. The net interest credited and included in the consolidated statement of operations for the year ended December 31, 2008 is $45,125.

The following represents the components of the affiliate receivables, net:

Affiliate Receivables, net:		
Servicing advances sold	$	(55,908)
Loan portfolio servicing fees		996,701
Loans sold to affiliates		1,191,730
General overhead expenses		(716,447)
Loan funding by Parent		(351,921)
Other		(13,108)
Total affiliate receivables, net	$	1,051,047

11. Commitments and Contingencies

At December 31, 2008, the Company was obligated under non-cancelable operating leases for office space and equipment.

Future minimum rental payments, including escalation clauses, under leases with terms of one year or more at December 31, 2008, were as follows:

2009	$	77
2010		40
2011		-
2012		-
2013 and thereafter		-
	$	117

Rental expense recorded by the Company for the year ended December 31, 2008 was $1,281.

The Company is subject to potential liability under laws and government regulation and various claims and legal actions that are pending or may be asserted against it. Some of the pending actions purport to be class actions. Liabilities are established for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. Such liabilities of the Company are recorded and held by RFC. The actual costs of resolving legal claims may be substantially higher or lower than the amounts established for those claims. Based on information currently available, advice of counsel, available insurance coverage and established liabilities, it is the opinion of management that the eventual outcome of the actions will not have a material adverse effect on the Company's consolidated statements of financial condition, income or cash flows.

During 2008, RFC and GMAC Mortgage, LLC ("GMAC Mortgage"), an affiliate of the Company, entered into a Senior Secured Credit Facility with GMAC with a borrowing capacity of up to $3,500,000. Proceeds from the GMAC Senior Secured Credit Facility were used to repay debt on or prior to its maturity, to acquire certain assets, and for working capital purposes. Under the GMAC Senior Secured Credit Facility, GMAC agreed to make revolving loans to RFC and GMAC Mortgage. This facility is scheduled to mature on May 1, 2010. The facility is collateralized mainly by mortgage loans, servicing advances and equity interests in affiliate companies. The collateralized assets are not eligible to be pledged elsewhere and are not held in a separate or special purpose entity related to this facility. As of December 31, 2008, the combined lending capacity was reduced to $2,969,294 and the combined RFC and GMAC Mortgage amount outstanding was $2,355,769. The obligations of RFC and GMAC Mortgage under the Senior Secured Credit Facility are guaranteed by the Company, ResCap, GMAC-RFC Holding Company, LLC, and GMAC Residential Holding Company, LLC, each subsidiaries of ResCap.

12. Mortgage Loans Serviced

The Company performs subservicing activities for its Parent's primary loan servicing portfolio. Under the subservicing arrangement, the Company receives a monthly fee and is paid a standard amount for each loan serviced. At December 31, 2008, the balance of loans serviced and subserviced by the Company consists of the following:

	Number Of Loans	Unpaid Principal Balance	Weighted Average Coupon	Weighted Average Remaining Maturity Months	Weighted Average Service Fees
Prime conforming	14,272	$ 2,544,039	7.28%	344.95	0.33%
Prime non-conforming	170,730	40,371,187	6.46%	310.68	0.25%
Government	84	6,656	7.28%	344.98	0.33%
Nonprime	241,096	27,448,034	8.24%	314.15	0.40%
Prime second-lien	115,366	4,990,875	7.93%	266.45	0.48%
Total	541,548	$ 75,360,791			

The Company performs, or pays third parties to perform, primary servicing on loans in all fifty states. At December 31, 2008, the five largest concentrations for the Company's servicing portfolio are as follows:

California	23%
Florida	9%
Texas	6%
Virginia	5%
Washington	3%
All other	54%
Total	100%

At December 31, 2008, the Company has fiduciary responsibility for mortgage escrow and custodial funds totaling approximately $47,187. These funds are segregated in custodial bank accounts, which are not included in the assets and liabilities of the Company.

13. Restructuring Charges

In 2008, the Company announced a restructuring initiative to reduce the workforce and streamline operations. During the fourth quarter of 2008, the Company incurred pre-tax restructuring costs related to severance and related costs associated with the workforce reduction of $5,330 and contract and lease termination related to the closure of facilities of $9,352.

The following table summarizes by category the Company's restructuring charge activity for the period ended December 31, 2008:

	Liability Balance at January 1, 2008	Restructuring Charges Through December 31, 2008	Costs Paid or Otherwise Settled Through December 31, 2008	Liability Balance at December 31, 2008
Restructuring Charges:				
Employee severance	$ -	$ 5,330	$ 5,330	$ -
Lease terminations and fixed asset write-offs	-	9,352	1,103	8,249
Total	$ -	$ 14,682	$ 6,433	$ 8,249

14. Regulatory Matters

The Company is required to maintain minimum adjusted net worth requirements established by the Department of Housing and Urban Development ("HUD") for Federal Housing Administration ("FHA") lender seller-servicers. For the period from July 31, 2008 up through and including December 31, 2008, the Company did not maintain the required minimum adjusted net worth. As a result, the Company expects to request a voluntary withdrawal of its FHA lender seller-servicer status. As the Company does not originate, sell or service FHA loans, the withdrawal of its FHA lender seller-servicer status is not expected to have a material adverse effect on the Company's operations or financial position.

The Company is also required to maintain mortgage servicer licenses in certain states as a result of its ongoing servicing activities for which its affiliate, GMAC Mortgage, acts as sub-servicer. The majority of these state licenses require the Company to maintain minimum net worth, as defined by GAAP, but at least two states apply adjusted net worth standards similar to those of HUD. Failure to maintain required minimum net worth, as defined, is grounds for license suspension or revocation and could result in monetary penalties. In another state the Company is exempt from state licensing solely based upon satisfactory FHA lender seller-servicer status, so relinquishing that status will mean that the Company must cease servicing in that state or obtain the requisite license. The Company could also be required to cease servicing in other affected states and would, in that event, transfer servicing to its affiliate, GMAC Mortgage. The Company does not expect the resolution of these issues to have a material adverse effect on the Company's operations or financial position.

Exhibit M

GMAC MORTGAGE, LLC

Consolidated Financial Statements for the Years Ended December 31, 2011 and 2010

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Independent Auditors' Report

GMAC Mortgage, LLC

To the Board of Directors and Member of GMAC Mortgage, LLC:

We have audited the accompanying Consolidated Balance Sheets of GMAC Mortgage, LLC (the "Company") (a wholly-owned subsidiary of Residential Capital, LLC, whose ultimate parent is Ally Financial, Inc.) as of December 31, 2011 and 2010, and the related Consolidated Statements of Income, Comprehensive Income, Changes in Equity, and Cash Flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established by the Auditing Standards Board (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 20 to the financial statements, the Company has entered into a number of agreements and transactions with its affiliates.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company's liquidity and capital needs, combined with conditions in the marketplace, raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also discussed in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Deloitte & Touche LLP
March 28, 2012
Detroit, Michigan

December 31, *($ in thousands)*	**2011**	2010
Assets		
Cash and cash equivalents	**$117,303**	$194,340
Mortgage loans held–for–sale ($27,253 and $17,744 fair value elected)	**3,105,352**	3,384,115
Finance receivables and loans, net		
Consumer ($42,600 and $43,383 fair value elected)	**205,917**	241,730
Allowance for loan losses	**(10,126)**	(16,676)
Total finance receivables and loans, net	**195,791**	225,054
Mortgage servicing rights	**1,131,518**	1,827,529
Accounts receivable, net	**2,850,059**	2,466,377
Other assets	**6,579,084**	5,172,331
Total assets	**$13,979,107**	$13,269,746
Liabilities		
Borrowings		
Borrowings from Ally Inc. and subsidiaries	**$749,163**	$1,047,009
Borrowings from Parent	**17,614**	515,891
Collateralized borrowings in securitization trusts ($38,823 and $37,154 fair value elected)	**39,201**	112,342
Other borrowings	**1,243,055**	1,405,020
Total borrowings	**2,049,033**	3,080,262
Other liabilities	**9,337,828**	7,123,490
Total liabilities	**11,386,861**	10,203,752
Equity		
Member's interest	**5,444,219**	5,378,291
Accumulated deficit	**(2,793,089)**	(2,265,559)
Accumulated other comprehensive loss	**(58,884)**	(46,738)
Total equity	**2,592,246**	3,065,994
Total liabilities and equity	**$13,979,107**	$13,269,746

The assets of consolidated variable interest entities that can be used only to settle obligations of the consolidated variable interest entities and the liabilities of these entities for which creditors (or beneficial interest holders) did not have recourse to our general credit at December 31, 2011 and 2010, were as follows.

December 31, *($ in thousands)*	**2011**	2010
Assets		
Mortgage loans held–for–sale	**$8,658**	$21,482
Finance receivables and loans, net		
Consumer ($42,600 and $43,383 fair value elected)	**205,917**	241,730
Allowance for loan losses	**(10,126)**	(16,676)
Total finance receivables and loans, net	**195,791**	225,054
Accounts receivable, net	**873,839**	1,071,983
Other assets	**98,664**	2,345
Total assets	**$1,176,952**	$1,320,864
Liabilities		
Borrowings		
Collateralized borrowings in securitization trusts ($38,823 and $37,154 fair value elected)	**$39,201**	$112,674
Other borrowings	**855,630**	846,284
Total borrowings	**894,831**	958,958
Other liabilities	**227**	519
Total liabilities	**$895,058**	$959,477

The Notes to the Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statement of Income

GMAC Mortgage, LLC

Year ended December 31, *($ in thousands)*	**2011**	2010
Revenue		
Interest income	**$72,248**	$220,647
Interest expense	**115,548**	173,307
Net financing revenue	**(43,300)**	47,340
Other revenue		
Servicing fees	**730,876**	848,755
Servicing asset valuation and hedge activities, net	**(293,416)**	340,249
Total servicing income, net	**437,460**	1,189,004
Gain on mortgage loans, net	**163,330**	298,672
Loss on foreclosed real estate	**(8,282)**	(5,502)
Other revenue, net	**91,071**	102,793
Total other revenue	**683,579**	1,584,967
Total net revenue	**640,279**	1,632,307
Provision for loan losses	**(2,697)**	5,586
Noninterest expense		
Compensation and benefits	**304,516**	238,109
Mortgage fines and penalties	**204,000**	—
Representation and warranty expense, net	**98,614**	703,719
Professional fees	**94,136**	54,542
Data processing and telecommunications	**77,955**	111,030
Occupancy	**26,461**	22,228
Advertising	**18,160**	360
Other noninterest expense, net	**341,198**	410,438
Total noninterest expense	**1,165,040**	1,540,426
(Loss) income before income taxes	**(522,064)**	86,295
Income tax expense	**5,466**	9,346
Net (loss) income	**$ (527,530)**	$ 76,949

The Notes to the Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statement of Comprehensive Income

GMAC Mortgage, LLC

Year ended December 31, *($ in thousands)*	**2011**	2010
Net (loss) income	**($527,530)**	$76,949
Other comprehensive (loss) income , net of tax		
Unrealized gains (losses) on investment securities		
Net unrealized (losses) gains arising during the period	**(666)**	1,606
Net realized (losses) gains reclassified to net (loss) income	**(676)**	—
Net change	**(1,342)**	1,606
Defined benefit pension plans		
Net (losses) and prior service costs arising during the period	**(10,804)**	(15,050)
Net gain (loss) and prior service costs reclassified to net (loss) income	**—**	—
Net change	**(10,804)**	(15,050)
Other comprehensive income	**(12,146)**	(13,444)
Comprehensive (loss) income	**($539,676)**	$63,505

The Notes to the Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statement of Changes in Equity

($ in thousands)	Member's interest	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at January 1, 2010	$5,378,291	($2,338,239)	($33,294)	$3,006,758
Cumulative effect of change in accounting principles as of January 1, 2010, net of tax				
Adoption of ASU 2009-17	—	(4,269)	—	(4,269)
Net income	—	76,949	—	76,949
Other comprehensive income, net of tax	—	—	(13,444)	(13,444)
Balance at December 31, 2010	$5,378,291	($2,265,559)	($46,738)	$3,065,994
Balance at January 1, 2011	**$5,378,291**	**($2,265,559)**	**($46,738)**	**$3,065,994**
Net loss	**—**	**(527,530)**	**—**	**(527,530)**
Capital contribution	**65,928**	**—**	**—**	**65,928**
Other comprehensive income, net of tax	—	—	**(12,146)**	**(12,146)**
Balance at December 31, 2011	**$5,444,219**	**($2,793,089)**	**($58,884)**	**$2,592,246**

The Notes to the Consolidated Financial Statements are an integral part of these statements.

Year ended December 31, *($ in thousands)*	**2011**	2010
Operating activities		
Net (loss) income	**($527,530)**	$76,949
Reconciliation of net (loss) income to net cash provided by (used in) operating activities		
Depreciation and amortization	**17,062**	6,378
Provision for loan losses	**(2,697)**	5,586
Gain on mortgage loans, net	**(163,329)**	(298,672)
Net loss on other assets	**13,568**	3,031
Change in fair value of mortgage servicing rights	**750,136**	606,073
Originations and purchases of mortgage loans held–for–sale	**(60,562,503)**	(70,106,524)
Proceeds from sales and repayments of mortgage loans held–for–sale	**59,499,770**	69,307,147
Net change in		
Accounts receivable	**779,769**	562,934
Other assets	**(1,225,671)**	(2,697,605)
Other liabilities	**2,354,055**	2,235,537
Net cash provided by (used in) operating activities	**932,630**	(299,166)
Investing activities		
Net decrease in consumer mortgage finance receivables and loans	**93,699**	272,832
Proceeds from sales of foreclosed and owned real estate	**34,014**	44,343
Other, net	**63,383**	263,334
Net cash provided by investing activities	**191,096**	580,509
Financing activities		
Net decrease in borrowings from Ally Inc. and affiliates	**(231,919)**	(190)
Net (decrease) increase in borrowings from Parent	**(498,277)**	157,182
Proceeds from issuance of collateralized borrowings in securitization trusts	**—**	165,936
Repayments of collateralized borrowings in securitization trusts	**(105,258)**	(267,348)
Proceeds from other long–term borrowings	**662,932**	508,000
Repayments of other long–term borrowings	**(840,502)**	(47,072)
Net decrease in other short–term borrowings	**(187,739)**	(728,641)
Net cash used in financing activities	**(1,200,763)**	(212,133)
Net (decrease) increase in cash and cash equivalents	**(77,037)**	69,210
Cash and cash equivalents at beginning of year	**194,340**	125,130
Cash and cash equivalents at end of year	**$117,303**	$194,340

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Year ended December 31, *($ in thousands)*	**2011**	2010
Supplemental disclosures		
Cash paid for		
Interest	**$104,088**	$236,585
Income taxes	**17,354**	16
Non cash items		
Mortgage loans held–for–sale transferred to other assets	**21,231**	52,599
Mortgage loans held–for–sale transferred to accounts receivable	**1,169,108**	655,836
Mortgage servicing rights recognized upon the transfer of financial assets	**54,426**	184,494
Capital contributions through forgiveness of borrowings from Ally Inc.	**65,928**	—
Change upon initial adoption of new accounting standard (ASU 2009-17):		
Increase in consumer finance receivables and loans	**—**	252,064
Increase in collateralized borrowings in securitization trusts	**—**	228,586
Decrease in consumer finance receivables and loans upon deconsolidation	**—**	216,930
Decrease in collateralized borrowings upon deconsolidation	**—**	208,839
Other disclosures		
Proceeds from sales and repayments of consumer finance receivables and loans originally designated as mortgage loans held–for–sale	**$66,200**	$206,910
Reconciliation of mortgage loans held–for–sale		
Mortgage loans held–for–sale at beginning of year	**$3,384,115**	$2,729,973
Originations and purchases of mortgage loans	**60,562,503**	70,106,524
Gain on sale of mortgage loans	**163,329**	298,672
Proceeds from sales and repayments of mortgage loans	**(59,499,770)**	(69,307,147)
Proceeds from sales and repayments of loans transferred from consumer finance receivables and loans	**(34,648)**	(77,156)
Originations of mortgage servicing rights	**(54,426)**	(184,494)
Transfers to consumer finance receivables and loans	**—**	1,161
Transfers to accounts receivable	**(1,169,108)**	(655,836)
Transfers to other assets	**(21,231)**	(52,599)
Net change in delinquent loans subject to repurchase option	**(64,523)**	571,090
Other, net	**(160,889)**	(46,073)
Mortgage loans held–for–sale at end of year	**$3,105,352**	$3,384,115

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL EXAM00234289

1. Description of Business and Significant Accounting Policies

GMAC Mortgage, LLC (GMAC Mortgage, we, our, or us) is a wholly owned subsidiary of GMAC Residential Holding Company, LLC (RHC or Parent) which is a wholly owned subsidiary of Residential Capital, LLC (ResCap) which is a wholly owned subsidiary of Ally Financial Inc. (Ally Inc.). References throughout these financial statements to Ally Inc. and subsidiaries corresponds to Ally Inc. and its consolidating subsidiaries excluding ResCap and its consolidating subsidiaries. References to ResCap and affiliates corresponds to ResCap and its consolidating subsidiaries.

We purchase, sell, securitize, and service residential mortgage loans in the United States. We broker virtually all of the loan production from our origination channels to our affiliate, Ally Bank. Virtually all of our loan purchases are executed with Ally Bank, and consist primarily of agency eligible or government insured loans. Prime credit quality loans originated in conformity with the underwriting guidelines of the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) are generally sold to one of these government-sponsored entities in the form of agency-sponsored securitizations. Prime credit quality loans originated in conformity with the underwriting guidelines of the Federal Housing Administration (FHA) and Department of Veterans Affairs (VA) are generally sold into securitizations guaranteed by the Government National Mortgage Association (Ginnie Mae and with Fannie Mae and Freddie Mac collectively, the GSEs).

On November 2, 2011, Ally Inc. announced that in order to proactively address changes in the mortgage industry as a whole, Ally Bank would be taking immediate action to reduce its focus on its correspondent mortgage lending channel. The correspondent lending channel represents approximately 84% of Ally Bank's 2011 mortgage loan originations. For the year ended December 31, 2011, we purchased $56.7 billion of mortgage loans from Ally Bank, which represents 93.6% of our total originations and purchases of consumer mortgage loans of $60.6 billion. We do not expect this action to have a material adverse impact on our financial condition, results of operations or cash flows. We do, however, expect the level of mortgage loan purchases from Ally Bank to decline in future periods, potentially significantly.

We, ResCap, and our affiliates have been negatively impacted by the events and conditions in the mortgage banking industry and the broader economy, both domestically and internationally. The market deterioration led to fewer sources and significantly reduced levels of liquidity to finance our operations. We are highly leveraged relative to our cash flow and previously recognized credit and valuation losses that resulted in a significant deterioration in capital. We have been, and may continue to be, negatively impacted by exposure to representation and warranty obligations, adverse outcomes with respect to current or future litigation, fines, penalties or settlements related to our business activities and additional expenses to address regulatory requirements. Our ability to continue to purchase, sell, securitize and service residential mortgage loans could be negatively impacted by any change in our access to programs available to us under our agreements with the GSEs.

All of ResCap's credit facilities and certain of our agreements contain covenants that require ResCap to maintain consolidated tangible net worth of $250.0 million as of each month end. We have joint and several liability, along with our affiliate Residential Funding Company, LLC (RFC), under facilities with Ally Inc. and its subsidiaries. There are cross default provisions included within and among the credit facilities and ResCap's senior unsecured and junior secured debt and certain other agreements. A default under any one of these agreements can, through cross default provisions, create defaults in all of the other agreements. Failure to meet this covenant represents an event of default and may result in, among other things, an acceleration of the facility's maturity and/or may trigger an early amortization event. See Note 8 - Borrowings for additional information related to financial covenants and counterparties' remedies in an event of default. Furthermore, we and other of our affiliates, including RHC and RFC, are guarantors of the obligations of ResCap with respect to its 9.625% Junior Secured Guaranteed Notes due 2015 and certain medium-term unsecured notes issued by GMAC Financiera S.A. de C.V., SOFOM, ENR, a wholly-owned subsidiary of RFC. See Note 18 - Guarantees, Commitments and Contingencies for additional information relating to these guarantees.

ResCap's consolidated tangible net worth, as defined, as of December 31, 2011 was $92.4 million, which constitutes an event of default under its credit facilities and certain of our other agreements. ResCap obtained waivers or acknowledgment letters from each of the liquidity providers in connection with the credit facilities and counterparties to agreements with financial covenants under which they agreed not to pursue their contractual remedies with respect to the default. These waivers were predicated, in part, on a January 30, 2012 capital contribution received from Ally Inc. ResCap is in compliance with any conditions with respect to these waivers and acknowledgment letters. ResCap is in compliance with all of its financial covenants as of March 28, 2012 the date of issuance of these Consolidated Financial Statements.

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ResCap received capital support in the form of debt forgiveness from Ally Inc. of $109.4 million during the year ended December 31, 2011. We recognized a capital contribution from our Parent of $65.9 million, and a corresponding reduction of our borrowings under the Ally Inc. Line of Credit (Ally Inc. LOC), during the year ended December 31, 2011 in connection with Ally Inc.'s capital support to ResCap. In December 2011, GMAC Mortgage and RFC entered into a $250.0 million secured financing agreement with BMMZ Holdings, LLC (BMMZ), a wholly owned subsidiary of Ally Inc., which replaced secured financing agreements with unaffiliated third-party liquidity providers. We remain heavily dependent on Ally Inc. and its subsidiaries for funding, and except as noted in these financial statements, Ally Inc. and its subsidiaries are under no obligation to provide such support and there can be no assurance that they will continue such actions. Consequently, there remains substantial doubt about our ability to continue as a going concern. Should Ally Inc. or ResCap no longer continue to support our capital or liquidity needs or should we, and ResCap, be unable to successfully execute other initiatives, it would have a material adverse effect on our business, financial condition and results of operations.

On February 9, 2012, Ally Inc., ResCap and GMAC Mortgage entered into agreements with the Federal Government, State Attorneys General and state banking departments (the Settlement) in connection with investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage foreclosure home sales and evictions. On March 12, 2012, the Settlement was filed as a consent judgment in the U.S. District Court for the District of Columbia. ResCap and GMAC Mortgage separately reached an independent settlement with Oklahoma, which did not participate in the broader settlement and entered into agreements with two other states for other releases. The Settlement requires cash payments of $110.0 million and borrower relief of $200.0 million, subject to an upward adjustment, over a three year period. We are also required to make cash payments of approximately $2.5 million in connection with separate state agreements. Borrower relief will include loan modifications, including principal reductions, rate modifications and refinancing for borrowers that meet certain criteria, and participation in certain other programs. The Settlement does not prevent state and federal authorities from pursuing criminal enforcement actions, securities-related claims (including actions related to securitization activities and Mortgage Electronic Registration Systems, or MERS), loan origination claims, certain claims brought by the Federal Deposit Insurance Corporation (FDIC) and the GSEs, and certain other matters. The Settlement also does not prevent claims that may be brought by individual borrowers.

On February 9, 2012, Ally Inc., ResCap and GMAC Mortgage also agreed in principle with the Board of Governors of the Federal Reserve on a civil monetary penalty (CMP) of $207.0 million related to the same activities that were the subject of the Settlement. This amount will be reduced dollar-for-dollar in connection with certain aspects of our satisfaction of the required monetary payment and borrower relief obligations included within the Settlement. For the year ended December 31, 2011, we recognized $211.5 million of expense related to the Settlement and separate state agreements. See Note 18 - Guarantees, Commitments and Contingencies for additional information.

On January 30, 2012, ResCap and GMAC Mortgage received $196.5 million in capital support from Ally Inc. in connection with the settlement agreements and CMP in the form of debt forgiveness. We recognized a capital contribution from our Parent of $124.2 million, and a corresponding reduction in borrowings under the Ally Inc. LOC, as of January 30, 2012 in connection with Ally Inc.'s capital support to ResCap. See Note 20 - Related Party Transactions for additional information.

On January 30, 2012, we and ResCap entered into an agreement with Ally Inc. (the Letter Agreement) in connection with the $196.5 million in capital support. In consideration of this Letter Agreement, ResCap agreed to certain terms and conditions, including but not limited to, agreeing to meet its obligations to regulatory bodies or governmental agencies in connection with certain settlements and penalties (including the required payment under the Settlement described above), to negotiate in good faith an amendment to our subservicing agreement with Ally Bank and to negotiate in good faith such documents as are necessary to terminate certain swap agreements with Ally Bank and to enter into new agreements with Ally Investment Management Inc. (Ally IM), a wholly owned subsidiary of Ally Inc. See Note 20 - Related Party Transactions for additional information.

In concert with ResCap, we seek to manage our liquidity and capital positions and explore initiatives to address ongoing debt covenant compliance and liquidity needs, including debt maturing in the next twelve months and other risks and uncertainties. We have $1.1 billion in debt maturing in 2012, including $323.0 million in mortgage servicing rights secured funding facility borrowings maturing in March 2012 and $749.2 million in secured borrowings from Ally Inc. and its subsidiaries maturing in April 2012. These initiatives could include, but are not limited to, the following: continuing to work with key credit providers to optimize all available liquidity options; continued exploration of funding and capital support from Ally Inc. and subsidiaries; and further reductions in assets or other restructuring activities, which could include a restructuring achieved through a Chapter 11 bankruptcy filing.

The outcomes of certain of these initiatives are, to a great extent, outside of our control, resulting in increased uncertainty as to their successful execution. There continues to be a risk that we or ResCap may not be able to meet our or its debt service obligations, may default on our or its financial debt covenants due to insufficient capital, and/or may be in a negative liquidity position in future periods.

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Consolidation and Basis of Presentation

The accompanying Consolidated Financial Statements were prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Consolidated Financial Statements include our accounts and accounts of our majority–owned subsidiaries after eliminating all significant intercompany balances and transactions and include all variable interest entities (VIEs) in which we are the primary beneficiary. See Note 4 — Securitization and Variable Interest Entities for additional information. Our accounting and reporting policies conform to accounting principles generally accepted in the United States of America.

Certain amounts in prior periods have been reclassified to conform to the current period presentation. During 2011, interest paid to investors of $57.2 million in connection with consumer mortgage loans that were paid off prior to their stated maturity and interest paid to borrowers of $5.4 million in connection with escrow deposits, both of which were included in interest expense in prior periods, have been reclassified to servicing fees in the Consolidated Statement of Income. Additionally, interest paid on loans of $57.9 million that we repurchased out of Ginnie Mae securitizations, which was included in interest expense, has been reclassified to interest income in the Consolidated Statement of Income. These reclassifications have no impact to our consolidated financial position or results of operations.

During 2011, we identified errors in periods prior to 2011 which were not material to those prior periods. As a result, we corrected those errors in 2011 resulting in additional expense of $42.1 million, an increase in payables to affiliates of $47.4 million, and an increase in cash of $5.3 million. The misstatement had no impact on our consolidated financial condition at December 31, 2011.

Use of Assumptions and Critical Accounting Estimates

The preparation of financial statements in conformity with (Generally Accepted Accounting Principles) GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and income and expenses during the reporting period and related disclosures and critical accounting estimates. In developing these estimates and assumptions, management uses available evidence at the time of the financial statements. Because of uncertainties associated with estimating the amounts, timing and likelihood of possible outcomes, actual results could differ from our estimates. An accounting estimate is considered critical if the estimate requires management to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and if different estimates reasonably could have been used or changes in the accounting estimate are reasonably likely to occur from period to period that would have a material impact on our financial condition, results of operations or cash flows. If actual results differ from our assumptions, it may have an adverse impact on the results of operations and cash flows.

Valuation of Mortgage Loans Held–for–Sale

Mortgage loans held–for–sale are typically pooled together and sold into certain exit markets depending on the underlying attributes of the loan, product type, interest rate, and credit quality. To the extent observable market prices are not available, we will determine the fair value of mortgage loans held–for–sale using internally developed valuation models. These loans are valued on a discounted cash flow basis utilizing cash flow projections from internally developed models that require prepayment, default and discount rate assumptions. To the extent available, we will utilize market observable inputs such as interest rates and market spreads. If market observable inputs are not available, we are required to utilize internal inputs, such as prepayment speeds, credit losses, and discount rates. While numerous controls exist to calibrate, corroborate and validate the internal inputs, they require the use of judgment by us and can have a significant impact on the determination of the loan's estimated fair value.

Valuation of Mortgage Servicing Rights

Mortgage servicing rights (MSRs) represent the capitalized value of the right to receive future cash flows from the servicing of mortgage loans for others. MSRs are a significant source of value derived from originating or acquiring mortgage loans. Because residential mortgage loans typically contain a prepayment option, borrowers often elect to prepay their mortgage loans by refinancing at lower rates during declining interest rate environments. The borrower's ability to prepay is at times impacted by other factors in the current environment that may limit their eligibility to access a refinance (e.g. a high loan to value ratio). When this occurs, the stream of cash flows generated from servicing the original mortgage loan is terminated. As such, the market value of MSRs has historically been very sensitive to changes in interest rates and tends to decline as market interest rates decline and increase as interest rates rise. We capitalize MSRs on residential mortgage loans that we have originated and purchased based upon the fair value of the servicing rights associated with the underlying mortgage loans at the time the loans are sold or securitized. GAAP requires that the value of MSRs be determined based on market transactions for comparable servicing assets, if available. In the absence of representative market trade information, valuations should be based on other available market evidence and modeled market expectations of the present value of future estimated net cash flows that market participants would expect from servicing. When observable prices are not available, management uses internally developed discounted cash flow models to estimate the fair value. These internal valuation models estimate net cash flows based on internal operating assumptions that we believe would be used by

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market participants combined with market–based assumptions for loan prepayment rates, interest rates, default rates, and discount rates that management believes approximate yields required by investors for these assets. Servicing cash flows primarily include servicing fees, ancillary income, and late fees less operating costs to service the loans. The estimated cash flows are discounted using an option-adjusted spread-derived discount rate. Management considers the best available information and exercises significant judgment in estimating and assuming values for key variables in the modeling and discounting process. All of our MSRs are carried at estimated fair value.

We use the following key assumptions in our valuation approach:

- ***Prepayment*** — The most significant drivers of MSR value are actual and forecasted portfolio prepayment behavior. Prepayment speeds represent the rate at which borrowers repay their mortgage loans prior to scheduled maturity. The most significant factor influencing prepayment speeds is the interest rate environment. However, prepayment speeds are influenced by a number of factors such as the value of the collateral, government programs, and other market factors. As interest rates rise, prepayment speeds generally slow, and as interest rates decline, prepayment speeds generally accelerate. When mortgage loans are paid or expected to be paid earlier than originally estimated, the expected future cash flows associated with servicing such loans are reduced. We primarily use third–party models to project residential mortgage loan payoffs. In other cases, we estimate prepayment speeds based on historical and expected future prepayment rates. We measure model performance by comparing prepayment predictions against actual results at both the portfolio and product level.

- ***Discount rate*** — The cash flows of our MSRs are discounted utilizing appropriate risk-adjusted yield assumptions that, when applied to projected cash flows, produce benchmarked fair value

- ***Base mortgage rate*** — The base mortgage rate represents the current market interest rate for newly originated mortgage loans. This rate is a key component in estimating prepayment speeds of our portfolio because the difference between the current base mortgage rate and the interest rates on existing loans in our portfolio is an indication of the borrower's likelihood to refinance.

- ***Cost to service*** — In general, servicing cost assumptions are based on actual expenses directly related to servicing. These servicing cost assumptions are compared to market-servicing costs when market information is available. Our servicing cost assumptions include expenses associated with our activities related to loans in default.

- ***Volatility*** — Volatility represents the expected rate of change of interest rates. The volatility assumption used in our valuation methodology is intended to estimate the range of expected outcomes for future interest rates. We use implied volatility assumptions in connection with the valuation of our MSRs. Implied volatility is defined as the expected rate of change in interest rates derived from the prices at which options on interest rate swaps or swaptions are trading.

We also periodically perform a series of reasonableness tests as we deem appropriate, including the following:

- ***Review and compare data provided by an independent third–party broker.*** We evaluate and compare our fair value price, multiples, and underlying assumptions to data, including prepayment speeds, discount rates, and cost to service provided by an independent third–party broker.

- ***Review and compare pricing of publicly traded interest-only securities.*** We evaluate and compare our fair value to publicly traded interest-only stripped mortgage-backed securities (MBS) by age and coupon for reasonableness.

- ***Review and compare fair value price and multiples.*** We evaluate and compare our fair value price and multiples to market fair value price and multiples in external surveys produced by third–parties.

- ***Compare actual monthly cash flows to projections.*** We compare actual monthly cash flows to those projected in the MSR valuation. Based upon the results of this comparison, we assess the need to modify the individual assumptions used in the valuation. This process calibrates the model to actual servicing cash flow results.

- ***Review and compare recent bulk mortgage servicing right acquisition activity.*** We evaluate market trades for reliability and relevancy and then consider, as appropriate, our estimate of fair value of each significant transaction to the traded price. Currently, there is a lack of comparable transactions between willing buyers and sellers in the bulk acquisition market, which are the best indicators of fair value. However, we continue to monitor and track market activity on an ongoing basis.

We generally expect our valuation to be within a reasonable range of these comparisons. Changes in these assumptions could have a significant impact on the determination of fair value. In order to develop our best estimate of fair value, management reviews

and analyzes the output from the models and makes adjustments to the valuation to take into consideration other factors that may not be captured. If we determine our valuation has exceeded the reasonable range, we may adjust it accordingly.

The assumptions used in modeling expected future cash flows of MSRs have a significant impact on the fair value of MSRs and potentially a corresponding impact to earnings. See Note 5 — Servicing Activities for sensitivity analysis. At December 31, 2011, based on the market information obtained, we determined that our MSR valuations and assumptions used to value those servicing rights were reasonable and consistent with what an independent market participant would use to value the assets.

Legal and Regulatory Reserves

Our legal and regulatory reserves reflect management's best estimate of probable losses in connection with legal and regulatory matters. As a legal or regulatory matter develops, management, in conjunction with internal and external counsel handling the matter, evaluates on an ongoing basis whether such matter presents a loss contingency that is both probable and estimable. If, at the time of evaluation, the loss contingency related to a legal or regulatory matter is not both probable and estimable, the matter will continue to be monitored for further developments that would make such loss contingency both probable and estimable. When the loss contingency related to a legal or regulatory matter is deemed to be both probable and estimable, we will establish a liability with respect to such loss contingency and record a corresponding amount to other noninterest expense, net. To estimate the probable loss, we evaluate the individual facts and circumstances of the case including information learned through the discovery process, rulings on dispositive motions, settlement discussions, our prior history with similar matters and other rulings by courts, arbitrators or others. The reserves are continuously monitored and updated to reflect the most recent information related to each matter.

Additionally, in matters for which a loss contingency is not deemed probable, but rather reasonably possible to occur, we would attempt to estimate a loss or range of loss related to that event, if possible. For these matters, we do not record a liability. However, if we are able to estimate a loss or range of loss, we would disclose this loss, if it is material to our consolidated financial statements. To estimate a range of probable or reasonably possible loss, we evaluate each individual case in the manner described above. We do not accrue for matters for which a loss event is deemed remote.

For details regarding the nature of all material contingencies, refer to Note 18 — Guarantees, Commitments and Contingencies.

Liability for Representation and Warranty Obligations

The liability for representation and warranty obligations reflects management's best estimate of probable lifetime loss. We consider historical and recent demand trends in establishing the reserve. The methodology used to estimate the reserve considers a variety of assumptions including borrower performance (both actual and estimated future defaults), repurchase demand behavior, historical loan defect experience, historical and estimated future loss experience, which includes projections of future home price changes as well as other qualitative factors including investor behavior. In cases where we have limited or no current or historical demand experience with an investor, because of the inherent difficulty in predicting the level and timing of future demands, if any, losses cannot be reasonably estimated, and a liability is not recognized. Management monitors the adequacy of the overall reserve and makes adjustments to the level of reserve, as necessary, after consideration of other qualitative factors including ongoing dialogue with counterparties.

Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and certain highly liquid investment securities with maturities of three months or less from the date of purchase. Cash and cash equivalents that have restrictions as to our ability to withdraw the funds are included in other assets. The fair value of cash equivalents approximates book value because of the short maturities of these instruments.

Securitizations and Variable Interest Entities

We securitize, sell, and service consumer mortgage loans. Securitization transactions typically involve the use of variable interest entities and are accounted for either as sales or secured financings. Economic interests in the securitized and sold assets are generally retained in the form of senior or subordinated interests, interest– or principal–only strips, cash reserve accounts, residual interests, and servicing rights.

In order to conclude whether or not a variable interest entity is required to be consolidated, careful consideration and judgment must be given to our continuing involvement with the variable interest entity. In circumstances where we have both the power to direct the activities of the entity that most significantly impact the entity's performance and the obligation to absorb losses or the right to receive benefits of the entity that could be significant, we consolidate the entity, which would also preclude us from recording an accounting sale on the transaction. In the case of a consolidated variable interest entity, the accounting is consistent with a secured financing, that is, we continue to carry the loans and we record the securitized debt on our balance sheet. Further, there is no specific accounting record of our economic interests; rather, they are captured as the difference between the recognized assets and liabilities.

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In transactions where either one or both of the power or economic criteria mentioned above are not met, we determine whether or not we achieve a sale for accounting purposes. In order to achieve sale for accounting purposes, the assets being transferred must be legally isolated, not be constrained by restrictions from further transfer, and be deemed to be beyond our control. If we were to fail any of the three criteria for sale accounting, the accounting would be consistent with the preceding paragraph (i.e., a secured borrowing). However, if we meet the criteria, the transaction would be recorded as a sale, and the variable interest entity would not be consolidated. See Note 4 — Securitizations and Variable Interest Entities for discussion on variable interest entities.

Gains or losses on off–balance sheet securitizations take into consideration the fair value of the retained interests including the value of certain servicing assets or liabilities, which are initially recorded at fair value at the date of sale. The estimate of the fair value of the retained interests and servicing requires us to exercise significant judgment about the timing and amount of future cash flows from the interests. See Note 15 — Fair Value for a discussion of fair value estimates.

Gains or losses on off–balance sheet securitizations are reported in gain on mortgage loans, net. Changes in the fair value of retained interests are reflected in other revenue, net. Retained interests, as well as any purchased securities, are included in other assets. Securities that are noncertificated and cash reserve accounts related to securitizations are included in other assets.

Our affiliate, RFC generally retains master servicing for our non-agency consumer mortgage loan securitizations. We may receive servicing fees based on the securitized loan balances and certain ancillary fees, all of which are reported in servicing fees. We also retain the right to service the consumer mortgage loans sold in securitization transactions involving Ginnie Mae, Fannie Mae, Freddie Mac, and private investors.

Whether on or off balance sheet, the investors in the securitization trusts generally have no recourse to our assets outside of customary market representation and warranty provisions.

Mortgage Loans Held–for–sale

Mortgage loans held-for-sale are carried at lower of cost or fair value or at estimated fair value. The majority of held-for-sale loans are pooled together for purposes of determining the lower of cost or fair value based on loan characteristics. Fair value is determined by type of loan and is generally based on contractually established commitments from investors, current investor yield requirements, current secondary market pricing, or cash flow models using market–based yield requirements. Our fair value option election loans primarily consist of conforming and government-insured mortgage loans. See Note 15 — Fair Value for details on fair value measurement.

We hold conditional repurchase options in off-balance sheet securitizations that allow us to repurchase a loan at par if it exceeds a certain pre-specified delinquency level (e.g. 90 days). We have discretion regarding when or if we will exercise these options, but generally we will do so only when it is in our best interest. We recognize those assets that can be repurchased under the conditional repurchase option (and any related liability to pay the trust) once the condition has been satisfied, but only in those situations where we have determined that we would have a more than trivial benefit. The assets are recorded in mortgage loans held-for-sale with a corresponding liability in other liabilities. We do not record the asset (and related liability to pay the trust) when delinquent loan repurchase options are both quantitatively and qualitatively deep out of the money, because we would not have a more than trivial benefit from the options.

Finance Receivables and Loans

We classify finance receivables and loans either as held-for-sale or held-for-investment based on management's assessment of its intent and ability to hold for the foreseeable future or until maturity. Management's intent and ability may change from time to time depending on a number of factors including economic, liquidity, and capital conditions. Management's view of the foreseeable future is generally a twelve–month period based on the longest reasonably reliable net income, liquidity, and capital forecast period.

We elected the fair value option for consumer mortgage finance receivables and loans related to certain of our on–balance sheet securitizations that were consolidated upon the adoption of ASU 2009–17. These securitized mortgage loans are legally isolated from us and are beyond the reach of our creditors. They are measured at fair value using a portfolio approach, or an in-use premise. The values for loans held on an in-use basis may differ considerably from loans held–for–sale that can be sold in the whole-loan market. This difference arises primarily due to the liquidity of the asset-backed (ABS) or MBS securities market and is evident in the fact that spreads applied to lower rated ABS/MBS are considerably wider than spreads observed on senior bond classes and in the whole-loan market. The objective in linking the fair value of these loans to the fair value of the related securitization debt is to properly account for our retained economic interest in the securitizations. See Note 15 — Fair Value for details on fair value measurement.

The balance of our consumer finance receivables and loans are reported at the principal amount outstanding, net of unearned income, premiums and discounts, and allowances. Unearned income, which includes deferred origination fees reduced by origination costs, is amortized over the contractual life of the related finance receivable or loan using the interest method. Loan commitment fees are deferred and amortized over the commitment period.

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Our classes of consumer finance receivables are based on several factors including the method for monitoring and assessing credit risk, the method of measuring carrying value, and the risk characteristics of the finance receivable.

Our classes of finance receivables are:

- *1st Mortgage* — Consists of residential mortgage loans that are secured in a first–lien position and have priority over all other liens or claims on the respective collateral.

- *Home equity* — Consists of residential home equity loans or mortgages with a subordinate–lien position.

Nonaccrual Loans

Generally, we recognize all classes of loans as past due when they are 30 days delinquent. Revenue recognition is suspended when loans are placed on nonaccrual status. Generally, all classes of consumer loans are placed on nonaccrual status when delinquent for more than 60 days or when determined not to be probable of full collection. Revenue accrued, but not collected, at the date loans are placed on nonaccrual status is reversed and subsequently recognized only to the extent it is received in cash or until the loan qualifies for return to accrual status. Where there is doubt regarding the ultimate collectability of loan principal, all cash received is applied to reduce the carrying value of the loan. Loans are restored to accrual status only when contractually current and the collection of future payments is reasonably assured. Typically, this requires a sustained period of repayment performance of at least six consecutive months by the borrower.

Charge–offs

Consumer first–lien mortgage loans, which consist of our entire 1st mortgage class and a subset of our home equity class that are secured by real estate, are written down to the estimated fair value of the collateral, less costs to sell, once a mortgage loan becomes 180 days past due. Second-lien consumer mortgage loans within our consumer home equity class are charged off at 180 days past due. First and second–lien consumer mortgage loans in bankruptcy that are 60 days past due are written down to the estimated fair value of the collateral, less costs to sell, within 60 days of receipt of notification of filing from the bankruptcy court. Loans are considered collateral dependent at the time foreclosure proceedings begin and are charged off to the estimated fair value of the collateral, less costs to sell.

Allowance for Loan Losses

The allowance for loan losses (the allowance) is management's estimate of incurred losses with respect to our consumer loan portfolio. Additions to the allowance are charged to current period earnings through the provision for loan losses; amounts determined to be uncollectible are charged directly against the allowance, net of amounts recovered on previously charged–off accounts.

The allowance is comprised of two components: reserves established for specific loans evaluated as impaired and portfolio-level reserves established for large groups of typically smaller balance homogenous loans that are collectively evaluated for impairment. We evaluate the adequacy of the allowance based on the combined total of these two components. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions.

Measurement of impairment for specific reserves is generally determined on a loan–by–loan basis. Loans determined to be specifically impaired are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, an observable market price, or the estimated fair value of the collateral less costs to sell, whichever is determined to be the most appropriate. When these measurement values are lower than the carrying value of that loan, impairment is recognized. Loans that are deemed not to be individually impaired are pooled with other loans with similar risk characteristics for evaluation of impairment for the portfolio-level allowance.

The allowance consists of the combination of a quantitative assessment component based on statistical models, a retrospective evaluation of actual loss information to loss forecasts, and may include a qualitative component based on management judgment. Management takes into consideration relevant qualitative factors, including external and internal trends such as the impacts of changes in underwriting standards, collections and account management effectiveness, geographic concentrations, and economic events, among other factors, that have occurred but are not yet reflected in the quantitative assessment component. All qualitative adjustments are adequately documented, reviewed, and approved through our established risk governance processes.

Mortgage Servicing Rights

Primary servicing rights represent our right to service consumer residential mortgage loans. Primary servicing involves the collection of payments from individual borrowers and the distribution of these payments to the master servicer. Master servicing rights represent our right to service mortgage–and asset–backed securities and whole–loan packages issued for investors. Master servicing involves the collection of borrower payments from primary servicers and the distribution of those funds to investors. We

may at times purchase and sell primary and master servicing rights through transactions with other market participants.

We capitalize the value expected to be realized from performing specified mortgage servicing activities for others as MSRs when the expected future cash flows from servicing are projected to be more than adequate compensation for such activities. These capitalized servicing rights are purchased or retained upon sale or securitization of mortgage loans. MSRs are not recorded on securitizations accounted for as secured financings.

We measure all mortgage servicing assets at fair value. We define our servicing rights based on the availability of market inputs and the manner in which we manage the risks of our servicing assets. We leverage available relevant market data to determine the fair value of our recognized servicing assets.

Accounts Receivable

Accounts receivable are recorded at net realizable value and include servicer advances and receivables. Servicer advances arise in the ordinary course of business as we make advances to investors in mortgage loans serviced by us. Such advances are generally made to maintain scheduled investor cash flows in the event of borrower default or delinquency and may reflect payments of property taxes and insurance premiums in advance of collection from borrowers; principal and interest payments to investors prior to their collection from borrowers; and amounts advanced for mortgages in foreclosure. Servicer advances receive priority cash flows, including contractual interest, in the event of foreclosure or liquidation. As a result, the collection of the advances is reasonably assured. We establish a reserve for any servicing advances where collectability is in doubt.

Derivative Instruments and Hedging Activities

We use derivative instruments for risk management purposes. We have not elected to designate any of our derivative instruments in a qualifying hedging relationship. All derivative financial instruments are recorded as other assets or other liabilities and are measured at fair value and reported in current period earnings. Additionally, we report derivative financial instruments on a gross basis.

Foreclosed Assets

Assets are classified as foreclosed and included in other assets when physical possession of the collateral is taken regardless of whether foreclosure proceedings have taken place. Foreclosed assets are carried at the lower of the outstanding balance at the time of foreclosure or the fair value of the asset less estimated costs to sell. Losses on the revaluation of foreclosed assets are charged to gain on mortgage loans, net at the time of foreclosure. Declines in value after foreclosure are charged to loss on foreclosed real estate.

Property and Equipment

Property and equipment, stated at cost, net of accumulated depreciation and amortization, are reported in other assets. Included in property and equipment are certain buildings, furniture and fixtures, leasehold improvements, IT hardware and software, and capitalized software costs. Depreciation is computed on the straight–line basis over the estimated useful lives of the assets, which generally ranges from 3 to 30 years. Capitalized software is generally amortized on a straight–line basis over its useful life, which generally ranges from three to five years. Capitalized software that is not expected to provide substantive service potential or for which development costs significantly exceed the amount originally expected is considered impaired and written down to fair value. Software expenditures that are considered general, administrative, or of a maintenance nature are expensed as incurred.

Legal and Regulatory Reserves

Reserves for legal and regulatory matters are established when those matters present loss contingencies that are both probable and estimable, with a corresponding amount recorded to noninterest expense. In cases where we have an accrual for losses, it is our policy to include within that estimate an estimate for probable and estimable legal expenses related to the case. If, at the time of evaluation, the loss contingency related to a litigation or regulatory matter is not both probable and estimable, we do not establish an accrued liability. We continue to monitor legal and regulatory matters for further developments that could affect the requirement to establish a liability or that may impact the amount of a previously established liability. There may be exposure to loss in excess of any amounts recognized. For certain other matters where the risk of loss is determined to be reasonably possible, estimable, and material to the financial statements, disclosure regarding details of the matter and an estimated range of loss is required. The estimated range of possible loss does not represent our maximum loss exposure. Financial statement disclosure is also required for matters that are deemed probable or reasonably possible, material to the financial statements, but for which an estimated range of loss is not possible to determine. While we believe our reserves are adequate, the outcome of legal and regulatory proceedings is extremely difficult to predict and we may settle claims or be subject to judgments for amounts that differ from our estimates. For details regarding the nature of all material contingencies, see Note 18 — Guarantees, Commitments and Contingencies.

Liability for Representation and Warranty Obligations

We sell loans that take the form of securitizations guaranteed by the GSEs and to whole–loan purchasers. In addition, we

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infrequently sell securities to investors through private-label securitizations. In prior years, our volume of private label securitization issuance was considerably larger and included securitized loans where monolines insured the related bonds. In connection with these activities we provide to the GSEs, investors, monolines, and whole–loan purchasers various representations and warranties related to the loans sold. These representations and warranties generally relate to, among other things, the ownership of the loan; the validity of the lien securing the loan; the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer; ability to deliver required documentation; and compliance with applicable laws. Generally, these representations and warranties may be enforced at any time over the life of the loan. We also assume all of the customary representation and warranty obligations for loans we purchase from Ally Bank and subsequently sell into the secondary market.

Upon a breach of a representation, we correct the breach in a manner conforming to the provisions of the sale agreement. This may require us either to repurchase the loan, to indemnify (make–whole) a party for incurred losses, or provide other recourse to a GSE, monoline, or investor. Repurchase demands and claims for indemnification payments are generally reviewed on a loan–by–loan basis to validate if there has been a breach requiring repurchase or a make–whole payment. We actively contest claims to the extent we do not consider them valid. In cases where we repurchase loans, we bear the subsequent credit loss on the loans. Repurchased loans are classified as held–for–sale and initially recorded at fair value. Any initial impairment is charged to the liability for representation and warranty obligations. We seek to manage the risk of repurchase and associated credit exposure through our underwriting and quality assurance practices and by servicing mortgage loans to meet investor standards.

At the time a loan is sold, an estimate of the fair value of the liability is recorded and classified in other liabilities and recorded as a component of gain on mortgage loans, net. We recognize changes in the liability throughout the life of the sold loans, as necessary, when additional relevant information becomes available. Changes in the liability are recorded as representation and warranty expense.

Reinsurance Arrangements

We have entered into excess layer reinsurance agreements with non-affiliated private mortgage insurance (PMI) companies that provide PMI for certain of our mortgage loan servicing portfolio. We assume the risk of loss over a specified first loss percentage for covered loans and in return earn a portion of the PMI premium associated with those mortgage loans. We reserve for loss and loss adjustment expenses when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted.

Income Taxes

We, through ResCap, are a division of Ally Inc., a corporation, for income tax purposes. We are subject to corporate U.S. Federal, state, and local taxes and are included in the consolidated Ally Inc. U.S. Federal and unitary and/or consolidated state income tax returns. We provide for our U.S. Federal and state taxes on a stand alone basis which is consistent with the applicable tax sharing agreement between us and our Parent. The tax sharing agreement requires taxes to be based on the income tax liability determined as if we were a separate affiliated group of corporations filing consolidated U.S. Federal and state income tax returns.

Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not.

Recently Adopted Accounting Standards

Comprehensive Income - Presentation of Comprehensive Income (ASU 2011-05)

As of December 31, 2011, we early adopted Accounting Standards Update (ASU) 2011-05, which amended Accounting Standards Codification (ASC) 220, Comprehensive Income. The amendments increased the prominence of items reported in other comprehensive income and facilitated convergence between GAAP and International Financial Reporting Standards (IFRS). This ASU required that nonowner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. We elected to early adopt ASU 2011-05, including the deferral permitted under ASU 2011-12 (*Comprehensive Income - Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*), by retrospective application for the two years ended December 31, 2011, and 2010. Because this ASU impacts only presentation, there was not a material impact to our financial condition or results of operations.

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Receivables - A Creditor's Determination of Whether a Restructuring Is a Troubled Debt Restructuring (ASU 2011-02)

As of July 1, 2011, we adopted ASU 2011-02, which amends ASC 310, Receivables. ASU 2011-02 clarifies which loan modifications constitute a TDR. It is intended to assist creditors in determining whether a modification of the terms of a receivable meets the criteria to be considered a troubled debt restructuring, both for purposes of recording an impairment loss and for disclosure of TDRs. The ASU must be applied retrospectively to modifications made to the beginning of the annual period of adoption, which for us is January 1, 2011.

Effective September 30, 2011, ASU 2011-02 also required us to disclose, if material, the total amount of receivables and the allowance for credit losses related to those receivables that are newly considered impaired for which impairment was previously measured under ASC 450-20, Contingencies - Loss Contingencies.

The adoption did not have a material impact to our consolidated financial condition or results of operations.

Receivables - Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses (ASU 2010-20)

ASU 2010-20 was implemented in three distinct components as required by the ASU. Beginning with the three months ended September 30, 2011 and in conjunction with the requirements of ASU 2011-02, the deferral of TDR related disclosures within ASU 2010-20 prescribed by ASU 2011-01, *Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20*, was ended, which required us to expand our TDR disclosures to include more information on modifications that are classified as TDRs. Beginning with the three months ended March 31, 2011, ASU 2010-20 required us to disclose a rollforward of the allowance for loan losses and additional activity-based disclosures for both financing receivables, and the allowance for each reporting period.

We early adopted the rollforward requirement during the December 31, 2010, reporting period along with the initial expansion of disclosures related to the credit quality of finance receivables and loans. Since the guidance relates only to disclosures, adoption of each of the phases did not have a material impact on our consolidated financial condition or results of operations.

Recently Issued Accounting Standards

Fair Value Measurement - Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS (ASU 2011-04)

In May 2011, the FASB issued ASU 2011-04, which amends ASC 820, Fair Value Measurements. The amendments in this ASU clarify how to measure fair value. It is intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and IFRS. The ASU will be effective for us on January 1, 2012, and must be applied prospectively. Early adoption is not permitted. We do not expect the adoption to have a material impact to our consolidated financial condition or results of operations.

Balance Sheet - Disclosures about Offsetting Assets and Liabilities (ASU 2011-11)

In December 2011, the FASB issued ASU 2011-11, which contains new disclosure requirements regarding the nature of an entity's rights of setoff and related arrangements associated with its financial instruments and derivative instruments. The new disclosures will give financial statement users information about both gross and net exposures. ASU 2011-11 is effective for us on January 1, 2013, and retrospective application is required. Since the guidance relates only to disclosures, adoption is not expected to have a material impact on our consolidated financial condition or results of operations.

2. Mortgage Loans Held–for–sale

The composition of residential mortgage loans held–for–sale reported at carrying value, were as follows.

December 31, *($ in thousands)*	**2011(a) (b)**	2010(a) (b)
1st Mortgage	**$2,674,407**	$2,895,293
Home equity	**430,945**	488,822
Total mortgage loans held–for–sale (c)	**$3,105,352**	$3,384,115

(a) Includes mortgage loans subject to conditional repurchase options of $2.3 billion and $2.3 billion sold to Ginnie Mae guaranteed securitizations and $5.1 million and $3.9 million sold to off-balance sheet private-label securitization trusts at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities. See Note 4 — Securitizations and Variable Interest Entities for additional information.

(b) Includes mortgage loans for which we have elected the fair value option of $27.3 million and $17.7 million at December 31, 2011 and December 31, 2010, respectively. See Note 15 — Fair Value for additional information.

(c) The carrying values are net of discounts of $53.2 million and $(145.2) million, fair value adjustments of ($1.3) million and $0.1 million, lower of cost or fair value adjustments of $13.3 million and $31.3 million, and UPB write-downs of $318.2 million and $427.7 million at December 31, 2011 and 2010, respectively.

3. Finance Receivables and Loans, Net

The composition of finance receivables and loans, net reported at carrying value before allowance for loan losses, were as follows.

December 31, *($ in thousands*)	**2011**	2010
Consumer		
1st Mortgage	**$726**	$1,095
Home equity	**205,191**	240,635
Total consumer finance receivables and loans (a) (b)	**$205,917**	$241,730

(a) Consumer mortgages include $42.6 million and $43.4 million at fair value as a result of fair value option elections as of December 31, 2011 and 2010, respectively. See Note 15 — Fair Value for additional information.

(b) The carrying values are net of fair value adjustments of $87.0 million and $116.5 million, at December 31, 2011 and 2010, respectively.

The following table presents an analysis of the activity in the allowance for loan losses on consumer finance receivables and loans, net.

($ in thousands)	**2011**	2010
Allowance at January 1,	**$16,676**	$13,481
Provision for loan losses	**(2,697)**	5,586
Charge-offs	**(6,374)**	(4,370)
Recoveries	**2,521**	1,979
Net charge-offs	**(3,853)**	(2,391)
Allowance at December 31,	**$10,126**	$16,676
Allowance for loan losses		
Individually evaluated for impairment	**$3,035**	$3,626
Collectively evaluated for impairment	**7,091**	13,049
Finance receivables and loans		
Individually evaluated for impairment	**8,055**	7,233
Collectively evaluated for impairment	**155,261**	191,154

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The following table presents an analysis of our past due finance receivables and loans at gross carrying value.

($ in thousands)	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total
December 31, 2011						
Consumer mortgage						
1st Mortgage	**$70**	**$—**	**$63**	**$133**	**$593**	**$726**
Home equity	**3,156**	**1,885**	**2,309**	**7,350**	**197,841**	**205,191**
Total consumer mortgage	**$3,226**	**$1,885**	**$2,372**	**$7,483**	**$198,434**	**$205,917**
December 31, 2010						
Consumer mortgage						
1st Mortgage	$106	$—	$—	$106	$989	$1,095
Home equity	3,066	1,364	2,044	6,474	234,161	240,635
Total consumer mortgage	$3,172	$1,364	$2,044	$6,580	$235,150	$241,730

The following table presents the carrying amount of our finance receivables and loans in nonaccrual status.

December 31, *($ in thousands)*	2011	2010
Consumer mortgage (a)		
1st Mortgage	**$133**	$296
Home equity	**7,023**	8,320
Total consumer	**$7,156**	$8,616

(a) Interest revenue that would have been accrued on total nonaccrual consumer mortgage finance receivables and loans at original contractual rates was $0.4 million and $0.4 million during the years ended December 31, 2011 and 2010, respectively. Interest income recorded for these nonaccrual loans was $0.5 million and $0.6 million during the years ended December 31, 2011 and 2010, respectively.

Management performs a quarterly analysis of its consumer finance receivable and loan portfolio using a range of credit quality indicators to assess the adequacy of the allowance based on historical and current trends. Based on our allowance methodology, our credit quality indicators are performing and nonperforming.

The following table presents the credit quality indicators for our consumer mortgage loan portfolio at gross carrying value.

	2011			2010		
December 31, ($ in thousands)	**Performing**	**Nonperforming**	**Total**	Performing	Nonperforming	Total
Consumer mortgage						
1st Mortgage	**$593**	**$133**	**$726**	$799	$296	$1,095
Home equity	**198,168**	**7,023**	**205,191**	232,315	8,320	240,635
Total consumer mortgage	**$198,761**	**$7,156**	**$205,917**	$233,114	$8,616	$241,730

As of December 31, 2011, the five largest state concentrations based on carrying value for our finance receivables and loans, net were as follows.

December 31, 2011	
California	**24.8%**
Michigan	**10.0**
New York	**5.6**
New Jersey	**5.0**
Massachusetts	**4.6**
All other	**50.0**
Total	**100.0%**

4. Securitizations and Variable Interest Entities

Overview

We are involved in several types of securitization and financing transactions that utilize special–purpose entities (SPEs). A SPE is an entity that is designed to fulfill a specified limited need of the sponsor. Our principal use of SPEs is to obtain liquidity by securitizing certain of our financial assets.

The SPEs involved in securitization and other financing transactions are generally considered variable interest entities (VIEs). VIEs are entities that have either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support or whose equity investors lack the ability to control the entity's activities.

Securitizations

We provided a wide range of consumer mortgage loan products to a diverse customer base. We often securitize these loans through the use of securitization entities, which may or may not be consolidated on our Consolidated Balance Sheet. We securitize consumer mortgage loans through either the GSEs or private-label (nonagency) securitizations. For the periods presented our consumer mortgage loan activity is primarily securitized through the GSEs.

Our current securitization activity is executed primarily with the GSEs. In the case of Fannie Mae and Freddie Mac, the securitization entity is not owned by us. Typically, we sell pools of financial assets to a transaction-specific securitization entity owned by Fannie Mae or Freddie Mac in exchange for the beneficial interests of the securitization entity, which are subsequently sold by us to Ally IM or third party investors. These beneficial interests are collateralized by the transferred loans and entitle the investors to specified cash flows generated from the securitized loans. In the aggregate, these beneficial interests have the same average life as the transferred financial assets. Payments of interest and principal to the beneficial interest holders are guaranteed by the GSEs. We typically retain primary servicing rights associated with these GSE securitizations. Because our servicing activities are governed by the GSE servicing guide(s), we are not deemed to have power over the securitization entity's most crucial activities and therefore these securitizations are not consolidated.

Historically we sold pools of financial assets to a wholly owned, bankruptcy-remote SPE, which transferred the financial assets to a separate, transaction-specific securitization entity for cash, servicing rights, and in some transactions, other retained interests (private-label securitization). The securitization entity was funded through the issuance of beneficial interests in the securitized financial assets. The beneficial interests took the form of either notes or trust certificates that were sold to investors and/or retained by us. These beneficial interests are collateralized by the transferred loans and entitle the investors to specified cash flows generated from the securitized loans. In the aggregate, these beneficial interests have the same average life as the transferred financial assets. In addition to providing a source of liquidity and cost-efficient funding, securitizing these financial assets also reduced our credit exposure to the borrowers beyond any economic interest we retained.

Each securitization, whether private-label or GSE, is governed by various legal documents that limit and specify the activities of the securitization entity. The securitization entity is generally allowed to acquire the loans, to issue beneficial interests to investors to fund the acquisition of the loans, and, in the case of private-label securitizations, to enter into derivatives or other yield maintenance contracts (e.g., coverage by monoline bond insurers) to hedge or mitigate certain risks related to the financial assets or beneficial interests of the entity. A servicer, who is generally us, is appointed pursuant to the underlying legal documents to service the assets the securitization entity holds and, in the case of private-label securitizations, the beneficial interests it issues. Servicing functions include, but are not limited to, making certain payments of property taxes and insurance premiums, default and property maintenance payments, as well as advancing principal and interest payments before collecting them from individual borrowers. To the extent we are the servicer, our responsibilities, which constitute continued involvement in the transferred financial assets, consist of primary servicing (i.e., servicing the underlying transferred financial assets) and/or master servicing (i.e., servicing the beneficial interests that result from the securitization transactions). Certain securitization entities also require the servicer to advance scheduled principal and interest payments due on the beneficial interests issued by the entity regardless of whether cash payments are received on the underlying transferred financial assets. Accordingly, we are required to provide these servicing advances when applicable. See Note 5 - Servicing Activities for additional information regarding our servicing rights.

In private-label securitizations, cash flows from the assets initially transferred into the securitization entity represent the sole source for payment of distributions on the beneficial interests issued by the securitization entity and for payments to the parties that perform services for the securitization entity, such as the servicer or the trustee. In certain private-label securitization transactions, a liquidity facility may exist to provide temporary liquidity to the entity. The liquidity provider generally is reimbursed prior to other parties in subsequent distribution periods. Monoline insurance may also exist to cover certain shortfalls to certain investors in the beneficial interests issued by the securitization entity. As noted above, in certain private-label securitizations, the servicer is required to advance scheduled principal and interest payments due on the beneficial interests regardless of whether cash payments

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are received on the underlying transferred financial assets. The servicer is allowed to reimburse itself for these servicing advances. Additionally, certain private-label securitization transactions may allow for the acquisition of additional loans subsequent to the initial loan transfer. Principal collections on other loans and/or the issuance of new beneficial interests, such as variable funding notes, generally fund these loans; we are often contractually required to invest in these new interests.

We may retain beneficial interests in our private-label securitizations, which may represent a form of significant continuing economic interest. These retained interests include, but are not limited to, senior or subordinate mortgage- or asset-backed securities, interest-only strips, principal-only strips, and residuals. Certain of these retained interests provide credit enhancement to the trust as they may absorb credit losses or other cash shortfalls. Additionally, the securitization agreements may require cash flows to be directed away from certain of our retained interests due to specific over-collateralization requirements, which may or may not be performance-driven.

We generally hold certain conditional repurchase options that allow us to repurchase assets from the securitization entity. The majority of our private-label securitizations provide us, as servicer, with a call option that allows us to repurchase the remaining transferred financial assets or outstanding beneficial interests at our discretion once the asset pool reaches a predefined level, which represents the point where servicing becomes burdensome (a clean-up call option). The repurchase price is typically the par amount of the loans plus accrued interest. Additionally, we may hold other conditional repurchase options that allow us to repurchase a transferred financial asset if certain events outside our control are met. The typical conditional repurchase option is a delinquent loan repurchase option that gives us the option to purchase the loan if it exceeds a prespecified delinquency level. We have discretion regarding when or if we will exercise these options, but generally, we would do so only when it is in our best interest.

Other than our customary representation and warranty obligations, these securitizations are nonrecourse to us, thereby transferring the risk of future credit losses to the extent the beneficial interests in the securitization entities are held by third parties. Representation and warranty provisions generally require us to repurchase loans or indemnify the investor or other party for incurred losses to the extent it is determined that the loans were ineligible or were otherwise defective at the time of sale. See Note 18 - Guarantees, Commitments and Contingencies for detail on representation and warranty provisions. We did not provide any noncontractual financial support to any of these entities during the years ended December 31, 2011 and 2010.

Other Variable Interest Entities

Servicer Advance Funding Entity — To assist in the financing of our servicer advance receivables, we formed a SPE that issues term notes and variable funding notes to third–party investors that are collateralized by servicer advance receivables. These servicer advance receivables are transferred to the SPE and consist of delinquent principal and interest advances we made as servicer to various investors; property taxes and insurance premiums advanced to taxing authorities and insurance companies on behalf of borrowers; and amounts advanced for mortgages in foreclosure. The SPE funds the purchase of the receivables through financing obtained from the third–party investors and subordinated loans or an equity contribution from us. This SPE is consolidated on our balance sheet at December 31, 2011 and 2010. The beneficial interest holder of this SPE does not have legal recourse to our general credit. We do not have a contractual obligation to provide any type of financial support in the future, nor have we provided noncontractual financial support to the entity during the years ended December 31, 2011 and 2010.

Home Equity Funding Entity — To assist in the financing of certain of our home equity mortgage loans, we formed a SPE that issued variable funding notes to third–party investors that are collateralized by home equity loans and revolving lines of credit. This SPE is consolidated on our balance sheet at December 31, 2011 and 2010. The beneficial interest holder of this VIE does not have legal recourse to our general credit. We do not have a contractual obligation to provide any type of financial support in the future, nor have we provided noncontractual financial support to the entity during the years ended December 31, 2011 and 2010.

Involvement with Variable Interest Entities

The determination of whether financial assets transferred by us to VIEs (and related liabilities) are consolidated on our balance sheet (also referred to as on–balance sheet) or not consolidated on our balance sheet (also referred to as off–balance sheet) depends on the terms of the related transaction and our continuing involvement (if any) with the SPE. We are deemed the primary beneficiary and, therefore, consolidate VIEs for which we have both (a) the power through voting rights or similar rights to direct the activities that most significantly impact the VIE's economic performance, and (b) a variable interest (or variable interests) that (i) obligates us to absorb losses that could potentially be significant to the VIE and/or (ii) provides us the right to receive residual returns of the VIE that could potentially be significant to the VIE. We determine whether we hold a significant variable interest in a VIE based on a consideration of both qualitative and quantitative factors regarding the nature, size, and form of our involvement with the VIE. We assess whether we are the primary beneficiary of a VIE on an ongoing basis.

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Our involvement with consolidated and nonconsolidated VIEs in which we hold a variable interest as of December 31, 2011 and 2010, is presented below.

($ in thousands)	Consolidated involvement with VIEs	Assets of nonconsolidated VIEs, net (a)	Maximum exposure to loss in nonconsolidated VIEs (b)
December 31, 2011			
On–balance sheet variable interest entities			
Private-label securitizations	**$99,938**	**$—**	**$—**
Servicer Advance Funding (c)	**920,592**	**—**	**—**
Home Equity Funding	**156,423**	**—**	**—**
Off–balance sheet variable interest entities			
Ginnie Mae securitizations	**2,651,939 (d)**	**44,126,607**	**44,126,607**
Private-label securitizations	**27,289 (e)**	**1,538,817**	**1,538,817**
Total	**$3,856,181**	**$45,665,424**	**$45,665,424**
December 31, 2010			
On–balance sheet variable interest entities			
Private-label securitizations	$180,145	$—	$—
Servicer Advance Funding	954,351	—	—
Home Equity Funding	186,368	—	—
Off–balance sheet variable interest entities			
Ginnie Mae securitizations	2,908,823 (d)	43,594,804	43,594,804
Private-label securitizations	31,644 (e)	2,039,215	2,039,215
Total	$4,261,331	$45,634,019	$45,634,019

(a) Asset values represent the current UPB of outstanding consumer mortgage loans within the VIEs.

(b) Maximum exposure to loss represents the current UPB of outstanding consumer mortgage loans based on our customary representation and warranty provisions. This measure is based on the unlikely event that all of the loans have underwriting defects or other defects that trigger a representation and warranty provision and the collateral supporting the loans is worthless. This required disclosure is not an indication of our expected loss.

(c) Represents current outstanding balance of mortgage servicer advances in the amount of $823.1 million and current outstanding balance of a receivable due from our affiliate RFC in the amount of $97.5 million that we are required to consolidate as we are deemed to be the primary beneficiary of the VIE. The affiliate receivable reflects RFC's ability to participate in the facility.

(d) Includes $377.8 million and $569.0 million classified as MSRs and $2.3 billion and $2.3 billion of mortgage loans held–for–sale that are subject to conditional repurchase options at December 31, 2011 and 2010, respectively. The corresponding liability related to conditional repurchase option loans is recorded in other liabilities.

(e) Includes $17.9 million and $3.9 million classified as other assets, $4.4 million and $0.0 million classified as mortgage servicing rights and $5.1 million and $3.9 million of mortgage loans held–for–sale that are subject to conditional repurchase options at December 31, 2011 and 2010, respectively. The corresponding liability related to conditional repurchase option loans is recorded in other liabilities.

On–balance Sheet Variable Interest Entities

We engage in securitization and other financing transactions that do not qualify for off–balance sheet treatment. In these situations, we hold beneficial interests or other interests in the VIE, which represents a form of significant continuing economic interest. The interests held include, but are not limited to, senior or subordinate mortgage– or asset–backed securities, interest–only strips, principal–only strips, residuals, and servicing rights. Certain of these retained interests provide credit enhancement to the securitization entity as they may absorb credit losses or other cash shortfalls. Additionally, the securitization documents may require cash flows to be directed away from certain of our retained interests due to specific over–collateralization requirements, which may or may not be performance–driven. Because these securitization entities are consolidated, these retained interests and servicing rights are not recognized as separate assets on our Consolidated Balance Sheet.

We consolidate certain of these entities because we have a controlling financial interest in the VIE, primarily due to our servicing activities, and because we hold a significant variable interest in the VIE. We are the primary beneficiary of certain private-label securitization entities for which we perform servicing activities and have retained a significant variable interest in the form of a beneficial interest. In cases where we did not meet sale accounting under previous guidance, unless we have made modifications to the overall transaction, we do not meet sale accounting under current guidance as we are not permitted to revisit sale accounting

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guidelines under the current guidance. In cases where substantive modifications are made, we then reassess the transaction under the amended guidance based on the new circumstances.

Consolidated VIEs represent separate entities with which we are involved. The third–party investors in the obligations of consolidated VIEs have legal recourse only to the assets of the VIEs and do not have recourse to us, except for customary representation and warranty provisions or situations where we are the counterparty to certain derivative transactions involving the VIE. Cash flows from the assets are restricted only to pay such liabilities. Thus, our economic exposure to loss from outstanding third–party financing related to consolidated VIEs is significantly less than the carrying value of the consolidated VIE assets. All assets are restricted for the benefit of the beneficial interest holders. See Note 15 — Fair Value for discussion of the assets and liabilities for which the fair value option has been elected.

Off-balance Sheet Variable Interest Entities

The nature, purpose, and activities of nonconsolidated securitization entities are similar to those of our consolidated securitization entities with the primary difference being the nature and extent of our continuing involvement. The cash flows from the assets of nonconsolidated securitization entities generally are the sole source of payment on the securitization entities' liabilities. The creditors of these securitization entities have no recourse to us with the exception of market customary representation and warranty provisions as described in Note 18 — Guarantees, Commitments and Contingencies.

Nonconsolidated VIEs include entities for which we either do not hold significant variable interests or do not provide servicing or asset management functions for the financial assets held by the securitization entity. Additionally, to qualify for off–balance sheet treatment, transfers of financial assets must meet sale accounting conditions in ASC 860. Our residential mortgage loan securitizations consist of GSE and private-label securitizations. We are not the primary beneficiary of any GSE loan securitization transaction because we do not have the power to direct the significant activities of such entities. Additionally, we do not consolidate certain private-label securitizations because we do not have a variable interest that could potentially be significant or we do not have power to direct the activities that most significantly impact the performance of the VIE.

For nonconsolidated securitization entities, the transferred financial assets are removed from our balance sheet provided the conditions for sale accounting are met. The financial assets obtained from the securitization are primarily reported as cash, servicing rights, or retained interests (if applicable). As an accounting policy election, we elected fair value treatment for our MSR portfolio. Liabilities incurred as part of these securitization transactions, such as representation and warranty provisions, are recorded at fair value at the time of sale and are reported as other liabilities on our Consolidated Balance Sheet. Upon the sale of the loans, we recognize a gain or loss on sale for the difference between the assets recognized, the assets derecognized, and the liabilities recognized as part of the transaction.

The following summarizes the pretax gains and losses recognized on financial assets sold into nonconsolidated securitization and similar asset-backed financing entities.

Year ended December 31, *($ in thousands)*	**2011**	2010
Total pretax gain (loss) for Consumer mortgage — GSEs	**$686,833**	$718,622

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The following table summarizes cash flows received from and paid to securitization entities that are accounted for as a sale and in which we have a continuing involvement with the transferred assets (e.g., servicing) that were outstanding during 2011 and 2010. This table contains information regarding cash flows received from and paid to nonconsolidated securitization entities that existed during each period.

	Consumer mortgage	
Year ended December 31, *($ in thousands)*	**GSEs**	**Nonagency**
2011		
Cash proceeds from transfers completed during the year	**$59,814,651**	$—
Cash flows received on retained interests in securitization entities	**—**	**11,985**
Servicing fees	**518,069**	**50,713**
Purchases of previously transferred financial assets		
Representation and warranty obligations	**(143,340)**	**(179)**
Other repurchases	**(2,537,257)**	**(49,252) (a)**
Other cash flows	**(6,302)**	**120,220**
Total net cash flows	**$57,645,821**	**$133,487**
2010		
Cash proceeds from transfers completed during the year	$68,821,918	$—
Cash flows received on retained interests in securitization entities	—	17,038
Servicing fees (b)	476,897	31,692
Purchases of previously transferred financial assets		
Representation and warranty obligations	(388,873)	(160)
Other repurchases	(1,865,408)	(102,016) (a)
Other cash flows	(25,200)	21,829
Total net cash flows	$67,019,334	($31,617)

(a) Includes repurchases in connection with clean up call options.

(b) We determined the amounts previously disclosed related to servicing fees for the year ended December 31, 2010, were misstated. Previously disclosed servicing fees were $733.1 million for GSEs and $30.8 million for nonagency. These amounts were corrected in the presentation above. The misstatement had no impact on our consolidated financial condition or results of operations.

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The following table represents on–balance sheet mortgage loans held–for–sale and consumer finance receivable and loans, off–balance sheet securitizations, and whole–loan sales where we have continuing involvement. The table presents information about delinquencies and net credit losses. See Note 5 — Servicing Activities for further detail on total serviced assets.

	Total UPB		Amount 60 days or more past due		Net credit losses	
December 31, *($ in thousands)*	**2011**	2010	**2011**	2010	**2011**	2010
On–balance sheet loans						
Consumer mortgage held–for–sale	**$3,173,195 (a)**	$3,560,520 (a)	**$2,450,651 (a)**	$2,552,194 (a)	**$6,773**	$ (34,456) (b)
Consumer mortgage finance receivables and loans	**292,891**	358,204	**7,288**	6,433	**6,534**	6,447
Total on–balance sheet loans	**3,466,086**	3,918,724	**2,457,939**	2,558,627	**13,307**	(28,009)
Off–balance sheet securitization entities						
Consumer mortgage — GSEs (c)	**131,635,288**	152,373,232	**7,666,285**	11,947,733	n/m	n/m
Consumer mortgage — nonagency	**8,209,555**	9,870,875	**424,054**	511,017	**393,987**	516,589
Total off–balance sheet securitization entities	**139,844,843**	162,244,107	**8,090,339**	12,458,750	**393,987**	516,589
Whole-loan transactions (d)	**14,775,204**	15,473,103	**2,075,535**	2,694,912	**642,336**	968,985(b)
Total	**$158,086,133**	$181,635,934	**$12,623,813**	$17,712,289	**$1,049,630**	$1,457,565

n/m = not meaningful

(a) Includes loans subject to conditional repurchase options of $2.3 billion and $2.3 billion guaranteed by Ginnie Mae, and $5.1 million and $3.9 million sold to certain nonagency mortgage securitization entities at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities.

(b) We determined the amounts previously disclosed related to net credit losses for the year ended December 31, 2010, were misstated. Previously disclosed net credit losses were $119.3 million for on-balance sheet mortgage loans held-for-sale and whole loan net credit losses were reported as zero. These amounts were corrected in the presentation above. The misstatement had no impact on our consolidated financial condition or results of operations.

(c) Anticipated credit losses are not meaningful due to the GSEs guarantees.

(d) Whole-loan transactions are not part of a securitization transaction, but represent pools of consumer mortgage loans sold to investors.

Changes in Accounting for Variable Interest Entities

ASU 2009–17 became effective on January 1, 2010, and upon adoption, we consolidated certain securitization entities that were previously held off–balance sheet. On January 1, 2010, we recognized a net increase of $258.6 million to assets and liabilities on our Consolidated Balance Sheet.

During 2010, we completed the sale of our significant retained residuals and subordinate bonds related to certain on-balance sheet securitization entities. Since we disposed of our variable interests in these securitization entities to unrelated third parties, a reassessment was required to determine whether we continued to hold a controlling financial interest. All subordinate retained economic interests in these entities were sold and therefore we no longer held a controlling financial interest. All assets and liabilities associated with the trust were derecognized and all retained interests in the entities, including insignificant retained senior interests and mortgage servicing rights, were recorded at their fair values at the date of deconsolidation. Consolidated assets and consolidated liabilities of $212.6 million and $211.3 million, respectively, associated with this transaction were derecognized and a gain of $0.8 million was recorded. We continue to hold servicing rights associated with these transactions; however retained servicing does

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not preclude deconsolidation because the retained servicing we hold does not absorb a potentially significant level of variability in the securitization entities. Upon deconsolidation we recorded $7.8 million of servicing rights.

5. Servicing Activities

Mortgage Servicing Rights

The following table summarizes our activity related to MSRs. Although there are no market transactions that are directly observable, management estimates fair value based on the price it believes would be received to sell the MSR asset in an orderly transaction under current market conditions.

($ in thousands)	**2011**	2010
Estimated fair value at January 1,	**$1,827,529**	$2,254,269
Additions recognized on sale of mortgage loans	**54,357**	184,494
Subtractions from sales of servicing assets	**(302)**	(245)
Changes in fair value		
Due to changes in valuation inputs or assumptions used in the valuation model	**(530,149)**	(89,630)
Other changes in fair value	**(219,987)**	(516,443)
Other changes that affect the balance (a) (b)	**70**	(4,916)
Estimated fair value at December 31,	**$1,131,518**	$1,827,529

(a) In 2010 we derecognized $12.7 million of MSRs upon initial adoption of ASU 2009–17.

(b) In 2010 we deconsolidated certain VIEs resulting in the recognition of $7.8 million of MSRs. See Note 4 — Securitizations and Variable Interest Entities for additional information.

Changes in fair value due to changes in valuation inputs or assumptions used in the valuation models include all changes due to a revaluation by a model or by a benchmarking exercise. Other changes in fair value primarily include the accretion of the present value of the discount related to forecasted cash flows and the economic run-off of the portfolio.

The key economic assumptions and the sensitivity of the fair value of MSRs to immediate 10% and 20% adverse changes in those assumptions were as follows.

December 31, *($ in thousands)*	**2011**	2010
Weighted average life *(in years)*	**4.2**	5.9
Weighted average prepayment speed	**18.5%**	11.7%
Impact on fair value of 10% adverse change	**($67,419)**	($85,539)
Impact on fair value of 20% adverse change	**(127,845)**	(161,647)
Weighted average discount rate	**6.3%**	11.7%
Impact on fair value of 10% adverse change	**($18,043)**	($36,930)
Impact on fair value of 20% adverse change	**(35,111)**	(72,102)

These sensitivities are hypothetical and should be considered with caution. Changes in fair value based on a 10% and 20% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another (e.g., increased market interest rates may result in lower prepayments and increased credit losses) that could magnify or counteract the sensitivities. Further, these sensitivities show only the change in the asset balances and do not show any expected change in the fair value of the instruments used to manage the interest rate and prepayment risks associated with these assets.

Risk Mitigation Activities

The primary economic risk related to our MSR is interest rate risk and the resulting impact on prepayment speeds. A significant decline in interest rates could lead to higher than expected prepayments that could reduce the value of the MSRs. We economically hedge the impact of this risk with both derivative and nonderivative financial instruments. These instruments include interest rate swaps, caps and floors, options to purchase these items, futures and forward contracts, constant monthly maturity (index trades), synthetic interest only and principal only securities and/or to–be–announced (TBAs) securities. The net fair value of derivative financial instruments used to mitigate this risk amounted to $(199.8) million and $(207.6) million at December 31, 2011 and 2010, respectively. See Note 16 — Derivative Instruments and Hedging Activities for additional information.

The components of servicing asset valuation and hedge activities, net, were as follows.

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Year ended December 31, *($ in thousands)*	**2011**	2010
Change in estimated fair value of mortgage servicing rights	**($750,136)**	($606,073)
Change in fair value of derivative financial instruments	**456,720**	946,322
Servicing asset valuation and hedge activities, net	**($293,416)**	$340,249

Mortgage Servicing Fees

The components of servicing fees were as follows.

Year ended December 31, *($ in thousands)*	**2011**	2010
Contractual servicing fees (net of guarantee fees and including sub servicing)	**$529,473**	$604,275
Late fees	**55,822**	69,822
Ancillary fees	**145,581**	174,658
Total	**$730,876**	$848,755

Mortgage Servicer Advances

In connection with our primary servicing activities (i.e., servicing of mortgage loans), we make certain payments for property taxes and insurance premiums, default and property maintenance payments, as well as advances of principal and interest payments before collecting them from individual borrowers. Servicer advances, including contractual interest are priority cash flows in the event of a loan principal reduction or foreclosure and ultimate liquidation of the real estate–owned property, thus making their collection reasonably assured. These servicer advances are included in accounts receivable and totaled $1.8 billion and $1.8 billion at December 31, 2011 and 2010, respectively. We maintain an allowance for uncollectible primary servicer advances, which totaled $42.5 million and $25.0 million at December 31, 2011 and 2010, respectively. Our potential advance obligation is influenced by a borrower's performance and credit quality. Additionally, we have fiduciary responsibility for mortgage escrow and custodial funds of approximately $4.4 billion and $4.2 billion at December 31, 2011 and 2010, respectively. These amounts are segregated in custodial bank accounts, which are not included on our Consolidated Balance Sheet.

We advance funds for various activities related to the foreclosure process principally related to attorney fees and costs, appraisals, escrow, insurance and property preservation, in the event we, or the investor, determine foreclosure is the most appropriate loss mitigation strategy. In the current environment, many states and local jurisdictions are requiring us to alter our processes in connection with foreclosures and in some circumstances this can result in us restarting the foreclosure process entirely or repeating certain of the required steps (foreclosure restarts). To the extent we restart the process, in whole or in part, we will not be reimbursed for advances in connection with the original activities. The circumstances and extent of any foreclosure restart are specific and unique to each state and/or local jurisdiction. During the year ended December 31, 2011, we recognized losses of $22.1 million in connection with foreclosure restarts. These losses are recorded in other noninterest expense, net. At December 31, 2011, we had a reserve for uncollectible advances in connection with estimated foreclosure restarts of $9.9 million.

At December 31, 2011, we had an allowance for uncollectible primary servicer advances of $7.5 million related to expected loan modification activities in connection with our February 9, 2012 settlement agreement. See Note — 18 Guarantees, Commitments and Contingencies for additional information. To the extent amounts had been advanced for loans that are expected to be modified in connection with the settlement, these amounts will not be collected. The amount of this allowance is management's best estimate given the anticipated modification activity.

When we act as a subservicer of mortgage loans, we perform the responsibilities of a primary servicer but do not own the corresponding primary servicing rights. We receive a fee from the primary servicer for such services. As the subservicer, we would have the same responsibilities of a primary servicer in that we would make certain payments of property taxes and insurance premiums, default and property maintenance, as well as advances of principal and interest payments before collecting them from individual borrowers. As of December 31, 2011 and 2010, outstanding servicer advances related to subserviced loans were $124.9 million and $140.0 million and we had a reserve for uncollectible subservicer advances of $1.1 million and $0.5 million, respectively.

Serviced Mortgage Assets

In many cases we act as the primary servicer. However, in certain cases, we also service loans that have been purchased and subsequently sold through a securitization trust or whole–loan sale whereby the originator retained the primary servicing rights.

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The unpaid principal balance of total serviced mortgage assets was as follows.

December 31, ($ in millions)	**2011**	2010 (d)
On–balance sheet mortgage loans (a)		
Held–for–sale and investment	**$4,155**	$5,363
Off–balance sheet mortgage loans		
Loans held by third–party investors		
Consumer mortgage private-label	**8,841**	10,581
Consumer mortgage agency	**131,635**	152,373
Consumer mortgage whole-loan portfolios	**13,054**	15,470
Purchased servicing rights (b)	**3,247**	3,946
Total primary serviced mortgage loans	**160,932**	187,733
Subserviced mortgage loans (c)	**212,925**	187,953
Total serviced mortgage loans	**$373,857**	$375,686

(a) Includes on–balance sheet securitization consumer finance receivables and loans. See Note 3 — Finance Receivables and Loans, net, for additional information.

(b) There is no recourse to us outside of customary contractual provisions relating to the execution of the services we provide.

(c) Includes loans where we act as a subservicer under contractual agreements with the primary servicer, including Ally Bank and RFC. As subservicer, there is no recourse to us outside of customary contractual provisions relating to the execution of the services we provide, except for loans subserviced on behalf of Ally Bank. See Note 20 — Related Party Transactions for additional information.

(d) We have reclassified conditional repurchase option loans of $2.3 billion from off–balance sheet mortgage loans to on–balance sheet mortgage loans. The reclassification had no impact on the total serviced mortgage loans.

The following table sets forth information concerning the delinquency experience in our domestic consumer mortgage loan primary servicing portfolio, including pending foreclosures.

	2011		2010	
December 31, ($ in millions)	**Number of loans**	**Unpaid principal balance**	Number of loans (a)	Unpaid principal balance (a)
Total U.S. mortgage loans primary serviced	**1,236,880**	**$160,932**	1,406,017	$187,734
Period of delinquency				
30 to 59 days	**44,203**	**$6,255**	48,596	$ 6,972
60 to 89 days	**15,420**	**2,323**	17,426	2,644
90 days or more	**14,717**	**2,450**	12,580	2,034
Foreclosures pending	**41,684**	**7,403**	45,218	8,196
Bankruptcies	**20,564**	**2,961**	20,429	2,894
Total delinquent loans	**136,588**	**$21,392**	144,249	$22,740
Percent of U.S. mortgage loans primary serviced	**11.0%**	**13.3%**	10.3%	12.1%

(a) We have reclassified resolved bankruptcies, previously reported in Bankruptcies, to their corresponding delinquency status at December 31, 2010. This classification is consistent with the December 31, 2011 presentation.

We are required to maintain certain servicer ratings in accordance with our master agreements with a GSE. At December 31, 2011, we are in compliance with the servicer rating requirements of the master agreements.

In addition, ResCap is required to maintain consolidated tangible net worth, as defined, of $250.0 million, under our agreements with a GSE. In the event of default by ResCap, the GSE could require posting collateral in an amount based on repurchase demands outstanding plus recourse obligations; termination or suspension of our selling and servicing contract; require additional or more frequent financial and operational reporting; limit early funding programs or trading desk transactions; accelerate rebuttal time periods for outstanding repurchase demands; or take other actions permitted by law. Should our mortgage selling and servicing contract be terminated, cross default provisions within certain credit and bilateral facilities could be triggered. ResCap's consolidated tangible net worth at December 31, 2011 was $92.4 million, in breach of this contractual covenant. We received a letter of acknowledgment from the GSE indicating they would take no immediate action in connection with the breach. ResCap is in compliance with this covenant as of March 28, 2012, the date of issuance of these Consolidated Financial Statements.

We are required to maintain minimum net worth, as defined, under our master agreements with the GSEs. The requirements vary by GSE, with the most restrictive requiring minimum consolidated adjusted net worth, as defined, of $500.0 million. In the event we failed to meet these requirements the GSEs could require posting collateral in an amount based on repurchase demands outstanding plus recourse obligations; termination or suspension of our selling and servicing contract; require additional or more frequent financial and operations reporting; limit early funding programs or trading desk transactions; accelerate rebuttal time periods for outstanding repurchase demands; or take other actions permitted by law. We had consolidated net worth of $2.6 billion at December

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31, 2011, which, after adjustment for unacceptable assets as defined in the master agreements, was in excess of our minimum consolidated adjusted net worth requirements. Our excess consolidated adjusted net worth under our GSE master agreements ranged from $1.9 billion to $2.6 billion at December 31, 2011

At December 31, 2011, domestic insured private-label securitizations with an unpaid principal balance of $2.4 billion contain provisions entitling the monoline or other provider of contractual credit support (surety providers) to declare a servicer default and terminate the servicer upon the failure of the loans to meet certain portfolio delinquency and/or cumulative loss thresholds. Securitizations with an unpaid principal balance of $2.0 billion had breached a delinquency and/or cumulative loss threshold. While we continue to service these loans and receive service fee income with respect to these securitizations, the value of the related MSR is zero at December 31, 2011. Securitizations with an unpaid principal balance of $409.0 million have not yet breached a delinquency or cumulative loss threshold. The value of the related MSR is $1.8 million at December 31, 2011.

6. Accounts Receivable, Net

December 31, *($ in thousands)*	**2011**	2010
Servicer advances, net (a)	**$1,892,609**	$1,927,083
Loan insurance guarantee receivable, net (b)	**745,396**	392,384
Due from brokers for derivative trades	**94,024**	9,749
Servicing fees receivable	**72,618**	92,358
Accrued interest receivable	**8,916**	8,032
Other	**36,496**	36,771
Total accounts receivable, net	**$2,850,059**	$2,466,377

(a) The allowance for uncollectible servicer advances was $43.7 million and $25.5 million at December 31, 2011 and 2010, respectively.

(b) Represents mortgage loans in foreclosure for which a guarantee from Ginnie Mae exists, net of a reserve for uncollectible guaranteed receivables of $21.8 million and $15.1 million at December 31, 2011 and 2010, respectively.

7. Other Assets

December 31, *($ in thousands)*	**2011**	2010
Property and equipment at cost	**$111,163**	$211,163
Accumulated depreciation and amortization	**(78,339)**	(185,276)
Net property and equipment	**32,824**	25,887
Fair value of derivative contracts in a receivable position	**4,855,612**	3,270,328
Collateral placed with derivative counterparties	**1,089,379**	1,238,288
Restricted cash (a)	**441,807**	467,819
Receivables from Ally Bank	**1,364**	11,656
Trading securities	**18,019**	29,223
Receivables from affiliates	**113,974**	39,882
Foreclosed assets	**9,922**	25,307
Available for sale securities	**—**	27,670
Income taxes receivable	**8,259**	2,014
Other	**7,924**	34,257
Total other assets	**$6,579,084**	$5,172,331

(a) At December 31, 2011, restricted cash included $63.5 million for late day check issuance with Ally Bank, $93.8 million for a GSE collateral account, $126.1 million related to a cash reserve account for our reinsurance business, $48.5 million related to collateral posted with Ally Bank, and $109.9 million related to funds collected, but not yet distributed to a third–party. At December 31, 2010, restricted cash included $91.7 million for a GSE collateral account, $177.8 million related to a cash reserve account for our reinsurance business, $110.9 million related to collateral posted with Ally Bank, and $72.7 million related to funds collected, but not yet distributed to a third–party.

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8. Borrowings

Borrowings were as follows.

	Weighted average end of period interest rates		December 31,					
	December 31,		2011			2010		
($ in thousands)	**2011**	2010	**Unsecured**	**Secured**	**Total**	Unsecured	Secured	Total
Short-term borrowings								
Borrowings from Ally Inc. and subsidiaries (a)	**3.0%**	3.0%	**$—**	**$124,014**	**$124,014**	$—	$382,109	$382,109
Borrowings from affiliates	**3.8%**	0.9%	**17,614**	**—**	**17,614**	515,891	—	515,891
Other short-term borrowings	**6.3%**	4.8%	**—**	**323,000**	**323,000**	—	713,911	713,911
Total short-term borrowings	**5.2%**	3.1%	**17,614**	**447,014**	**464,628**	515,891	1,096,020	1,611,911
Long-term borrowings								
Borrowings from Ally Inc. and subsidiaries (a)	**3.0%**	3.0%	**—**	**625,149**	**625,149**	—	664,900	664,900
Collateralized borrowings in securitization trusts (b)	**2.7%**	3.8%	**—**	**39,201**	**39,201**	—	112,342	112,342
Other long-term borrowings	**3.1%**	3.4%	**—**	**920,055**	**920,055**	—	691,109	691,109
Total long-term borrowings	**3.0%**	3.3%	**—**	**1,584,405**	**1,584,405**	—	1,468,351	1,468,351
Total borrowings	**3.6%**	3.2%	**$17,614**	**$2,031,419**	**$2,049,033**	$515,891	$2,564,371	$3,080,262

(a) GMAC Mortgage and RFC, as borrowers, have joint and several liability under these facilities.

(b) Collateralized borrowings with an outstanding balance of $118.8 million and $146.1 million were recorded at fair value of $38.8 million and $37.2 million as of December 31, 2011 and 2010, respectively. See Note 15 — Fair Value for additional information.

The following table summarizes the maturity profile of our borrowings by type. Amounts represent the scheduled maturity of debt, assuming no early redemptions occur. For sources of borrowings without a stated maturity date (as is the case with uncommitted agreements), the maturities are assumed to occur within 2012.

Year ended December 31, *($ in millions)*	**2012**	**2013**	**2014**	**2015**	**2016**	**2017 and thereafter**	**Total**
Secured borrowings							
Borrowings from Ally Inc. and subsidiaries	**$749.2**	**$—**	**$—**	**$—**	**$—**	**$—**	**$749.2**
Collateralized borrowings in securitization trusts (a)	**—**	**—**	**—**	**—**	**—**	**39.2**	**39.2**
Other secured borrowings	**323.0**	**64.4**	**—**	**—**	**—**	**855.6**	**1,243.0**
Total secured borrowings	**1,072.2**	**64.4**	**—**	**—**	**—**	**894.8**	**2,031.4**
Unsecured borrowings	**17.6**	**—**	**—**	**—**	**—**	**—**	**17.6**
Total borrowings	**$1,089.8**	**$64.4**	**$—**	**$—**	**$—**	**$894.8**	**$2,049.0**

(a) The principal on the debt securities is paid using cash flows from underlying collateral (mortgage loans). Accordingly, the timing of the principal payments on these debt securities is dependent on the payments received, and as such, we elected to represent the full term of the securities in the 2017 and thereafter time frame.

The most restrictive financial covenants in our credit facilities require ResCap to maintain consolidated tangible net worth of $250.0 million as of the end of each month, consolidated liquidity of $250.0 million daily, and unrestricted liquidity of $250.0 million daily. For these purposes, consolidated tangible net worth is defined as ResCap's consolidated equity excluding intangible assets. Unrestricted liquidity is defined as certain unrestricted and unencumbered cash balances in U.S. dollars and cash equivalents on a consolidated basis. ResCap views unrestricted liquidity as cash readily available to cover operating demands across our business operations. These financial covenants are included in certain of our bilateral facilities. Should ResCap fail to remain in compliance with these requirements, remedies include but are not limited to, at the option of the facility provider, termination of further funding,

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acceleration of outstanding obligations, rights to realize against the assets securing or otherwise supporting the facility, and other legal remedies. Liquidity providers can waive their contractual rights in the event of a default.

In addition, ResCap is required to maintain consolidated tangible net worth, as defined, of $250.0 million, under our agreements with a GSE. In the event of default by ResCap, the GSE could require posting collateral in an amount based on repurchase demands outstanding plus recourse obligations; termination or suspension of our selling and servicing contract; require additional or more frequent financial and operational reporting; limit early funding programs or trading desk transactions; accelerate rebuttal time periods for outstanding repurchase demands; or take other actions permitted by law. Should our mortgage selling and servicing contract be terminated, cross default provisions within certain credit and bilateral facilities could be triggered.

As of December 31, 2011, ResCap was in compliance with its consolidated and unrestricted liquidity requirements.

ResCap's consolidated tangible net worth at December 31, 2011 was $92.4 million, in breach of its contractual covenants. ResCap received waivers in connection with this breach from each of its credit providers, including Ally Inc. and BMMZ (see Note 20 - Related Party Transactions). ResCap is in compliance with its covenants as of March 28, 2012 the date of issuance of these Consolidated Financial Statements. We received an acknowledgment letter from the GSE indicating they would take no immediate action in connection with the ResCap consolidated tangible net worth breach as of December 31, 2011.

The following table summarizes the outstanding, unused, and total capacity of our funding facilities at December 31, 2011. We use both committed and uncommitted credit facilities. The financial institutions providing the uncommitted facilities are not legally obligated to advance funds under them.

December 31, 2011 *($ in thousands)*	**Outstanding**	**Unused capacity**	**Total capacity**
Facilities with Ally Inc and subsidiaries and Parent			
Ally Inc. Senior Secured Credit Facility	**$625,149**	**$—**	**$625,149**
Ally Inc. LOC	**110,635**	**1,021,240**	**1,131,875**
Secured financing agreement with BMMZ	**13,379**	**—**	**13,379**
Borrowings from affiliates	**17,614**	**6,982,386**	**7,000,000**
Total facilities with Ally Inc. and subsidiaries and affiliates	**766,777**	**8,003,626**	**8,770,403**
Secured funding facilities — committed			
Secured financing agreement	**—**	**250,000**	**250,000**
Mortgage servicing rights facility	**323,000**	**177,000**	**500,000**
Servicer advance funding facilities	**780,385**	**144,615**	**925,000**
Home equity funding facility	**139,670**	**—**	**139,670**
Other funding facilities	**—**	**1,000**	**1,000**
Total committed	**1,243,055**	**572,615**	**1,815,670**
Secured funding facilities — uncommitted			
Mortgage servicing rights facility	**—**	**50,000**	**50,000**
Total uncommitted	**—**	**50,000**	**50,000**
Total secured funding facilities	**1,243,055**	**622,615**	**1,865,670**
Total funding facilities	**$2,009,832**	**$8,626,241**	**$10,636,073**

Facilities with Ally Inc. and Subsidiaries and Parent

Ally Inc. Senior Secured Credit Facility

The Ally Inc. Senior Secured Credit Facility matures on April 13, 2012. GMAC Mortgage and RFC (collectively, the Borrowers), which are jointly and severally liable under this facility no longer have the ability to request revolving loans under the facility. The facility is secured by certain domestic whole loans, accounts receivable, notes receivable, securities, and equity investments of the Borrowers. The facility contains limitations on the use of proceeds from sales of pledged collateral with any such proceeds required to be paid to Ally Inc. to reduce the balance outstanding. Advances under the Facility were allocated to the Borrowers consistent with the borrowing base attributable to each of the individual Borrowers.

Ally Inc. LOC

The Ally Inc. Line of Credit (LOC) matures on April 13, 2012. The Borrowers are jointly and severally liable under this facility. The maximum capacity of the LOC is $1.6 billion, comprised of $1.1 billion of secured capacity and $500.0 million of unsecured capacity. Certain domestic whole loans, accounts receivable, notes receivable, mortgage servicing rights, securities, and equity investments of the Borrowers secure draws under the secured portion of the LOC, which are available to the extent there is sufficient

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collateral securing the draw. Draws on the unsecured portion of the LOC are available only after the secured portion has been fully utilized. Draws by the Borrowers under the LOC are available only if certain unrestricted and unencumbered balances in U.S. dollars and cash equivalents of ResCap and its subsidiaries are less than $300.0 million. Advances under the LOC are allocated to the Borrowers consistent with the borrowing base attributable to each of the individual Borrowers. The available amount and the borrowing base of the Ally Inc. LOC will both be reduced by the amount of any collateral posted or delivered by Ally IM to the Borrowers pursuant to certain derivative transaction agreements with Ally IM. The obligations under the Ally Inc. LOC and the Ally IM Derivative Agreements are cross-collateralized for the benefit of Ally Inc. On December 30, 2011, Ally Inc forgave $65.9 million of GMAC Mortgage's outstanding balance of this facility. In addition on January 30, 2012, Ally Inc. forgave $124.2 million of GMAC Mortgage's outstanding balance of this facility.

BMMZ Holdings, LLC Secured Financing Agreement

On December 21, 2011, the Borrowers entered into a secured financing agreement with BMMZ Holdings LLC (BMMZ) a wholly-owned subsidiary of Ally Inc. The Borrowers are jointly and severally liable under this facility. The initial facility amount is $250.0 million. The secured financing agreement is collateralized by domestic mortgage loan assets. Advances under the Facility were allocated to the Borrowers consistent with the borrowing base attributable to each of the individual Borrowers. The maturity date is the earlier of the maturity date of the Ally Inc. LOC or December 19, 2012.

Borrowings from Parent

We have a $7.0 billion unsecured credit facility with our Parent. The facility is payable upon demand.

Secured Funding Facilities

Secured Financing Agreement

Our secured financing agreement had a maximum facility amount of $250.0 million and was to mature on May 30, 2013. The secured financing agreement was collateralized by domestic mortgage loan assets. This facility was terminated on January 27, 2012.

Mortgage Servicing Rights Facility

As of December 31, 2011, we have $500.0 million of committed funding capacity and $50.0 million of uncommitted capacity through which eligible mortgage servicing rights are funded. The facility matures on March 30, 2012. On February 1, 2012, this facility was amended and the committed amount was reduced to $300.0 million and the uncommitted amount was increased to $250.0 million.

Servicer Advance Funding Facilities

As of December 31, 2011, a secured facility to fund mortgage servicer advances had total capacity of $800.0 million, consisting of term notes in the amount of $450.0 million and a variable funding note of $350.0 million. On March 13, 2012, a new variable funding note was issued with a total capacity of $800 million with the proceeds used to pay down the existing variable funding note and term notes on March 13 and March 15, 2012, respectively. The variable funding note will begin amortizing on March 12, 2013. The servicer advance facility utilizes a multi-seller structure of which a portion supports advances originated and sold by our affiliate, RFC. We are deemed to be the primary beneficiary and therefore consolidate the assets and obligations of the issuing entity.

A second secured facility to fund mortgage servicer advances has capacity of $125.0 million. On August 1, 2012, the scheduled revolving period will end, after which date no new advances will be funded and the 18 month repayment period will begin. Termination will occur upon the earlier of the end of the repayment period or the date the outstanding loan amount is paid in full.

Home Equity Funding Facility

As of December 31, 2011, the secured facility to fund home equity mortgage loans consisted of $139.7 million in variable funding notes due to mature on February 25, 2031.

Collateralized Borrowings in Securitization Trusts

We previously sold pools of consumer mortgage loans through private-label securitization transactions. The purpose of these securitizations was to provide permanent funding and exit for these assets. Certain of these securitizations were accounted for as secured borrowings, and therefore, the debt is reflected on our Consolidated Balance Sheet.

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Collateral for Secured Debt

The following table summarizes the carrying value of assets that are restricted, pledged, or for which a security interest has been granted as collateral for the payment of certain debt obligations.

December 31, *($ in thousands)*	**2011**	2010
Mortgage loans held–for–sale	**$668,156**	$845,141
Consumer finance receivables and loans, net	**195,792**	225,054
Mortgage servicing rights	**753,755**	1,258,241
Accounts receivable, net	**2,248,351**	2,115,758
Other assets	**118,664**	36,030
Total assets restricted as collateral	**$3,984,718**	$4,480,224
Related secured debt	**$2,031,419**	$2,564,371

We have also provided a lien on certain of our consolidated assets, as specified in the Ally Inc. Senior Secured Credit Facility agreements, for the benefit of the Ally Inc. Senior Secured Credit Facility and ResCap's 9.625% Junior Secured Guaranteed Notes due 2015. Included in the table above is $1.0 billion and $1.1 billion at December 31, 2011 and 2010, respectively of collateral pledged that can be re–hypothecated or re–pledged by the secured party.

The following table summarizes the carrying value of assets pledged and the amount of related debt outstanding by our secured borrowing types.

	2011		2010	
December 31, *($ in thousands)*	**Total assets restricted as collateral**	**Related secured debt**	Total assets restricted as collateral	Related secured debt
Borrowings from Ally Inc. and its subsidiaries				
Ally Inc. Senior Secured Credit Facility (a)	**$1,044,667**	**$625,149**	$1,072,343	$664,900
Ally Inc. LOC	**981,430**	**110,635**	894,000	382,109
Secured financing agreement with BMMZ	**26,710**	**13,379**	—	—
Collateralized borrowings in securitization trusts	**92,578**	**39,201**	169,373	112,342
Other secured borrowings				
Secured financing agreements	—	—	58,082	10,739
Mortgage servicing rights facility	**634,345**	**323,000**	1,054,796	500,000
Servicer advance funding facilities	**1,050,779**	**780,385**	1,049,959	711,171
Home equity funding facility	**153,191**	**139,670**	181,671	183,110
Other secured facility	**1,018**	**—**	—	—
Total	**$3,984,718**	**$2,031,419**	$4,480,224	$2,564,371

(a) The collateral securing the Ally Inc. Senior Secured Credit Facility is the same collateral that secures the ResCap 9.625% Junior Secured Guaranteed Notes due 2015.

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9. Other Liabilities

December 31, *($ in thousands)*	**2011**	2010
Fair value of derivative contracts in a liability position	**$5,107,639**	$3,254,902
Liability for option to repurchase assets (a)	**2,279,225**	2,343,748
Collateral received from derivative counterparties	**647,890**	573,920
Liability for representation and warranty obligations	**493,198**	496,216
Accounts payable	**294,908**	173,708
Mortgage foreclosure settlement	**204,000**	—
Payable to RFC (b)	**69,785**	—
Reserve for insurance losses	**91,615**	162,565
Employee compensation and benefits	**72,026**	45,994
Net payable to Ally Bank	**22,429**	—
Liability for assets sold with recourse	**31,801**	36,873
Payable to Ally Inc.	**2,144**	—
Other	**21,168**	35,564
Total other liabilities	**$9,337,828**	$7,123,490

(a) We recognize a liability for the conditional repurchase option on certain assets held by off-balance sheet securitization trusts. The corresponding asset is recorded in mortgage loans held for sale. See Note 2— Mortgage Loans Held–for–Sale and Note 4 — Securitizations and Variable Interest Entities for additional information.

(b) Includes costs for personnel, information technology, communications, corporate marketing, procurement, and services related to facilities incurred by Ally Inc. and allocated to RFC, who in turn allocated a portion of the cost to us. See Note 20 — Related Party Transactions for additional information.

10. Other Revenue, net

Year ended December 31, *($ in thousands)*	**2011**	2010
Change due to fair value option elections		
Consumer mortgage finance receivables and loans, net	**$26,818**	$169,208
Collateralized borrowings	**(28,996)**	(193,314)
Loan broker fee from Ally Bank	**55,622**	64,543
Insurance income	**21,541**	35,462
Other	**16,086**	26,894
Total other revenue, net	**$91,071**	$102,793

11. Other Noninterest Expense, Net

Year ended December 31, *($ in thousands)*	**2011**	2010
Legal fees	**$76,925**	$103,473
Management fees - Ally Inc. and subsidiaries (a)	**72,365**	82,149
Loan administration fees	**67,583**	59,978
Insurance losses	**31,388**	36,113
Equipment and supplies	**27,794**	28,513
Restructuring expense	**1,422**	14,085
Other	**63,720**	86,127
Total other noninterest expense, Net	**$341,197**	$410,438

(a) Includes allocated costs for personnel, information technology, communication, corporate marketing, procurement, and services related to facilities incurred by Ally Inc. and allocated to RFC, who in turn allocated a portion of the cost to us. See Note 20 — Related Party Transactions for additional information.

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12. Accumulated Other Comprehensive Income (Loss)

The following table summarizes our activity related to the components accumulated of other comprehensive income.

($ in thousands)	Unrealized gain (loss) on available for sale securities (a)	Defined benefit pension plans over (under) funded (c)	Accumulated other comprehensive (loss)
Balance at January 1, 2010	($264)	($33,030)	($33,294)
2010 net change	1,606	(15,050)	(13,444)
Balance at December 31, 2010	1,342	(48,080)	(46,738)
2011 net change	**(1,342)**	**(10,804)**	**(12,146)**
Balance at December 31, 2011	**$—**	**($58,884)**	**($58,884)**

(a) Represents the after-tax difference between the fair value and amortized cost of available for sale securities.
(b) Includes after-tax gains and losses on foreign currency translation from operations for which the functional currency is other than the U.S. dollar. There was zero tax impact to the net change amounts for the years ended December 31, 2011 and 2010, respectively.
(c) Includes after-tax impact of the over(under)-funded status of our defined benefit plans. See Note 14 — Employee Benefit Plans for additional information.

13. Income Taxes

The significant components of income tax expense were as follows.

Year ended December 31, *($ in thousands)*	**2011**	2010
Current income tax expense		
U.S. Federal	**$3,048**	$8,062
State and local	**2,418**	1,282
Foreign	**—**	2
Total current expense	**5,466**	9,346
Total income tax expense	**$5,466**	$9,346

A reconciliation of the statutory U.S. Federal income tax rate to the effective income tax rate is shown in the following table.

Year ended December 31,	**2011**	2010
Statutory U.S. Federal rate	**35.0%**	35.0%
Change in tax rate resulting from		
State and local income taxes, net of federal income tax benefit	**5.5**	11.9
Effect of valuation allowance change	**(41.0)**	(33.9)
Other	**(0.5)**	—
Effective tax rate	**(1.0)%**	13.0%

All losses are derived from U.S. sources. Tax expense does not naturally correspond with pretax income because we apply a valuation allowance to our net deferred tax assets. Tax expense for the year ended December 31, 2011 was $5.5 million, largely driven by certain taxes that are not eligible for offset by net operating losses.

At December 31, 2011, we had U.S. federal and state net operating loss carryforwards and capital loss carryforwards of $605.9 million and $667.7 million, respectively. The federal net operating loss carryforwards expire in the years 2029-2031. The capital loss carryforwards expire in the years 2014-2016. The corresponding expiration periods for the state operating and capital loss carryforwards are 2014-2031 and 2014-2015, respectively. Pursuant to the tax sharing agreement with our Parent, the benefits of our tax attributes will be payable to us only when we would be able to utilize them on a standalone basis as if we were a corporation filing tax returns separately from our Parent.

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At December 31, 2011 and 2010, a valuation allowance has been established against the deferred tax asset to the extent it exceeds the deferred tax liability. A valuation allowance has been established because we have determined that it is more likely than not that all such tax assets will not be realized. The change in the valuation allowance is primarily the result of pretax net operating losses.

At December 31, 2011 and 2010, we had no uncertain tax positions as defined by ASC 740-10, *Accounting for Uncertainty in Income Taxes*.

The significant components of deferred tax assets and liabilities were as follows.

December 31, *($ in thousands)*	**2011**	2010
Deferred tax assets		
Tax loss carryforwards	**$458,784**	$213,417
Provision for loan losses	**253,490**	227,762
Mark-to-market on finance receivables and loans	**83,709**	109,820
State and local taxes	**85,908**	75,337
MSRs	**35,815**	—
Accruals not currently deductible	**20,613**	2,716
Pension	**20,609**	16,828
Sales of finance receivables and loans	**2,237**	10,339
Other	**12,131**	10,434
Gross deferred tax assets	**973,296**	666,653
Valuation allowance	**(973,296)**	(559,550)
Net deferred tax assets	**—**	107,103
Deferred tax liabilities		
MSRs	**—**	106,834
Unrealized gains on securities	**—**	269
Gross deferred tax liabilities	**—**	107,103
Net deferred tax assets (liabilities)	**$—**	$—

14. Employee Benefit Plans

We participate in the defined benefit retirement plan of GMAC Mortgage Group, LLC (GMAC Mortgage Group), the immediate parent of ResCap. Effective December 31, 2006, benefit accrual of the defined benefit retirement plan was frozen. No further benefits accrued for participants subsequent to that date and no new entrants have been permitted to enter the plan. Based on the December 31, 2011 actuarial assessment, there is no contribution expected during 2012.

We participate in Ally Inc.'s defined contribution savings plan for domestic employees meeting certain eligibility requirements. Employees may contribute a percentage of eligible compensation to the plan, not to exceed annual IRS limits. Based on certain employee eligibility and vesting requirements and eligible compensation as defined by the plan, we contribute toward employees post-retirement benefits in three ways. We contribute a 2% retirement contribution every pay period, a dollar for dollar matching contribution up to 6% each year, and an additional discretionary contribution of up to 2% based upon Ally Inc.'s performance. Funds contributed to, and earned by, the defined contribution savings plans can be withdrawn by participants only under specific conditions.

The following table summarizes information related to employee benefit plan expense from continuing operations.

Year ended December 31, *($ in thousands)*	**2011**	2010
Defined benefit retirement plan	**($2,642)**	($3,855)
Defined contribution savings plan	**16,132**	11,938
(Revenue) Expense total	**$13,490**	$8,083

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15. Fair Value

Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (exit price) in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. Fair value is based on the assumptions market participants would use when pricing an asset or liability. Additionally, entities are required to consider all aspects of nonperformance risk, including the entity's own credit standing, when measuring the fair value of a liability.

A three–level hierarchy is used when measuring and disclosing fair value. The fair value hierarchy gives the highest priority to quoted prices available in active markets (i.e., observable inputs) and the lowest priority to data lacking transparency (i.e., unobservable inputs). An instrument's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation. The following is a description of the three hierarchy levels.

Level 1	Inputs are quoted prices in active markets for identical assets or liabilities at the measurement date. Additionally, we must have the ability to access the active market, and the quoted prices cannot be adjusted by us.
Level 2	Inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices in active markets for similar assets or liabilities; quoted prices in inactive markets for identical or similar assets or liabilities; or inputs that are observable or can be corroborated by observable market data by correlation or other means for substantially the full term of the assets or liabilities.
Level 3	Unobservable inputs are supported by little or no market activity. The unobservable inputs represent management's best assumptions of how market participants would price the assets or liabilities. Generally, Level 3 assets and liabilities are valued using pricing models, discounted cash flow methodologies, or similar techniques that require significant judgment or estimation.
Transfers	Transfers into or out of any hierarchy level are recognized at the end of the reporting period in which the transfer occurred. There were no significant transfers between any levels during the year ended December 31, 2011.

Following are descriptions of the valuation methodologies used to measure material assets and liabilities at fair value and details of the valuation models, key inputs to those models and significant assumptions utilized.

- ***Mortgage loans held–for–sale*** – We originate and purchase residential mortgage loans that we intend to sell to the GSEs. We also own nonagency eligible residential mortgage loans that were originated or purchased in prior years. Consumer mortgage loans we intend to sell to the GSEs are carried at fair value as a result of a fair value election. Our nonagency eligible residential mortgage loans are accounted for at the lower of cost or fair value. Only those non-fair value elected loans that are currently being carried at fair value are included within our nonrecurring fair value measurement tables. Mortgage loans held–for–sale account for 6.0% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

  Mortgage loans held–for–sale are typically pooled together and sold into certain exit markets, depending upon underlying attributes of the loan, such as agency eligibility, product type, interest rate, and credit quality. Two valuation methodologies are used to determine the fair value of mortgage loans held–for–sale. The methodology used depends on the exit market as described below.

  Loans valued using observable market prices for identical or similar assets (a Level 2 fair value) - Includes all agency–eligible mortgage loans carried at fair value due to fair value option election, which are valued predominantly using published forward agency prices. Also includes any domestic loans and foreign loans where recently negotiated market prices for the loan pool exist with a counterparty (which approximates fair value) or quoted market prices for similar loans are available. As of December 31, 2011, we classified 100.0% of our mortgage loans held–for–sale that are being carried at fair value on a recurring basis as Level 2.

  Loans valued using internal models (a Level 3 fair value) - All nonagency eligible residential mortgage loans that are accounted for at the lower of cost or fair value. The fair value of these residential mortgage loans are determined using internally developed valuation models because observable market prices were not available. The loans are priced on a discounted cash flow basis utilizing cash flow projections from internally developed models that utilize prepayment, default, and discount rate assumptions. To the extent available, we will utilize market observable inputs such as interest rates and market spreads. If market observable inputs are not available, we are required to utilize internal inputs, such as prepayment speeds, credit losses, and discount rates. While numerous

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controls exist to calibrate, corroborate, and validate the internal inputs, they require the use of judgment by us and can have a significant impact on the determination of the loan's fair value. As of December 31, 2011, 100.0% of our mortgage loans held–for–sale that are currently being carried at fair value on a nonrecurring basis and less than 1% of our mortgage loans held-for-sale that are carried at fair value on a recurring basis are classified as Level 3.

- ***Consumer Finance receivables and loans, net*** — We elected the fair value option for consumer mortgage finance receivables and loans related to certain of our on–balance sheet securitizations including those securitization trusts that were consolidated upon the adoption of ASU 2009–17. A complete description of these securitizations is provided in the *On-balance sheet securitization debt* section later in this Note. The remaining balance of our consumer finance receivables and loans are reported on the balance sheet at their principal amount outstanding, net of charge-offs, allowance for loan losses, and net premiums/discounts.

  The securitization trusts for which we elected fair value option, the loans are measured at fair value using a portfolio approach or an in-use premise. The values for loans held on an in-use basis may differ considerably from loans held–for–sale that can be sold in the whole-loan market. This difference arises primarily due to the liquidity of the ABS/MBS market and is evident in the fact that spreads applied to lower rated ABS or MBS securities are considerably wider than spreads observed on senior bond classes and in the whole-loan market. The objective in linking the fair value of these loans to the fair value of the related securitization debt is to properly account for our retained economic interest in the securitizations. As a result of reduced liquidity in the capital and secondary markets for securitized bonds, values of these consumer mortgage finance receivables and loans and the related securitized bonds are expected to be volatile. As of December 31, 2011, we classified 100.0% of our fair value elected consumer mortgage finance receivables and loans as Level 3. These loans account for less than 1% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Mortgage servicing rights*** — MSRs currently do not trade in an active market with observable prices, therefore we use internally developed discounted cash flow models to estimate the fair value of MSRs. These internal valuation models estimate net cash flows based on internal operating assumptions that we believe would be used by market participants combined with market-based assumptions for loan prepayment rates, interest rates, and discount rates that management believes approximate yields required by investors in this asset. Cash flows primarily include servicing fees, float income, and late fees, in each case less estimated operating costs to service the loans. The estimated cash flows are discounted using an option-adjusted spread derived discount rate. At December 31, 2011, 100.0% of our MSRs are classified as Level 3 and account for 17.6% of all recurring and nonrecurring assets reported at fair value.

- ***Derivative instruments*** — We enter into a variety of derivative financial instruments as part of our risk management strategies. Derivative assets account for 75.4% of all recurring and nonrecurring assets and derivative liabilities account for 99.3% of all recurring and nonrecurring liabilities reported at fair value at December 31, 2011.

  Certain of these derivatives are exchange traded, such as Eurodollar futures. To determine the fair value of these instruments, we utilize the exchange prices for the particular derivative contract; therefore, we classified these contracts as Level 1. We classified 1.3% of the derivative assets and less than 1% of the derivative liabilities reported at fair value as Level 1 at December 31, 2011.

  We also execute over–the–counter derivative contracts, such as interest rate swaps, swaptions, forwards, caps, floors and agency-to-be-announced (TBAs) securities. We utilize third–party–developed valuation models that are widely accepted in the market to value our over–the–counter derivative contracts. The specific terms of the contract and market observable inputs (such as interest rate forward curves and interpolated volatility assumptions) are used in the model. We classified 98.0% of the derivative assets and 99.6% of the derivative liabilities reported at fair value as Level 2 at December 31, 2011.

  We also hold certain derivative contracts that are structured specifically to meet a particular hedging objective. These derivative contracts often are utilized to hedge risks inherent within certain on–balance sheet securitizations. To hedge risks on particular bond classes or securitization collateral, the derivative's notional amount is often indexed to the hedged item. As a result, we typically are required to use internally developed prepayment assumptions as an input into the model to forecast future notional amounts on these structured derivative contracts. Accordingly, we classified these derivative contracts as Level 3. These derivative contracts accounted for less than 1% of the derivative assets and less than 1% of the derivative liabilities reported at fair value at December 31, 2011.

  We are counterparty to a forward flow agreement with Ally Bank, which effectively transfers the exposure to changes in fair value of specified pools of Ally Bank's mortgage loans held–for–sale and interest rate lock commitments to us. In addition, we are counterparty to a total return swap agreement with Ally Bank that effectively transfers the total economic

return of a specified portfolio of mortgage servicing rights owned by Ally Bank to us in exchange for a variable payment based on a fixed spread to LIBOR. The underlying reference assets that support the value of the swap agreements are valued using internally developed valuation assumptions; therefore the swaps are classified as Level 3. These agreements accounted for less than 1% of the derivative assets and less than 1% of the derivative liabilities reported at fair value at December 31, 2011. See Note 20 — Related Party Transactions for additional information.

We are required to consider all aspects of nonperformance risk, including our own credit standing, when measuring fair value of a liability. We reduce credit risk on the majority of our derivatives by entering into legally enforceable agreements that enable the posting and receiving of collateral associated with the fair value of our derivative positions on an ongoing basis. In the event that we do not enter into legally enforceable agreements that enable the posting and receiving of collateral, we will consider our credit risk and the credit risk of our counterparties in the valuation of derivative instruments through a credit valuation adjustment (CVA), if warranted.

- ***Trading securities*** —Trading securities are recorded at fair value within other assets. The securities may be mortgage-backed or mortgage-related asset–backed securities (including senior and subordinated interests), interest-only, principal-only, or residual interests and may be investment grade, non-investment grade, or unrated securities. We base valuations on internally developed discounted cash flow models that use a market-based discount rate. In order to estimate cash flows, we utilize various significant assumptions, including market observable inputs such as forward interest rates, as well as internally developed inputs such as prepayment speeds, delinquency levels, and credit losses. As of December 31, 2011, we classified 99.3% of our trading securities as Level 3. Trading securities account for less than 1% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Foreclosed assets*** — Through the normal course of business, we may foreclose upon real estate assets to the extent borrowers default under the terms of their agreements with us. Foreclosed properties are carried at the lower of cost or fair value less costs to sell within other assets. Only those assets that are being carried at fair value less costs to sell are included in the non-recurring fair value disclosures.

  Foreclosed assets that are valued based upon independent third-party appraisals less costs to sell are classified as Level 2. When third–party appraisals are not obtained, valuations are typically obtained from a third-party broker price opinion; however, depending upon the circumstances, the property list price or other sales price information may be used in lieu of a broker price opinion. We typically adjust a broker price opinion or other price source, as appropriate, in order to take into account damage and other factors that typically cause the actual liquidation value of foreclosed assets to be less than the broker price opinion or other price source. This valuation adjustment is based upon our historical experience and is necessary to ensure the valuation ascribed to these assets takes into account the unique factors and circumstances surrounding a foreclosed asset. Because we apply an internally developed adjustment to the third-party provided valuation of the foreclosed asset, these assets are classified as Level 3. As of December 31, 2011, less than 1% and nearly 100.0% of our foreclosed assets that are being carried at fair value less costs to sell are classified as Level 2 and Level 3, respectively. Foreclosed assets account for less than 1% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***On-balance sheet securitizations*** – We elected the fair value option for certain consumer mortgage finance receivables and loans, and securitization debt for certain of our on-balance sheet securitizations. The objective in measuring these loans and related securitization debt at fair value is to approximate our economic exposure to the collateral securing the securitization debt. The remaining on-balance sheet securitization debt that was not fair value option–elected is reported on the balance sheet at cost, net of premiums or discounts and all issuance costs.

  We value securitization debt that was fair value option–elected, as well as any trading securities using market observable prices whenever possible. The securitization debt is principally in the form of asset-backed and mortgage-backed securities collateralized by the underlying consumer mortgage finance receivables and loans. Due to the attributes of the underlying collateral and current capital market conditions, observable prices for these instruments are typically not available in active markets. We base valuations on internally developed discounted cash flow models that use a market-based discount rate. In order to estimate cash flows, we utilize various significant assumptions, including market observable inputs such as forward interest rates, as well as internally developed inputs such as prepayment speeds, delinquency levels, and credit losses. As a result of the reliance on significant assumptions and estimates for model inputs, at December 31, 2011, 100.0% of fair value option–elected securitization debt is classified as Level 3. On-balance sheet securitization debt accounts for less than 1% of all recurring and nonrecurring liabilities reported at fair value at December 31, 2011.

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Recurring Fair Value

The following tables display the assets and liabilities measured at fair value on a recurring basis, including financial instruments for which we elected the fair value option. In certain cases we economically hedge the fair value change of our assets or liabilities with derivatives and other financial instruments. The table below displays the hedges separately from the hedged items and, therefore, does not directly display the impact of our risk management activities.

	Recurring fair value measurements			
December 31, 2011 ($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Mortgage loans held–for–sale (a)	**$—**	**$27,253**	**$—**	**$27,253**
Consumer mortgage finance receivables and loans, net (a)	**—**	**—**	**42,600**	**42,600**
Mortgage servicing rights	**—**	**—**	**1,131,518**	**1,131,518**
Other assets				
Fair value of derivative contracts in receivable position				
Interest rate contracts	**61,025**	**4,759,549**	**35,038**	**4,855,612**
Trading securities				
Mortgage and asset backed residential	**—**	**136**	**17,883**	**18,019**
Total assets	**$61,025**	**$4,786,938**	**$1,227,039**	**$6,075,002**
Liabilities				
Collateralized borrowings				
On-balance sheet securitization debt (a)	**$—**	**$—**	**($38,823)**	**($38,823)**
Other liabilities				
Fair value of derivative contracts in liability position				
Interest rate contracts	**(18,445)**	**(5,089,189)**	**(5)**	**(5,107,639)**
Total liabilities	**($18,445)**	**($5,089,189)**	**($38,828)**	**($5,146,462)**

(a) Carried at fair value due to fair value option election, see Note 4 – Securitizations and Variable Interest Entities for additional information.

	Recurring fair value measurements			
December 31, 2010 *($ in thousands)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Mortgage loans held–for–sale (a)	$—	$17,744	$—	$17,744
Consumer mortgage finance receivables and loans, net (a)	—	—	43,383	43,383
Mortgage servicing rights	—	—	1,827,529	1,827,529
Other assets				
Fair value of derivative contracts in receivable position				
Interest rate contracts	237,173	2,854,705	178,450	3,270,328
Available for sale securities				
Debt securities				
U.S. Treasury and federal agencies	—	2,028	—	2,028
Mortgage-backed residential	—	24,653	989	25,642
Trading securities				
U.S. Treasury	2,304	—	—	2,304
Mortgage and asset-backed residential	150	—	26,769	26,919
Total assets	$239,627	$2,899,130	$2,077,120	$5,215,877
Liabilities				
Collateralized borrowings				
On-balance sheet securitization debt (a)	$—	$—	($37,154)	($37,154)
Other liabilities				
Fair value of derivative contracts in liability position				
Interest rate contracts	(187,136)	(2,958,792)	(108,974)	(3,254,902)
Total liabilities	($187,136)	($2,958,792)	($146,128)	($3,292,056)

(a) Carried at fair value due to fair value option elections, see Note 4 – Securitizations and Variable Interest Entities for additional information.

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The following tables present the reconciliation for all Level 3 assets and liabilities measured at fair value on a recurring basis. Transfers into or out of Level 3 were recognized as of the end of the reporting period in which the transfer occurred. In certain cases we economically hedge the fair value change of our assets or liabilities with derivatives and other financial instruments. The Level 3 items presented below may be hedged by derivatives and other financial instruments that are classified as Level 1 or Level 2. Thus, the following tables do not fully reflect the impact of our risk management activities.

	Level 3 recurring fair value measurements									
		Net gains/(losses) included in earnings								
($ in thousands)	January 1, 2011 Level 3 fair value	realized gains (losses)		unrealized gains (losses)		Other comprehensive income (loss)	Purchases	Sales	Issuances	Settlements	December 31, 2011 Level 3 fair value
Assets											
Mortgage loans held–for–sale	$—	$—		$—		$—	$—	$—	$—	$—	$—
Consumer mortgage finance receivables and loans, net	43,383	23,355	(a)	12,883	(a)	—	—	—	—	(37,021)	42,600
Mortgage servicing rights	1,827,529	(9)	(b)	(750,136)	(b)	—	—	(300)	54,356	78	1,131,518
Other assets											
Fair value of derivative contracts in receivable											
Interest rate contracts	69,476	(377,204)	(c)	255,706	(c)	—	—	—	—	87,055	35,033
Trading securities											
Mortgage– and asset–backed residential	26,769	(12,179)	(d)	10,110	(d)	—	—	—	—	(6,817)	17,883
Available for sale securities											
Debt securities											
Mortgage-backed residential	989	(150)		—		491	—	(1,007)	—	(323)	—
Total assets	$1,968,146	($366,187)		($471,437)		$491	$—	($1,307)	$54,356	$42,972	$1,227,034
Liabilities											
Collateralized borrowings											
On-balance sheet securitization debt	($37,154)	($4,892)	(a)	($28,995)	(a)	$—	$—	$—	$—	$32,218	($38,823)
Total liabilities	($37,154)	($4,892)		($28,995)		$—	$—	$—	$—	$32,218	($38,823)

(a) Fair value adjustment reported in other revenue, net, and related interest on loans and debt are reported in interest income and interest expense, respectively.
(b) Fair value adjustment reported in servicing asset valuation and hedge activities, net.
(c) See Note 16 — Derivative Instruments and Hedging Activities for location of fair value adjustments in our Consolidated Statement of Income.
(d) Fair value adjustment reported in other revenue, net. Interest accretion on these assets is reported in interest income.

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	Level 3 recurring fair value measurements					
($ in thousands)	January 1, 2010 Level 3 fair value	Net gains/(losses) included in earnings: realized gains (losses)	Net gains/(losses) included in earnings: unrealized gains (losses)	Other comprehensive income (loss)	Purchases, sales, issuances, and settlements, net (e)	December 31, 2010 Level 3 fair value
Assets						
Consumer mortgage finance receivables and loans, net	$—	$129,300 (b)	$92,393 (b)	$—	($178,310)	$43,383
Mortgage servicing rights	2,254,269	(517) (c)	(606,073) (c)	—	179,850	1,827,529
Other assets						
Fair value of derivative contracts in receivable (liability) position, net						
Interest rate contracts	1,024	455,343 (d)	(50,873) (d)	—	(336,018)	69,476
Trading securities						
Mortgage and asset backed residential	74,732	(20,354)	17,506	—	(45,115)	26,769
Available for sale securities						
Debt securities						
Mortgage-backed residential	5,585	6	—	(1,820)	(2,782)	989
Total assets	$2,335,610	$563,778	($547,047)	($1,820)	($382,375)	$1,968,146
Liabilities						
Collateralized borrowings						
On-balance sheet securitization debt	$—	$ (30,641) (b)	$ (193,314) (b)	$—	$186,801	($37,154)
Total liabilities	$—	($30,641)	($193,314)	$—	$186,801	($37,154)

(a) Fair value adjustment reported in other revenue, net. Interest accretion on these assets is reported in interest income.

(b) Fair value adjustment reported in other revenue, net, and related interest on loans and debt are reported in interest income and interest expense, respectively.

(c) Fair value adjustment reported in servicing asset valuation and hedge activities, net.

(d) See Note 16 — Derivative Instruments and Hedging Activities for location of fair value adjustments in our Consolidated Statement of Income.

(e) These amounts include the removal of $11.5 million of trading securities and $12.7 million of MSRs, as well as the additions of $252.1 million of consumer mortgage finance receivables and loans, and $228.6 million of collateralized borrowings upon the adoption of ASU 2009-17

(f) These amounts include the removal of $209.2 million of consumer mortgage finance receivables and loans, $209.1 million of collateralized borrowings, and addition of $7.8 million of MSRs in connection with deconsolidation activity. See Note 4 — Securitizations and Variable Interest Entities for additional information.

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Nonrecurring Fair Value

We may be required to measure certain assets or liabilities at fair value from time-to-time. These periodic fair value measures typically result from application of lower of cost or fair value or certain impairment measures. These items would constitute nonrecurring fair value measures. The table below presents those items which we measured at fair value on a nonrecurring basis.

December 31, *($ in thousands)*	Nonrecurring fair value measures Level 1	Level 2	Level 3	Total estimated fair value	Lower of cost or fair value or valuation allowance	Total gains included in income from continuing operations for the year ended	
2011							
Mortgage loans held–for–sale (a)	**$—**	**$—**	**$360,996**	**$360,996**	**($13,305)**	**n/m**	**(c)**
Other assets							
Foreclosed assets (b)	**—**	**—**	**4,673**	**4,673**	**(1,931)**	**n/m**	**(c)**
Total	**$—**	**$—**	**$365,669**	**$365,669**	**($15,236)**	**n/m**	
2010							
Mortgage loans held–for–sale (a)	$—	$—	$820,556	$820,556	($31,324)	n/m	(c)
Other assets							
Foreclosed assets (b)	—	—	9,817	9,817	(5,053)	n/m	(c)
Total	$—	$—	$830,373	$830,373	($36,377)	n/m	

n/m = not meaningful

(a) Represents loans or pools of loans held–for–sale that are required to be measured at lower of cost or fair value. Only loans or pools of loans with fair values below cost are included in the table above. The related valuation allowance represents the cumulative adjustment to fair value of those loans and pool of loans.

(b) The allowance provided for foreclosed assets represents any cumulative valuation adjustments recognized to adjust the assets to fair value less costs to sell.

(c) We consider the applicable valuation to be the most relevant indicator of the impact on earnings caused by the fair value measurement. Accordingly, the table above excludes total gains and losses included in earnings for these items. The carrying values are inclusive of the respective valuation.

Fair Value Option for Financial Assets and Financial Liabilities

We have elected to value certain financial assets and liabilities at fair value consistent with our intent to mitigate a divergence between our accounting results and our retained economic exposure related to these assets and liabilities.

Financial assets and liabilities elected to be measured at fair value are as follows.

- ***On-balance sheet securitizations*** – We elected the fair value option for certain domestic on-balance sheet securitization trusts in which we estimated that the credit reserves pertaining to securitized assets could have exceeded or already had exceeded our economic exposure. The fair value option election was made at a securitization level and thus the election was made for both the consumer mortgage finance receivable and loans and the related securitization debt. We elected the fair value option for all securitization trusts that were required to be consolidated upon the adoption of ASU 2009-17.

  The fair value elected loan balances are recorded within consumer finance receivables and loans, net, unless they are repurchased from a securitization trust in which case they are recorded in mortgage loans held-for–sale. Our policy is to separately record interest income on these fair value elected loans. The fair value adjustment recorded for consumer finance receivables and loans is classified as other revenue, net, and the fair value adjustment for mortgage loans held-for-sale is classified as gain or loss on mortgage loans.

  The fair value elected securitization debt balances are recorded within collateralized borrowings in securitization trusts. Our policy is to separately record interest expense on the fair value elected securitization debt, which is classified as interest expense in our Consolidated Statement of Income. The fair value adjustment recorded for this debt is classified as other revenue, net.

- ***Government – and agency–eligible loans*** – We elected the fair value option for government– and agency–eligible consumer mortgage loans held–for–sale. This election includes government– and agency–eligible loans we fund directly to borrowers and government– and agency–eligible loans we purchase from Ally Bank. The fair value option was elected to mitigate earnings volatility by better matching the accounting for the assets with the related hedges and to maintain consistency with the fair value option election by Ally Bank given the level of affiliate loan purchase and sale activity between the entities. See Note 20 — Related Party Transactions for additional information.

The fair value option was not elected for certain government– and agency–eligible loans held–for–sale, as described below:

- *Government– and agency–eligible loans funded on or before July 31, 2009* — the fair value option election must be made at the time of funding. As such, these loans could not be fair value option–elected at a subsequent date.

- *Repurchased / Rerecognized government– and agency–eligible loans* — Loans are repurchased or rerecognized due to representation and warranty or conditional repurchase options. We typically will be unable to resell these repurchased/rerecognized loans through regular channels due to characteristics of the loans. The fair value of these loans will be influenced by factors that cannot be effectively hedged by us; accordingly, we do not intend to elect the fair value option for any repurchased or rerecognized loans.

We carry fair value option–elected government– and agency–eligible loans within mortgage loans held–for–sale. Our policy is to separately record interest income on these fair value elected loans. Upfront fees and costs related to the fair value elected loans are not deferred or capitalized. The fair value adjustment recorded for these fair value option–elected loans is reported in gain or loss on mortgage loans, net. The fair value option election is irrevocable once the loan is funded even if it is subsequently determined that a particular loan cannot be sold.

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The following table summarizes the fair value option elections and information regarding the amounts recognized in earnings for each fair value option–elected item.

	Changes included in our Consolidated Statement of Income					
Year ended December 31, *($ in thousands)*	**Interest income (expense) (f)**	**Gain on mortgage loans, net**	**Other revenue, net**	**Total included in net income**	**Change in fair value due to credit risk (a)**	
2011						
Assets						
Mortgage loans held–for–sale (b)	**$544**	**$761,611**	**$—**	**$762,155**	**$—**	**(c)**
Consumer mortgage finance receivables and loans, net	**9,420**	**—**	**26,818**	**36,238**	**(2,817)**	**(d)**
Liabilities						
Collateralized borrowings						
On-balance sheet securitizations	**(4,892)**	**—**	**(28,996)**	**(33,888)**	**(143)**	**(e)**
Total				**$764,505**	**($2,960)**	
2010						
Assets						
Mortgage loans held–for–sale (b)	$992	$905,940	$—	$906,932	$—	(c)
Consumer mortgage finance receivables and loans, net	52,484	—	169,208	221,692	(1,457)	(d)
Liabilities						
Collateralized borrowings						
On-balance sheet securitizations	(30,642)	—	(193,314)	(223,956)	8	(e)
Total				$904,668	($1,449)	

(a) Factors other than credit quality that impact the fair value include changes in market interest rates and the liquidity or marketability in the current marketplace. Lower levels of observable data points in illiquid markets generally result in wide bid/offer spreads.

(b) Includes the gain/loss recognized on fair value option–elected government– and agency–eligible assets purchased from Ally Bank.

(c) The credit impact for mortgage loans held–for–sale that are currently GSE eligible is currently zero because the fair value option–elected GSE loans are salable, and any unsalable assets are currently covered by a government guarantee. The credit impact for non-agency eligible loans and related liability was quantified by applying internal credit loss assumptions to cash flow models.

(d) The credit impact for consumer mortgage finance receivables and loans was quantified by applying internal credit loss assumptions to cash flow models.

(e) The credit impact for on-balance sheet securitization debt is assumed to be zero until our economic interests in a particular securitization is reduced to zero, at which point the losses in the underlying collateral will be expected to be passed through to third-party bondholders. Losses allocated to third-party bondholders, including changes in the amount of losses allocated, will result in fair value changes due to credit. We also monitor credit ratings and may make credit adjustments to the extent any bond classes are downgraded by rating agencies.

(f) Interest income on consumer mortgage finance receivables and loans and mortgage loans held–for–sale is measured by multiplying the unpaid principal balance on the loans by the coupon rate and the number of days of interest due. Interest expense on the on-balance sheet securitizations is measured by multiplying the bond principal by the coupon rate and days interest due to the investor.

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The table below provides the fair value and the unpaid principal balance for our fair value option–elected loans and related collateralized borrowings.

	2011		2010	
December 31, *($ in thousands)*	**Unpaid principal balance**	**Fair value (a)**	Unpaid principal balance	Fair value (a)
Assets				
Mortgage loans held–for–sale				
Total loans	**$27,747**	**$27,253**	$17,293	$17,744
Nonaccrual loans	**—**	**—**	—	—
Loans 90+ days past due (b)	**—**	**—**	—	—
Consumer mortgage finance receivables and loans, net				
Total loans	**129,574**	**42,600**	159,857	43,383
Nonaccrual loans	**8,663**	**2,937 (c)**	9,666	2,748 (c)
Loans 90+ days past due (b)	**3,721**	**1,293 (c)**	3,310	983 (c)
Liabilities				
Collateralized borrowings				
On-balance sheet securitizations	**($118,820)**	**($38,823)**	($146,147)	($37,154)

(a) Excludes accrued interest receivable.

(b) Loans 90+ days past due are also presented within the nonaccrual loans and total loans except those that are government insured and still accruing.

(c) The fair value of consumer mortgage finance receivables and loans is calculated on a pooled basis; therefore, we allocated the fair value of nonaccrual loans and 90+ days past due to individual loans based on the unpaid principal balances.

Fair Value of Financial Instruments

The following table presents the carrying and estimated fair value of assets and liabilities that are considered financial instruments. Accordingly, items that do not meet the definition of a financial instrument are excluded from the table. When possible, we use quoted market prices to determine fair value. Where quoted market prices are not available, the fair value is internally derived based on appropriate valuation methodologies with respect to the amount and timing of future cash flows and estimated discount rates. However, considerable judgment is required in interpreting market data to develop estimates of fair value, so the estimates are not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange. The effect of using different market assumptions or estimation methodologies could be material to the estimated fair values. Fair value information presented herein was based on information available at December 31, 2011 and 2010.

	2011		2010	
December 31, *($ in thousands)*	**Carrying value**	**Fair value**	Carrying value	Fair value
Financial Assets				
Mortgage loans held–for–sale (a)	**$3,105,352**	**$3,133,085**	$3,384,115	$3,388,307
Finance receivables and loans, net (a)	**195,792**	**142,848**	225,054	158,540
Financial Liabilities				
Borrowings from Ally Inc. and subsidiaries	**$749,163**	**$749,163**	$1,047,009	$1,047,009
Other borrowings	**1,243,055**	**1,214,165**	1,405,020	1,383,288

(a) Includes financial instruments carried at fair value due to fair value option elections. Refer to the previous section of this note titled Fair Value *Option for Financial Assets and Liabilities* for further information about the fair value elections.

The following describes the methodologies and assumptions used to determine fair value for the respective classes of financial instruments. In addition to the valuation methods discussed below, we also followed guidelines for determining whether a market was not active and a transaction was not distressed. As such, we assumed the price that would be received in an orderly transaction (including a market–based return) and not in forced liquidation or distressed sale.

- ***Mortgage loans held–for–sale*** — Carrying value differs from fair value as certain loans may be required to be carried at cost under lower of cost or fair value measurements (i.e. fair value is greater than cost). See discussion of valuation methods and assumptions used for mortgage loans held for sale within the *Fair Value Measurement* section of this Note.

- ***Consumer mortgage finance receivables and loans, net*** — Consumer mortgage finance receivables and loans that are not securitized and fair value elected use valuation methods and assumptions similar to those used for mortgage loans held–for–sale. These valuations take into account the unique attributes of the respective mortgage loans, such as geography,

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delinquency status, product type, and other factors.

- ***Ally Inc. and subsidiaries borrowings*** — Ally Inc. and subsidiaries borrowings have been executed to approximate arms-length terms. These borrowing arrangements generally charge floating interest rates based on an index plus a market-based spread. There are frequent negotiations and restructuring activities around these borrowing arrangements. Accordingly, the interest rates on these borrowings would be equivalent to those demanded in the market and thus carrying value approximates fair value.

- ***Other borrowings*** — Includes our third-party funding facilities. Our third-party funding facilities have floating rates based on an index plus a spread. These borrowings have recently been negotiated or amended and the credit spread would be consistent with those demanded in the market. Accordingly, the interest rates on these borrowings would be at market and thus carrying value would approximate fair value.

16. Derivative Instruments and Hedging Activities

We transact interest rate and foreign currency swaps, futures, forwards, options, swaptions, and TBAs in connection with our risk management activities. Our primary objective for executing these financial instruments is to mitigate our economic exposure to future events that are outside our control. These financial instruments are utilized principally to manage market risk and cash flow volatility associated with mortgage loans held–for–sale and MSRs, including our total return and forward flow agreements with Ally Bank. See Note 20 — Related Party Transactions for additional information. We do not transact derivative instruments for reasons beyond risk management.

In addition to derivatives transacted as part of our risk management activities, we create derivative contracts as part of our ongoing operations. In particular, we frequently execute forward mortgage loan purchase and sale commitments with Ally Bank and financial institutions, respectively, principally to provide a future source of mortgage volume and dedicated exit channels. Additionally, we enter into commitments with mortgage borrowers that require us to originate a mortgage at a stated amount and rate; these are derivative contracts if our intent is ultimately to hold the originated loan for sale. We refer to commitments to purchase mortgage loans from Ally Bank and commitments to originate mortgage loans held–for–sale, collectively, as interest rate lock commitments (IRLCs).

The following summarizes our significant asset and liability classes, the risk exposures for these classes, and our risk management activities utilized to mitigate certain of these risks. The discussion includes both derivative and nonderivative financial instruments utilized as part of these risk management activities.

Interest Rate Sensitive Assets/Liabilities

- ***Mortgage loan commitments and loans held–for–sale*** — We are exposed to interest rate risk from the time an IRLC is made, either directly or indirectly through the forward flow agreement with Ally Bank, until the time the mortgage loan is sold. Changes in interest rates impact the market price for the mortgage loan; as market interest rates decline, the value of existing IRLCs and mortgage loans held–for–sale increase and vice versa. The primary objective of our risk management activities related to IRLCs and mortgage loans held–for–sale is to eliminate or reduce any interest rate risk associated with these assets.

  We enter into forward sale contracts of mortgage-backed securities, primarily agency TBAs, as our primary strategy to mitigate this risk. These contracts are typically entered into at the time the interest rate lock commitment is made. The value of the forward sales contracts moves in the opposite direction of the value of our IRLCs and mortgage loans held–for–sale. We may also use other derivatives, such as options, and futures, to economically hedge certain portions of the portfolio. Nonderivative instruments, such as short positions on U.S. Treasuries, may also be used to economically hedge the portfolio. We monitor and actively manage our risk on a daily basis; therefore trading volume can be significant.

  We do not apply hedge accounting to our derivative portfolio held to economically hedge our IRLCs and mortgage loans held–for–sale. Included in the derivatives on IRLCs and mortgage loans held–for–sale is the forward flow agreement with Ally Bank having a fair value of $16.4 million and an outstanding notional of $9.8 billion at December 31, 2011. Under the terms of the forward flow agreement, Ally Bank transfers the exposure to changes in fair value of specified pools of assets, in this case IRLCs and mortgage loans held–for–sale, to us. See Note 20 — Related Party Transactions for additional information.

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- ***Mortgage servicing rights*** — Our MSRs and retained interests are generally subject to loss in value when mortgage rates decline. Declining mortgage rates generally result in an increase in refinancing activity, which increases prepayments and results in a decline in the value of MSRs and other retained interests. To mitigate the impact of this risk, we maintain a portfolio of financial instruments, primarily derivatives, which increase in value when interest rates decline. The primary objective is to minimize the overall risk of loss in the value of MSRs and other retained interests due to the change in fair value caused by interest rate changes and their interrelated impact to prepayments.

  We use a variety of derivative instruments to manage the interest rate risk related to MSRs and other retained interests. These include, but are not limited to, interest rate futures, call or put options on U.S. Treasuries, swaptions, mortgage-backed securities (MBS) futures, U.S. Treasury futures, interest rate swaps, interest rate floors and caps. While we do not currently utilize nonderivative instruments (i.e., U.S. Treasuries) to hedge this portfolio, we have utilized them in the past and may utilize them again in the future. We monitor and actively manage our risk on a daily basis, and therefore trading volume can be significant.

  Included in the derivatives hedging MSRs and retained interests is a total return swap with Ally Bank having a fair value of $17.7 million at December 31, 2011. Under the terms of the total return swap, Ally Bank transfers the total economic return of a specified portfolio of mortgage servicing rights owned by Ally Bank to us in exchange for a variable payment based on a fixed spread to LIBOR. See Note 20 — Related Party Transactions for additional information.

Credit Risk and Collateral Arrangements

Derivative financial instruments contain an element of credit risk if counterparties, including affiliates, are unable to meet the terms of their agreements. Credit risk associated with derivative financial instruments is measured as the net replacement cost should the counterparties that owe us under the contracts completely fail to perform under the terms of those contracts, assuming there are no recoveries of underlying collateral, as measured by the fair value of the derivative financial instruments. At December 31, 2011 and December 31, 2010, the fair value of derivative financial instruments in an asset, or receivable position, were $4.9 billion and $3.3 billion, including $3.2 billion and $2.2 billion with affiliates, respectively. See Note 20 — Related Party Transactions for additional information.

We minimize the credit risk exposure by limiting our counterparties to those major banks and financial institutions that meet established credit guidelines and transacting with and through affiliates. Additionally, we reduce credit risk on the majority of our derivative financial instruments by entering into legally enforceable agreements that permit the closeout and netting of transactions with the same counterparty upon occurrence of certain events. To further mitigate the risk of counterparty default, we execute collateral agreements with counterparties. The agreements require both parties to maintain cash deposits in the event the fair values of the derivative financial instruments meet established thresholds. We have received cash deposits from counterparties totaling $647.9 million and $574.0 million at December 31, 2011 and, 2010, respectively, for derivative positions in an asset position to us. We have placed cash deposits totaling $1.1 billion and $1.2 billion at December 31, 2011 and 2010, respectively, in accounts maintained by counterparties for derivative positions in a liability position to us. The cash deposits placed and received are included in accounts receivable, other assets, and other liabilities.

We are not exposed to credit risk related contingent features in any of our derivative contracts that could be triggered and potentially could expose us to future loss.

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Consolidated Balance Sheet Presentation

The following table summarizes the location and fair value amounts of derivative instruments reported on our Consolidated Balance Sheet. The fair value amounts are presented on a gross basis and further segregated by type of contract.

	2011			2010		
	Fair value of derivative contracts in			Fair value of derivative contracts in		
December 31, *($ in thousands)*	**receivable position (a)**	**payable position (b)**	**Notional amount**	receivable position (a)	payable position (b)	Notional amount
Economic hedges						
Interest rate risk						
MSRs and retained interests	**$4,811,804**	**($5,011,557)**	**$523,036,528**	$2,965,238	($3,187,461)	$325,749,110
Mortgage loans held–for–sale	**8,770**	**(96,077)**	**17,323,000**	235,600	(67,426)	30,476,696
Total interest rate risk	**4,820,574**	**(5,107,634)**	**540,359,528**	3,200,838	(3,254,887)	356,225,806
Non–risk management derivatives						
Bank MSR swap	**17,681**	**—**	**1,384,835**	14,603	—	3,477,747
Bank forward flow agreement	**16,424**	**—**	**9,825,783**	54,669	—	13,413,484
Mortgage loan commitments	**933**	**(5)**	**77,633**	218	(15)	20,169
Total non-risk management	**35,038**	**(5)**	**11,288,251**	69,490	(15)	16,911,400
Total derivatives	**$4,855,612**	**($5,107,639)**	**$551,647,779**	$3,270,328	($3,254,902)	$373,137,206

(a) Presented in other assets.
(b) Presented in other liabilities.

Consolidated Statement of Income Presentation

The following table summarizes the location and amount of gains and losses reported in our Consolidated Statement of Income related to derivative instruments.

Year ended December 31, *($ in thousands)*	**2011**	2010
Economic hedges		
Risk management derivatives		
Gain (loss) recognized in earnings on derivatives		
Interest rate contracts		
Gain on mortgage loans, net	**($721,939)**	($336,417)
Servicing asset valuation and hedge activities, net	**816,243**	476,378
Other revenue, net	**—**	—
Total interest rate contracts	**94,304**	139,961
Non-risk management derivatives		
Gain on mortgage loans, net	**238,024**	(65,474)
Servicing asset valuation and hedge activities, net	**(359,523)**	469,945
Total non-risk management derivatives	**(121,499)**	404,471
Total derivatives	**($27,195)**	$544,432

Our derivative portfolios generally are reflected in the operating activities section of our Consolidated Statement of Cash Flows. Derivative fair value adjustments are captured in our Consolidated Statement of Income line items described in the table above and, accordingly, are generally reflected within the respective line items within the reconciliation of net income (loss) to net cash provided by operating activities section of our Consolidated Statement of Cash Flows. The remaining changes in derivative portfolio values are generally reflected within the "net change in other assets" or "net change in other liabilities" line items on our Consolidated Statement of Cash Flows.

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17. Higher Risk Mortgage Loans and Credit Quality

Historically, we originated and purchased mortgage loans that had contractual features that may increase our exposure to credit risk and thereby result in a concentration of credit risk. These mortgage loans include loans that may subject borrowers to significant payment increases in the future, have negative amortization of the principal balance or have high loan–to–value ratios.

The following table summarizes the gross carrying value of our higher-risk mortgage loans classified as held–for–sale and finance receivables and loans.

December 31, *($ in thousands)*	**2011**	2010
High loan-to-value (greater than 100%) mortgage loans	**$153,451**	$170,427
Interest-only mortgage loans	**3,820**	17,777
Below market initial rate mortgage loans	**213,404**	201,549
Total carrying value of higher-risk mortgages	**$370,675**	$389,753

Included in the table above are $42.6 million and $78.9 million of high-risk mortgage loans held in on-balance sheet securitizations at December 31, 2011 and 2010, respectively. Our exposure on these loans is limited to the value of our retained interest.

As part of our loss mitigation efforts and participation in certain governmental programs (e.g., the Making Home Affordable program), we may offer loan restructurings to borrowers. Due to the nature of restructurings, these loans are generally considered higher risk. Loan modifications can include any or all of the following; principal forgiveness, maturity extensions, delinquent interest capitalization and changes to contractual interest rates. Modifications can be either temporary or permanent. Temporary loan modifications are generally used to monitor the borrower's ability to perform under the revised terms over a specified trial period; if the borrower performs, it may become a permanent loan modification. We have historically performed loan modifications under our private modification program; however, more recently the majority of loan modifications are completed under government programs. The carrying value of our on-balance sheet modified mortgage loans was $760.7 million and $559.6 million as of December 31, 2011 and 2010, respectively. These modified mortgage loans are included within mortgage loans held–for–sale and consumer finance receivables and loans.

Nonperforming Assets

Nonperforming assets include nonaccrual loans and foreclosed assets. The classification of a loan as nonperforming does not necessarily indicate that the principal amount of the loan is ultimately uncollectible in whole or in part. In certain cases, borrowers make payments to bring their loans contractually current and, in all cases, our mortgage loans are collateralized by residential real estate. As a result, our experience has been that any amount of ultimate loss for mortgage loans other than home equity loans is substantially less than the unpaid principal balance of a nonperforming loan.

Delinquent loans expose us to higher levels of credit losses and therefore are considered higher risk loans. The determination as to whether a loan falls into a particular delinquency category is made as of the close of business on the balance sheet date. The following table sets forth information concerning the delinquency experience in our mortgage loans held–for–sale and consumer finance receivable and loans at carrying value.

	2011		2010	
December 31, *($ in thousands)*	**Amount**	**% of total**	Amount	% of total
Current	**$805,329**	**24.3%**	$837,239	23.1%
Past due				
30 to 89 days	**84,766**	**2.6**	65,271	1.8
90 days or more and still accruing interest (a)	**73,661**	**2.2**	24,451	0.7
90 days or more conditional repurchase option loans (b)	**2,279,225**	**68.8**	2,343,748	64.6
Nonaccrual	**68,288**	**2.1**	355,136	9.8
Total	**3,311,269**	**100.0%**	3,625,845	100.0%
Allowance for loan losses	**(10,126)**		(16,676)	
Total, net	**$3,301,143**		$3,609,169	

(a) Loans that are 90 days or more delinquent and still accruing interest are government insured.

(b) We do not record interest income on conditional repurchase option loans. If these options were exercised and we acquired the loans, $2.3 billion and $2.3 billion would be classified as 90 days or more and still accruing due to government guarantees at December 31, 2011 and 2010, respectively. The private-label conditional repurchase option loans of $5.1 million and $3.9 million would be classified as nonaccrual at December 31, 2011 and 2010, respectively.

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The following table presents the net carrying value of nonperforming assets.

December 31, *($ in thousands)*	**2011**	2010
Nonaccrual consumer		
1st Mortgage	**$47,172**	$124,222
Home equity	**21,116**	230,914
Total nonaccrual consumer (a)	**68,288**	355,136
Foreclosed assets	**9,922**	25,307
Total nonperforming assets	**$78,210**	$380,443

(a) Excludes loans subject to conditional repurchase options of $2.3 billion and $2.3 billion sold to Ginnie Mae guaranteed securitizations and $5.1 million and $3.9 million sold to off-balance sheet private-label securitization trusts at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities. See Note 4 — Securitizations and Variable Interest Entities for additional information.

18. Guarantees, Commitments and Contingencies

Guarantees

Guarantees are defined as contracts or indemnification agreements that contingently require us to make payments to others based on changes in an underlying agreement that is related to a guaranteed party. The following summarizes our outstanding guarantees.

	2011		2010	
December 31, *($ in thousands)*	**Maximum liability**	**Carrying value of liability**	Maximum liability	Carrying value of liability
Off-balance sheet guarantees				
HLTV securitizations	**$4,381**	**$—**	$5,417	$—
Guarantor of ResCap and affiliate debt	**2,249,295**	**—**	2,266,108	—
Credit enhancement guarantees	**1,467**	**20**	1,522	20

HLTV securitizations

We have entered into agreements to provide credit loss protection for certain HLTV securitization transactions. The maximum potential obligation under these agreements is equal to the lesser of a specified percentage of the original loan pool balance or a specified percentage of the current loan pool balance. We are required to perform on our guaranty obligation when losses exceed cash available in each period.

For certain other HLTV securitizations, the maximum potential obligation is equivalent to the pledged collateral amount. There were no pledged collateral amounts related to these HLTV securitizations at December 31, 2011 and 2010, respectively. Our guaranty obligation is triggered when the security credit enhancements are exhausted and losses are passed through to over-the-counter dealers. The guaranty obligations terminate the first calendar month during which the security aggregate note amount is reduced to zero.

Guarantor of ResCap and Affiliate Debt

We, along with certain other subsidiaries of ResCap, are guarantors of ResCap's obligations under its 9.625% Junior Secured Guaranteed Notes due 2015 (the Junior Secured Notes). The Junior Secured Notes are secured by second priority liens on the same collateral that secures the Ally Inc. Senior Secured Credit Facility and are repayable in three equal annual tranches of $707.0 million from May 2013 through 2015. We, along with certain other subsidiaries of ResCap, are also guarantors of peso denominated medium-term notes issued by GMAC Financiera S.A. de C.V., SOFOM, ENR, a wholly owned subsidiary of RFC.

Credit enhancement

We have sold certain mortgage loans to investors which contain a guarantee for the payment of the third-party debt in the event of default or loss.

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Financing Commitments

The contractual amounts of financing commitments were as follows.

	Contract amount	
December 31, *($ in thousands)*	**2011**	2010
Commitments to		
Originate/purchase mortgage loans or securities	**$9,903,415**	$13,484,045
Sell mortgage loans or securities (a)	**12,632,000**	14,348,696
Home equity lines of credit	**1,551,734**	2,162,976

(a) Includes $6.3 billion and $1.7 billion as of December 31, 2011 and 2010, respectively, of commitments to sell securities to Ally IM under outstanding TBA transactions. See Note 16 - Derivative Instruments and Hedging Activities for additional information.

Commitments to originate/purchase mortgage loans or securities

Prior to mortgage funding we commit to originate loans under interest rate lock commitments with borrowers whereby we commit to fund loans at a set interest rate, provided the borrower elects to close the loan. We also commit to purchase loans from Ally Bank. The estimated fair value for these commitments is the current estimated fair value of the underlying mortgage loan less the par value of committed loan amount, adjusted for anticipated net origination costs and fees and any loans that are not expected to be funded based on our historical experience. The determination of the underlying mortgage loan fair value is estimated using published market information associated with commitments to sell similar instruments. All of these commitments were accounted for as derivatives at December 31, 2011 and 2010.

Commitments to sell mortgage loans or securities

We enter into forward delivery commitments to sell mortgages and MBS to third party investors. The forward sale commitments obligate us to sell a certain amount of loans or securities within a certain range of interest rates in a specified time period. Due to the nature of the commitment, we are exposed to interest rate and market rate risk during the commitment period. All of these commitments were accounted for as derivatives at December 31, 2011 and 2010.

Home equity lines of credit

We have commitments to fund the remaining undrawn balances on home equity lines of credit. The unused lines of credit reset at prevailing market rates and, as such, approximate market value. Included in the home equity lines of credit are both lines of credit on our Consolidated Balance Sheet, and those within certain of our off-balance sheet securitizations. As provided by the securitization structure, we become obligated to fund any incremental draws, subject to customary borrower requirements, on home equity lines of credit by borrowers if certain triggers are met. These draws are referred to as excluded amounts and are funded directly to the borrower by us. In return, our lending balances are collected from our percentage of the remitted funds for specific borrowers within the securitization trust. We actively manage the available lines of credit within these securitization trusts to reduce potential funding risk. At December 31, 2011 and 2010, the cumulative funds drawn were $367.9 million and $377.8 million, respectively, which we classified within mortgage loans held–for–sale. At December 31, 2011 and 2010, the commitments to fund home equity lines of credit in off-balance sheet securitizations represented $645.9 million and $986.7 million, respectively, of our total unfunded commitments of $1.6 billion and $2.2 billion, respectively. We estimate and record a liability for the incurred credit losses on our unfunded home equity line of credit commitments. These anticipated credit losses are classified within other liabilities. At December 31, 2011 and 2010, we had a liability of $1.4 million and $3.9 million, respectively, recorded for incurred credit losses on our unfunded home equity line of credit commitments.

Other Commitments and Contingencies

We believe it is reasonably possible that losses beyond amounts currently recorded for the litigation matters and representation and warranty obligations and related claims described below could occur, and such losses could have a material adverse impact on our results of operations, financial condition or cash flows. However, based on currently available information, we are unable to estimate a range of reasonably possible losses above amounts that have been recorded at December 31, 2011.

Loan Repurchases and Obligations Related to Loan Sales

Overview

We sell loans that take the form of securitizations guaranteed by the GSEs, securitizations sold to private investors, and to whole–loan investors. In connection with a portion of our private-label securitizations, the monolines insured all or some of the related bonds and guaranteed timely repayment of bond principal and interest when the issuer defaults. In connection with securitizations and loan sales, the trustee for the benefit of the related security holders and, if applicable, the related monoline insurers are provided various representations and warranties related to the loans sold. The specific representations and warranties vary among

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different transactions and investors but typically relate to, among other things, the ownership of the loan, the validity of the lien securing the loan, the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer, the ability to deliver required documentation and compliance with applicable laws. In general, the representations and warranties described above may be enforced at any time unless a sunset provision is in place. Upon discovery of a breach of a representation or warranty, the breach is corrected in a manner conforming to the provisions of the sale agreement. This may require us to repurchase the loan, indemnify the investor for incurred losses, or otherwise make the investor whole. We have entered into settlement agreements with both Fannie Mae and Freddie Mac that, subject to certain exclusions, limit our remaining exposure with the GSEs. See *Government-sponsored Enterprises* below. We assume all of the customary representation and warranty obligations for loans purchased from Ally Bank and subsequently sold into the secondary market, generally through securitizations guaranteed by the GSEs.

Originations

The total exposure to mortgage representation and warranty claims is most significant for loans originated and sold between 2004 through 2008, specifically the 2006 and 2007 vintages that were originated and sold prior to enhanced underwriting standards and risk–mitigation actions implemented in 2008 and forward. Since 2009, we have focused primarily on purchasing prime conforming and government–insured mortgages. In addition, we ceased offering interest–only jumbo mortgages in 2010. Representation and warranty risk mitigation strategies include, but are not limited to, pursuing settlements with investors where economically beneficial in order to resolve a pipeline of demands in lieu of loan-by-loan assessments that could result in repurchasing loans, aggressively contesting claims we do not consider valid (rescinding claims), and seeking recourse against correspondent lenders from whom we purchased loans wherever appropriate.

Demand/Claim Process

After receiving a claim under representation and warranty obligations, we review the claim to determine the appropriate response (e.g. appeal, and provide or request additional information) and take appropriate action (rescind, repurchase the loan, or remit indemnification payment). Historically, repurchase demands were generally related to loans that became delinquent within the first few years following origination. As a result of market developments over the past several years, investor repurchase demand behavior has changed significantly. GSEs and investors are more likely to submit claims for loans at any point in their life cycle. Investors are more likely to submit claims for loans that become delinquent when a loss is incurred. Representation and warranty claims are generally reviewed on a loan–by–loan basis to validate if there has been a breach requiring a potential repurchase or indemnification payment. We actively contest claims to the extent they are not considered valid. We are not required to repurchase a loan or provide an indemnification payment where claims are not valid.

The risk of repurchase or indemnification, and the associated credit exposure, is managed through our underwriting and quality assurance practices and by servicing mortgage loans to meet investor standards. We believe that, in general, the longer a loan performs prior to default, the less likely it is that an alleged breach of representation and warranty will be found to have a material and adverse impact on the loan's performance. When loans are repurchased, we bear the related credit loss on the loans. Repurchased loans are classified as held–for–sale and initially recorded at fair value.

The following table includes amounts paid to investors and monolines with respect to representation and warranty obligations.

December 31, *($ in thousands)*	**2011**	2010
Loan repurchases (UPB)		
GSEs	**$143,340**	$388,873
Private–label securitizations insured (monolines)	**179**	160
Private–label securitizations uninsured	**—**	—
Whole–loan investors	**1,426**	66,201
Total	**$144,945**	$455,234
Indemnifications (make wholes) by investor		
GSEs	**$59,269**	$227,994
Private–label securitizations insured (monolines)	**5,449**	12,149
Private–label securitizations uninsured	**—**	—
Whole–loan investors	**869**	—
Total	**$65,587**	$240,143

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The following table presents the total number and original unpaid principal balance of loans related to unresolved representation and warranty demands (indemnification claims and/or repurchase demands). The table includes demands that we have requested be rescinded but which have not yet been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews.

	2011		2010	
December 31, *($ in millions)*	**Number of loans**	**Dollar amount of loans**	Number of loans	Dollar amount of loans
Unresolved repurchase demands previously received				
GSEs	**357**	**$71**	833 (a)	$170 (a)
Monolines				
MBIA Insurance Corporation	**3,494**	**229**	3,576	243
Financial Guaranty Insurance Company	**3,579**	**199**	295	23
Other	**286**	**22**	93	8
Other investors	**98**	**27**	196	41
Total unpaid principal balance	**7,814**	**$548**	4,993	$485

(a) This amount is gross of any demands that would be removed due to the Fannie Mae settlement. At December 31, 2010, $48.0 million of outstanding claims were covered under the Fannie Mae settlement agreement.

We are currently in litigation with MBIA Insurance Corporation (MBIA) and Financial Guaranty Insurance Company (FGIC) with respect to certain representation and warranty matters related to certain of our private-label securitizations. Historically we have requested that most of the demands be rescinded, consistent with the claim/demand process described above. As the litigation process proceeds, additional loan reviews are expected and will likely result in additional repurchase demands.

Liability for Representation and Warranty Obligations

The liability for representation and warranty obligations reflects management's best estimate of probable lifetime loss. We consider historical and recent demand trends in establishing the reserve. The methodology used to estimate the reserve considers a variety of assumptions including borrower performance (both actual and estimated future defaults), repurchase demand behavior, historical loan defect experience, historical mortgage insurance rescission experience, and historical and estimated future loss experience, which includes projections of future home price changes as well as other qualitative factors including investor behavior. In cases where we do not have or have limited current or historical demand experience with an investor, it is difficult to predict and estimate the level and timing of any potential future demands. In such cases, we may not be able to reasonably estimate losses, and a liability is not recognized. Management monitors the adequacy of the overall reserve and makes adjustments to the level of reserve, as necessary, after consideration of other qualitative factors including ongoing dialogue and experience with counterparties.

At the time a loan is sold, an estimate of the fair value of the liability is recorded and classified in other liabilities and recorded as a component of gain on mortgage loans, net. We recognize changes in the liability when additional relevant information becomes available. Changes in the liability are recorded as representation and warranty expense, net. At December 31, 2011, the liability relates primarily to non–GSE exposure. The following table summarizes the changes in our liability for representation and warranty obligations.

($ in thousands)	**2011**	2010
Balance at January 1,	**$496,216**	$874,990
Provision for representation and warranty obligations		
Loan sales	**20,578**	23,038
Change in estimate	**98,614**	703,719
Total additions	**119,192**	726,757
Realized losses (a)	**(133,068)**	(1,113,989)
Recoveries	**10,858**	8,458
Balance at December 31,	**$493,198**	$496,216

(a) Includes principal losses and accrued interest on repurchased loans, indemnification payments, and settlements with investors.

Government–sponsored Entities

Between 2004 and 2011, we sold $430.8 billion of loans to the GSEs. Each GSE has specific guidelines and criteria for sellers and servicers of loans underlying their securities. In addition, the risk of credit loss of the loans sold was generally transferred to investors upon sale of the securities into the secondary market. Conventional conforming loans were sold to either Freddie Mac or Fannie Mae, and government–insured loans were securitized with Ginnie Mae. Our representation and warranty obligation liability

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with respect to the GSEs considers the existing unresolved claims and the best estimate of future claims that could be received. We consider our experiences with the GSEs in evaluating our liability. During 2010, we were party to agreements with Freddie Mac and Fannie Mae that subject to certain exclusions, limits our remaining exposure to each counterparty.

The following table summarizes the changes in the original unpaid principal balance related to unresolved repurchase demands with respect our GSE exposure. The table includes demands that we have requested be rescinded but which have not been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews. If we subsequently determine that we cannot deliver the requested documentation, and we repurchase the loan or make an indemnification payment, the demand will be reported in resolved claims.

($ in millions)	**2011**	2010
Balance at January 1,	**$170**	$296
New claims	**441**	842
Resolved claims (a)	**(349)**	(756)
Rescinded claims/other	**(191)**	(212)
Balance at December 31,	**$71**	$170

(a) Includes settlements, repurchased loans and claims under which indemnification payments are made.

In March 2010, we entered into an agreement with Freddie Mac under which we made a one-time payment to Freddie Mac for the release of repurchase obligations relating to most of the mortgage loans sold to Freddie Mac prior to January 1, 2009. This agreement does not release any of our obligations with respect to exposure for private-label MBS in which Freddie Mac had previously invested, loans where our affiliate, Ally Bank is the owner of the servicing, as well as defects in certain other specified categories of loans. Further, we continue to be responsible for other contractual obligations we have with Freddie Mac, including all indemnification obligations that may arise in connection with the servicing of the mortgages. These other specified categories include (i) loans subject to certain state predatory lending and similar laws; (ii) groups of 25 or more mortgage loans purchased, originated, or serviced by one of our subsidiaries, the purchase, origination, or sale of which all involve a common actor who committed fraud; (iii) "non-loan-level" representations and warranties which refer to representations and warranties that do not relate to specific mortgage loans (examples of such non-loan-level representations and warranties include the requirement that our subsidiaries meet certain standards to be eligible to sell or service loans for Freddie Mac or our subsidiaries sold or serviced loans for market participants that were not acceptable to Freddie Mac); and (iv) mortgage loans that are ineligible for purchase by Freddie Mac under its charter and other applicable documents. If, however, a mortgage loan was ineligible under Freddie Mac's charter solely because mortgage insurance was rescinded (rather than for example, because the mortgage loan is secured by a commercial property), and Freddie Mac required us or our subsidiary to repurchase that loan because of the ineligibility, Freddie Mac would pay any net loss we suffered on any later liquidation of that mortgage loan.

We have received subpoenas in July 2010 from the Federal Housing Finance Agency (FHFA), which is the conservator of Fannie Mae and Freddie Mac. The subpoenas relating to Fannie Mae investments have been withdrawn with prejudice. The FHFA indicated that documents provided in response to the remaining subpoenas will enable the FHFA to determine whether they believe issuers of private-label MBS are potentially liable to Freddie Mac for losses they might have incurred. The FHFA has commenced securities and related common law fraud litigation against certain of our affiliates with respect to certain of Freddie Mac's private-label securities investments. It is possible that FHFA could bring legal claims against us in the future.

In December 2010, we entered into an agreement with Fannie Mae under which we made a one-time payment to Fannie Mae for the release of repurchase obligations related to most of the mortgage loans we sold to Fannie Mae prior to June 30, 2010. The agreement also covers potential exposure for private-label MBS in which Fannie Mae had previously invested. This agreement does not release any of our obligations with respect to loans where our affiliate, Ally Bank, is the owner of the servicing, as well as for defects in certain other specified categories of loans. Further, we continue to be responsible for other contractual obligations we have with Fannie Mae, including all indemnification obligations that may arise in connection with the servicing of the mortgages, and we continue to be obligated to indemnify Fannie Mae for litigation or third party claims (including by borrowers) for matters that may amount to breaches of selling representations and warranties. These other specified categories include, among others, (i) those that violate anti-predatory laws or statutes or related regulations or that otherwise violate other applicable laws and regulations; (ii) those that have non-curable defects in title to the secured property, or that have curable title defects, to the extent our subsidiaries do not cure such defects at our subsidiary's expense; (iii) any mortgage loan in which title or ownership of the mortgage loan was defective; (iv) groups of 13 or more mortgage loans, the purchase, origination, sale or servicing of which all involve a common actor who committed fraud; and (v) mortgage loans not in compliance with Fannie Mae Charter Act requirements (e.g., mortgage loans on commercial properties or mortgage loans without required mortgage insurance coverage). If a mortgage loan falls out of compliance with Fannie Mae Charter Act requirements because mortgage insurance coverage has been rescinded and not reinstated or replaced, upon the borrower's default our subsidiaries would have to pay to Fannie Mae the amount of insurance proceeds that would have been paid by the mortgage insurer with respect to such mortgage loan. If the amount of the loss exceeded the amount

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of insurance proceeds, Fannie Mae would be responsible for such excess.

Monoline Insurers

Historically, we have securitized loans where the monolines insured all or some of the related bonds and guaranteed the timely repayment of bond principal and interest when the issuer defaults. Typically, any alleged breach requires the insurer to have both the ability to assert a claim as well as evidence that a defect has had a material and adverse effect on the interest of the security holders or the insurer. For the period 2004 through 2007, we sold $18.5 billion of loans into these monoline–wrapped securitizations.

We are currently in litigation with MBIA and FGIC in connection with our representation and warranty obligations, and additional litigation with other monolines is likely.

The following table summarizes the changes in the original unpaid principal balance related to unresolved repurchase demands with respect to our Monoline exposure. The table includes demands that we have requested be rescinded but which have not been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews. If we subsequently determine that we cannot deliver the requested documentation, and we repurchase the loan or make an indemnification payment, the demand will be reported in resolved claims.

($ in millions)	**2011**	2010
Balance at January 1,	**$274**	$231
New claims (a)	**211**	49
Resolved claims (b)	**(2)**	(4)
Rescinded claims/other	**(33)**	(2)
Balance at December 31,	**$450**	$274

(a) Substantially all relate to claims associated with the 2004 through 2007 vintages.
(b) Includes settlements, repurchased loans and claims under which indemnification payments are made.

Private–label Securitization

In general, representations and warranties provided as part of our private–label securitization activities are less rigorous than those provided to the GSEs and generally impose higher burdens on investors seeking repurchase. In order to successfully assert a claim, it is our position that a claimant must prove a breach of the representations and warranties that materially and adversely affects the interest of the investor in the allegedly defective loan. Securitization documents typically provide the investors with a right to request that the trustee investigate and initiate a repurchase claim. However, a class of investors generally are required to coordinate with other investors in that class comprising no less than 25% and in some cases 50% of the percentage interest constituting a class of securities of that class issued by the trust to pursue claims for breach of representations and warranties. In addition, our private-label securitizations generally require that the servicer or trustee give notice to the other parties whenever it becomes aware of facts or circumstances that reveal a breach of representation that materially and adversely affects the interest of the certificate holders.

Regarding our securitization activities, we have exposure to potential losses primarily through two avenues. First, investors, through trustees to the extent required by the applicable agreements (or monoline insurers in certain transactions), may request pursuant to applicable agreements that we repurchase loans or make the investor whole for losses incurred if it is determined that we violated representations and warranties made at the time of the sale, provided that such violations materially and adversely impacted the interest of the investor. Contractual representations and warranties are different based on the specific deal structure and investor. It is our position that litigation of these matters must proceed on a loan by loan basis. This issue is being disputed throughout the industry in various pending litigation matters. Similarly in dispute as a matter of law is the degree to which claimants will have to prove that the alleged breaches of representations and warranties actually caused the losses they claim to have suffered. Ultimate resolution by courts of these and other legal issues will impact litigation and treatment of non-litigated claims pursuant to similar contractual provisions. Second, investors in securitizations may attempt to achieve rescission of their investments or damages through litigation by claiming that the applicable offering documents were materially deficient. If an investor properly made and proved its allegations, the investor might attempt to claim that damages could include loss of market value on the investment even if there were little or no credit loss in the underlying loans.

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Whole–loan Sales

The following table summarized the changes in the original unpaid principal balance related to unresolved repurchase demands with respect to our whole-loan exposure. The table includes demands that we have requested be rescinded but which have not been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews. If we subsequently determine that we cannot deliver the requested documentation, and we repurchase the loan or make an indemnification payment, the demand will be reported in resolved claims.

($ in millions)	**2011**	2010
Balance at January 1,	**$41**	$29
New claims (a)	**20**	52
Resolved claims (b)	**(8)**	(17)
Rescinded claims/other	**(26)**	(23)
Balance at December 31,	**$27**	$41

(a) Includes $18.9 million and $51.8 million new claims associated with the 2004 through 2007 vintages in 2011 and 2010, respectively.
(b) Includes settlements, repurchased loans and claims under which indemnification payments are made.

Private Mortgage Insurance

Mortgage insurance is required for certain consumer mortgage loans sold to the GSEs and certain securitization trusts and may have been in place for consumer mortgage loans sold to whole-loan investors. Mortgage insurance is typically required for first-lien consumer mortgage loans having a loan-to-value ratio at origination of greater than 80 percent. Mortgage insurers are, in certain circumstances, permitted to rescind existing mortgage insurance that covers consumer loans if they demonstrate certain loan underwriting requirements have not been met. Upon receipt of a rescission notice, we assess the notice and if appropriate we refute the notice, or if the notice cannot be refuted we attempt to remedy the defect. In the event the mortgage insurance cannot be reinstated, we may be obligated to repurchase the loan or provide an indemnification payment in the event of a loss, subject to contractual limitations. While we make every effort to reinstate the mortgage insurance, we have had limited success and as a result, most of these requests result in rescission of the mortgage insurance. At December 31, 2011, we have approximately $130.2 million in original unpaid principal balance of outstanding mortgage insurance rescission notices where we have not received a repurchase demand. However, this unpaid principal amount is not representative of expected future losses.

Private–label Securitizations – Other Potential Repurchase Obligations

When we sell mortgage loans through whole-loan sales or securitizations, we are required to make customary representations and warranties about the loans to the purchaser and/or securitization trust. These representations and warranties relate to, among other things, the ownership of the loan, the validity of the lien securing the loan, the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer, ability to deliver required documentation, and compliance with applicable laws. Generally, the representations and warranties described above may be enforced at any time over the life of the loan. Breaches of these representations and warranties have resulted in a requirement that we repurchase mortgage loans. As the mortgage industry continues to experience higher repurchase requirements and additional investors begin to attempt to put back loans, a significant increase in activity beyond that experienced today could occur, resulting in additional future losses.

Mortgage Foreclosure Matters

On February 9, 2012, Ally Inc., ResCap, and GMAC Mortgage reached an agreement in principle with the federal government, 49 state attorneys general, and 45 state banking departments with respect to investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage origination and servicing activities and foreclosure home sales and evictions (the Settlement). On March 12, 2012, the Settlement was filed as a consent judgment in the U.S. District Court for the District of Columbia. In addition, we separately reached an independent settlement with Oklahoma, which did not participate in the broader settlement described below, and agreements with two other states for other releases.

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The Settlement requires us to pay approximately $110.0 million to a trustee, who will then distribute these funds to federal and state governments. In addition, we are obligated to provide $200.0 million towards borrower relief, subject to possible upward adjustment as described below. This obligation for borrower relief will include loan modifications, including principal reductions, rate modifications, and refinancing for borrowers that meet certain requirements, and participation in certain other programs. Generally, if certain basic criteria are met, borrowers that are either delinquent or at imminent risk of default and owe more on their mortgages than their homes are worth could be eligible for principal reductions, and borrowers that are current on their mortgages but who owe more on their mortgage than their homes are worth could be eligible for refinancing opportunities. Further, we have agreed to solicit all borrowers that are eligible for rate and principal modifications as of March 1, 2012. We are committed to provide loan modifications to all borrowers who accept a modification offer within three months of the solicitation. We have also agreed to provide loan modifications to borrowers who accept a modification offer within six months of the solicitation, unless and until total borrower relief provided exceeds $250.0 million.

We currently expect that loans totaling approximately $550.0 million in outstanding unpaid principal balance will be modified in connection with these programs. This estimate was determined by identifying loans that appear to meet the program eligibility requirements, and applying various assumptions with respect to anticipated modifications. Given that we have limited historical experience upon which to base our assumptions, the actual unpaid principal balance of loans ultimately modified could be significantly different.

The Settlement provides incentives for borrower relief that is provided within the first twelve months, and all obligations must be met within three years from the date the consent judgment is filed. In addition to the foregoing, we will be required to implement new servicing standards relating to matters such as foreclosure and bankruptcy information and documentation, oversight, loss mitigation, limitations on fees, and related procedural matters. Compliance with these obligations will be overseen by an independent monitor, who will have authority to impose additional penalties and fines if we fail to meet established timelines or fail to implement required servicing standards.

The Settlement generally resolves potential claims arising out of origination and servicing activities and foreclosure matters, subject to certain exceptions. The Settlement does not prevent state and federal authorities from pursuing criminal enforcement actions, securities-related claims (including actions related to securitization activities and Mortgage Electronic Registration Systems, or MERS), loan origination claims, claims brought by the FDIC, and certain other matters. The Settlement also does not prevent claims that may be brought by individual borrowers.

The Settlement is subject to ongoing discussions among the parties and the completion of definitive documentation as well as required regulatory and court approvals.

On February 9, 2012, Ally Inc., ResCap, and GMAC Mortgage also agreed with the Federal Reserve Board (FRB) on a civil money penalty (CMP) of $207.0 million related to the same activities that were the subject of the Settlement. This amount will be reduced dollar-for-dollar in connection with certain aspects of our satisfaction of the required monetary payment and borrower relief obligations included within the Settlement, as well as our participation in other similar programs that may be approved by the FRB. While additional future cash payments related to the CMP are possible if we are unable to satisfy the borrower relief requirements of the Settlement within two years, we currently expect that the full amount of the CMP will be satisfied through our commitments in connection with the Settlement.

For the year ended December 31, 2011, we recognized losses of $211.5 million related to the matters described above. While we may forgo future interest payments received related to modified loans that we may not have otherwise agreed without the Settlement, we do not expect the borrower relief modifications required by the Settlement to have a significant impact on future interest. Further, we do not expect our borrower relief commitments overall will have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

In connection with our Settlement obligations we expect to solicit qualifying borrowers from the Ally Bank and RFC consumer mortgage loan portfolios. To the extent activities under the borrower relief programs are consistent with activities currently permitted under our servicing agreements with Ally Bank and RFC, we do not expect to reimburse, or indemnify, either affiliate for any losses it incurs in connection with these borrower relief activities

Other Mortgage Foreclosure Matters

Consent Order

As a result of an examination conducted by the FRB and Federal Deposit Insurance Corporation (FDIC), on April 13, 2011, we entered into a Consent Order (the Consent Order) with the FRB and the FDIC. The Consent Order requires that we make improvements to various aspects of our residential mortgage loan servicing business, including compliance programs, internal audit,

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communications with borrowers, vendor management, management information systems, employee training, and oversight by the board of directors of ResCap.

The Consent Order further requires us to retain independent consultants to conduct a risk assessment related to mortgage servicing activities and, separately, to conduct a review of certain past residential mortgage foreclosure actions. We cannot estimate the ultimate impact of any deficiencies that have been or may be identified in our historical foreclosure procedures. There are potential risks related to these matters that extend beyond potential liability on individual foreclosure actions. Specific risks could include, for example, claims and litigation related to foreclosure remediation and resubmission; claims from investors that hold securities that become adversely impacted by continued delays in the foreclosure process; the reduction in foreclosure proceeds due to delay, or by challenges to completed foreclosure sales to the extent, if any, not covered by title insurance obtained in connection with such sales; actions by courts, state attorneys general, or regulators to delay further the foreclosure process after submission of corrected affidavits, or to facilitate claims by borrowers alleging that they were harmed by our foreclosure practices (by, for example, foreclosing without offering an appropriate range of alternative home preservation options); additional regulatory fines, sanctions, and other additional costs; and reputational risks. To date we have borne all out-of-pocket costs associated with the remediation rather than passing any such costs through to investors for whom we service the related mortgages, and we expect that we will continue to do so.

Legal Proceedings

We are subject to potential liability under various governmental proceedings, claims, and legal actions that are pending or otherwise asserted against us. We are named as defendants in a number of legal actions, and we are occasionally involved in governmental proceedings arising in connection with our respective businesses. Some of the pending actions purport to be class actions, and certain legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. We establish reserves for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. Given the inherent difficulty of predicting the outcome of litigation and regulatory matters, it is generally very difficult to predict what the eventual outcome will be, and when the matter will be resolved. The actual costs of resolving legal claims may be higher or lower than any amounts reserved for the claims. We recorded a liability for probable legal claims of $6.9 million at December 31, 2011, and $7.8 million at December 31, 2010.

Mortgage-backed Securities Litigation

Private-label Securities Litigation

We and certain of our affiliates have been named as defendants in several cases relating to our various roles in MBS offerings. The plaintiffs generally allege that the defendants made misstatements and omissions in registration statements, prospectuses, prospectus supplements, and other documents related to the MBS offerings. The alleged misstatements and omissions typically concern underwriting standards. Plaintiffs generally claim that such misstatements and omissions constitute violations of state and/or federal securities law and common law including negligent misrepresentation and fraud. Plaintiffs seek monetary damages and rescission. Set forth below are descriptions of the most significant of these legal proceedings.

Allstate Litigation

On February 14, 2011, the Allstate Insurance Company and various of its subsidiaries and affiliates (collectively, Allstate) filed a complaint in Hennepin County District Court, Minnesota, against GMAC Mortgage; RFC; Residential Funding Securities LLC (RFS); Residential Accredit Loans Inc. (RALI); Residential Asset Mortgage Products, Inc (RAMP); Residential Funding Mortgage Securities I Inc. (RFMSI); Residential Funding Mortgage Securities II Inc. (RFMSII); and Residential Asset Securities Corporation (RASC) (collectively, the defendants). The complaint alleges that the defendants misrepresented in the offering materials the riskiness and credit quality of, and omitted material information related to, residential MBS Allstate purchased. The complaint asserts claims for fraud and negligent misrepresentation and seeks money damages and costs, including attorneys' fees. Discovery in this case is underway.

Huntington Bancshares Litigation

On October 11, 2011, Huntington Bancshares, Inc. commenced a lawsuit against GMAC Mortgage; RALI; ResCap; GMAC-RFC Holding Company LLC (RFC Holding); RFC; and several individuals (collectively, the defendants). The complaint alleges that the defendants made misrepresentations and omissions of material facts related to the originator's loan underwriting guidelines in the offering materials for five residential mortgaged-backed securities. The complaint asserts claims for fraud, aiding and abetting fraud, negligent misrepresentation, and violation of the Minnesota Securities Act and seeks rescission, money damages, and costs. The defendants' motion to dismiss is pending.

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Private-label Monoline Bond Insurer Litigation

MBIA Litigation

On April 1, 2010 MBIA Insurance Corporation v. GMAC Mortgage was filed. The complaint alleges that we breached our contractual representations and warranties relating to the characteristics of mortgage loans contained in certain insured MBS offerings. The complaint further alleges that we failed to follow specific remedy procedures set forth in the contracts and improperly serviced the mortgage loans. Along with claims for breach of contract, MBIA also alleges fraud. MBIA seeks, among other remedies, repurchase of certain loans, payments on current and future claims under the relevant policies, indemnification for attorneys' fees and costs, and punitive damages. The case is in discovery.

FGIC Litigation

On November 29, 2011, FGIC filed a complaint entitled Financial Guaranty Insurance Company v. GMAC Mortgage LLC, et al. FGIC alleges that we breached our contractual representations and warranties relating to the characteristics of the mortgage loans contained in certain insured MBS offerings as well as a claim for fraudulent inducement. In addition, FGIC alleges aiding and abetting fraudulent inducement against Ally Bank, which originated a large portion of the loans in the disputed pool, and breach of the custodial agreement for failing to notify FGIC of the claimed breaches of representations and warranties. In each of these cases, FGIC seeks, among other relief, reimbursement of all sums it paid under the various policies and an award of legal, rescissory, equitable, and punitive damages. There are currently twelve FGIC lawsuits pending against us and our affiliates in the U.S. District Court for the Southern District of New York.

Other Litigation

Commonwealth of Massachusetts

On December 1, 2011, the Commonwealth of Massachusetts filed an enforcement action in the Suffolk County Superior Court against us and several other lender/servicers. The Commonwealth claims that certain aspects of defendants' foreclosure processes are unlawful, that defendants do not always process loan modifications accurately, and that defendants' use of the Mortgage Electronic Registration Systems (MERS) has damaged the integrity of the Commonwealth's Torrens recording system. The Commonwealth seeks civil penalties, injunctive relief, costs, and attorneys' fees. In connection with the settlement with the federal government and state attorneys general announced on February 9, 2012, the Commonwealth of Massachusetts agreed to settle all servicing-related claims asserted in this action and to certain limits on monetary damages, if any. However, the Commonwealth of Massachusetts continues to pursue claims related to MERS and certain foreclosure-related matters.

Regulatory

Our origination, purchase, sale, securitization and servicing business activities expose us to risks of noncompliance with extensive federal, state, and local laws, rules and regulations. Our business activities are also governed by, among other contracts, primary servicing agreements that contain covenants and restrictions regarding the performance of our servicing activities. Our failure to comply with these laws, rules, regulations and contracts can lead to, among other things, loss of licenses and approvals, an inability to sell or securitize loans, demands for indemnification or loan repurchases from purchasers of loans, demands for indemnification or other compensation from investors in our securitizations, fines, penalties, litigation, including class action lawsuits, and governmental investigations and enforcement actions, including, in the case of some violations of law, possible criminal liability.

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Operating Leases

As of December 31, 2011, we were obligated under non-cancelable operating leases for office space and equipment. Future minimum rental payments, including escalation clauses, under leases with terms of one year or more at December 31, 2011, were as follows.

Year Ended December 31, *($ in thousands)*	Leases as part of ongoing operation
2012	**$13,081**
2013	**11,813**
2014	**11,821**
2015	**12,001**
2016	**12,181**
2017 and thereafter	**33,657**
	$94,554

The above table includes all rental payments we are obligated to pay under non-cancelable operating leases for office space. These payments exclude amounts we expect to collect through subleases or contract terminations as a result of our restructuring efforts.

Rental expense for the years ended December 31, 2011 and 2010, was $12.1 million and $13.5 million, respectively. These amounts exclude any leases included in restructuring activities.

Other Commitments

We have a commitment with a third-party information technology provider for use of their integrated loan servicing platform and data warehouse product. This agreement is for $5.1 million per year and expires on May 31, 2012.

Other Contingencies

We are subject to potential liability under various other exposures including tax, nonrecourse loans, self-insurance, and other miscellaneous contingencies. We establish reserves for these contingencies when the item becomes probable and the costs can be reasonably estimated. The actual costs of resolving these items may be substantially higher or lower than the amounts reserved for any one item. Based on information currently available, it is the opinion of management that the eventual outcome of these items will not have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

19. Reinsurance Arrangements

Cap Re of Vermont, LLC (Cap Re), our wholly-owned subsidiary, has excess layer reinsurance agreements with five non-affiliated private mortgage insurance (PMI) companies (the ceding companies) that provide PMI for certain of our mortgage loan servicing portfolio. Cap Re assumes the risk of loss over a specified first loss percentage for covered loans and in return earns a portion of the PMI premium associated with those mortgage loans. The first loss layer is equal to the risk in force multiplied by the weighted average of the first loss percentages based on the percentage of the original loan principal in each book.

We earned premiums of $17.3 million and $29.4 million during the years ended December 31, 2011 and 2010, respectively, which are included within other revenue, net.

We establish a liability for insured events, which includes estimates of future payments of loss and related loss adjustment expenses. We reserve for loss and loss adjustment expenses when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted.

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The following is a summary of the activity in the reserve for insurance losses

($ in thousands)	**2011**	2010
Balance at January 1,	**$162,565**	$230,487
Provision	**31,388**	36,508
Claims paid	**(102,338)**	(104,430)
Balance at December 31,	**$91,615**	$162,565

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20. Related Party Transactions

Balance Sheet

A summary of the balance sheet effect of our affiliate transactions were as follows.

December 31, *($ in thousands)*	**2011**	2010
Assets		
Mortgage loans held–for–sale — purchased from Ally Bank	**$13,518**	$16,951
Other Assets		
Restricted cash deposits — Ally Bank	**112,458**	111,354
Derivative collateral placed with Ally IM	**1,002,472**	914,698
Fair value of derivative instruments		
Forward flow agreement — Ally Bank	**16,423**	54,669
MSR swap — Ally Bank	**17,681**	14,603
Receivable from ResCap, net - Passive Asset Transactions, LLC (PATI) Notes (a)	**1,778**	25,681
Receivable from other affiliates (b)	**112,195**	14,201
Borrowings - Ally Inc. Senior Secured Credit Facility (c)	**$626,778**	$664,900
Borrowings - Ally Inc. LOC (c)	**111,520**	382,109
Borrowings - Secured Financing Agreement BMMZ (c)	**13,398**	—
Borrowings from RHC (c)	**17,614**	515,891
Other Liabilities		
Liability for loans sold with recourse — Ally Bank (d)	**6,773**	6,668
Fair value of derivative instruments, net		
Ally IM (e)	**1,043,929**	552,332
Payable to RFC (f)	**69,785**	—
Payable (receivable), net Ally Bank	**22,429**	(11,656)
Payable to Ally Inc.	**2,144**	(662)
Other activity		
Loans purchased (UPB) from RFC	**$8,539**	$—
Loans sold (UPB) to RFC	**292,243**	—
Loans purchased (UPB) under the MMLPSA - Ally Bank (g)	**56,680,164**	66,310,743
Loans sold (UPB) under the MMLPSA - Ally Bank	**27,041**	94,811
Loans (UPB) sub-serviced - Ally Bank	**143,172,634**	113,904,266
Loans (UPB) sub-serviced - RFC	**43,393,746**	50,253,899
Servicing escrow / deposits for off balance sheet loans - Ally Bank	**2,003,745**	2,069,527
Home Equity Loans (UPB) subject to indemnifications - Ally Bank	**58,512**	68,017
Income tax settled with Ally Inc. (h)	**17,353**	—

(a) Amount is net of impairment of $52.4 million and $52.6 million at December 31, 2011 and 2010, respectively.
(b) Includes $97.8 million receivable due from our affiliate RFC. The receivable represents RFC's involvement with the mortgage servicer advance facility which we consolidate as we are deemed to be the primary beneficiary of the VIE.
(c) Includes principal balance of debt outstanding plus accrued interest.
(d) Relates to an indemnification agreement with respect to a portfolio of second lien home equity loans with an original UPB of $166.0 million.
(e) Includes the fair value of forwards, TBAs and swaptions executed in connection with hedging of our mortgage loans held–for–sale, retained interests and MSRs. See Note 16 — Derivative Instruments and Hedging Activities for additional information.
(f) Includes costs for personnel, information technology, communications, corporate marketing, procurement, and services related to facilities incurred by Ally Inc. and allocated to RFC, who in turn allocated a portion of the cost to us.
(g) Includes repurchased loans of $11.7 million and $19.8 million as of December 31, 2011 and 2010, respectively.
(h) See Note 13 - Income taxes for additional information.

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Statement of Income

A summary of the income statement effect of our affiliate transactions were as follows.

Year ended December 31, *($ in thousands)*	**2011**	2010
Net financing revenue		
Interest income – ResCap	**$3,877**	$54,287
Interest income – cash deposits at Ally Bank	**1,104**	1,267
Interest expense – Ally Inc. Senior Secured Credit Facility	**19,340**	24,879
Interest expense – Ally Inc. LOC	**8,778**	3,201
Interest expense – Secured Financing Agreement BMMZ	**19**	—
Interest expense – Ally Bank	**4,022**	—
Interest expense – Borrowings from RHC	**4,781**	15,542
Amortization expense of deferred issuance costs – Ally Inc.	**—**	1,905
Other revenue		
Gain on mortgage loans, net - Ally Bank	**$189,902**	($70,058)
Gain on mortgage loans, net - derivative instruments with Ally IM	**(56,336)**	10,278
Gain on mortgage loans, net – Ally Securities, LLC (a)	**174,968**	79,101
Servicing fees - Ally Bank	**34,824**	23,954
Servicing fees - RFC	**38,920**	45,774
Servicing asset valuation and hedge activities, net - derivative instruments with Ally IM	**172,819**	97,260
Servicing asset valuation and hedge activities, net - derivative instruments with Ally Bank	**(359,523)**	469,945
Loan brokerage fees - Ally Bank (b)	**55,622**	64,543
Provision expense — Ally Bank	**$2,868**	$7,657
Noninterest expense		
Management fees – Ally Inc.	**$72,365**	$82,149
Other provision expense – PATI Notes Receivable - ResCap (c)	**4,225**	51,959
Custodial fees - Ally Bank	**7,732**	7,519
Allocated expenses - Ally Bank	**134**	291

(a) Relates to mortgage and asset–backed securities brokered to Ally Securities, LLC for underwriting, distribution and capital markets liquidity services.

(b) Under the terms of a broker agreement with Ally Bank, we provide loan processing services to support Ally's loan origination and purchase activities as well as loan closing services.

(c) See the *Borrowing* section of this note for discussion of impairment expense recognized in connection with the PATI Note.

Statement of Changes in Equity

ResCap received capital support in the form of debt forgiveness from Ally Inc. of $109.4 million during the year ended December 31, 2011. We recognized a capital contribution from our Parent of $65.9 million, and a corresponding reduction of borrowings under the Ally Inc. LOC, during the year ended December 31, 2011 in connection with Ally Inc.'s capital support to ResCap.

On January 30, 2012, ResCap received capital support in the form of debt forgiveness from Ally Inc. of $196.5 million. We recognized a capital contribution from our Parent of $124.2 million, and a corresponding reduction of borrowings under the Ally Inc. LOC in connection with Ally Inc.'s capital support to ResCap.

Borrowings

The Ally Inc. LOC is a U.S. dollar denominated agreement that is collateralized by domestic whole loans, accounts receivable, MSRs, securities, certain equity investments, and PATI notes receivable. PATI is our wholly–owned consolidated subsidiary. The U.S. dollar denominated PATI notes receivable are collateralized by international commercial finance receivables (the Pledged Assets) that are owned by affiliates. The Pledged Assets were legally sold by these affiliates to special purpose entities that issued notes (the SPE Notes) which were sold to ResCap and contributed through RHC to PATI, who then pledged the SPE Notes to the Ally Inc. LOC. The sales of the Pledged Assets from the affiliates to the SPEs were recorded as on–balance sheet securitizations, with the SPE Notes recorded as receivable from affiliates in other assets on our Consolidated Balance Sheet. Because ResCap is the primary beneficiary of these special purpose entities, they are deemed to be our affiliates. The original SPE Notes were established based on the fair value of the underlying Pledged Assets at the date the Pledged Assets were sold and the SPE Notes were issued. The SPE Notes do not automatically adjust as the fair value of the Pledged Assets change. At December 31, 2011 and 2010, we had impairment recorded of $52.4 million and $52.6 million, respectively, to reduce the receivable from affiliates to the fair value of the

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Pledged Assets. The initial impairment, as well as subsequent changes in the impairment, were recognized in other noninterest expense, net. PATI and ResCap have the ability to forgive portions of the SPE Notes to adjust the carrying value to the fair value of the Pledged Assets in connection with third party sales of Pledged Assets. This debt forgiveness requires the approval of Ally Inc., ResCap and the special purpose entities. To the extent PATI and ResCap forgive portions of the SPE Notes, this will result in the realization of the recorded impairment. $4.6 million and $663.9 million in SPE Notes were forgiven during the year ended December 31, 2011 and 2010, respectively.

Other Significant Affiliate Agreements

We are party to an ISDA 2002 Master Agreement with Ally IM whereby we enter into interest rate hedging transactions (the ISDA Agreements and a Master Securities Forward Transaction Agreement (the Forward Agreement) (together with the ISDA Agreement, the Derivative Agreements)) whereby we agree to sell certain mortgage–backed securities to Ally IM from time to time on a forward basis. We also entered into a Guarantee and Master Netting Agreement with Ally IM whereby the parties agreed to aggregate, net, and set off the Derivative Agreement, and the Ally Inc. LOC. In connection with these agreements, we cross-collateralize the respective obligations and granted a security interest to Ally IM in any cash or other property posted, or required to be posted, as collateral by us.

On December 5, 2011, ResCap and GMAC Mortgage entered into an agreement with Ally Inc. and GMAC Mortgage Group (the Agreement), whereby we agreed to certain terms and conditions in respect of ongoing loan sales by Ally Bank to us under the terms of our Master Mortgage Loan Purchase and Sale Agreement (MMLPSA) with Ally Bank. In accordance with the Agreement, we have instructed the GSEs to deliver, free and clear of all liens and encumbrances, mortgage-backed securities received from the GSEs in connection with our loan sales to them (New MBS) directly upon issuance into an account of Ally IM for the benefit of Ally Bank and GMAC Mortgage Group. We grant Ally Bank and GMAC Mortgage Group security interests in loans purchased from Ally Bank and all proceeds from the sale of the New MBS. All proceeds from the sale of the New MBS are paid without setoff, recoupment or other reduction by Ally IM directly to Ally Bank. Ally Bank remits to us proceeds, if any, in excess of the purchase price of loans sold to us under the MMLPSA, and we remit to Ally Bank the amount of any shortfall in such proceeds necessary to pay the purchase price of the loans. In connection with these conditions, we are negotiating a Pledge and Security Agreement among ResCap, GMAC Mortgage, Ally Inc., GMAC Mortgage Group, Ally Bank and Ally IM (the Pipeline Security Agreement).

In accordance with the terms of the Agreement, and to assist ResCap and GMAC Mortgage with our hedging activities and liquidity needs, Ally Inc. provided us and RFC as Borrower's, with $250 million of new financing through a secured financing agreement with its subsidiary BMMZ and a commitment to ResCap for capital support at November 30, 2011, ResCap did not require any capital support from Ally Inc. as of November 30, 2011. In accordance with the terms, of the Agreement and to assist us with our hedging activities, existing counterparty derivative transactions were novated to Ally IM, to the extent possible, and new derivative transactions were executed between us and Ally IM on terms substantially the same as the novated trades. New derivative transactions will be executed with Ally IM. We expect to transact virtually all of our hedging transactions with Ally IM in the future.

On January 30, 2012, ResCap and GMAC Mortgage entered into an agreement (the Letter Agreement) with Ally Inc. pursuant to which Ally Inc. agreed to provide capital support to ResCap in connection with potential obligations in connection with mortgage foreclosure fines and penalties. Under the terms of the Letter Agreement, Ally Inc. agreed to provide ResCap with immediate capital support of $196.5 million through forgiveness of debt, and to provide, and cause BMMZ to provide, waivers of any breach of or default under the Ally Inc. Senior Secured and LOC and BMMZ Secured Financing Agreement credit facilities, where the breach or default results from amounts recorded with respect to such potential obligations. Ally Inc. also agreed, in accordance with, and subject to, the approval of the Ally Inc. Board of Directors, to contribute capital to ResCap in the form of debt forgiveness in an amount necessary for ResCap to exceed its consolidated tangible net worth covenants by $25 million as of January 31, 2012, provided that such capital contribution is a result of net operating losses in the ordinary course of business and does not exceed $100 million.

In connection with the Letter Agreement, we and ResCap agreed to promptly perform all obligations that might be required in connection with mortgage foreclosure fines and penalties, including the timely remittance of any cash payments that might be owed to the applicable government authorities and any borrower relief that might be agreed in connection with any mortgage foreclosure settlement with the federal government, state attorneys general and state banking departments and in connection with any civil monetary penalty issued by the FRB. We also agreed to amend our subservicing agreement with Ally Bank to permit us to implement modifications and other loss mitigation activities in connection with any borrower relief obligations that might be required. Under the pending amendment, any uncured breach of our obligations with respect to the terms of any settlement or penalty would constitute an event of default and entitle Ally Bank to immediately terminate the subservicing agreement upon written notice. We have also agreed to renegotiate the terms of our forward flow and MSR Swap agreements with Ally Bank, whereby Ally Bank may novate the agreements with us to Ally IM or Ally Bank may terminate the agreements. In the event Ally Bank terminates the agreements, we may enter into new agreements with Ally IM.

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Transactions with Ally Bank

Following are descriptions of our substantive affiliate agreements with Ally Bank. Certain of these agreements are expected to be renegotiated, novated or otherwise terminated in connection with agreements we have entered into with Ally Inc. See Other Significant Affiliate Agreements for additional information.

Under the terms of the Broker Agreement, we act in a broker capacity and provide loan processing services to Ally Bank to support its origination and purchase of loans as well as loan closing services. The Broker Agreement has no mandatory expiration date and can be terminated by either party with 30–days notice. Under the terms of the Broker Agreement, loans meeting the underwriting standards of Ally Bank are originated (funded) by Ally Bank, while loans not meeting those standards may be originated by us and sold directly into the secondary market. We also provide certain representations and warranties and indemnifications to Ally Bank with respect to brokered loans.

Under the terms of the MMLPSA with Ally Bank, we purchase first- and second-lien mortgage loans held-for-sale from Ally Bank. We sell and deliver such mortgage loans into the secondary market primarily through agency securitizations and whole-loan sales. The MMLPSA has no mandatory expiration date and can be terminated on 30 days notice by Ally Bank or immediately if agreed by both parties. Under the MMLPSA, we purchase loans from Ally Bank and recognize gains or losses on the sale of mortgage loans as they are sold by us into the secondary market. Loans purchased by us pursuant to the MMLPSA include mortgage loans originated by third parties and purchased by Ally Bank (correspondent lending); loans originated directly by Ally Bank; and mortgage loans originated by us and sold to Ally Bank pursuant to a loan sale agreement (the Client Agreement).

Under the terms of the Pipeline Security Agreement, Ally Bank is granted security interests in loans sold to us under the MMLPSA and all proceeds from the sale of New MBS in connection with the sale of such loans to the GSEs. All proceeds from the sale of New MBS are paid without setoff, recoupment or other reduction directly to Ally Bank. Ally Bank remits to us proceeds, if any, in excess of the purchase price of the loans sold to us under the MMLPSA, and we remit to Ally Bank the amount of any shortfall in such proceeds necessary to pay the purchase price of the loans. At December 31, 2011, there were no amounts due to or from Ally Bank in connection with this agreement.

We purchase loans from Ally Bank under the MMLPSA on a nonrecourse basis, either servicing released or servicing retained. If servicing is retained, Ally Bank retains the mortgage servicing rights and designates us as subservicer, pursuant to a servicing agreement between Ally Bank and us.

We are counterparty to a forward flow agreement for mortgage loans held-for-sale and interest rate lock commitments held by Ally Bank that ultimately will be sold to us under the MMLPSA. The forward flow agreement transfers the exposure to changes in fair value of Ally Bank's mortgage loans held-for-sale and interest rate lock commitments to us. We hedge our exposure to the forward flow agreement consistent with the hedging of our own mortgage loans held-for-sale and interest rate lock commitments. The forward flow agreement has no mandatory expiration date and can be terminated with 30 days notice from Ally Bank or immediately if agreed by both parties. In connection with our Letter Agreement with Ally Inc., we expect the forward flow agreement will be novated to Ally IM or terminated.

We are counterparty to a MSR Total Return Swap (the MSR Swap) which transfers the total economic return of MSRs owned by Ally Bank to us in exchange for a variable payment based upon a fixed spread to LIBOR. The fixed spread to LIBOR is periodically evaluated against available market data. Effective July 1, 2010, the fixed spread was increased to 325 basis points. We hedge our exposure to the MSR Swap consistent with the hedging of our own MSRs. The MSR Swap has no mandatory expiration date and can be terminated with 30 days notice from Ally Bank or immediately if agreed by both parties. In connection with our Letter Agreement with Ally Inc., we expect the MSR Swap will be novated to Ally IM or terminated.

We are party to an ISDA 2002 Master Agreement with Ally Bank governing the forward flow agreement and MSR Swap. We have also entered into an Agreement to Set Off Obligations (the Netting Agreement) which provides Ally Bank the right, but not the obligation, to set off any obligation that we have to Ally Bank against any obligation of Ally Bank to us. The Netting Agreement can be terminated by either party with 30 days notice. To the extent the forward flow agreement and MSR swap are novated or terminated, the ISDA 2002 Master Agreement and Netting Agreement may be terminated.

CONFIDENTIAL EXAM00234348

Under the GSE servicer guides, the seller and servicer of mortgage loans equally share in customary representation and warranty obligations. We assume all of the representation and warranty obligations for loans we purchased from Ally Bank that we subsequently sell through Agency securitization or otherwise sell into the secondary market. To the extent these loans were originated by third-parties and purchased by Ally Bank and subsequently sold to us under the MMLPSA, we pursue recovery of losses from the third-parties under breach of customary representation and warranties. Pursuant to the Client Agreement, we also provide certain representations and warranties and indemnifications to Ally Bank with respect to those loan transactions. For loans that are not eligible to be sold to the GSEs that reach certain delinquency thresholds or which are otherwise in breach of sale representations and warranties contained in the client agreement, we repurchase loans from Ally Bank at their carrying cost.

In the first quarter of 2008, Ally Bank purchased a portfolio of second-lien home equity loans from us. We provided an indemnification to Ally Bank whereby we reimburse Ally Bank at such time as any of the loans covered by this agreement are charged off, typically when the loan becomes 180 days delinquent. This indemnification is limited to loans with an original unpaid principal balance of $166.0 million. In December 2009, Ally Bank sold approximately $3.5 billion of loans to Ally Inc. of which $52.6 million were covered under the indemnification. The indemnification associated with these loans did not transfer to Ally Inc. and was effectively retired.

In connection with our Settlement obligations (See Note 18 – Guarantees, Commitments, and Contingencies for additional information related to the Settlement), and as part of the Letter Agreement, Ally Bank has agreed to participate in borrower relief programs and activities with respect to their loan portfolios. We recognized a liability of $83.5 million at December 31, 2011, in connection with losses Ally Bank is expected to incur in connection with the programs. To the extent activities under the borrower relief programs are consistent with activities currently permitted under our servicing agreement. Ally Bank will not seek to be reimbursed, or indemnified, for any losses it incurs in connection with these borrower relief activities.

We have short-term receivables due from Ally Bank that primarily consist of amounts due from Ally Bank related to miscellaneous mortgage loan funding transactions and accounts payable transactions, and are generally settled on a monthly basis.

We have cash collateral on deposit with Ally Bank, primarily related to certain of our transactions that are deemed to be covered under Section 23A of Reg. W, which governs affiliate transactions for banks.

We deposit certain escrow funds for taxes and insurance collected from borrowers as part of our servicing activities in noninterest bearing accounts with Ally Bank.

We provide office facilities and a wide range of administrative services, including legal, risk, capital markets, finance and accounting, and information technology support to Ally Bank under an administrative services agreement. No fees were collected during the years ended December 31, 2011 and 2010, for these facilities and services. We also contract with Ally Bank to provide document custody services including, certifications, releases, reinstatements and file maintenance.

21. Regulatory Matters

We and certain subsidiaries associated with our mortgage and real estate operations are required to maintain regulatory net worth requirements. See Note 5 — Servicing for additional information. Failure to meet minimum capital requirements can initiate certain mandatory actions by federal, and state agencies that could have a material effect on our results of operations and financial condition. These entities were in compliance with these requirements as of December 31, 2011.

22. Subsequent Events

Events subsequent to December 31, 2011, were evaluated through March 28, 2012, the date on which these Consolidated Financial Statements were issued.

On February 9, 2012 we entered into an agreement in principal with federal agencies, 49 state attorneys general and 45 state banking departments with respect to investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage foreclosure homes sales and evictions. On March 12, 2012, the Settlement was filed as a consent judgment in the U.S. District Court for the District of Columbia. On February 9, 2012, we also agreed in principle with the FRB on a civil monetary penalty related to these same activities. At December 31, 2011, we recorded a liability of $204 million related to these agreements. See Note –18 Guarantees, Commitments and Contingencies for additional information.

On January 30, 2012, ResCap received $196.5 million in capital support from Ally Inc. through the forgiveness of debt. We received a capital contribution of $124.2 million from our Parent, and a corresponding forgiveness of our borrowings under the Ally Inc. LOC, in connection with the Ally Inc. capital support to ResCap.

CONFIDENTIAL EXAM00234349

Exhibit N

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RESIDENTIAL FUNDING COMPANY, LLC

Consolidated Financial Statements for the Years Ended December 31, 2011 and 2010

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CONFIDENTIAL RCUCCJSN00007240

To the Board of Directors and Member of
Residential Funding Company, LLC:

We have audited the accompanying Consolidated Balance Sheets of Residential Funding Company, LLC (the "Company") (a wholly-owned subsidiary of Residential Capital, LLC, whose ultimate parent is Ally Financial Inc.) as of December 31, 2011 and 2010, and the related Consolidated Statements of Income, Comprehensive Income, Changes in Equity, and Cash Flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established by the Auditing Standards Board (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 19 to the financial statements, the Company has entered into a number of agreements and transactions with its affiliates.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company's liquidity and capital needs, combined with conditions in the marketplace, raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also discussed in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Deloitte & Touche LLP
March 28, 2012
Detroit, Michigan

CONFIDENTIAL RCUCCJSN00007241

December 31, *($ in thousands)*	2011	2010
Assets		
Cash and cash equivalents	**$391,884**	$253,146
Mortgage loans held–for–sale ($29,723 and $4,084 fair value elected)	**1,144,273**	1,269,203
Finance receivables and loans, net		
Consumer ($792,592 and $971,320 fair value elected)	**816,812**	1,071,972
Commercial	**38,017**	117,316
Allowance for loan losses	**(18,490)**	(26,135)
Total finance receivables and loans, net	**836,339**	1,163,153
Mortgage servicing rights	**101,589**	164,057
Accounts receivable, net	**206,664**	184,477
Receivable from Parent	**1,844,929**	2,302,250
Other assets	**195,798**	196,547
Total assets	**$4,721,476**	$5,532,833
Liabilities		
Borrowings		
Borrowings from Ally, Inc. and subsidiaries	**$440,230**	$479,766
Borrowings from Affiliates	**281,590**	211,151
Collateralized borrowings in securitization trusts ($791,117 and $934,914 fair value elected)	**791,117**	944,945
Other borrowings	**131,674**	400,920
Total borrowings	**1,644,611**	2,036,782
Other liabilities	**797,400**	1,152,075
Total liabilities	**2,442,011**	3,188,857
Equity		
Member's interest	**14,752,930**	14,704,121
Accumulated deficit	**(12,475,790)**	(12,366,095)
Accumulated other comprehensive loss	**2,325**	5,950
Total equity	**2,279,465**	2,343,976
Total liabilities and equity	**$4,721,476**	$5,532,833

The assets of consolidated variable interest entities that can be used only to settle obligations of the consolidated variable interest entities and the liabilities of these entities for which creditors (or beneficial interest holders) did not have recourse to our general credit were as follows.

December 31, *($ in thousands)*	2011	2010
Assets		
Finance receivables and loans, net		
Consumer ($792,592 and $971,320 fair value elected)	**$792,591**	$971,320
Allowance for loan losses	**—**	—
Total finance receivables and loans, net	**792,591**	971,320
Accounts receivable, net	**20,828**	25,874
Other assets	**28,342**	45,233
Total assets	**$841,761**	$1,042,427
Liabilities		
Collateralized borrowings in securitization trusts ($791,117 and $934,914 fair value elected)	**$791,117**	$934,914
Other liabilities	**28,871**	28,752
Total liabilities	**$819,988**	$963,666

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL RCUCCJSN00007242

Consolidated Statement of Income

Residential Funding Company, LLC

Year ended December 31, *($ in thousands)*	**2011**	2010
Revenue		
Interest income	**$322,664**	$695,588
Interest expense	**167,113**	348,515
Net financing revenue	**155,551**	347,073
Other revenue		
Servicing fees	**108,912**	123,929
Servicing asset valuation	**(62,299)**	(117,679)
Total servicing income, net	**46,613**	6,250
Gain on mortgage loans, net	**60,419**	353,864
Real estate related revenues, net	**15,254**	8,832
(Loss) gain on foreclosed real estate	**(7,521)**	39,017
Gain on extinguishment of debt	**4,594**	663,897
Other revenue, net	**(107,889)**	(170,350)
Total other revenue	**11,470**	901,510
Total net revenue	**167,021**	1,248,583
Provision for loan losses	**26,718**	(12,875)
Noninterest expense		
Representation and warranty expense, net	**218,303**	(132,785)
Compensation and benefits	**14,966**	24,142
Professional fees	**19,762**	16,009
Other noninterest expense, net	**12,103**	32,770
Total noninterest expense	**265,134**	(59,864)
(Loss) income before income taxes	**(124,831)**	1,321,322
Income tax (benefit) expense	**(15,136)**	188,160
Net (loss) income from continuing operations	**(109,695)**	1,133,162
Loss from discontinued operations, net of tax	**—**	(2,772)
Net (loss) income	**($109,695)**	$1,130,390

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL RCUCCJSN00007243

Consolidated Statement of Comprehensive Income

Year ended December 31, *($ in thousands)*	**2011**	2010
Net (loss) income	**($109,695)**	$1,130,390
Other comprehensive income, net of tax		
Translation adjustments		
Foreign currency translation	**56**	23,332
Net change	**56**	23,332
Defined benefit pension plans		
Net (losses) and prior service costs arising during the period	**(3,681)**	(4,992)
Net gain (loss) and prior service costs reclassified to net (loss) income	**—**	—
Net change	**(3,681)**	(4,992)
Other comprehensive income	**(3,625)**	18,340
Comprehensive income	**$ (113,320)**	$ 1,148,730

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL RCUCCJSN00007244

Consolidated Statement of Changes in Equity

Residential Funding Company, LLC

($ in thousands)	Member's interest	Accumulated deficit	Accumulated other comprehensive income (loss)	Total equity
Balance at January 1, 2010	$14,089,278	($13,496,485)	($12,390)	$580,403
Net income	—	1,130,390	—	1,130,390
Capital contributions	614,843	—	—	614,843
Other comprehensive income, net of tax	—	—	18,340	18,340
Balance at December 31, 2010	$14,704,121	($12,366,095)	$5,950	$2,343,976
Balance at January 1, 2011	**$14,704,121**	**($12,366,095)**	**$5,950**	**$2,343,976**
Net loss	**—**	**(109,695)**	**—**	**(109,695)**
Capital contribution	**48,809**	—	—	**48,809**
Other comprehensive income, net of tax	**—**	**—**	**(3,625)**	**(3,625)**
Balance at December 31, 2011	**$14,752,930**	**($12,475,790)**	**$2,325**	**$2,279,465**

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL RCUCCJSN00007245

Consolidated Statement of Cash Flows

Year ended December 31, *($ in thousands)*	**2011**	2010
Operating activities		
Net (loss) income	**($109,695)**	$1,130,390
Reconciliation of net income (loss) to net cash provided by (used in) operating activities		
Depreciation and amortization	**4,044**	18,965
Provision for loan losses	**26,718**	9,032
Gain on mortgage loans, net	**(60,419)**	(185,561)
Net loss (gain) on other assets	**2,566**	(39,417)
Gain on extinguishment of debt	**(4,594)**	(663,897)
Recovery of held-for-sale platforms	**—**	(54,649)
Equity in earnings of investees in excess of cash received	**—**	(973)
Change in fair value of mortgage servicing rights	**62,299**	119,278
Purchases of mortgage loans held–for–sale	**(289,713)**	(189,297)
Proceeds from sales and repayments of mortgage loans held–for–sale	**290,070**	1,035,269
Net change in		
Deferred income taxes	**(68,987)**	53,620
Accounts receivable	**(21,363)**	(169,472)
Receivable from Parent	**457,321**	(1,778,889)
Other assets	**(183,815)**	(450,723)
Other liabilities	**(12,144)**	799,842
Net cash provided by (used in) operating activities	**92,288**	(366,482)
Investing activities		
Net decrease in commercial finance receivables and loans	**46,432**	214,989
Net decrease in consumer mortgage finance receivables and loans	**452,436**	2,218,622
Net decrease in investments in real estate and other	**4,543**	107,187
Proceeds from sales of foreclosed and owned real estate	**74,335**	359,676
Proceeds from sale of business units, net (a)	**—**	(122,741)
Other, net	**14,436**	571,717
Net cash provided by investing activities	**592,182**	3,349,450
Financing activities		
Net decrease in borrowings from Ally Inc. and subsidiaries	**3,941**	(361,836)
Net decrease in borrowings from Parent	**70,439**	(1,603,551)
Net decrease in other borrowings	**(197,946)**	(48,545)
Proceeds from issuance of collateralized borrowings in securitization trusts	**—**	66,818
Repayments of collateralized borrowings in securitization trusts	**(361,378)**	(1,911,035)
Proceeds from other long–term borrowings	**1,909**	(13,441)
Repayments of other long–term borrowings	**(53,534)**	655,513
Net cash used in financing activities	**(536,569)**	(3,216,077)
Effect of changes in foreign exchange rates on cash and cash equivalents	**(9,163)**	112,957
Net decrease in cash and cash equivalents	**138,738**	(120,152)
Change in cash and cash equivalents of operations held–for–sale	**—**	155,473
Cash and cash equivalents at beginning of year	**253,146**	217,825
Cash and cash equivalents at end of year	**$391,884**	$253,146

(a) The amount for the year ended December 31, 2010 is net of cash and cash equivalents of $452.1 million, of business units at the time of disposition.

CONFIDENTIAL RCUCCJSN00007246

Consolidated Statement of Cash Flows

Year ended December 31, *($ in thousands)*	**2011**	2010
Supplemental disclosures		
Cash paid for		
Interest	**$159,192**	$327,349
Income taxes	**246,725**	3,634
Non cash items		
Mortgage loans held–for–sale transferred to consumer finance receivables and loans	**4,756**	30,535
Consumer finance receivables and loans transferred to mortgage loans held–for–sale	**72,876**	325,778
Consumer finance receivables and loans transferred to other assets	**16,031**	197,911
Mortgage loans held–for–sale transferred to other assets	**25,842**	54,941
Capital contributions through forgiveness of borrowings	**48,809**	614,843
Change upon initial adoption of new accounting standard (ASU 2009-17):		
Increase in assets of operations held–for–sale	**—**	10,242,675
Increase in liabilities of operations held–for–sale	**—**	10,079,011
Increase in consumer finance receivables and loans	**—**	958,705
Increase in collateralized borrowings in securitization trusts	**—**	915,178
Decrease in consumer finance receivables and loans upon deconsolidation	**—**	1,751,929
Decrease in collateralized borrowings upon deconsolidation	**—**	1,336,570
Other disclosures		
Proceeds from sales and repayments of consumer finance receivables and loans originally designated as mortgage loans held–for–sale	**91,027**	1,040,844
Reconciliation of mortgage loans held–for–sale		
Mortgage loans held–for–sale at beginning of year	**$ 1,269,203**	$ 2,575,921
Purchases of mortgage loans	**289,713**	189,297
Gain on sale of mortgage loans	**60,419**	152,095
Proceeds from sales and repayments of mortgage loans	**(290,070)**	(1,035,269)
Proceeds from sales and repayments of loans transferred from consumer finance receivables and loans	**(190,772)**	(829,082)
Transfers to consumer finance receivables and loans	**(4,756)**	(30,535)
Transfers from consumer finance receivables and loans	**72,876**	325,778
Transfers to other assets	**(25,842)**	(54,941)
Net change in delinquent loans subject to repurchase option	**(37,724)**	(30,156)
Other, net	**1,226**	6,095
Mortgage loans held–for–sale at end of year	**$1,144,273**	$1,269,203

The Notes to the Consolidated Financial Statements are an integral part of these statements.

CONFIDENTIAL RCUCCJSN00007247

1. Description of Business and Significant Accounting Policies

Residential Funding Company, LLC (RFC, we, our, or us) is a wholly owned subsidiary of GMAC-RFC Holding Company, LLC (RFC Holding) which is a wholly owned subsidiary of Residential Capital, LLC (ResCap or Parent) which is a wholly owned subsidiary of Ally Financial Inc. (Ally Inc.). References throughout these financial statements to Ally Inc. and subsidiaries refers to Ally Inc. and its consolidated subsidiaries excluding ResCap and its consolidated subsidiaries. References to ResCap or Parent and affiliates refers to ResCap and its consolidated subsidiaries.

Historically our business included non-conforming domestic and international residential mortgage loan originations, purchases, sales and securitization activities, and domestic and international commercial lending activities. We are managing our business to maximize our return, which may include periodic asset sales, workouts or other strategic disposition transactions. In addition, we continue to provide primary and master servicing for our own and other investor pools of mortgage loans. We have entered into sub-servicing agreements with our affiliate, GMAC Mortgage, LLC (GMAC Mortgage), and other servicers to perform primary servicing activities on our behalf.

We, ResCap and our affiliates have been negatively impacted by the events and conditions in the mortgage banking industry and the broader economy, both domestically and internationally. The market deterioration led to fewer sources and significantly reduced levels of liquidity to finance our operations. We are highly leveraged relative to our cash flow and previously recognized credit and valuation losses that resulted in a significant deterioration in capital. We have been, and may continue to be, negatively impacted by exposure to representation and warranty obligations, adverse outcomes with respect to current or future litigation, fines, penalties or settlements related to our business activities and additional expenses to address regulatory requirements.

ResCap and its affiliates credit facilities and certain other agreements contain covenants that require ResCap to maintain consolidated tangible net worth of $250.0 million as of each month end. We have joint and several liability, along with our affiliate GMAC Mortgage, under credit facilities with Ally Inc. and its subsidiaries. There are cross default provisions included within and among the credit facilities and ResCap's senior unsecured and junior secured debt and certain other agreements. A default under any one of these agreements can, through cross default provisions, create defaults in all of the other agreements. Failure to meet this covenant represents an event of default and may result in, among other things, an acceleration of the facility's maturity and/or may trigger an early amortization event. See Note 9 - Borrowings for additional information related to financial covenants and counterparties remedies in an event of default. Furthermore, we and other ResCap subsidiaries, including RFC Holding and GMAC Mortgage, are guarantors of the obligations of ResCap with respect to its 9.625% Junior Secured Guaranteed Notes due 2015 and certain medium-term unsecured notes issued by GMAC Financiera S.A. de C.V., SOFOM, ENR, our wholly-owned subsidiary. See Note 18 - Guarantees, Commitments and Contingencies for additional information relating to these guarantees.

ResCap's consolidated tangible net worth, as defined, as of December 31, 2011 was $92.4 million, which constitutes an event of default under its credit facilities and certain other agreements. ResCap obtained waivers or acknowledgment letters from each of the liquidity providers in connection with the credit facilities and counterparties to agreements with financial covenants under which they agreed not to pursue their contractual remedies with respect to the default. These waivers were predicated, in part, on a January 30, 2012 capital contribution ResCap received from Ally Inc. ResCap is in compliance with any conditions with respect to these waivers and acknowledgment letters. ResCap is in compliance with all of its financial covenants as of March 16, 2012, the date of issuance of these Consolidated Financial Statements.

ResCap received capital support in the form of debt forgiveness from Ally Inc. of $109.4 million during the year ended December 31, 2011. We recognized a capital contribution from RFC Holding of $48.8 million, and a corresponding reduction of our borrowings under the Ally Inc. Line of Credit (Ally Inc. LOC), during the year ended December 31, 2011, in connection with Ally Inc.'s capital support to ResCap. In December 2011, RFC and GMAC Mortgage entered into a $250.0 million secured financing agreement with BMMZ Holdings, LLC (BMMZ), a wholly owned subsidiary of Ally Inc., which replaced secured financing agreements with unaffiliated third-party liquidity providers. We remain heavily dependent on Ally Inc. and its subsidiaries for funding, and except as noted in these financial statements, Ally Inc. its subsidiaries are under no obligation to provide such support and there can be no assurance that they will continue such actions. Consequently, there remains substantial doubt about our ability to continue as a going concern. Should Ally Inc. or ResCap no longer continue to support our capital or liquidity needs or should we, and ResCap, be unable to successfully execute other initiatives, it would have a material adverse effect on our business, financial condition and results of operations.

On February 9, 2012, Ally Inc., ResCap, and GMAC Mortgage entered into agreements with the Federal Government, State Attorneys General and state banking departments (the Settlement) in connection with investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage foreclosure home sales and evictions. On March 12, 2012,

the Settlement was filed as a consent judgment in the U.S. District Court for the District of Columbia. ResCap and GMAC Mortgage separately reached an independent settlement with Oklahoma, which did not participate in the broader settlement and agreements with two other states for other releases. The Settlement requires cash payments of $110.0 million and borrower relief up to $200.0 million, subject to an upward adjustment, over a three-year period. ResCap and GMAC Mortgage are also required to make cash payments of approximately $2.5 million in connection with the separate state agreements. Borrower relief will include loan modifications, including principal reductions, rate modifications and refinancing for borrowers that meet certain criteria, and participation in certain other programs. The Settlement does not prevent state and federal authorities from pursuing criminal enforcement actions, securities-related claims (including actions related to securitization activities and Mortgage Electronic Registration Systems, or MERS), loan origination claims, certain claims brought by the Federal Deposit Insurance Corporation (FDIC) and the GSEs, and certain other matters. The Settlement also does not prevent claims that may be brought by individual borrowers.

On February 9, 2012, Ally Inc., ResCap and GMAC Mortgage also agreed in principle with the Board of Governors of the Federal Reserve on a civil monetary penalty (CMP) of $207.0 million related to the same activities that were the subject of the Settlement. This amount will be reduced dollar-for-dollar in connection with certain aspects of ResCap and GMAC Mortgage's satisfaction of the required monetary payment and borrower relief obligations included within the Settlement. For the year ended December 31, 2011, GMAC Mortgage recognized $211.5 million of expense related to the Settlement and separate state agreements. See Note 18 - Guarantees, Commitments and Contingencies for additional information.

On January 30, 2012, ResCap received $196.5 million in capital support from Ally Inc. in connection with the settlement agreements and CMP in the form of debt forgiveness. We recognized a capital contribution from RFC Holding of $72.3 million, and a corresponding reduction in our borrowings under the Ally Inc. LOC, as of January 30, 2012 in connection with Ally Inc.'s capital support to ResCap. See Note 19 - Related Party Transactions for additional information.

In concert with ResCap, we seek to manage our liquidity and capital positions and explore initiatives to address ongoing debt covenant compliance and liquidity needs, including debt maturing in the next twelve months and other risks and uncertainties. We have $755.9 million in debt maturing in 2012, including $440.2 million in secured borrowings from Ally Inc. and subsidiaries maturing in April 2012. These initiatives could include, but are not limited to, the following: continuing to work with key credit providers to optimize all available liquidity options; continued exploration of funding and capital support from Ally Inc. and subsidiaries; and further reductions in assets or other restructuring activities, which could include a restructuring achieved through a Chapter 11 bankruptcy filing.

The outcomes of certain of these initiatives are, to a great extent, outside of our control, resulting in increased uncertainty as to their successful execution. There continues to be a risk that we may not be able to meet our debt service obligations, may default on our financial debt covenants due to insufficient capital, and/or may be in a negative liquidity position in future periods.

Consolidation and Basis of Presentation

The accompanying Consolidated Financial Statements were prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Consolidated Financial Statements include our accounts and accounts of our majority–owned subsidiaries after eliminating all significant intercompany balances and transactions and include all variable interest entities (VIEs) in which we are the primary beneficiary. See Note 5 — Securitization and Variable Interest Entities for additional information. Our accounting and reporting policies conform to accounting principles generally accepted in the United States of America.

We operate our international subsidiaries in a similar manner as we operate in the United States of America (U.S. or United States), subject to local laws or other circumstances that may cause us to modify our procedures accordingly. The financial statements of subsidiaries that operate outside of the United States are measured using the local currency as the functional currency. All assets and liabilities of foreign subsidiaries are translated into U.S. dollars at year–end exchange rates. The resulting translation adjustments are recorded in accumulated other comprehensive income, a component of equity. Income and expense items are translated at average exchange rates prevailing during the reporting period.

During 2011, we identified an error in periods prior to 2011 which were not material to those prior periods. As a result, we corrected the error in 2011 resulting in additional expense of $30.8 million and made cash payments of $30.8 million. The misstatement had no impact on our consolidated financial condition at December 31, 2011.

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Use of Assumptions and Critical Accounting Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and income and expenses during the reporting period and related disclosures and critical accounting estimates. In developing these estimates and assumptions, management uses available evidence at the time of the financial statements. Because of uncertainties associated with estimating the amounts, timing and likelihood of possible outcomes, actual results could differ from our estimates. An accounting estimate is considered critical if the estimate requires management to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and if different estimates reasonably could have been used or changes in the accounting estimate are reasonably likely to occur from period to period that would have a material impact on our financial condition, results of operations or cash flows. If actual results differ from our assumptions, it may have an adverse impact on the results of operations and cash flows.

Valuation of Mortgage Loans Held–for–Sale

Mortgage loans held–for–sale are typically pooled together and sold into certain exit markets depending on the underlying attributes of the loan, product type, interest rate, and credit quality. To the extent observable market prices are not available, we will determine the fair value of mortgage loans held–for–sale using internally developed valuation models. These loans are valued on a discounted cash flow basis utilizing cash flow projections from internally developed models that require prepayment, default and discount rate assumptions. To the extent available, we will utilize market observable inputs such as interest rates and market spreads. If market observable inputs are not available, we are required to utilize internal inputs, such as prepayment speeds, credit losses, and discount rates. While numerous controls exist to calibrate, corroborate and validate the internal inputs, they require the use of judgment by us and can have a significant impact on the determination of the loan's estimated fair value.

Valuation of Mortgage Servicing Rights

Mortgage servicing rights (MSRs) represent the capitalized value of the right to receive future cash flows from the servicing of mortgage loans for others. MSRs are a significant source of value derived from originating or acquiring mortgage loans. Because residential mortgage loans typically contain a prepayment option, borrowers often elect to prepay their mortgage loans by refinancing at lower rates during declining interest rate environments. The borrower's ability to prepay is at times impacted by other factors in the current environment that may limit their eligibility to access a refinance (e.g. a high loan to value ratio). When this occurs, the stream of cash flows generated from servicing the original mortgage loan is terminated. As such, the market value of MSRs has historically been very sensitive to changes in interest rates and tends to decline as market interest rates decline and increase as interest rates rise. We capitalize MSRs on residential mortgage loans that we have originated and purchased based upon the fair value of the servicing rights associated with the underlying mortgage loans at the time the loans are sold or securitized. GAAP requires that the value of MSRs be determined based on market transactions for comparable servicing assets, if available. In the absence of representative market trade information, valuations should be based on other available market evidence and modeled market expectations of the present value of future estimated net cash flows that market participants would expect from servicing. When observable prices are not available, management uses internally developed discounted cash flow models to estimate the fair value. These internal valuation models estimate net cash flows based on internal operating assumptions that we believe would be used by market participants combined with market-based assumptions for loan prepayment rates, interest rates, default rates, and discount rates that management believes approximate yields required by investors for these assets. Servicing cash flows primarily include servicing fees, ancillary income, and late fees less operating costs to service the loans. The estimated cash flows are discounted using an option-adjusted spread-derived discount rate. Management considers the best available information and exercises significant judgment in estimating and assuming values for key variables in the modeling and discounting process. All of our MSRs are carried at estimated fair value.

We use the following key assumptions in our valuation approach:

- ***Prepayment***—A significant driver of MSR value is voluntary and involuntary (default) prepayment behavior. Our MSR portfolio is primarily comprised of servicing related to pre-2009 vintage loans in relatively illiquid product types (e.g. Subprime, Alt-A and 2nd Lien). For Non-Prime products, default and voluntary prepayment behavior is projected based on an internal model, and is tracked by comparing prepayment predictions against actual results at both the portfolio and product level.

- ***Discount rate***—The cash flows of our MSRs are discounted utilizing appropriate risk-adjusted yield assumptions that, when applied to projected cash flows, produce our best estimate of fair value.

- ***Cost to service***—In general, servicing cost assumptions are based on actual expenses directly related to servicing. These servicing cost assumptions are compared to market-servicing costs when market information is available. Our servicing cost assumptions include expenses associated with our activities related to loans in default.

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We also periodically perform a series of reasonableness tests as we deem appropriate, including the following:

- ***Review and compare data provided by an independent third-party broker.*** We evaluate and compare our fair value price, multiples, and significant assumptions to those provided by an independent third-party broker.

- ***Compare actual monthly cash flows to projections.*** We compare actual monthly cash flows to those projected in the MSR valuation. Based upon the results of this comparison, we assess the need to modify the individual assumptions used in the valuation.

We generally expect our valuation to be within a reasonable range of these comparisons. Changes in these assumptions could have a significant impact on the determination of fair value. In order to develop our best estimate of fair value, management reviews and analyzes the output from the models and makes adjustments to the valuation to take into consideration other factors that may not be captured. If we determine our valuation has exceeded the reasonable range, we may adjust it accordingly.

The assumptions used in modeling expected future cash flows of MSRs have a significant impact on the fair value of MSRs and potentially a corresponding impact to earnings. See Note 6 — Servicing Activities for sensitivity analysis. At December 31, 2011, based on the market information obtained, we determined that our MSR valuations and the assumptions used to value those servicing rights were reasonable and consistent with what an independent market participant would use to value the assets.

Legal and Regulatory Reserves

Our legal and regulatory reserves reflect management's best estimate of probable losses in connection with legal and regulatory matters. As a legal or regulatory matter develops, management, in conjunction with internal and external counsel handling the matter, evaluates on an ongoing basis whether such matter presents a loss contingency that is both probable and estimable. If, at the time of evaluation, the loss contingency related to a legal or regulatory matter is not both probable and estimable, the matter will continue to be monitored for further developments that would make such loss contingency both probable and estimable. When the loss contingency related to a legal or regulatory matter is deemed to be both probable and estimable, we will establish a liability with respect to such loss contingency and record a corresponding amount to other noninterest expense, net. To estimate the probable loss, we evaluate the individual facts and circumstances of the case including information learned through the discovery process, rulings on dispositive motions, settlement discussions, our prior history with similar matters and other rulings by courts, arbitrators or others. The reserves are continuously monitored and updated to reflect the most recent information related to each matter.

Additionally, in matters for which a loss contingency is not deemed probable, but rather reasonably possible to occur, we would attempt to estimate a loss or range of loss related to that event, if possible. For these matters, we do not record a liability. However, if we are able to estimate a loss or range of loss, we would disclose this loss, if it is material to our consolidated financial statements. To estimate a range of probable or reasonably possible loss, we evaluate each individual case in the manner described above. We do not accrue for matters for which a loss event is deemed remote.

For details regarding the nature of all material contingencies, refer to Note 18 — Guarantees, Commitments and Contingencies.

Liability for Representation and Warranty Obligations

The liability for representation and warranty obligations reflects management's best estimate of probable lifetime loss. We consider historical and recent demand trends in establishing the reserve. The methodology used to estimate the reserve considers a variety of assumptions including borrower performance (both actual and estimated future defaults), repurchase demand behavior, historical loan defect experience, historical and estimated future loss experience, which includes projections of future home price changes as well as other qualitative factors including investor behavior. In cases where we have limited or no current or historical demand experience with an investor, because of the inherent difficulty in predicting the level and timing of future demands, if any, losses cannot be reasonably estimated, and a liability is not recognized. Management monitors the adequacy of the overall reserve and makes adjustments to the level of reserve, as necessary, after consideration of other qualitative factors including ongoing dialogue with counterparties.

Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and certain highly liquid investment securities with maturities of three months or less from the date of purchase. Cash and cash equivalents that have restrictions as to our ability to withdraw the funds are included in other assets. The fair value of cash equivalents approximates book value because of the short maturities of these instruments.

Securitizations and Variable Interest Entities

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We securitize, sell, and service consumer mortgage loans. Securitization transactions typically involve the use of variable interest entities and are accounted for either as sales or secured financings. Economic interests in the securitized and sold assets are generally retained in the form of senior or subordinated interests, interest– or principal–only strips, cash reserve accounts, residual interests, and servicing rights.

In order to conclude whether or not a variable interest entity is required to be consolidated, careful consideration and judgment must be given to our continuing involvement with the variable interest entity. In circumstances where we have both the power to direct the activities of the entity that most significantly impact the entity's performance and the obligation to absorb losses or the right to receive benefits of the entity that could be significant, we consolidate the entity, which would also preclude us from recording an accounting sale on the transaction. In the case of a consolidated variable interest entity, the accounting is consistent with a secured financing, that is, we continue to carry the loans and we record the securitized debt on our balance sheet. Further, there is no specific accounting record of our economic interests, rather, they are captured as the difference between the recognized assets and liabilities.

In transactions where either one or both of the power or economic criteria mentioned above are not met, we determine whether or not we achieve a sale for accounting purposes. In order to achieve sale for accounting purposes, the assets being transferred must be legally isolated, not be constrained by restrictions from further transfer, and be deemed to be beyond our control. If we were to fail any of the three criteria for sale accounting , the accounting would be consistent with the preceding paragraph (i.e., a secured borrowing). However, if we meet the criteria, the transaction would be recorded as a sale, and the variable interest entity would not be consolidated. See Note 5 — Securitizations and Variable Interest Entities for discussion on variable interest entities.

Gains or losses on off–balance sheet securitizations take into consideration the fair value of the retained interests including the value of certain servicing assets or liabilities, which are initially recorded at fair value at the date of sale. The estimate of the fair value of the retained interests and servicing requires us to exercise significant judgment about the timing and amount of future cash flows from the interests. See Note 16 — Fair Value for a discussion of fair value estimates.

Gains or losses on off–balance sheet securitizations are reported in gain on mortgage loans, net. Changes in the fair value of retained interests are reflected in other revenue, net. Retained interests, as well as any purchased securities, are included in other assets. Securities that are noncertificated and cash reserve accounts related to securitizations are included in other assets.

We generally retain master servicing for our non-agency consumer mortgage loan securitizations. We receive servicing fees based on the securitized loan balances and certain ancillary fees, all of which are reported in servicing fees. We also retain the right to service the consumer mortgage loans sold in securitization transactions involving Freddie Mac and private investors.

Whether on or off balance sheet, the investors in the securitization trusts generally have no recourse to our assets outside of customary market representation and warranty provisions.

Mortgage Loans Held–for–sale

Loans held-for-sale are carried at lower of cost or fair value or at estimated fair value. The majority of held-for-sale loans are pooled together for purposes of determining the lower of cost or fair value based on loan characteristics. Loan origination fees, as well as discount points and incremental direct origination costs, are initially recorded as an adjustment of the cost of the loan and are reflected in the gain or loss on sale of loans when sold. Fair value is determined by type of loan and is generally based on current investor yield requirements, current secondary market pricing, or cash flow models using market–based yield requirements.

We hold conditional repurchase options in off-balance sheet securitizations that allow us to repurchase a loan at par if it exceeds a certain pre-specified delinquency level (e.g. 90 days). We have discretion regarding when or if we will exercise these options, but generally we will do so only when it is in our best interest. We recognize those assets that can be repurchased under the conditional repurchase option (and any related liability to pay the trust) once the condition has been satisfied, but only in those situations where we have determined that we would have a more than trivial benefit. The assets are recorded in mortgage loans held-for-sale with a corresponding liability in other liabilities. We do not record the asset (and related liability to pay the trust) when delinquent loan repurchase options are both quantitatively and qualitatively deep out of the money, because we would not have a more than trivial benefit from the options. We have fair value elected both the asset and the liability related to loans subject to a conditional repurchase option. See Note 16 — Fair Value for details on fair value measurement.

Finance Receivables and Loans

We classify finance receivables and loans either as held-for-sale or held-for-investment based on management's assessment of its intent and ability to hold for the foreseeable future or until maturity. Management's intent and ability may change from time to time depending on a number of factors including economic, liquidity, and capital conditions. Management's view of the foreseeable future is generally a twelve–month period based on the longest reasonably reliable net income, liquidity, and capital forecast period.

We elected the fair value option for consumer mortgage finance receivables and loans related to certain of our on–balance

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sheet securitizations, including those securitization trusts that were consolidated upon the adoption of ASU 2009–17. These securitized mortgage loans are legally isolated from us and are beyond the reach of our creditors. They are measured at fair value using a portfolio approach, or an in-use premise. The values for loans held on an in-use basis may differ considerably from loans held–for–sale that can be sold in the whole-loan market. This difference arises primarily due to the liquidity of the asset-backed (ABS) or mortgage-backed (MBS) securities market and is evident in the fact that spreads applied to lower rated ABS/MBS are considerably wider than spreads observed on senior bond classes and in the whole-loan market. The objective in linking the fair value of these loans to the fair value of the related securitization debt is to properly account for our retained economic interest in the securitizations. See Note 16 — Fair Value for details on fair value measurement.

The balance of our consumer finance receivables and loans are reported at the principal amount outstanding, net of unearned income, premiums and discounts, and allowances. Unearned income, which includes deferred origination fees reduced by origination costs, is amortized over the contractual life of the related finance receivable or loan using the interest method. Loan commitment fees are deferred and amortized over the commitment period.

Our portfolio segments are based on the level at which we develop and document our methodology for determining the allowance for loan losses. Additionally, the classes of finance receivables are based on several factors including the method for monitoring and assessing credit risk, the method of measuring carrying value, and the risk characteristics of the finance receivable. Based on an evaluation of our process for developing the allowance for loan losses including the nature and extent of exposure to credit risk arising from our finance receivables, we have determined our portfolio segments to be consumer and commercial.

- ***Consumer mortgage*** — Consists of the following classes of finance receivables.
  - *1st Mortgage* — Consists of residential mortgage loans that are secured in a first–lien position and have priority over all other liens or claims on the respective collateral.
  - *Home equity* — Consists of residential home equity loans or mortgages with a subordinate–lien position.
- ***Commercial*** — Consists of the following classes of finance receivables.
  - *Commercial and Industrial Mortgage* — Consists primarily of warehouse lending.
  - *Commercial Real Estate Mortgage* — Related primarily to activities within our international operations, which provided financing to residential land developers and homebuilders.

Impaired Loans

For all classes of consumer loans, impaired loans are loans that have been modified in troubled debt restructurings. All classes of commercial loans are considered impaired on an individual basis and reported when we determine it is probable that we will be unable to collect all amounts due according to the terms of the loan agreement, including troubled debt restructuring (TDR). Income recognition is consistent with that of nonaccrual loans.

Nonaccrual Loans

Generally, we recognize all classes of loans as past due when they are 30 days delinquent. Revenue recognition is suspended when loans are placed on nonaccrual status. Generally, all classes of consumer loans are placed on nonaccrual status when delinquent for more than 60 days or when determined not to be probable of full collection. All commercial loans are placed on nonaccrual status when delinquent for more than 90 days. Revenue accrued, but not collected, at the date loans are placed on nonaccrual status is reversed and subsequently recognized only to the extent it is received in cash or until the loan qualifies for return to accrual status. Where there is doubt regarding the ultimate collectability of loan principal, all cash received is applied to reduce the carrying value of the loan. Loans are restored to accrual status only when contractually current and the collection of future payments is reasonably assured. Typically, this requires a sustained period of repayment performance of at least six consecutive months by the borrower.

Charge–offs

Consumer first–lien mortgage loans, which consist of our entire 1st mortgage class and a subset of our home equity class that are secured by real estate, are written down to the estimated fair value of the collateral, less costs to sell, once a mortgage loan becomes 180 days past due. Second-lien consumer mortgage loans within our consumer home equity class are charged off at 180 days past due. First and second–lien consumer mortgage loans in bankruptcy that are 60 days past due are written down to the estimated fair value of the collateral, less costs to sell, within 60 days of receipt of notification of filing from the bankruptcy court. Loans are considered collateral dependent at the time foreclosure proceedings begin and are charged off to the estimated fair value of the collateral, less costs to sell.

Commercial loans are individually evaluated and where collectability of the recorded balance is in doubt are written down to

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estimated fair value of the collateral, less costs to sell. Generally, all commercial loans, both collateral and noncollateral dependent, are charged off when they are 360 days or more past due.

Allowance for Loan Losses

The allowance for loan losses (the allowance) is management's estimate of incurred losses on the consumer and commercial finance receivable and loan portfolios. We determine the amount of the allowance required for each of our portfolio segments based on its relative risk characteristics. The evaluation of these factors for both consumer and commercial finance receivables and loans involves complex, subjective judgments. Additions to the allowance are charged to current period earnings through the provision for loan losses; amounts determined to be uncollectible are charged directly against the allowance, net of amounts recovered on previously charged–off accounts.

The allowance is comprised of two components: reserves established for specific loans evaluated as impaired and portfolio-level reserves established for large groups of typically smaller balance homogenous loans that are collectively evaluated for impairment. We evaluate the adequacy of the allowance based on the combined total of these two components. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions.

Measurement of impairment for specific reserves is generally determined on a loan–by–loan basis. An individual loan is considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due (both principal and interest) according to the contractual terms of the agreement. Loans determined to be specifically impaired are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, an observable market price, or the estimated fair value of the collateral less estimated costs to sell, whichever is determined to be the most appropriate. When these measurement values are lower than the carrying value of that loan, impairment is recognized. Loans that are deemed not to be individually impaired are pooled with other loans with similar risk characteristics for evaluation of impairment for the portfolio-level allowance.

For the purpose of calculating portfolio-level reserves, we have determined logical grouping of loans into two portfolio segments: consumer mortgage and commercial. The allowance consists of the combination of a quantitative assessment component based on statistical models, a retrospective evaluation of actual loss information to loss forecasts, and may include a qualitative component based on management judgment. Management takes into consideration relevant qualitative factors, including external and internal trends such as the impacts of changes in underwriting standards, collections and account management effectiveness, geographic concentrations, and economic events, among other factors, that have occurred but are not yet reflected in the quantitative assessment component. All qualitative adjustments are adequately documented, reviewed, and approved through our established risk governance processes.

Mortgage Servicing Rights

Our mortgage servicing rights consist of primary and master servicing rights, Primary servicing rights represent our right to service consumer residential mortgage loans. Primary servicing involves the collection of payments from individual borrowers and the distribution of these payments to the master servicer. Master servicing rights represent our right to service mortgage–and asset–backed securities and whole–loan packages issued for investors. Master servicing involves the collection of borrower payments from primary servicers and the distribution of those funds to investors. We may at times sell primary and master servicing rights through transactions with other market participants.

We capitalize the value expected to be realized from performing specified mortgage servicing activities for others as MSRs when the expected future cash flows from servicing are projected to be more than adequate compensation for such activities. These capitalized servicing rights are purchased or retained upon sale or securitization of mortgage loans. MSRs are not recorded on securitizations accounted for as secured financings.

We measure all mortgage servicing assets at fair value. We define our servicing rights based on the availability of market inputs and the manner in which we manage the risks of our servicing assets. We leverage available relevant market data to determine the fair value of our recognized servicing assets.

Accounts Receivable

Accounts receivable are recorded at net realizable value and include servicer advances and receivables. Master servicing advances arise in the ordinary course of business as we make advances for principal and interest payments to investors when the primary servicer has not advanced delinquent borrower payments or for real estate owned. Servicer advance repayments receive priority cash flows under the terms of the servicing agreements. As a result, the collection of the advances is reasonably assured. We establish a reserve for any servicing advances where collectability is in doubt.

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Foreclosed Assets

Assets are classified as foreclosed and included in other assets when physical possession of the collateral is taken regardless of whether foreclosure proceedings have taken place. Foreclosed assets are carried at the lower of the outstanding balance at the time of foreclosure or the fair value of the asset less estimated costs to sell. Losses on the revaluation of foreclosed assets are charged to gain on mortgage loans, net at the time of foreclosure. Declines in value after foreclosure are charged to (loss) gain on foreclosed real estate.

Property and Equipment

Property and equipment, stated at cost, net of accumulated depreciation and amortization, are reported in other assets. Included in property and equipment are certain buildings, furniture and fixtures, leasehold improvements, IT hardware and software, and capitalized software costs. Depreciation is computed on the straight–line basis over the estimated useful lives of the assets, which generally ranges from 3 to 30 years. Capitalized software is generally amortized on a straight–line basis over its useful life, which generally ranges from three to five years. Capitalized software that is not expected to provide substantive service potential or for which development costs significantly exceed the amount originally expected is considered impaired and written down to fair value. Software expenditures that are considered general, administrative, or of a maintenance nature are expensed as incurred.

Legal and Regulatory Reserves

Reserves for legal and regulatory matters are established when those matters present loss contingencies that are both probable and estimable, with a corresponding amount recorded to noninterest expense. In cases where we have an accrual for losses, it is our policy to include within that estimate, an estimate for probable and estimable legal expenses related to the case. If, at the time of evaluation, the loss contingency related to a litigation or regulatory matter is not both probable and estimable, we do not establish an accrued liability. We continue to monitor legal and regulatory matters for further developments that could affect the requirement to establish a liability or that may impact the amount of a previously established liability. There may be exposure to loss in excess of any amounts recognized. For certain other matters where the risk of loss is determined to be reasonably possible, estimable, and material to the financial statements, disclosure regarding details of the matter and an estimated range of loss is required. The estimated range of possible loss does not represent our maximum loss exposure. Financial statement disclosure is also required for matters that are deemed probable or reasonably possible, material to the financial statements, but for which an estimated range of loss is not possible to determine. While we believe our reserves are adequate, the outcome of legal and regulatory proceedings is extremely difficult to predict and we may settle claims or be subject to judgments for amounts that differ from our estimates. For details regarding the nature of all material contingencies, see Note 18 — Guarantees, Commitments and Contingencies.

Liability for Representation and Warranty Obligations

We sell loans to whole–loan purchasers. In addition, we infrequently sell securities to investors through private-label securitizations. In prior years, our volume of private label securitization issuance was considerably larger and included securitized loans where monolines insured the related bonds. In connection with these activities we provide to investors, monolines, and whole–loan purchasers various representations and warranties related to the loans sold. These representations and warranties generally relate to, among other things, the ownership of the loan; the validity of the lien securing the loan; the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer; ability to deliver required documentation; and compliance with applicable laws. Generally, these representations and warranties may be enforced at any time over the life of the loan.

Upon a breach of a representation, we correct the breach in a manner conforming to the provisions of the sale agreement. This may require us either to repurchase the loan, to indemnify (make–whole) a party for incurred losses, or provide other recourse to the monoline or investor. Repurchase demands and claims for indemnification payments are generally reviewed on a loan–by–loan basis to validate if there has been a breach requiring repurchase or a make–whole payment. We actively contest claims to the extent we do not consider them valid. In cases where we repurchase loans, we bear the subsequent credit loss on the loans. Repurchased loans are classified as held–for–sale and initially recorded at fair value. Any initial impairment is charged to the liability for representation and warranty obligations. We seek to manage the risk of repurchase and associated credit exposure through our underwriting and quality assurance practices and by servicing mortgage loans to meet investor standards.

At the time a loan is sold, an estimate of the fair value of the liability is recorded and classified in other liabilities and recorded as a component of gain on mortgage loans, net. We recognize changes in the liability throughout the life of the sold loans, as necessary, when additional relevant information becomes available. Changes in the liability are recorded as representation and warranty expense.

Income Taxes

We, through ResCap, are a division of Ally Inc., a corporation, for income tax purposes. We are subject to corporate U.S. Federal, state, and local taxes and are included in the consolidated Ally Inc. U.S. Federal and unitary and/or consolidated state income tax returns. We provide for our U.S. Federal and state taxes on a stand-alone basis, which is consistent with the applicable tax

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sharing agreement between us and RFC Holdings. The tax sharing agreement requires taxes to be based on the income tax liability determined as if we were a separate affiliated group of corporations filing consolidated U.S. Federal and state income tax returns. Our foreign businesses have been and continue to operate as corporations and are subject to, and provide for, U.S. Federal, state, and/or foreign income tax.

Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not.

Recently Adopted Accounting Standards

Comprehensive Income - Presentation of Comprehensive Income (ASU 2011-05)

As of December 31, 2011, we early adopted Accounting Standards Update (ASU) 2011-05, which amended Accounting Standards Codification (ASC) 220, Comprehensive Income. The amendments increased the prominence of items reported in other comprehensive income and facilitated convergence between GAAP and International Financial Reporting Standards (IFRS). This ASU required that nonowner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. We elected to early adopt ASU 2011-05, including the deferral permitted under ASU 2011-12 (*Comprehensive Income - Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*), by retrospective application for the two years ended December 31, 2011, and 2010. Because this ASU impacts only presentation, there was not a material impact to our financial condition or results of operations.

Receivables - A Creditor's Determination of Whether a Restructuring Is a Troubled Debt Restructuring (ASU 2011-02)

As of July 1, 2011, we adopted ASU 2011-02, which amends ASC 310, Receivables. ASU 2011-02 clarifies which loan modifications constitute a TDR. It is intended to assist creditors in determining whether a modification of the terms of a receivable meets the criteria to be considered a troubled debt restructuring, both for purposes of recording an impairment loss and for disclosure of TDR's. The ASU must be applied retrospectively to modifications made to the beginning of the annual period of adoption, which for us is January 1, 2011.

Effective September 30, 2011, ASU 2011-02 also required us to disclose the total amount of receivables and the allowance for credit losses related to those receivables that are newly considered impaired for which impairment was previously measured under ASC 450-20, Contingencies - Loss Contingencies. Refer to Note 4 — Finance Receivables and Loans, Net for additional information regarding TDRs.

The adoption did not have a material impact to our consolidated financial condition or results of operations.

Receivables - Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses (ASU 2010-20)

ASU 2010-20 was implemented in three distinct components as required by the ASU. Beginning with the three months ended September 30, 2011 and in conjunction with the requirements of ASU 2011-02, the deferral of TDR related disclosures within ASU 2010-20 prescribed by ASU 2011-01, *Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20*, was ended, which required us to expand our TDR disclosures to include more information on modifications that are classified as TDRs. Beginning with the three months ended March 31, 2011, ASU 2010-20 required us to disclose a rollforward of the allowance for loan losses and additional activity-based disclosures for both financing receivables, and the allowance for each reporting period. We early adopted the rollforward requirement during the December 31, 2010, reporting period along with the initial expansion of disclosures related to the credit quality of finance receivables and loans. Since the guidance relates only to disclosures, adoption of each of the phases did not have a material impact on our consolidated financial condition or results of operations.

Recently Issued Accounting Standards

Fair Value Measurement - Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS (ASU 2011-04)

In May 2011, the FASB issued ASU 2011-04, which amends ASC 820, Fair Value Measurements. The amendments in this ASU clarify how to measure fair value. It is intended to improve the comparability of fair value measurements presented and disclosed

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in financial statements prepared in accordance with GAAP and IFRS. The ASU will be effective for us on January 1, 2012, and must be applied prospectively. Early adoption is not permitted. We do not expect the adoption to have a material impact to our consolidated financial condition or results of operations.

Balance Sheet - Disclosures about Offsetting Assets and Liabilities (ASU 2011-11)

In December 2011, the FASB issued ASU 2011-11, which contains new disclosure requirements regarding the nature of an entity's rights of setoff and related arrangements associated with its financial instruments and derivative instruments. The new disclosures will give financial statement users information about both gross and net exposures. ASU 2011-11 is effective for us on January 1, 2013, and retrospective application is required. Since the guidance relates only to disclosures, adoption is not expected to have a material impact on our consolidated financial condition or results of operations.

2. Discontinued Operations

On October 1, 2010, we completed the sale of our United Kingdom (U.K.) and continental Europe (CE) platforms. These platforms included residential mortgage loan origination, acquisition, servicing, asset management, sale, and securitizations in the United Kingdom and continental Europe (the Netherlands and Germany).

The associated operations and cash flows have been eliminated from our operations, and we do not have any significant continuing involvement in these platforms. For all periods presented, all of the operating results were removed from continuing operations and are presented separately as discontinued operations, net of tax. The Notes to our Consolidated Financial Statements were adjusted to exclude discontinued operations unless otherwise noted.

Selected financial information for these discontinued operations are summarized below.

Year ended December 31, *($ in thousands)*	**2011**	2010
Total net revenue	**$—**	$60,206
Provision for loan losses	**—**	21,907
Noninterest expense, net	**—**	(8,768)
Income before income taxes including direct costs to transact a sale	**—**	47,067
Income tax expense	**—**	49,839
Net loss from discontinued operations	**$—**	($2,772)

3. Mortgage Loans Held–for–sale

The composition of residential mortgage loans held–for–sale reported at carrying value, were as follows.

	2011			2010		
December 31, *($ in thousands)*	**Domestic (a) (b)**	**Foreign**	**Total**	Domestic (a) (b)	Foreign	Total
1st Mortgage	**$822,986**	**$12,011**	**$834,997**	$891,866	$10,461	$902,327
Home equity	**309,276**	**—**	**309,276**	366,744	132	366,876
Total loans held–for–sale (c)	**$1,132,262**	**$12,011**	**$1,144,273**	$1,258,610	$10,593	$1,269,203

(a) Includes mortgage loans subject to conditional repurchase options of $100.7 million and $141.8 million sold to off-balance sheet private-label securitization trusts at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities. See Note 5 — Securitizations and Variable Interest Entities for additional information.

(b) Includes mortgage loans for which we have elected the fair value option of $29.7 million and $4.1 million at December 31, 2011 and December 31, 2010, respectively. See Note 16 — Fair Value for additional information.

(c) The carrying values are net of discounts of $259.9 million and $151.5 million, fair value adjustments of ($26.6) million and ($1.0) million, lower of cost or fair value adjustments of $46.9 million and $17.1 million, and UPB write-downs of $1.2 billion and $1.4 billion at December 31, 2011 and 2010, respectively.

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4. Finance Receivables and Loans, Net

The composition of finance receivables and loans, net reported at carrying value before allowance for loan losses, were as follows.

	2011			2010		
December 31, *($ in thousands)*	**Domestic**	**Foreign**	**Total**	Domestic	Foreign	Total
Consumer						
1st Mortgage	**$129,297**	**$256,494**	**$385,791**	$139,902	$452,435	$592,337
Home equity	**431,021**	**—**	**431,021**	479,635	—	479,635
Total consumer (a) (b)	**560,318**	**256,494**	**816,812**	619,537	452,435	1,071,972
Commercial			**—**			
Commercial and industrial	**—**	**23,860**	**23,860**	—	40,771	40,771
Commercial real estate	**—**	**14,157**	**14,157**	554	75,991	76,545
Total commercial	**—**	**38,017**	**38,017**	554	116,762	117,316
Total finance receivables and loans	**$560,318**	**$294,511**	**$854,829**	$620,091	$569,197	$1,189,288

(a) Consumer mortgages include $792.6 million and $971.3 million at fair value as a result of fair value option elections as of December 31, 2011 and 2010, respectively. See Note 16 — Fair Value for additional information.

(b) The gross carrying value is net of fair value adjustments of $1.5 billion and $1.8 billion and UPB write-downs of $8.0 million and $10.5 million at December 31, 2011 and 2010, respectively.

The following table presents an analysis of the activity in the allowance for loan losses on finance receivables and loans, net.

	2011			2010		
($ in thousands)	**Consumer**	**Commercial**	**Total**	Consumer	Commercial	Total
Allowance at January 1,	**$1,006**	**$25,129**	**$26,135**	$25,121	$133,779	$158,900
Provision for loan losses	**3,377**	**23,341**	**26,718**	4,771	(17,646)	(12,875)
Charge-offs						
Domestic	**(80)**	**—**	**(80)**	(14,801)	(49,741)	(64,542)
Foreign	**(3,410)**	**(42,018)**	**(45,428)**	(2,347)	(50,369)	(52,716)
Total charge-offs	**(3,490)**	**(42,018)**	**(45,508)**	(17,148)	(100,110)	(117,258)
Recoveries						
Domestic	**2,619**	**1,716**	**4,335**	4,242	9,053	13,295
Foreign	**—**	**6,810**	**6,810**	—	53	53
Total recoveries	**2,619**	**8,526**	**11,145**	4,242	9,106	13,348
Net charge-offs	**(871)**	**(33,492)**	**(34,363)**	(12,906)	(91,004)	(103,910)
Deconsolidations (a)	**—**	**—**	**—**	(15,980)	—	(15,980)
Allowance at December 31,	**$3,512**	**$14,978**	**$18,490**	$1,006	$25,129	$26,135
Allowance for loan losses						
Individually evaluated for impairment	**$—**	**$14,978**	**$14,978**	$—	$23,799	$23,799
Collectively evaluated for impairment	**$3,512**	**$—**	**$3,512**	$1,006	$1,330	$2,336
Finance receivables and loans						
Individually evaluated for impairment	**$—**	**$38,017**	**$38,017**	$—	$109,171	$109,171
Collectively evaluated for impairment	**$24,221**	**$—**	**$24,221**	$100,611	$8,145	$108,756

(a) In the fourth quarter of 2010, we deconsolidated various securitization trusts. See Note 5 — Securitizations and Variable Interest Entities for additional information.

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The following table presents an analysis of our past due finance receivables and loans at gross carrying value.

($ in thousands)	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total
December 31, 2011						
Consumer mortgage						
1st Mortgage	**$29,660**	**$14,665**	**$158,192**	**$202,517**	**$183,274**	**$385,791**
Home equity	**9,908**	**4,602**	**9,541**	**24,051**	**406,970**	**431,021**
Total consumer	**39,568**	**19,267**	**167,733**	**226,568**	**590,244**	**816,812**
Commercial						
Commercial and industrial	**—**	**—**	**322**	**322**	**23,538**	**23,860**
Commercial real estate	**—**	**1,736**	**12,212**	**13,948**	**209**	**14,157**
Total commercial	**—**	**1,736**	**12,534**	**14,270**	**23,747**	**38,017**
Total	**$39,568**	**$21,003**	**$180,267**	**$240,838**	**$613,991**	**$854,829**
December 31, 2010						
Consumer mortgage						
1st Mortgage	$40,733	$27,166	$178,909	$246,808	$345,529	$592,337
Home equity	13,466	5,980	10,614	30,060	449,575	479,635
Total consumer	54,199	33,146	189,523	276,868	795,104	1,071,972
Commercial						
Commercial and industrial	—	35,671	3,970	39,641	1,130	40,771
Commercial real estate	—	—	69,529	69,529	7,016	76,545
Total commercial	—	35,671	73,499	109,170	8,146	117,316
Total	$54,199	$68,817	$263,022	$386,038	$803,250	$1,189,288

The following table presents the gross carrying value of our finance receivables and loans in nonaccrual status.

December 31, *($ in thousands)*	2011	2010
Consumer mortgage (a)		
1st Mortgage	**$199,568**	$313,159
Home equity	**29,628**	43,616
Total consumer	**229,196**	356,775
Commercial (b)		
Commercial and industrial	**322**	39,641
Commercial real estate	**12,212**	69,529
Total commercial	**12,534**	109,170
Total	**$241,730**	$465,945

(a) Interest revenue that would have been accrued on total nonaccrual consumer mortgage finance receivables and loans at original contractual rates was $31.2 million and $24.1 million during the year ended December 31, 2011 and 2010, respectively. Interest income recorded for these nonaccrual loans was $8.4 million and $17.8 million during the year ended December 31, 2011 and 2010, respectively.

(b) Interest revenue that would have been accrued on total nonaccrual commercial mortgage finance receivables and loans at original contractual rates was $4.5 million and $8.3 million during the year ended December 31, 2011 and 2010, respectively. Interest income recorded for these nonaccrual loans was $0.7 million and $7.6 million during the year ended December 31, 2011 and 2010, respectively.

Management performs a quarterly analysis of its consumer and commercial finance receivable and loan portfolios using a range of credit quality indicators to assess the adequacy of the allowance based on historical and current trends. Based on our allowance methodology, our credit quality indicators for consumer mortgage loans are performing and nonperforming and for commercial mortgage finance receivables and loans are pass and criticized.

The following table presents the credit quality indicators for our consumer mortgage loan portfolio at gross carrying value.

	2011			2010		
December 31, ($ in thousands)	**Performing**	**Nonperforming**	**Total**	Performing	Nonperforming	Total
Consumer mortgage						
1st Mortgage	**$186,223**	**$199,568**	**$385,791**	$279,178	$313,159	$592,337
Home equity	**401,393**	**29,628**	**431,021**	436,019	43,616	479,635
Total consumer mortgage	**$587,616**	**$229,196**	**$816,812**	$715,197	$356,775	$1,071,972

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The following table presents the credit quality indicators for our commercial finance receivable and loan portfolio at gross carrying value.

	2011			2010		
December 31, *($ in thousands)*	**Pass**	**Criticized (a)**	**Total**	Pass	Criticized (a)	Total
Commercial						
Commercial and industrial	**$—**	**$23,860**	**$23,860**	$—	$40,771	$40,771
Commercial real estate	**209**	**13,948**	**14,157**	198	76,347	76,545
Total commercial	**$209**	**$37,808**	**$38,017**	$198	$117,118	$117,316

(a) Includes loans classified as special mention, substandard, or doubtful. These classifications are based on regulatory definitions and generally represent loans in our portfolio that are of higher default risk.

As of December 31, 2011, the five largest state concentrations based on carrying value for our U.S.–only finance receivables and loans, net were as follows.

December 31, 2011	
Ohio	**7.8%**
California	**5.7%**
Texas	**5.3%**
Michigan	**5.2%**
Georgia	**4.8%**
All other	**71.2%**
Total	**100.0%**

Impaired Loans and Troubled Debt Restructurings

Impaired Loans

Loans are considered impaired when we determine it is probable that we will be unable to collect all amounts due according to the terms of the loan agreement or if the loan has been modified under a troubled debt restructuring.

The following table presents information about our impaired finance receivables and loans recorded at historical cost.

($ in thousands)	**Unpaid principal balance (a)**	**Carrying value before allowance**	**Impaired with no allowance**	**Impaired with an allowance**	**Allowance for impaired loans**
December 31, 2011					
Commercial					
Commercial and industrial	**$ 322**	**$ 322**	**$ —**	**$ 322**	**$ 202**
Commercial real estate	**12,271**	**12,212**	**1,442**	**10,770**	**4,592**
Total commercial	**$ 12,593**	**$ 12,534**	**$ 1,442**	**$ 11,092**	**$ 4,794**
December 31, 2010					
Commercial					
Commercial and industrial	$ 44,410	$ 39,641	$ —	$ 39,641	$ 14,043
Commercial real estate	69,651	69,529	28,154	41,375	9,756
Total commercial	$ 114,061	$ 109,170	$ 28,154	$ 81,016	$ 23,799

(a) Unpaid principal balance represents gross carrying value adjusted for UPB write-downs on transfers or charge offs in accordance with our policy.

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The following table presents information about our impaired finance receivables and loans excluding loans carried at fair value due to fair value option elections.

Year ended December 31, *($ in thousands)*	**2011**			2010		
	Consumer	**Commercial**	**Total**	Consumer	Commercial	Total
Average balance of impaired loans	**$—**	**$58,006**	**$58,006**	$28,631	$189,354	$217,985
Interest income recognized on impaired loans	**$—**	**$6,364**	**$6,364**	$1,324	$7,627	$8,951

At December 31, 2011 and 2010, there were no commercial commitments to lend additional funds to debtors owing receivables whose terms have been modified in a troubled debt restructuring.

Troubled Debt Restructurings

The following table presents information related to finance receivables and loans recorded at historical cost modified in connection with a troubled debt restructuring during the period. We did not have any TDRs that redefaulted (180 days or more delinquent) on or before the one year anniversary of being modified.

Year Ended December 31, 2011 *($ in thousands)*	**Number of Loans**	**Pre-modification gross carrying value**	**Post-modification gross carrying value**
Consumer mortgage			
1st Mortgage	**3**	**$162**	**$128**
Home equity	**0**	**—**	**—**
Total consumer mortgage	**3**	**162**	**128**
Commercial			
Commercial and industrial	**1**	**37,550**	**27,789**
Commercial real estate	**2**	**3,426**	**3,098**
Total commercial	**3**	**40,976**	**30,887**
Total	**6**	**$41,138**	**$31,015**

5. Securitizations and Variable Interest Entities

Overview

We are involved in several types of securitization and financing transactions that utilize special–purpose entities (SPEs). A SPE is an entity that is designed to fulfill a specified limited need of the sponsor. Our principal use of SPEs is to obtain liquidity by securitizing certain of our financial assets.

The SPEs involved in securitization and other financing transactions are generally considered variable interest entities (VIEs). VIEs are entities that have either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support or whose equity investors lack the ability to control the entity's activities.

Securitizations

We historically provided a wide range of consumer mortgage loan products to a diverse customer base. We securitized those loans through the use of securitization entities, which may or may not be consolidated on our Consolidated Balance Sheet. We securitized consumer mortgage loans primarily through private–label (nonagency) securitizations.

In executing a securitization transaction, we sold pools of financial assets to a wholly owned, bankruptcy–remote SPE, which then transferred the financial assets to a separate, transaction–specific securitization entity for cash, servicing rights, and in some transactions, other retained interests. The securitization entity was funded through the issuance of beneficial interests in the securitized financial assets. The beneficial interests took the form of either notes or trust certificates that were sold to investors and/or retained by us. These beneficial interests are collateralized by the transferred loans and entitle the investors to specified cash flows generated from the securitized loans. In the aggregate, these beneficial interests have the same average life as the transferred financial assets. In addition to providing a source of liquidity and cost–efficient funding, securitizing these financial assets also reduces our credit

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exposure to the borrowers beyond any economic interest we may retain.

Each securitization is governed by various legal documents that limit and specify the activities of the securitization entity. The securitization entity is generally allowed to acquire the loans, to issue beneficial interests to investors to fund the acquisition of the loans, and to enter into derivatives or other yield maintenance contracts (e.g., coverage by monoline bond insurers) to hedge or mitigate certain risks related to the financial assets or beneficial interests of the entity. A servicer, who is generally us, is appointed pursuant to the underlying legal documents to service the assets the securitization entity holds and the beneficial interests it issues. Servicing functions include, but are not limited to, making certain payments of property taxes and insurance premiums, default and property maintenance payments, as well as advancing principal and interest payments before collecting them from individual borrowers. Our servicing responsibilities, which constitute continued involvement in the transferred financial assets, consist of primary servicing (i.e., servicing the underlying transferred financial assets) and/or master servicing (i.e., servicing the beneficial interests that result from the securitization transactions). Certain securitization entities also require the servicer to advance scheduled principal and interest payments due on the beneficial interests issued by the entity regardless of whether cash payments are received on the underlying transferred financial assets. Accordingly, we are required to provide these servicing advances when applicable. See Note 6 — Servicing Activities for additional information regarding our servicing rights.

In private-label securitizations, cash flows from the assets initially transferred into the securitization entity represent the sole source for payment of distributions on the beneficial interests issued by the securitization entity and for payments to the parties that perform services for the securitization entity, such as the servicer or the trustee. In certain private-label securitization transactions, a liquidity facility may exist to provide temporary liquidity to the entity. The liquidity provider generally is reimbursed prior to other parties in subsequent distribution periods. Monoline insurance may also exist to cover certain shortfalls to certain investors in the beneficial interests issued by the securitization entity. As noted above, in certain private-label securitizations, the servicer is required to advance scheduled principal and interest payments due on the beneficial interests regardless of whether cash payments are received on the underlying transferred financial assets. The servicer is allowed to reimburse itself for these servicing advances. Additionally, certain private-label securitization transactions may allow for the acquisition of additional loans subsequent to the initial loan transfer. Principal collections on other loans and/or the issuance of new beneficial interests, such as variable funding notes, generally fund these loans; we are often contractually required to invest in these new interests.

We may retain beneficial interests in our private-label securitizations, which may represent a form of significant continuing economic interest. These retained interests include, but are not limited to, senior or subordinate mortgage– or asset–backed securities, interest–only strips, principal–only strips, and residuals. Certain of these retained interests provide credit enhancement to the trust as they may absorb credit losses or other cash shortfalls. Additionally, the securitization agreements may require cash flows to be directed away from certain of our retained interests due to specific over–collateralization requirements, which may or may not be performance–driven.

We generally hold certain conditional repurchase options that allow us to repurchase assets from the securitization entity. The majority of the securitizations provide us, as servicer, with a call option that allows us to repurchase the remaining transferred financial assets or outstanding beneficial interests at our discretion once the asset pool reaches a predefined level, which represents the point where servicing becomes burdensome (a clean–up call option). The repurchase price is typically the par amount of the loans plus accrued interest. Additionally, we may hold other conditional repurchase options that allow us to repurchase a transferred financial asset if certain events outside our control are met. The typical conditional repurchase option is a delinquent loan repurchase option that gives us the option to purchase the loan if it exceeds a certain prespecified delinquency level. We have discretion regarding when or if we will exercise these options, but generally, we would do so only when it is in our best interest.

Other than our customary representation and warranty obligations, these securitizations are nonrecourse to us, thereby transferring the risk of future credit losses to the extent the beneficial interests in the securitization entities are held by third parties. Representation and warranty provisions generally require us to repurchase loans or indemnify the investor or other party for incurred losses to the extent it is determined that the loans were ineligible or were otherwise defective at the time of sale. See Note 18 — Guarantees, Commitments and Contingencies for detail on representation and warranty provisions. We did not provide any noncontractual financial support to any of these entities during the years ended December 31, 2011 and 2010.

Other Variable Interest Entities

Other — We have involvement with on and off-balance sheet VIEs. These VIEs are generally used for additional liquidity whereby we sell certain financial assets to the VIE and issue beneficial interests to affiliates third parties for cash.

Involvement with Variable Interest Entities

The determination of whether financial assets transferred by us to VIEs (and related liabilities) are consolidated on our balance sheet (also referred to as on–balance sheet) or not consolidated on our balance sheet (also referred to as off–balance sheet) depends

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on the terms of the related transaction and our continuing involvement (if any) with the SPE. We are deemed the primary beneficiary and, therefore, consolidate VIEs for which we have both (a) the power through voting rights or similar rights to direct the activities that most significantly impact the VIE's economic performance, and (b) a variable interest (or variable interests) that (i) obligates us to absorb losses that could potentially be significant to the VIE and/or (ii) provides us the right to receive residual returns of the VIE that could potentially be significant to the VIE. We determine whether we hold a significant variable interest in a VIE based on a consideration of both qualitative and quantitative factors regarding the nature, size, and form of our involvement with the VIE. We assess whether we are the primary beneficiary of a VIE on an ongoing basis.

Our involvement with consolidated and nonconsolidated VIEs in which we hold a variable interest as of December 31, 2011 and 2010, is presented below.

($ in thousands)	**Consolidated involvement with VIEs**	**Assets of nonconsolidated VIEs, net (a)**	**Maximum exposure to loss in nonconsolidated VIEs**
December 31, 2011			
On–balance sheet variable interest entities			
Private-label securitizations	**$839,220**	**$—**	**$—**
Other	**2,541**	**—**	**—**
Off–balance sheet variable interest entities			
Private-label securitizations	**113,420 (c)**	**2,869,389**	**2,869,389 (b)**
Other	**132,744**	**920,592 (d)**	**132,744 (e)**
Total	**$1,087,925**	**$3,789,981**	**$3,002,133**
December 31, 2010			
On–balance sheet variable interest entities			
Private-label securitizations	$1,030,910	$—	$—
Other	11,517	—	—
Off–balance sheet variable interest entities			
Private-label securitizations	151,679 (c)	3,473,854	3,473,854 (b)
Other	68,398	1,022,749	1,022,749
Total	$1,262,504	$4,496,603	$4,496,603

(a) Unless denoted otherwise, asset values represent the current UPB of outstanding consumer mortgage loans within the VIEs.

(b) Maximum exposure to loss represents the current UPB of outstanding consumer mortgage loans based on our customary representation and warranty provisions. This measure is based on the unlikely event that all of the loans have underwriting defects or other defects that trigger a representation and warranty provision and the collateral supporting the loans are worthless. This required disclosure is not an indication of our expected loss.

(c) Includes $8.7 million and $9.9 million classified as other assets, $4.1 million and $0.0 million classified as mortgage servicing rights and $100.7 million and $141.8 million of mortgage loans held–for–sale that are subject to conditional repurchase options at December 31, 2011 and 2010, respectively. The corresponding liability related to conditional repurchase option loans is recorded in other liabilities.

(d) Asset value of the VIE represents current outstanding balance of servicer advance receivables of $823.1 million as well as a receivable recognized by the VIE in the amount of $97.5 million representing our participation in the facility.

(e) Maximum exposure to loss represents the current outstanding balance of servicer advances that we have legally sold to the VIE. To the extent that servicer advances become ineligible in the facility, we could be required to deposit an equivalent amount to cure the deficiency. Although the VIE is cross-collateralized with assets transferred by our affiliate, GMAC Mortgage, we are not jointly and severally liable and as such do not retain any exposure related to the servicer advances transferred by GMAC Mortgage.

On–balance Sheet Variable Interest Entities

We engage in securitization and other financing transactions that do not qualify for off–balance sheet treatment. In these situations, we hold beneficial interests or other interests in the VIE, which represents a form of significant continuing economic interest. The interests held include, but are not limited to, senior or subordinate mortgage– or asset–backed securities, interest–only strips, principal–only strips, residuals, and servicing rights. Certain of these retained interests provide credit enhancement to the securitization entity as they may absorb credit losses or other cash shortfalls. Additionally, the securitization documents may require cash flows to be directed away from certain of our retained interests due to specific over–collateralization requirements, which may or may not be performance–driven. Because these securitization entities are consolidated, these retained interests and servicing rights are not recognized as separate assets on our Consolidated Balance Sheet.

We consolidate certain of these entities because we have a controlling financial interest in the VIE, primarily due to our servicing activities, and because we hold a significant variable interest in the VIE. We are the primary beneficiary of certain private-label securitization entities for which we perform servicing activities and have retained a significant variable interest in the form of a beneficial interest. In cases where we did not meet sale accounting under previous guidance, unless we have made modifications

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to the overall transaction, we do not meet sale accounting under current guidance as we are not permitted to revisit sale accounting guidelines under the current guidance. In cases where substantive modifications are made, we then reassess the transaction under the amended guidance based on the new circumstances.

Consolidated VIEs represent separate entities with which we are involved. The third–party investors in the obligations of consolidated VIEs have legal recourse only to the assets of the VIEs and do not have recourse to us, except for customary representation and warranty provisions or situations where we are the counterparty to certain derivative transactions involving the VIE. Cash flows from the assets are restricted only to pay such liabilities. Thus, our economic exposure to loss from outstanding third–party financing related to consolidated VIEs is significantly less than the carrying value of the consolidated VIE assets. All assets are restricted for the benefit of the beneficial interest holders. See Note 16 — Fair Value for discussion of the assets and liabilities for which the fair value option has been elected.

Off-balance Sheet Variable Interest Entities

The nature, purpose, and activities of nonconsolidated securitization entities are similar to those of our consolidated securitization entities with the primary difference being the nature and extent of our continuing involvement. The cash flows from the assets of nonconsolidated securitization entities generally are the sole source of payment on the securitization entities' liabilities. The creditors of these securitization entities have no recourse to us with the exception of market customary representation and warranty provisions as described in Note 18— Guarantees, Commitments and Contingencies.

Nonconsolidated VIEs include entities for which we either do not hold significant variable interests or do not provide servicing or asset management functions for the financial assets held by the securitization entity. Additionally, to qualify for off–balance sheet treatment, transfers of financial assets must meet sale accounting conditions in ASC 860. We do not consolidate certain private-label securitizations because we do not have a variable interest that could potentially be significant or we do not have power to direct the activities that most significantly impact the performance of the VIE.

For nonconsolidated securitization entities, the transferred financial assets are removed from our balance sheet provided the conditions for sale accounting are met. The financial assets obtained from the securitization are primarily reported as cash, servicing rights, or retained interests (if applicable). As an accounting policy election, we elected fair value treatment for our MSR portfolio. Liabilities incurred as part of these securitization transactions, such as representation and warranty provisions, are recorded at fair value at the time of sale and are reported as other liabilities on our Consolidated Balance Sheet. Upon the sale of the loans, we recognize a gain or loss on sale for the difference between the assets recognized, the assets derecognized, and the liabilities recognized as part of the transaction.

We did not have any new private-label securitizations during the years ended December 31, 2011 and 2010.

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The following table summarizes cash flows received from and paid to securitization entities that are accounted for as a sale and in which we have a continuing involvement with the transferred assets (e.g., servicing) that were outstanding during 2011 and 2010. This table contains information regarding cash flows received from and paid to nonconsolidated securitization entities that existed during each period.

Year ended December 31, *($ in thousands)*	Consumer mortgage Private-Label
2011	
Cash proceeds from transfers completed during the year	$—
Cash flows received on retained interests in securitization entities	**5,147**
Servicing fees	**144,169**
Purchases of previously transferred financial assets	
Representation and warranty obligations	**(37,207)**
Other repurchases (a)	**(96,546)**
Other cash flows	**66,418**
Total net cash flows	**$81,981**
2010	
Cash proceeds from transfers completed during the year	$—
Cash flows received on retained interests in securitization entities	10,521
Servicing fees (b)	156,861
Purchases of previously transferred financial assets	
Representation and warranty obligations	(13,183)
Other repurchases (a)	(158,622)
Other cash flows	(41,994)
Total net cash flows	($46,417)

(a) Includes repurchases in connection with clean up call options.

(b) We determined the amounts previously disclosed related to servicing fees for the year ended December 31, 2010, were misstated. Previously disclosed servicing fees were $173,005. These amounts were corrected in the presentation above. The misstatement had no impact on our consolidated financial condition or results of operations.

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The following table represents on–balance sheet mortgage loans held–for–sale and consumer finance receivable and loans, off–balance sheet securitizations, and whole–loan sales where we have continuing involvement. The tables present information about delinquencies and net credit losses. See Note 6 — Servicing Activities for further detail on total serviced assets.

	Total UPB		Amount 60 days or more past due		Net credit losses	
December 31, *($ in thousands)*	**2011**	2010	**2011**	2010	**2011**	2010
On–balance sheet loans						
Consumer mortgage held–for–sale	**$1,477,722 (a)**	$1,438,872 (a)	**$598,584 (a)**	$526,638 (a)	**$ 23,807**	$ (8,999) (b)
Consumer mortgage finance receivables and loans	**2,330,872**	2,845,520	**414,729**	441,847	**124,763**	207,673
Total on–balance sheet loans	**3,808,594**	4,284,392	**1,013,313**	968,485	**148,570**	198,674
Off–balance sheet securitization entities						
Consumer mortgage — GSEs (c)	**116,556**	143,373	**9,526**	8,377	n/m	n/m
Consumer mortgage — private-label	**52,559,380**	59,545,696	**10,808,072**	11,634,494	**3,587,697**	4,088,192
Total off–balance sheet securitization entities	**52,675,936**	59,689,069	**10,817,598**	11,642,871	**3,587,697**	4,088,192
Whole-loan transactions (c)	**2,741,242**	3,076,774	**133,553**	148,730	**52,731**	61,128
Total	**$59,225,772**	$67,050,235	**$11,964,464**	$12,760,086	**$3,788,998**	$4,347,994

n/m = not meaningful

(a) Includes loans subject to conditional repurchase options of $126.8 million and $141.8 million sold to certain private-label securitization entities at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities.

(b) We determined the amounts previously disclosed related to net credit losses for the year ended December 31, 2010, were misstated. Previously disclosed net credit losses for on-balance sheet mortgage loans held-for-sale were zero. This amount has been corrected in the presentation above. The misstatement had no impact on our consolidated financial condition or results of operations.

(c) Whole-loan transactions are not part of a securitization transaction, but represent pools of consumer mortgage loans sold to investors.

Changes in Accounting for Variable Interest Entities

ASU 2009–17 became effective on January 1, 2010, and upon adoption, we consolidated certain securitization entities that were previously held off–balance sheet. On January 1, 2010, we recognized a net increase of $11.0 billion to assets and liabilities on our Consolidated Balance Sheet ($10.1 billion of the increase relates to operations classified as held–for–sale and ultimately sold).

We previously held on our Consolidated Balance Sheet certain mortgage securitization entities, which were on–balance sheet prior to the adoption of ASU 2009–17 because we did not meet the sale accounting requirements at the inception of the transactions. Specific provisions inherent in these deals, included but were not limited to, the ability of the trust to enter into a derivative contract and the inclusion of a five loan repurchase right. The existence of the ability to enter into a derivative precluded the entities from being deemed a QSPE and the existence of the five loan repurchase right precluded sale accounting treatment. These two provisions, when used in combination, were deemed substantive and precluded sale accounting. We also retained servicing and, in most cases, retained an economic interest in the entities in the form of economic residuals, subordinate bonds, and/or IO strips. During 2010, we completed the sale of 100% of our retained residuals and subordinate bonds related to certain of these on–balance sheet

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securitization entities. In addition, any repurchase rights associated with these structures were removed from these deals through exercise of such right. These collective actions were deemed to be substantial to warrant a recharacterization of the original transactions, and as such, they were reassessed under ASC 860, and it was concluded that the securitization entities satisfied sale accounting requirements. Furthermore, the sale of the 100% economic interests resulted in the loss of a controlling financial interest in the securitization entities and accordingly consolidation was not required. The combination of these actions resulted in the derecognition of assets previously sold to these securitization entities. Consolidated assets and consolidated liabilities of $1.2 billion and $1.2 billion, respectively, associated with this transaction were derecognized, and a gain of $51.3 million was recorded. During 2010, we completed the sale of our significant retained residuals and subordinate bonds related to certain other on-balance sheet securitization entities, which were consolidated upon adoption of ASU 2009–17 (but were not consolidated prior to the adoption of ASU 2009–17). Since we disposed of our variable interests in these securitization entities to unrelated third parties, a reassessment was required to determine whether we continued to hold a controlling financial interest. All subordinate retained economic interests in these entities were sold, and therefore, we no longer held a controlling financial interest. All assets and liabilities associated with the trust were derecognized and all retained interests in the entities, including insignificant retained senior interests and mortgage servicing rights, were recorded at their fair values at the date of deconsolidation. Consolidated assets and consolidated liabilities of $496.6 million and $495.8 million, respectively, associated with this transaction were derecognized and a gain of $0.6 million was recorded.

We continue to hold servicing rights associated with these deconsolidation transactions; however retained servicing does not preclude deconsolidation because the retained servicing we hold does not absorb a potentially significant level of variability in the securitization entities. Upon deconsolidation, $1.1 million of servicing rights and $0.7 million of retained interests associated with these transactions were recorded.

6. Servicing Activities

Mortgage Servicing Rights

The following table summarizes our activity related to MSRs. Although there are no market transactions that are directly observable, management estimates fair value based on the price it believes would be received to sell the MSR asset in an orderly transaction under current market conditions.

($ in thousands)	**2011**	2010
Estimated fair value at January 1,	**$164,057**	$285,319
Additions recognized on sale of mortgage loans	**—**	—
Subtractions from sales of servicing assets	**(100)**	(305)
Changes in fair value		
Due to changes in valuation inputs or assumptions used in the valuation model	**(22,821)**	(59,343)
Other changes in fair value	**(39,478)**	(59,935)
Other changes that affect the balance (a) (b)	**(70)**	(1,679)
Estimated fair value at December 31,	**$101,588**	$164,057

(a) In 2010 we derecognized $6.1 million of MSRs upon initial adoption of ASU 2009–17.

(b) In 2010 we deconsolidated certain VIEs resulting in the recognition of $4.5 million of MSRs. See Note 5 — Securitizations and Variable Interest Entities for additional information.

Changes in fair value due to changes in valuation inputs or assumptions used in the valuation models include all changes due to a revaluation by a model or by a benchmarking exercise. Other changes in fair value primarily include the accretion of the present value of the discount related to forecasted cash flows and the economic run-off of the portfolio.

The key economic assumptions and the sensitivity of the fair value of MSRs to immediate 10% and 20% adverse changes in those assumptions were as follows.

December 31, *($ in thousands)*	**2011**	2010
Weighted average life *(in years)*	**5.7**	4.3
Weighted average prepayment speed	**12.3%**	18.1%
Impact on fair value of 10% adverse change	**$(3,804)**	$(5,604)
Impact on fair value of 20% adverse change	**(7,447)**	(10,661)
Weighted average discount rate	**45.0%**	29.4%
Impact on fair value of 10% adverse change	**$(7,354)**	$(6,740)
Impact on fair value of 20% adverse change	**(13,802)**	(13,002)

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These sensitivities are hypothetical and should be considered with caution. Changes in fair value based on a 10% and 20% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another (e.g., increased market interest rates may result in lower prepayments and increased credit losses) that could magnify or counteract the sensitivities.

Mortgage Servicing Fees

The components of servicing fees were as follows.

Year ended December 31, *($ in thousands)*	**2011**	2010
Contractual servicing fees (net of guarantee fees and including sub servicing)	**$109,081**	$121,741
Ancillary fees	**(169)**	2,188
Total	**$108,912**	$123,929

Mortgage Servicer Advances

In connection with our master servicing activities, we service mortgage–backed and mortgage–related asset–backed securities and whole–loan packages sold to investors. As the master servicer we collect mortgage loan payments from primary servicers and distribute those funds to investors in mortgage–backed and asset–backed securities and whole–loan packages. As the master servicer we are required to advance scheduled payments to the securitization trust or whole–loan investors. To the extent the primary servicer does not advance the payments, we are responsible for advancing the payment to the trust or whole–loan investors. Master servicer advances, including contractual interest, are priority cash flows in the event of a default, thus making their collection reasonably assured. In most cases, we are required to advance these payments to the point of liquidation of the loan or reimbursement of the trust or whole–loan investors. We had outstanding master servicer advances of $158.4 million and $90.4 million as of December 31, 2011 and 2010, respectively. We had no reserve for uncollectible master servicer advances at December 31, 2011 or 2010.

Serviced Mortgage Assets

In many cases we act as both the primary and master servicer. However, in certain cases, we also service loans that have been purchased and subsequently sold through a securitization trust or whole–loan sale whereby the originator retained the primary servicing rights and we retained the master servicing rights.

The unpaid principal balance of total serviced mortgage assets were as follows.

December 31, ($ in millions)	**2011**	2010 (c)
On–balance sheet mortgage loans (a)		
Held–for–sale and investment	**$2,673**	$2,947
Off–balance sheet mortgage loans (b)		
Loans held by third–party investors		
Consumer mortgage private-label	**42,045**	49,245
Consumer mortgage whole-loan portfolios	**2,050**	2,054
Total primary serviced mortgage loans	**46,768**	54,246
Master servicing only mortgage loans	**8,557**	10,548
Total serviced mortgage loans	**$55,325**	$64,794

(a) Includes loans owned by us where we are the primary servicer, including on–balance sheet securitization consumer finance receivables and loans. See Note 3 — Mortgage Loans Held–for–sale and Note 4 — Finance Receivables and Loans, net, for additional information.

(b) Includes loans sold to investors through off–balance sheet securitizations and whole–loan sales. See Note 5 — Securitizations and Variable Interest Entities for additional information.

(c) We have reclassified $364.0 million of foreign mortgage loans from subserviced mortgage loans to primary serviced mortgage loans. These corrections had no impact on the total serviced mortgage loans.

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The following table sets forth information concerning the delinquency experience in our domestic consumer mortgage loan primary servicing portfolio, including pending foreclosures.

	December 31, 2011		December 31, 2010	
($ in millions)	**Number of loans**	**Unpaid principal balance**	Number of loans (a)	Unpaid principal balance (a)
Total U.S. mortgage loans primary serviced	**350,233**	**$46,448**	396,154	$53,657
Period of delinquency				
30 to 59 days	**23,036**	**$3,034**	26,727	3,516
60 to 89 days	**9,718**	**1,372**	11,680	1,659
90 days or more	**12,853**	**2,017**	15,499	2,380
Foreclosures pending	**26,482**	**5,615**	31,364	6,737
Bankruptcies	**14,392**	**1,909**	15,460	1,915
Total delinquent loans	**86,481**	**$13,947**	100,730	$16,207
Percent of U.S. mortgage loans primary serviced	**24.7%**	**30.0%**	25.4%	30.2%

(a) We have reclassified resolved bankruptcies, previously reported in Bankruptcies, to their corresponding delinquency status at December 31, 2010. This classification is consistent with the December 31, 2011 presentation.

In certain of our domestic securitizations, the monoline or other provider of contractual credit support (surety providers) is entitled to declare a servicer default and terminate the servicer upon the failure of the loans to meet certain portfolio delinquency and/or cumulative loss thresholds. At December 31, 2011, domestic insured private-label mortgage securitizations with an unpaid principal balance of $3.5 billion had breached a delinquency and/or cumulative loss threshold. While we continue to service these loans and receive service fee income with respect to these securitizations, the value of the related MSR is zero at December 31, 2011. Securitizations with an unpaid principal balance of $198.3 million have not yet breached a delinquency or cumulative loss threshold. The value of the related MSR is $1.0 million at December 31, 2011.

7. Accounts Receivable, Net

December 31, *($ in thousands)*	**2011**	2010
Servicer advances, net (a)	**$158,884**	$111,857
Servicing fees receivable	**14,589**	17,837
Accrued interest receivable	**29,046**	40,274
Other	**4,145**	14,509
Total accounts receivable, net	**$206,664**	$184,477

(a) There was no allowance for uncollectible servicer advances at December 31, 2011 and 2010.

8. Other Assets

December 31, *($ in thousands)*	**2011**	2010
Property and equipment at cost	**$141,726**	$155,149
Accumulated depreciation and amortization	**(129,306)**	(140,326)
Net property and equipment	**12,420**	14,823
Receivable from affiliates	**69,720**	—
Foreclosed assets	**61,563**	107,348
Interests retained in financial asset sales	**23,102**	20,588
Trading securities	**15,284**	17,691
Restricted cash	**3,143**	14,322
Other	**10,566**	21,775
Total other assets	**$195,798**	$196,547

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9. Borrowings

Borrowings were as follows.

	Weighted average end of period interest rates		December 31,					
	December 31,		2011			2010		
($ in thousands)	**2011**	2010	**Unsecured**	**Secured**	**Total**	Unsecured	Secured	Total
Short-term borrowings								
Borrowings from Ally Inc. and subsidiaries (a)	**4.5%**	3.0%	**$—**	**$309,582**	**$309,582**	$—	$298,891	$298,891
Borrowings from affiliates	**7.2%**	6.7%	**184,078**	**—**	**184,078**	211,151	—	211,151
Other short-term borrowings	**—%**	3.7%	**—**	**—**	**—**	13,363	241,900	255,263
Total short-term borrowings	**6.4%**	4.3%	**184,078**	**309,582**	**493,660**	224,514	540,791	765,305
Long-term borrowings								
Borrowings from Ally Inc.	**3.0%**	3.0%	**—**	**130,648**	**130,648**	—	180,875	180,875
Borrowings from affiliates	**3.8%**	—%	**—**	**97,512**	**97,512**	—	—	—
Collateralized borrowings in securitization trusts (b)	**4.8%**	5.2%	**—**	**791,117**	**791,117**	—	944,945	944,945
Other long-term borrowings	**6.0%**	7.6%	**128,844**	**2,830**	**131,674**	145,657	—	145,657
Total long-term borrowings	**4.8%**	5.1%	**128,844**	**1,022,107**	**1,150,951**	145,657	1,125,820	1,271,477
Total borrowings	**5.3%**	4.8%	**$312,922**	**$1,331,689**	**$1,644,611**	$370,171	$1,666,611	$2,036,782

(a) RFC and GMAC Mortgage, as borrowers, have joint and several liability under these facilities.
(b) Collateralized borrowings with an outstanding balance of $2.4 billion and $2.8 billion were recorded at fair value of $791.1 million and $935.0 million as of December 31, 2011 and 2010, respectively. See Note 16 — Fair Value for additional information.

The following table summarizes the maturity profile of our borrowings by type at December 31, 2011. Amounts represent the scheduled maturity of debt, assuming no early redemptions occur. For sources of borrowings without a stated maturity date (as is the case with uncommitted agreements), the maturities are assumed to occur within 2012.

($ in millions)	**2012**	**2013**	**2014**	**2015**	**2016**	**2017 and thereafter**	**Total**
Secured borrowings							
Borrowings from Ally Inc. and subsidiaries	**$440.2**	**$—**	**$—**	**$—**	**$—**	**$—**	**$440.2**
Borrowings from affiliates	**—**	**—**	**—**	**—**	**—**	**97.5**	**97.5**
Collateralized borrowings in securitization trusts (a)	**—**	**—**	**—**	**—**	**—**	**791.1**	**791.1**
Other secured borrowings	**2.8**	**—**	**—**	**—**	**—**	**—**	**2.8**
Total secured borrowings	**443.0**	**—**	**—**	**—**	**—**	**888.6**	**1,331.6**
Unsecured borrowings							**—**
Borrowing from affiliates	**184.1**	**—**	**—**	**—**	**—**	**—**	**184.1**
Other unsecured borrowings	**128.8**	**—**	**—**	**—**	**—**	**—**	**128.8**
Total unsecured borrowings	**312.9**	**—**	**—**	**—**	**—**	**—**	**312.9**
Total borrowings	**$755.9**	**$—**	**$—**	**$—**	**$—**	**$888.6**	**$1,644.5**

(a) The principal on the debt securities is paid using cash flows from underlying collateral (mortgage loans). Accordingly, the timing of the principal payments on these debt securities is dependent on the payments received, and as such, we elected to represent the full term of the securities in the 2017 and thereafter time frame.

The most restrictive financial covenants in our credit facilities require ResCap to maintain consolidated tangible net worth of

$250.0 million as of the end of each month, consolidated liquidity of $250.0 million daily, and unrestricted liquidity of $250.0 million daily. For these purposes, consolidated tangible net worth is defined as ResCap's consolidated equity excluding intangible assets. Unrestricted liquidity is defined as certain unrestricted and unencumbered cash balances in U.S. dollars and cash equivalents on a consolidated basis. ResCap views unrestricted liquidity as cash readily available to cover operating demands across our business operations. These financial covenants are included in certain of our bilateral facilities. Should ResCap fail to remain in compliance with these requirements, remedies include but are not limited to, at the option of the facility provider, termination of further funding, acceleration of outstanding obligations, rights to realize against the assets securing or otherwise supporting the facility, and other legal remedies. Liquidity providers can waive their contractual rights in the event of a default.

As of December 31, 2011, ResCap was in compliance with its consolidated and unrestricted liquidity requirements.

ResCap's consolidated tangible net worth at December 31, 2011 was $92.4 million, in breach of its contractual covenants. ResCap received waivers in connection with this breach from each of its credit providers, including Ally Inc. and BMMZ (see Note 19 - Related Party Transactions). ResCap is in compliance with its covenants as of March 28, 2012 the date of issuance of these Consolidated Financial Statements.

The following table summarizes the outstanding, unused, and total capacity of our funding facilities at December 31, 2011. We use both committed and uncommitted credit facilities. The financial institutions providing the uncommitted facilities are not legally obligated to advance funds under them.

($ in thousands)	Outstanding	Unused capacity	Total capacity
Facilities with Ally Inc.			
Ally Inc. Senior Secured Credit Facility	**$130,648**	**$—**	**$130,648**
Ally Inc. LOC	**72,961**	**364,179**	**437,140**
BMMZ secured financing agreement	**236,621**	**—**	**236,621**
Total facilities with Ally Inc.	**440,230**	**364,179**	**804,409**
Facilities with affiliates			
Borrowings from affiliates	**281,590**	**—**	**281,590**
Secured funding facility			
Other funding facilities	**—**	**10,000**	**10,000**
Total funding facilities	**$721,820**	**$374,179**	**$1,095,999**

Facilities with Ally Inc. and Subsidiaries

Ally Inc. Senior Secured Credit Facility

The Ally Inc. Senior Secured Credit Facility matures on April 13, 2012. RFC and GMAC Mortgage, LLC (GMAC Mortgage) (collectively, the Borrowers), no longer have the ability to request revolving loans under the facility. The facility is secured by certain domestic whole loans, accounts receivable, notes receivable, securities, and equity investments of the Borrowers. The facility contains limitations on the use of proceeds from sales of pledged collateral with any such proceeds required to be paid to Ally Inc. to reduce the balance outstanding. Advances under the facility were allocated to the Borrowers consistent with the borrowing base attributable to each of the individual Borrowers.

Ally Inc. LOC

The Ally Inc. Line of Credit (LOC) matures on April 13, 2012. The Borrowers are jointly and severally liable under this facility. The maximum capacity of the LOC is $1.1 billion. Certain domestic whole loans, accounts receivable, notes receivable, mortgage servicing rights, securities and equity investments of the Borrowers secure draws under the LOC, which are available to the extent there is sufficient collateral (borrowing base) securing the draw. Draws under the LOC are available only if certain unrestricted and unencumbered balances in U.S. dollars and cash equivalents of ResCap are less than $300.0 million. Advances under the LOC are allocated to the Borrowers consistent with the borrowing base attributable to each of the individual Borrowers. The available amount and the borrowing base of the Ally Inc. LOC will both be reduced by the amount of any collateral posted or delivered by Ally IM to the Borrowers or ResCap pursuant to certain derivative transaction agreements with Ally IM. The obligations under the Ally Inc. LOC and the Ally IM derivative agreements are cross-collateralized for the benefit of Ally Inc. On December 30, 2011, Ally Inc forgave $23.0 million of RFC's outstanding balance of this facility. In addition on January 30, 2012, Ally Inc. forgave $72.3 million of RFC's outstanding balance of this facility.

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BMMZ Secured Financing Agreement

On December 21, 2011, the Borrowers entered into a secured financing agreement with BMMZ. The aggregate facility amount is $250.0 million. The secured financing agreement is collateralized by domestic mortgage loan assets. The maturity date is the earlier of the maturity date of the Ally Inc. LOC or December 19, 2012.

Borrowings from Affiliates

Borrowings from affiliates includes liabilities related to transfers of financial assets where we did not achieve sale accounting in accordance with ASC 860. The entities involved in these transfers are consolidated by our Parent or GMAC Mortgage.

Secured Funding Facilities

Secured Financing Agreement

Our secured financing agreement had a maximum facility amount of $250.0 million and was to mature on May 30, 2013. The secured financing agreement was collateralized by domestic mortgage loan assets. This facility was terminated on January 27, 2012.

Collateralized Borrowings in Securitization Trusts

We previously sold pools of consumer mortgage loans through private-label securitization transactions. The purpose of these securitizations was to provide permanent funding and exit for these assets. Certain of these securitizations were accounted for as secured borrowings, and therefore, the debt is reflected on our Consolidated Balance Sheet.

Other Borrowings

Medium-term Unsecured Notes

Peso denominated medium-term unsecured notes issued by our wholly owned subsidiary GMAC Financiera, S.A. de C.V.,SOFOM, ENR (GMAC Financiera) mature in June 2012. ResCap, GMAC Mortgage, GMAC Residential Holding Company, LLC (Res Holdings), RFC, RFC Holding, and Homecomings Financial, LLC are guarantors of the medium-term unsecured notes.

Collateral for Secured Debt

The following table summarizes the carrying value of assets that are restricted, pledged, or for which a security interest has been granted as collateral for the payment of certain debt obligations.

December 31, *($ in thousands)*	**2011**	2010
Cash and cash equivalents	**$3,033**	$7,547
Mortgage loans held–for–sale	**1,019,881**	1,095,549
Finance receivables and loans, net		
Consumer	**810,190**	1,063,502
Commercial	**4,226**	45,016
Total finance receivables and loans, net	**814,416**	1,108,518
Mortgage servicing rights	**101,589**	164,057
Accounts receivable, net	**158,555**	113,730
Other assets	**60,808**	106,131
Total assets restricted as collateral	**2,158,282**	2,595,532
Related secured debt	**$1,331,689**	$1,666,611

A portion of the assets included in the table above represent assets of subsidiaries whose equity has been pledged to secure the Ally Inc. Senior Secured Credit Facility and the Ally Inc. LOC. At December 31, 2011, there were $3.4 million of equity interests of these subsidiaries pledged to the Ally Inc. Senior Secured Credit Facility.

We have provided a lien on certain of our consolidated assets, as specified in the Ally Inc. Senior Secured Credit Facility agreements, for the benefit of the Ally Inc. Senior Secured Credit Facility and ResCap's 9.625% Junior Secured Guaranteed Notes due 2015. Included in the table above is $1.0 billion and $1.1 billion at December 31, 2011 and 2010, respectively of collateral pledged that can be re–hypothecated or re–pledged by the secured party.

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The following table summarizes the carrying value of assets pledged and the amount of related debt outstanding by our secured borrowing types.

	2011		2010	
December 31, *($ in thousands)*	**Total assets restricted as collateral**	**Related secured debt**	Total assets restricted as collateral	Related secured debt
Borrowings from Ally Inc. and subsidiaries				
Ally Inc. Senior Secured Credit Facility	**$216,932**	**$130,648**	$354,039	$180,875
Ally Inc. LOC	**603,278**	**72,961**	639,020	298,891
Secured financing agreement – BMMZ	**374,408**	**236,621**	—	—
Borrowings from affiliates	**132,744**	**97,512**	11,517	—
Collateralized borrowings in securitization trusts	**825,654**	**791,117**	1,030,828	944,945
Other secured borrowings				
Secured financing facilities	**—**	**—**	491,730	184,583
Other secured facility	**5,266**	**2,830**	68,398	57,317
Total	**$2,158,282**	**$1,331,689**	$2,595,532	$1,666,611

10. Other Liabilities

December 31, *($ in thousands)*	**2011**	2010
Liability for representation and warranty obligations	**$359,446**	$368,826
Liability for option to repurchase assets (a)	**107,509**	156,109
Reserve for legal proceedings	**87,610**	104,978
Accounts payable	**71,139**	97,694
Ally Inc. management fee (b)	**27,735**	24,647
Current and deferred tax liability	**20,181**	348,826
Employee compensation and benefits	**15,516**	15,830
Interest payable	**9,580**	18,657
Other	**98,684**	16,508
Total other liabilities	**$797,400**	$1,152,075

(a) We recognize a liability for the conditional repurchase option on certain assets held by off-balance sheet securitization trusts. The corresponding asset is recorded in mortgage loans held for sale. See Note 3 — Mortgage Loans Held–for–Sale and Note 5 — Securitizations and Variable Interest Entities for additional information.

(b) Includes costs for personnel, information technology, communications, corporate marketing, procurement, and services related to facilities incurred by Ally Inc. and allocated to us. See Note 19 — Related Party Transactions for additional information.

11. Other Revenue, net

Year ended December 31, *($ in thousands)*	**2011**	2010
Change due to fair value option elections		
Consumer mortgage finance receivables and loans, net	**$116,796**	$1,181,521
Collateralized borrowings	**(224,333)**	(1,374,194)
Trading securities income	**1,947**	—
(Loss) gain on interests retained in financial assets sales	**(5,182)**	3,811
Other	**2,883**	18,512
Total other revenue, net	**($107,889)**	($170,350)

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12. Other Noninterest Expense, Net

Year ended December 31, *($ in thousands)*	**2011**	2010
Real estate owned expense	**$4,735**	$28,899
Equipment and supplies	**2,828**	3,735
Loan administration fees	**2,762**	3,221
Restructuring expense	**1,627**	3,324
Subservicing fees	**—**	6,184
Other	**151**	(12,593)
Total other noninterest expense, net	**$12,103**	$32,770

13. Other Comprehensive Income

The following table summarizes our activity related to the components of other comprehensive income.

($ in thousands)	**Foreign currency translation adjustment (a)**	**Defined benefit pension plans over (under) funded (b)**	**Accumulated other comprehensive income (loss)**
Balance at January 1, 2010	$4,020	($16,410)	($12,390)
2010 net change	23,332	(4,992)	18,340
Balance at December 31, 2010	$27,352	($21,402)	$5,950
2011 net change	**56**	**(3,681)**	**(3,625)**
Balance at December 31, 2011	**$27,408**	**($25,083)**	**$2,325**

(a) Includes after-tax gains and losses on foreign currency translation from operations for which the functional currency is other than the U.S. dollar. There was zero tax impact to the net change amounts for the years ended December 31, 2011 and 2010, respectively.

(b) Includes after-tax impact of the over(under)-funded status of our defined benefit plans. See Note 15 — Employee Benefit Plans for additional information.

14. Income Taxes

The following table summarizes income (loss) from continuing operations before income tax expense.

Year Ended December 31, *($ in thousands)*	**2011**	2010
U.S. income (loss)	**($27,756)**	$673,091
Non-U.S. income (loss)	**(97,075)**	648,231
Income (loss) from continuing operations before income tax expense	**($124,831)**	$1,321,322

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The significant components of income tax expense (benefit) from continuing operations were as follows.

Year Ended December 31, *($ in thousands)*	**2011**	2010
Current income tax expense (benefit)		
U.S. Federal	**$44,664**	$123,390
Foreign	**1,475**	(2,621)
State and local	**7,712**	13,771
Total current tax expense	**53,851**	134,540
Deferred income tax expense (benefit) expense		
U.S. Federal	**(58,243)**	49,735
Foreign	**(4,636)**	—
State and local	**(6,108)**	3,885
Total deferred tax expense (benefit)	**(68,987)**	53,620
Total income tax expense (benefit) from continuing operations	**($15,136)**	$188,160

A reconciliation of the statutory U.S. Federal income tax rate to the effective income tax rate from continuing operations is shown in the following table.

Year Ended December 31,	**2011**	2010
Statutory U.S. Federal rate	**35.0%**	35.0%
Change in tax rate resulting from		
State and local income taxes, net of federal income tax benefit	**0.7**	1.4
Foreign capital loss	**—**	6.0
Effect of valuation allowance change	**(17.1)**	(27.2)
Other	**(6.5)**	(1.0)
Effective tax rate	**12.1%**	14.2%

At December 31, 2011 we had U.S. Federal and state capital loss carryforwards of $182.9 million. The U.S. Federal and state capital loss carryforwards expire in the years 2014–2015. Pursuant to the tax sharing agreement with RFC Holdings, the benefits of our tax attributes will be payable to us only when we would be able to utilize them on a standalone basis as if we were a corporation filing tax returns separately from RFC Holdings.

At December 31, 2011, we had foreign net operating loss carryforwards of $143.9 million. The foreign net operating loss carryforwards in the U.K. of $65.2 million have an indefinite carryforward period with the remaining net operating loss carryforwards of $78.7 million expiring in the years 2012–2031.

At December 31, 2011 and 2010, a valuation allowance has been established against any realized and unrealized capital loss carryforwards and foreign deferred tax assets. A valuation allowance has been established because we have determined that it is more likely than not that all such tax assets will not be realized. The change in the valuation allowance is primarily the result of international pretax net operating losses.

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The significant components of deferred tax assets and liabilities were as follows.

December 31, *($ in thousands)*	**2011**	2010
Deferred tax assets		
Provision for loan losses	**$122,260**	$111,114
Tax loss carryforwards	**102,878**	106,602
MSRs	**58,812**	53,101
Accruals not currently deductible	**29,038**	34,153
Pension	**10,673**	8,551
Other	**1,179**	3,781
Gross deferred tax assets	**324,840**	317,302
Valuation allowance	**(136,775)**	(118,136)
Net deferred tax assets	**188,065**	199,166
Deferred tax liabilities		
Unrealized gains on securities	**223,235**	282,560
Sales of finance receivables and loans	**43,331**	58,884
State and local taxes	**1,213**	5,969
Other	**4,985**	3,186
Gross deferred tax liabilities	**272,764**	350,599
Net deferred tax liabilities	**($84,699)**	($151,433)

At December 31, 2011, there were no indefinitely reinvested earnings in foreign subsidiaries.

Tax benefits related to positions considered uncertain are recognized only if, based upon the technical merits of the issue, it is more likely than not that we will sustain the position and then at the largest amount that is greater than 50% likely to be realized upon ultimate settlement.

The following table reconciles the beginning and ending amount of unrecognized tax benefits.

($ in thousands)	**2011**	2010
Balance at January 1,	**$3,936**	$3,482
Additions for tax positions of prior years	**3,304**	1,889
Reductions for tax positions of prior years	**(1,298)**	—
Settlements	**(889)**	(16)
Expiration of statute of limitations	**—**	(1,419)
Balance at December 31,	**$5,053**	$3,936

As of December 31, 2011 and 2010, the balance of unrecognized tax benefits that, if recognized, would affect our effective tax rate, is $5.1 million and $3.9 million, respectively.

We recognize accrued interest and penalties related to uncertain income tax positions in interest expense and other noninterest expense, respectively. For the years ended December 31, 2011 and 2010, $0.7 million and $0.4 million, respectively, were accrued for interest and penalties with the cumulative accrued balances totaling $2.4 million and $2.3 million at December 31, 2011 and 2010, respectively.

We anticipate the examination of various U.S. income tax returns along with the examinations by various foreign, state, and local jurisdictions will be completed within the next twelve months. As such, it is reasonably possible that certain tax positions may be settled and the unrecognized tax benefits would decrease by approximately $1.2 million.

We file tax returns in the U.S. Federal, various states and foreign jurisdictions. For the most significant operations, at December 31, 2011, the following summarizes the oldest tax years that remain subject to examination.

Jurisdiction	**Tax Year**
U.S.	2007
Canada	2004
United Kingdom	2008
Mexico	2005
Netherlands	2009

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Notes to Consolidated Financial Statements

15. Employee Benefit Plans

We participate in the GMAC Mortgage Group, LLC, the immediate parent of ResCap (GMAC Mortgage Group) defined benefit retirement plan. Effective December 31, 2006, benefit accrual of the defined benefit retirement plan was frozen. No further benefits accrued for participants subsequent to that date and no new entrants have been permitted to enter the plan. Based on the December 31, 2011 actuarial assessment, there is no contribution expected during 2012.

We participate in the Ally Inc. defined contribution savings plan for domestic employees meeting certain eligibility requirements. Employees may contribute a percentage of eligible compensation to the plan, not to exceed annual IRS limits. Based on certain employee eligibility and vesting requirements and eligible compensation as defined by the plan, we contribute toward employees post-retirement benefits in three ways. We contribute a 2% retirement contribution every pay period, a dollar for dollar matching contribution up to 6% each year, and an additional discretionary contribution of up to 2% based upon Ally Inc. performance. Funds contributed to, and earned by, the defined contribution savings plans can be withdrawn by participants only under specific conditions.

The following table summarizes information related to employee benefit plan expense from continuing operations.

Year ended December 31, *($ in thousands)*	**2011**	2010
Defined benefit retirement plan	**($1,522)**	($2,363)
Defined contribution savings plan	**926**	1,179
(Revenue) Expense total	($596)	($1,184)

16. Fair Value

Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (exit price) in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. Fair value is based on the assumptions market participants would use when pricing an asset or liability. Additionally, entities are required to consider all aspects of nonperformance risk, including the entity's own credit standing, when measuring the fair value of a liability.

A three–level hierarchy is used when measuring and disclosing fair value. The fair value hierarchy gives the highest priority to quoted prices available in active markets (i.e., observable inputs) and the lowest priority to data lacking transparency (i.e., unobservable inputs). An instrument's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation. The following is a description of the three hierarchy levels.

Level 1 — Inputs are quoted prices in active markets for identical assets or liabilities at the measurement date. Additionally, we must have the ability to access the active market, and the quoted prices cannot be adjusted by us.

Level 2 — Inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices in active markets for similar assets or liabilities; quoted prices in inactive markets for identical or similar assets or liabilities; or inputs that are observable or can be corroborated by observable market data by correlation or other means for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs are supported by little or no market activity. The unobservable inputs represent management's best assumptions of how market participants would price the assets or liabilities. Generally, Level 3 assets and liabilities are valued using pricing models, discounted cash flow methodologies, or similar techniques that require significant judgment or estimation.

Transfers — Transfers into or out of any hierarchy level are recognized at the end of the reporting period in which the transfer occurred. There were no significant transfers between any levels during the year ended December 31, 2011.

Following are descriptions of the valuation methodologies used to measure material assets and liabilities at fair value and details of the valuation models, key inputs to those models and significant assumptions utilized.

- ***Mortgage loans held–for–sale*** – Our mortgage loans held for sale portfolio is accounted for at the lower of cost or fair value or estimated fair value. Only those loans that are non-fair value elected currently being carried at fair value are included within our nonrecurring fair value measurement tables. Certain loans are carried at fair value due to a fair value election if they were previously in an on-balance sheet securitization that was fair value elected or are subject to conditional repurchase options recognized on or after January 1, 2011.

Mortgage loans held–for–sale are typically pooled together and sold into certain exit markets, depending upon underlying attributes of the loan, such as product type, interest rate, and credit quality. The fair value of our conditional repurchase option loans carried at fair value due to the fair value options election and all nonagency eligible residential mortgage loans that are accounted for at lower of cost or fair values is determined using internally developed valuation models because observable market prices were not available. The loans are priced on a discounted cash flow basis utilizing cash flow projections from internally developed models that utilize prepayment, default, and discount rate assumptions. To the extent available, we will utilize market observable inputs such as interest rates and market spreads. If market observable inputs are not available, we are required to utilize internal inputs, such as prepayment speeds, credit losses, and discount rates. While numerous controls exist to calibrate, corroborate, and validate the internal inputs, they require the use of judgment by us and can have a significant impact on the determination of the loan's fair value. As of December 31, 2011, 100.0% of our mortgage loans held–for–sale that are carried at fair value on a nonrecurring basis and 100.0% of our mortgage loans held-for-sale that are carried at fair value on a recurring basis are classified as Level 3. Mortgage loans held-for-sale account for 12.9% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Consumer Finance receivables and loans, net*** — We elected the fair value option for consumer mortgage finance receivables and loans related to certain of our on–balance sheet securitizations including those securitization trusts that were consolidated upon the adoption of ASU 2009–17. A complete description of these securitizations is provided in the *On-balance sheet securitization debt* section later in this Note. The remaining balance of our consumer finance receivables and loans are reported on the balance sheet at their principal amount outstanding, net of charge-offs, allowance for loan losses, and net premiums/discounts.

  For the securitization trusts for which we elected fair value option, the loans are measured at fair value using a portfolio approach or an in-use premise. The values for loans held on an in-use basis may differ considerably from loans held–for–sale that can be sold in the whole-loan market. This difference arises primarily due to the liquidity of the ABS/MBS market and is evident in the fact that spreads applied to lower rated ABS/MBS are considerably wider than spreads observed on senior bond classes and in the whole-loan market. The objective in linking the fair value of these loans to the fair value of the related securitization debt is to properly account for our retained economic interest in the securitizations. As a result of reduced liquidity in the capital and secondary markets for securitized bonds, values of these consumer mortgage finance receivables and loans and the related securitized bonds are expected to be volatile. As of December 31, 2011, we classified 100.0% of our fair value elected consumer mortgage finance receivables and loans as Level 3. These loans account for 69.4% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Mortgage servicing rights*** — MSRs currently do not trade in an active market with observable prices, therefore we use internally developed discounted cash flow models to estimate the fair value of MSRs. These internal valuation models estimate net cash flows based on internal operating assumptions that we believe would be used by market participants combined with market-based assumptions for loan prepayment rates, interest rates, and discount rates that management believes approximate yields required by investors in this asset. Cash flows primarily include servicing fees, and late fees, in each case less estimated operating costs to service the loans. The estimated cash flows are discounted using an option-adjusted spread derived discount rate. At December 31, 2011, 100.0% of our MSRs are classified as Level 3 and account for 8.9% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Trading securities and interests retained in financial asset sales*** —Trading securities and interests retained in financial asset sales are recorded at fair value within other assets. The securities may be mortgage-backed or mortgage-related asset–backed securities (including senior and subordinated interests), interest-only, principal-only, or residual interests and may be investment grade, non-investment grade, or unrated securities. We base valuations on internally developed discounted cash flow models that use a market-based discount rate. In order to estimate cash flows, we utilize various significant assumptions, including market observable inputs such as forward interest rates, as well as internally developed inputs such as prepayment speeds, delinquency levels, and credit losses. As of December 31, 2011, we classified 98.1% of our trading securities and 100.0% of our interests retained in financial asset sales as Level 3. Trading securities and interests retained in financial asset sales account for 3.4% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***Foreclosed assets*** — Through the normal course of business, we may foreclose upon real estate assets to the extent borrowers default under the terms of their agreements with us. Foreclosed properties are carried at the lower of cost or fair value less costs to sell within other assets. Only those assets that are being carried at fair value less costs to sell are included in the non-recurring fair value disclosures.

  Foreclosed assets that are valued based upon independent third-party appraisals less costs to sell are classified as Level 2. When third–party appraisals are not obtained, valuations are typically obtained from a third-party broker price opinion; however, depending upon the circumstances, the property list price or other sales price information may be used

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in lieu of a broker price opinion. We typically adjust a broker price opinion or other price source, as appropriate, in order to take into account damage and other factors that typically cause the actual liquidation value of foreclosed assets to be less than the broker price opinion or other price source. This valuation adjustment is based upon our historical experience and is necessary to ensure the valuation ascribed to these assets takes into account the unique factors and circumstances surrounding a foreclosed asset. Because we apply an internally developed adjustment to the third-party provided valuation of the foreclosed asset, these assets are classified as Level 3. As of December 31, 2011, 69.4% and 30.6% of our foreclosed assets that are being carried at fair value less costs to sell are classified as Level 2 and Level 3, respectively. Foreclosed assets account for 3.5% of all recurring and nonrecurring assets reported at fair value at December 31, 2011.

- ***On-balance sheet securitizations*** — We elected the fair value option for consumer mortgage finance receivables and loans and securitization debt for our on-balance sheet securitizations. The objective in measuring these loans and related securitization debt at fair value is to approximate our economic exposure to the collateral securing the securitization debt.

  We value securitization debt that was fair value option–elected using market observable prices whenever possible. The securitization debt is principally in the form of asset-backed and mortgage-backed securities collateralized by the underlying consumer mortgage finance receivables and loans. Due to the attributes of the underlying collateral and current capital market conditions, observable prices for these instruments are typically not available in active markets. We base valuations on internally developed discounted cash flow models that use a market-based discount rate. In order to estimate cash flows, we utilize various significant assumptions, including market observable inputs such as forward interest rates, as well as internally developed inputs such as prepayment speeds, delinquency levels, and credit losses. As a result of the reliance on significant assumptions and estimates for model inputs, at December 31, 2011, 100.0% of fair value option–elected securitization debt is classified as Level 3. On-balance sheet securitization debt accounts for 96.5% of all recurring and nonrecurring liabilities reported at fair value at December 31, 2011.

- ***Liability for option to repurchase assets*** — We elected the fair value option for the liability associated with our mortgage loans held–for–sale subject to the conditional repurchase option recognized on or after January 1, 2011. We use an asset–based in use premise approach to valuing this liability. The fair value of the liability will be equal to the fair value of the assets. The fair value of the assets are determined using internally developed discounted cash flow models as discussed in the *Mortgage loans held–for–sale* section earlier in this Note. As of December 31, 2011, 100.0% of the liability that is being carried at fair value is classified as Level 3. The liability for option to repurchase assets accounts for 3.5% of all recurring and nonrecurring liabilities reported at fair value at December 31, 2011.

Recurring Fair Value

The following tables display the assets and liabilities measured at fair value on a recurring basis, including financial instruments for which we elected the fair value option.

	Recurring fair value measurements			
December 31, 2011 ($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Mortgage loans held–for–sale (a)	**$—**	**$—**	**$29,723**	**$29,723**
Consumer mortgage finance receivables and loans, net (a)	**—**	**—**	**792,592**	**792,592**
Mortgage servicing rights	**—**	**—**	**101,589**	**101,589**
Other assets				
Trading securities				
Mortgage and asset backed residential	**—**	**299**	**14,985**	**15,284**
Interests retained in financial asset sales	**—**	**—**	**23,102**	**23,102**
Total assets	**$—**	**$299**	**$961,991**	**$962,290**
Liabilities				
Collateralized borrowings				
On-balance sheet securitization debt (a)	**$—**	**$—**	**($791,117)**	**($791,117)**
Other liabilities				
Liability for option to repurchase assets (a)	**—**	**—**	**(28,504)**	**(28,504)**
Total liabilities	**$—**	**$—**	**($819,621)**	**($819,621)**

(a) Carried at fair value due to fair value option elections, see Note 5 – Securitization and Variable Interest Entities for additional information.

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	Recurring fair value measurements			
December 31, 2010 *($ in thousands)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Mortgage loans held–for–sale (a)	$—	$—	$4,084	$4,084
Consumer mortgage finance receivables and loans, net (a)	—	—	971,320	971,320
Mortgage servicing rights	—	—	164,057	164,057
Other assets				
Trading securities				
Mortgage and asset-backed residential	3	330	17,358	17,691
Interests retained in financial asset sales	—	—	20,588	20,588
Total assets	$3	$330	$1,177,407	$1,177,740
Liabilities				
Collateralized borrowings				
On-balance sheet securitization debt (a)	$—	$—	($934,914)	($934,914)
Total liabilities	$—	$—	($934,914)	($934,914)

(a) Carried at fair value due to fair value option elections, see Note 5 – Securitizations and Variable Interest Entities for additional information.

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The following tables present the reconciliation for all Level 3 assets and liabilities measured at fair value on a recurring basis. Transfers into or out of Level 3 were recognized as of the end of the reporting period in which the transfer occurred.

	Level 3 recurring fair value measurements								
		Net gains/(losses) included in earnings							
($ in thousands)	January 1, 2011 Level 3 fair value	realized gains (losses)	unrealized gains (losses)	Other comprehensive income (loss)	Purchases	Sales	Issuances	Settlements	December 31, 2011 Level 3 fair value
Assets									
Mortgage loans held–for–sale	$4,084	$271	($1,407)	$—	$46,520 (a)	($1,388)	$—	($18,357)	$29,723
Consumer mortgage finance receivables and loans, net	971,320	193,938 (b)	122,320 (b)	—	—	—	—	(494,986)	792,592
Mortgage servicing rights	164,057	(165) (c)	(62,298) (c)	—	—	(100)	—	95	101,589
Other assets									
Trading securities									
Mortgage– and asset–backed residential	17,358	3,879 (d)	3,195 (d)	—	—	—	678	(10,125)	14,985
Interests retained in financial asset sales	20,588	(1,963) (e)	(3,270) (e)	—	—	—	—	7,747	23,102
Total assets	$1,177,407	$195,960	$58,540	$—	$46,520	($1,488)	$678	($515,626)	$961,991
Liabilities									
Collateralized borrowings									
On-balance sheet securitization debt	($934,914)	$ (182,503) (b)	$ (155,705) (b)	$—	$—	$—	$—	$482,005	($791,117)
Other liabilities									
Liability for option to repurchase assets	—	(99)(b)	1,890(b)	—	(46,662) (a)	—	—	16,367	(28,504)
Total liabilities	($934,914)	($182,602)	($153,815)	$—	($46,662)	$—	$—	$498,372	($819,621)

(a) Includes newly recognized fair value option elected conditional repurchase option loans and the related liability. See Note 5 — Securitizations and Variable Interest Entities for additional information.
(b) Fair value adjustment reported in other revenue, net, and related interest on loans and debt are reported in interest income and interest expense, respectively.
(c) Fair value adjustment reported in servicing asset valuation and hedge activities, net.
(d) Fair value adjustment reported in other revenue, net. Interest accretion on these assets is reported in interest income.
(e) Fair value adjustment reported in other revenue, net, and interest accretion on these assets is reported in interest income.

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	Level 3 recurring fair value measurements					
($ in thousands)	January 1, 2010 level 3 fair value	Net gains/(losses) included in earnings: realized gains (losses)	Net gains/(losses) included in earnings: unrealized gains (losses)	Other comprehensive income (loss)	Purchases, sales, issuances, and settlements, net (d) (e)	December 31, 2010 Level 3 fair value
Assets						
Mortgage loans held–for–sale	$—	$76(a)	$2,735(a)	$—	$1,273	$4,084
Consumer mortgage finance receivables and loans, net	1,303,187	584,189 (a)	1,096,606 (a)	(758)	(2,011,904)	971,320
Mortgage servicing rights	285,319	(109) (b)	(119,279) (b)	—	(1,874)	164,057
Other assets						
Trading securities						
Mortgage and asset backed residential	48,130	3,684(c)	5,631(c)	—	(40,087)	17,358
Interests retained in financial asset sales	58,793	—	—	—	(38,205)	20,588
Total assets	$1,695,429	$587,840	$985,693	($758)	($2,090,797)	$1,177,407
Liabilities						
Collateralized borrowings						
On-balance sheet securitization debt	($1,294,076)	$ (462,680) (a)	$ (1,194,043) (a)	$—	$2,015,885	($934,914)
Total liabilities	($1,294,076)	($462,680)	($1,194,043)	$—	$2,015,885	($934,914)

(a) Fair value adjustment reported in other revenue, net, and related interest on loans and debt are reported in interest income and interest expense, respectively.

(b) Fair value adjustment reported in servicing asset valuation and hedge activities, net.

(c) Fair value adjustment reported in other revenue, net. Interest accretion on these assets is reported in interest income.

(d) These amounts include the removal of $22.6 million of trading securities and $6.1 million of MSRs, as well as the additions of $564.5 million of consumer mortgage finance receivables and loans, and $528.4 million of collateralized borrowings upon the adoption of ASU 2009-17.

(e) These amounts include the removal of $1.8 billion of consumer mortgage finance receivables and loans, and $1.7 billion of collateralized borrowings as well as the addition of $4.5 million of MSRs in connection with our deconsolidation activity. See Note 5 — Securitizations and Variable Interest Entities for additional information.

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Nonrecurring Fair Value

We may be required to measure certain assets or liabilities at fair value from time-to-time. These periodic fair value measures typically result from application of lower of cost or fair value or certain impairment measures. These items would constitute nonrecurring fair value measures.

The table below presents those items which we measured at fair value on a nonrecurring basis.

December 31, *($ in thousands)*	Nonrecurring fair value measures			Total estimated fair value	Lower of cost or fair value or valuation allowance	Total gains included in income from continuing operations for the year ended	
	Level 1	Level 2	Level 3				
2011							
Mortgage loans held–for–sale (a)	$—	$—	$117,76	$117,764	($46,927)	n/m	(e)
Commercial finance receivables and loans, net (b)	—	1,442	21,597	23,039	(14,978)	n/m	(e)
Other assets							
Foreclosed assets (c)	—	27,591	12,150	39,741	(10,650)	n/m	(e)
Real estate and other investments (d)	—	—	—	—	n/m	$380	(f)
Total	$—	$29,033	$151,51	$180,544	($72,555)	$380	
2010							
Mortgage loans held–for–sale (a)	$—	$—	$23,317	$23,317	($17,116)	n/m	(e)
Commercial finance receivables and loans, net (b)	—	28,708	56,663	85,371	(23,799)	n/m	(e)
Other assets							
Foreclosed assets (c)	—	38,169	16,393	54,562	(3,171)	n/m	(e)
Real estate and other investments (d)	—	4,501	250	4,751	n/m	$209	(f)
Total	$—	$71,378	$96,623	$168,001	($44,086)	$209	

n/m = not meaningful

(a) Represents loans or pools of loans held–for–sale that are required to be measured at lower of cost or fair value. Only loans or pools of loans with fair values below cost are included in the table above. The related valuation allowance represents the cumulative adjustment to fair value of those loans and pool of loans.

(b) Represents the portion of the commercial portfolio that has been specifically impaired. The related valuation allowance represents the cumulative adjustment to fair value of those specific commercial finance receivables and loans and represents the most relevant indicator of the impact on earnings caused by the fair value measurement. The carrying values are inclusive of the respective loan loss allowance.

(c) The allowance provided for foreclosed assets represents any cumulative valuation adjustments recognized to adjust the assets to fair value less costs to sell.

(d) Certain assets within the model home portfolio have been impaired and are being carried at (a) estimated fair value if the model home is under lease or (b) estimated fair value less costs to sell if the model home is being marketed for sale.

(e) We consider the applicable valuation to be the most relevant indicator of the impact on earnings caused by the fair value measurement. Accordingly, the table above excludes total gains and losses included in earnings for these items. The carrying values are inclusive of the respective valuation.

(f) The total loss included in earnings is the most relevant indicator of the impact on earnings caused by the fair value measurement.

Fair Value Option for Financial Assets and Financial Liabilities

We have elected to value certain financial assets and liabilities at fair value consistent with our intent to mitigate a divergence between our accounting results and our retained economic exposure related to these assets and liabilities.

Financial assets and liabilities elected to be measured at fair value are as follows.

- ***On-balance sheet securitizations***– We elected the fair value option for certain domestic on-balance sheet securitization trusts in which we estimated that the credit reserves pertaining to securitized assets could have exceeded or already had exceeded our economic exposure. The fair value option election was made at a securitization level and thus the election was made for both the consumer mortgage finance receivable and loans and the related securitization debt. We elected the fair value option for all securitization trusts that were required to be consolidated upon the adoption of ASU 2009-17.

  The fair value elected loan balances are recorded within consumer finance receivables and loans, net, unless they are repurchased from a securitization trust in which case they are recorded in mortgage loans held-for–sale. Our policy is to separately record interest income on these fair value elected loans. The fair value adjustment recorded for consumer

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finance receivables and loans is classified as other revenue, net, and the fair value adjustment for mortgage loans held-for-sale is classified as gain on mortgage loans, net.

The fair value elected securitization debt balances are recorded within collateralized borrowings in securitization trusts. Our policy is to separately record interest expense on the fair value elected securitization debt, which is classified as interest expense in our Consolidated Statement of Income. The fair value adjustment recorded for this debt is classified as other revenue, net.

- ***Conditional repurchase option loans and liabilities*** – As of January 1, 2011, we elected the fair value option for both mortgage loans held–for–sale subject to conditional repurchase options and the related liability. The conditional repurchase option allows us to repurchase a transferred financial asset if certain events outside our control are met. The typical conditional repurchase option is a delinquent loan repurchase option that gives us the option to purchase the loan if it exceeds a prespecified delinquency level. We have complete discretion regarding when or if we will exercise these options, but generally, we would do so only when it is in our best interest. We are required to record the asset and the corresponding liability on our balance sheet when the option becomes exercisable. The fair value option election must be made at initial recording. As such, the conditional repurchase option loans and liabilities that were recorded prior to January 1, 2011, were not fair value elected.

  The fair value elected conditional repurchase option loans are recorded within mortgage loans held–for–sale. The fair value adjustment is classified as other revenue, net. We do not recognize interest income on conditional repurchase option loans until the option is exercised and the loan is repurchased.

  The corresponding fair value elected liability is recorded in other liabilities. The fair value adjustment recorded for this liability is classified as other revenue, net.

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The following table summarizes the fair value option elections and information regarding the amounts recognized in earnings for each fair value option–elected item.

	Changes included in our Consolidated Statement of Income					
Year ended December 31, *($ in thousands)*	Interest income (expense) (d)	Gain on mortgage loans, net	Other revenue, net	Total included in net income	Change in fair value due to credit risk	(a)
2011						
Assets						
Mortgage loans held–for–sale	**$285**	**($1,904)**	**$483**	**($1,136)**	**($305)**	
Consumer mortgage finance receivables and loans, net	**190,549**	**—**	**125,707**	**316,256**	**(116,376)**	**(b)**
Liabilities						
Collateralized borrowings						
On-balance sheet securitizations	**(110,737)**	**—**	**(227,472)**	**(338,209)**	**(19,442)**	**(c)**
Liability for option to repurchase assets	**—**	**—**	**1,792**	**1,792**	**305**	**(c)**
Total				**($21,297)**		
2010						
Assets						
Mortgage loans held–for–sale	$33	$—	$2,778	$2,811	$134	
Consumer mortgage finance receivables and loans, net	502,054	—	1,178,741	1,680,795	(6,515)	(b)
Liabilities						
Collateralized borrowings						
On-balance sheet securitizations	(282,528)	—	(1,374,194)	(1,656,722)	28,873	(c)
Total				$26,884		

(a) Factors other than credit quality that impact the fair value include changes in market interest rates and the liquidity or marketability in the current marketplace. Lower levels of observable data points in illiquid markets generally result in wide bid/offer spreads.

(b) The credit impact for consumer mortgage finance receivables and loans was quantified by applying internal credit loss assumptions to cash flow models.

(c) The credit impact for on-balance sheet securitization debt is assumed to be zero until our economic interests in a particular securitization is reduced to zero, at which point the losses in the underlying collateral will be expected to be passed through to third-party bondholders. Losses allocated to third-party bondholders, including changes in the amount of losses allocated, will result in fair value changes due to credit. We also monitor credit ratings and may make credit adjustments to the extent any bond classes are downgraded by rating agencies.

(d) Interest income on consumer mortgage finance receivables and loans and mortgage loans held–for–sale is measured by multiplying the unpaid principal balance on the loans by the coupon rate and the number of days of interest due. Interest expense on the on-balance sheet securitizations is measured by multiplying the bond principal by the coupon rate and days interest due to the investor.

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The table below provides the fair value and the unpaid principal balance for our fair value option–elected loans and related collateralized borrowings.

December 31, *($ in thousands)*	**2011**		2010	
	Unpaid principal balance	**Fair value (a)**	Unpaid principal balance	Fair value (a)
Mortgage loans held–for–sale				
Total loans	**$56,352**	**$29,723**	**$5,105**	**$4,084**
Nonaccrual loans	**53,502**	**27,297**	**652**	**371**
Loans 90+ days past due (b)	**53,312**	**27,179**	**133**	**44**
Consumer mortgage finance receivables and loans, net				
Total loans	**$2,306,644**	**$792,592**	**$2,744,864**	**$971,320**
Nonaccrual loans	**497,637**	**206,435 (c)**	**575,834**	**258,216 (c)**
Loans 90+ days past due (b)	**358,281**	**161,255 (c)**	**362,259**	**183,385 (c)**
Collateralized borrowings				
On-balance sheet securitizations	**($2,440,274)**	**($791,117)**	**($2,822,713)**	**($934,914)**
Other liabilities				
Liability for option to repurchase assets	**($56,568)**	**($28,504)**	**$—**	**$—**

(a) Excludes accrued interest receivable.

(b) Loans 90+ days past due are also presented within the nonaccrual loans and total loans except those that are government insured and still accruing.

(c) The fair value of consumer mortgage finance receivables and loans is calculated on a pooled basis; therefore, we allocated the fair value of nonaccrual loans and 90+ days past due to individual loans based on the unpaid principal balances.

Fair Value of Financial Instruments

The following table presents the carrying and estimated fair value of assets and liabilities that are considered financial instruments. Accordingly, items that do not meet the definition of a financial instrument are excluded from the table. When possible, we use quoted market prices to determine fair value. Where quoted market prices are not available, the fair value is internally derived based on appropriate valuation methodologies with respect to the amount and timing of future cash flows and estimated discount rates. However, considerable judgment is required in interpreting market data to develop estimates of fair value, so the estimates are not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange. The effect of using different market assumptions or estimation methodologies could be material to the estimated fair values. Fair value information presented herein was based on information available at December 31, 2011 and 2010.

December 31, *($ in thousands)*	**2011**		2010	
	Carrying value	**Fair value**	Carrying value	Fair value
Assets				
Mortgage loans held–for–sale	**$1,144,273**	**$1,232,508**	$1,269,203	$1,294,744
Finance receivables and loans, net	**836,339**	**836,015**	1,163,153	1,144,479
Liabilities				
Borrowings from Ally Inc. and subsidiaries	**$440,230**	**$440,230**	$479,766	$479,766
Borrowings from affiliates	**281,590**	**99,013**	211,151	28,763
Other borrowings	**131,674**	**131,674**	400,920	400,920

The following describes the methodologies and assumptions used to determine fair value for the respective classes of financial instruments. In addition to the valuation methods discussed below, we also followed guidelines for determining whether a market was not active and a transaction was not distressed. As such, we assumed the price that would be received in an orderly transaction (including a market–based return) and not in forced liquidation or distressed sale.

- ***Mortgage loans held–for–sale*** — Fair value is equal to the market value determined for lower of cost or fair value measurement purposes. Carrying value differs from fair value as certain loans may be required to be carried at cost under lower of cost or fair value measurements (i.e. fair value is greater than cost). See discussion of valuation methods and assumptions used for mortgage loans held for sale within the *Fair Value Measurement* section of this Note.

- ***Consumer mortgage finance receivables and loans, net*** — Consumer mortgage finance receivables and loans that are not securitized and fair value elected use valuation methods and assumptions similar to those used for mortgage loans held–for–sale. These valuations take into account the unique attributes of the respective mortgage loans, such as geography,

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delinquency status, product type, and other factors.

- ***Commercial mortgage finance receivables and loans*** — Performing commercial mortgage finance receivables and loans are generally valued by discounting expected future cash flows using our best estimate of a market-based discount rate. The majority of our performing commercial mortgage finance receivables and loans is held short-term at variable interest rates. For those receivables held short-term, carrying value equals fair value. Non-performing commercial mortgage finance receivables and loans are generally valued using our best estimate of the ultimate recoverable value of the receivable, which is predominantly a function of underlying collateral value, and factoring in an anticipated market-based return.

- ***Ally Inc. and subsidiaries borrowings*** — Ally Inc. borrowings have been executed to approximate arms-length terms. These borrowing arrangements generally charge floating interest rates based on an index plus a market-based spread. There are frequent negotiations and restructuring activities around these borrowing arrangements. Accordingly, the interest rates on these borrowings would be equivalent to those demanded in the market and thus carrying value approximates fair value.

- ***Borrowings from Affiliates*** - Affiliate borrowings have been executed to approximate arms-length terms. These borrowing arrangements generally charge floating interest rates based on an index plus a market-based spread. . The estimated fair value of these borrowings is equal to the fair value of the underlying assets collateralizing the borrowings.

- ***Other borrowings*** — Primarily represents third-party funding facilities and unsecured medium term notes. See Note 9 – Borrowings for additional information. Our unsecured medium term notes are valued based on market observable prices when available. Our third-party funding facilities have floating rates based on an index plus a spread. These borrowings have recently been negotiated or amended and the credit spread would be consistent with those demanded in the market. Accordingly, the interest rates on these borrowings would be at market and thus carrying value would approximate fair value.

17. Higher Risk Mortgage Loans and Credit Quality

Historically, we originated and purchased mortgage loans that had contractual features that may increase our exposure to credit risk and thereby result in a concentration of credit risk. These mortgage loans include loans that may subject borrowers to significant payment increases in the future, have negative amortization of the principal balance or have high loan–to–value ratios.

The following table summarizes the gross carrying value of our higher-risk mortgage loans classified as held–for–sale and finance receivables and loans.

December 31, *($ in thousands)*	**2011**	2010
High loan-to-value (greater than 100%) mortgage loans	**$335,176**	$363,643
Payment option adjustable rate mortgage loans	**12,140**	16,805
Interest-only mortgage loans	**290,155**	441,937
Below market initial rate mortgage loans	**45,773**	42,868
Total carry value of higher-risk mortgages	**$683,244**	$865,253

Included in the table above are $319.9 million and $410.2 million of high-risk mortgage loans held in on-balance sheet securitizations at December 31, 2011 and 2010, respectively. Our exposure on these loans is limited to the value of our retained interest.

As part of our loss mitigation efforts and participation in certain governmental programs (e.g., the Making Home Affordable program), we may offer loan restructurings to borrowers. Due to the nature of restructurings, these loans are generally considered higher risk. Loan modifications can include any or all of the following; principal forgiveness, maturity extensions, delinquent interest capitalization and changes to contractual interest rates. Modifications can be either temporary or permanent. Temporary loan modifications are generally used to monitor the borrower's ability to perform under the revised terms over a specified trial period; if the borrower performs, it may become a permanent loan modification. We have historically performed loan modifications under our private modification program; however, more recently the majority of loan modifications are completed under government programs. The carrying value of our on-balance sheet consumer and commercial modified mortgage loans was $486.5 million and $398.7 million as of December 31, 2011 and 2010, respectively. These modified mortgage loans are included within mortgage loans held–for–sale and consumer finance receivables and loans.

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Nonperforming Assets

Nonperforming assets include nonaccrual loans and foreclosed assets. The classification of a loan as nonperforming does not necessarily indicate that the principal amount of the loan is ultimately uncollectible in whole or in part. In certain cases, borrowers make payments to bring their loans contractually current and, in all cases, our mortgage loans are collateralized by residential real estate. As a result, our experience has been that any amount of ultimate loss for mortgage loans other than home equity loans is substantially less than the unpaid principal balance of a nonperforming loan.

Delinquent loans expose us to higher levels of credit losses and therefore are considered higher risk loans. The determination as to whether a loan falls into a particular delinquency category is made as of the close of business on the balance sheet date. The following table sets forth information concerning the delinquency experience in our mortgage loans held–for–sale and consumer finance receivable and loans at carrying value.

	2011		2010	
December 31, *($ in thousands)*	**Amount**	**% of total**	Amount	% of total
Current	**$1,198,599**	**61.1%**	$1,366,820	58.4%
Past due				
30 to 89 days	**52,824**	**2.7%**	36,300	1.6%
90 days or more and still accruing interest	**—**	**—%**	64	—%
90 days or more conditional repurchase option loans (a)	**100,701**	**5.1%**	141,787	6.0%
Nonaccrual	**608,961**	**31.1%**	796,204	34.0%
Total	**1,961,085**	**100%**	2,341,175	100%
Allowance for loan losses	**(3,512)**		(1,006)	
Total, net	**$1,957,573**		$2,340,169	

(a) We do not record interest income on conditional repurchase option loans. If these options were exercised and we acquired the loans, $100.7 million and $141.8 million would be classified as nonaccrual at December 31, 2011 and 2010, respectively.

The following table presents the net carrying value of nonperforming assets.

December 31, *($ in thousands)*	**2011**	2010
Nonaccrual consumer		
1st Mortgage	**$415,102**	$458,045
Home equity	**50,671**	89,701
Foreign	**143,188**	248,458
Total nonaccrual consumer (a)	**608,961**	796,204
Nonaccrual commercial		
Domestic	**—**	554
Foreign	**12,534**	108,617
Total nonaccrual commercial	**12,534**	109,171
Foreclosed assets	**61,563**	107,348
Total nonperforming assets	**$683,058**	$1,012,723

(a) Excludes loans subject to conditional repurchase options of $100.7 million and $141.8 million sold to off-balance sheet private-label securitization trusts at December 31, 2011 and 2010, respectively. The corresponding liability is recorded in other liabilities. See Note 5 — Securitizations and Variable Interest Entities for additional information.

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18. Guarantees, Commitments and Contingencies

Guarantees

Guarantees are defined as contracts or indemnification agreements that contingently require us to make payments to third-parties based on changes in an underlying agreement that is related to a guaranteed party. The following summarizes our outstanding guarantees made to third parties.

	2011		2010	
December 31, *($ in thousands)*	**Maximum liability**	**Carrying value of liability**	Maximum liability	Carrying value of liability
Off-balance sheet guarantees				
HLTV securitizations	**$5,988**	**$—**	$7,464	$—
Credit enhancement guarantees	**1,661**	**235**	2,368	352
Guarantor of ResCap and affiliate debt	**2,249,295**	**128,844 (a)**	2,246,108	145,656

(a) Represents the peso denominated medium term notes issued by our wholly-owned consolidated subsidiary GMAC Financiera.

HLTV securitizations

We have entered into agreements to provide credit loss protection for HLTV securitization transactions. The maximum potential obligation under certain of these agreements is equal to the lesser of a specified percentage of the original loan pool balance or a specified percentage of the current loan pool balance. We are required to perform on our guaranty obligation when losses exceed cash available in each period. We have pledged trading securities of $4.0 million and $5.4 million as collateral for these obligations at December 31, 2011 and 2010, respectively.

For certain other HLTV securitizations, the maximum potential obligation is equivalent to the pledged collateral amount. We have pledged cash deposits of $4.9 million and $4.9 million as of December 31, 2011 and 2010, respectively. Our guaranty obligation is triggered when the security credit enhancements are exhausted and losses are passed through to over-the-counter dealers. The guaranty obligations terminate the first calendar month during which the security aggregate note amount is reduced to zero.

Credit enhancement

We have sold certain mortgage loans to investors which contain a guarantee for the payment of the third-party debt in the event of default or loss.

Guarantor of ResCap and Affiliate Debt

We, along with certain other subsidiaries of ResCap, are guarantors of ResCap's obligations under its 9.625% Junior Secured Guaranteed Notes due 2015 (the Junior Secured Notes). The Junior Secured Notes are secured by second priority liens on the same collateral that secures the Ally Inc. Senior Secured Credit Facility and are repayable in three equal annual tranches of $707.0 million from May 2013 through 2015. We, along with certain other subsidiaries of ResCap, are also guarantors of peso denominated medium-term notes issued by GMAC Financiera S.A. de C.V., SOFOM, ENR, our wholly owned subsidiary.

Financing Commitments

The contract amount of financing commitments were as follows.

	Contract amount	
December 31, *($ in thousands)*	**2011**	2010
Commitments to		
Home equity lines of credit	**$96,654**	$133,824
Provide capital to investees	**9,000**	47,500

Home equity lines of credit

We have commitments to fund the remaining undrawn balances on home equity lines of credit. The unused lines of credit reset at prevailing market rates and, as such, approximate market value. Included in the home equity lines of credit are both lines of credit on our Consolidated Balance Sheet, and those within certain of our off-balance sheet securitizations. As provided by the securitization structure, we become obligated to fund any incremental draws, subject to customary borrower requirements, on home equity lines

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of credit by borrowers if certain triggers are met. These draws are referred to as excluded amounts and are funded directly to the borrower by us. In return, our lending balances are collected from our percentage of the remitted funds for specific borrowers within the securitization trust. We actively manage the available lines of credit within these securitization trusts to reduce potential funding risk. At December 31, 2011 and 2010, the cumulative funds drawn were $23.2 million and $11.6 million, respectively, which we classified within mortgage loans held–for–sale. At December 31, 2011 and 2010, the commitments to fund home equity lines of credit in off-balance sheet securitizations represented $23.7 million and $34.9 million, respectively, of our total unfunded commitments of $96.7 billion and $133.8 billion, respectively. We estimate and record a liability for the incurred credit losses on our unfunded home equity line of credit commitments. These anticipated credit losses are classified within other liabilities. At December 31, 2011 and 2010, we had a liability of $0.1 million and $0.2 million, respectively, recorded for incurred credit losses on our unfunded home equity line of credit commitments.

Commitments to provide capital to equity method investees

We are committed to provide equity capital to certain private equity funds; however, our ability to do so may be limited due to certain equity investments being identified as inadmissible activities under bank holding company regulations.

Other Commitments and Contingencies.

We believe it is reasonably possible that losses beyond amounts currently recorded for litigation matters and potential representation and warranty obligations and related claims described below could occur, and such losses could have a material adverse impact on our results of operations, financial condition or cash flows. However, based on currently available information, we are unable to estimate a range of reasonably possible losses above amounts that have been recorded at December 31, 2011.

Loan Repurchases and Obligations Related to Loan Sales

Overview

We sell loans that take the form of securitizations sold to private investors and to whole–loan investors. In connection with a portion of our private-label securitizations, the monolines insured all or some of the related bonds and guaranteed timely repayment of bond principal and interest when the issuer defaults. In connection with securitizations and loan sales, the trustee for the benefit of the related security holders and, if applicable, the related monoline insurers are provided various representations and warranties related to the loans sold. The specific representations and warranties vary among different transactions and investors but typically relate to, among other things, the ownership of the loan, the validity of the lien securing the loan, the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer, the ability to deliver required documentation and compliance with applicable laws. In general, the representations and warranties described above may be enforced at any time unless a sunset provision is in place. Upon discovery of a breach of a representation or warranty, the breach is corrected in a manner conforming to the provisions of the sale agreement. This may require us to repurchase the loan, indemnify the investor for incurred losses, or otherwise make the investor whole.

Originations

The total exposure to mortgage representation and warranty claims is most significant for loans originated and sold between 2004 through 2008, specifically the 2006 and 2007 vintages that were originated and sold prior to enhanced underwriting standards and risk–mitigation actions implemented in 2008 and forward, including curtailment of nonconforming domestic and international loan originations and purchases. Representation and warranty risk mitigation strategies include, but are not limited to, pursuing settlements with investors where economically beneficial in order to resolve a pipeline of demands in lieu of loan-by-loan assessments that could result in repurchasing loans, aggressively contesting claims we do not consider valid (rescinding claims), and seeking recourse against correspondent lenders from whom we purchased loans wherever appropriate.

Demand/Claim Process

After receiving a claim under representation and warranty obligations, we review the claim to determine the appropriate response (e.g. appeal, and provide or request additional information) and take appropriate action (rescind, repurchase the loan, or remit indemnification payment). Historically, repurchase demands were generally related to loans that became delinquent within the first few years following origination. As a result of market developments over the past several years, investor repurchase demand behavior has changed significantly. Investors are more likely to submit claims for loans that become delinquent or when a loss is incurred. Representation and warranty claims are generally reviewed on a loan–by–loan basis to validate if there has been a breach requiring a potential repurchase or indemnification payment. We actively contest claims to the extent they are not considered valid. We are not required to repurchase a loan or provide an indemnification payment where claims are not valid.

The risk of repurchase or indemnification, and the associated credit exposure, is managed by servicing mortgage loans to meet investor standards. We believe that, in general, the longer a loan performs prior to default, the less likely it is that an alleged breach of representation and warranty will be found to have a material and adverse impact on the loan's performance. When loans are repurchased, we bear the related credit loss on the loans. Repurchased loans are classified as held–for–sale and initially recorded at

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fair value.

The following table includes amounts paid to investors and monolines with respect to representation and warranty obligations.

December 31, *($ in thousands)*	**2011**	2010
Loan repurchases (UPB)		
Private–label securitizations insured (monolines)	**$650**	$13,183
Private–label securitizations uninsured	**36,557**	—
Whole–loan investors	**7,859**	15,616
Total	**$45,066**	$28,799
Indemnifications (make wholes) by investor		
Private–label securitizations insured (monolines)	**$7,025**	$15,166
Private–label securitizations uninsured	**167,354**	—
Whole–loan investors	**24,570**	11,133
Total	**$198,949**	$26,299

The following table presents the total number and original unpaid principal balance of loans related to unresolved representation and warranty demands (indemnification claims and/or repurchase demands). The table includes demands that we have requested be rescinded but which have not yet been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews.

	2011		2010	
December 31, *($ in millions)*	**Number of loans**	**Dollar amount of loans**	Number of loans	Dollar amount of loans
Unresolved repurchase demands previously received				
Monolines				
MBIA Insurance Corporation	**3,820**	**$262**	3,243	$223
Financial Guaranty Insurance Company	**1,029**	**171**	814	141
Other	**444**	**34**	185	23
Other investors	**415**	**54**	196	47
Total unpaid principal balance	**5,708**	**$521**	4,438	$434

We are currently in litigation with MBIA Insurance Corporation (MBIA) and Financial Guaranty Insurance Company (FGIC) with respect to certain representation and warranty matters related to certain of our private-label securitizations. Historically we have requested that most of the demands be rescinded, consistent with the claim/demand process described above. As the litigation process proceeds, additional loan reviews are expected and will likely result in additional repurchase demands.

Liability for Representation and Warranty Obligations

The liability for representation and warranty obligations reflects management's best estimate of probable lifetime loss. We consider historical and recent demand trends in establishing the reserve. The methodology used to estimate the reserve considers a variety of assumptions including borrower performance (both actual and estimated future defaults), repurchase demand behavior, historical loan defect experience, historical mortgage insurance rescission experience, and historical and estimated future loss experience, which includes projections of future home price changes as well as other qualitative factors including investor behavior. In cases where we do not have or have limited current or historical demand experience with an investor, it is difficult to predict and estimate the level and timing of any potential future demands. In such cases, we may not be able to reasonably estimate losses, and a liability is not recognized. Management monitors the adequacy of the overall reserve and makes adjustments to the level of reserve, as necessary, after consideration of other qualitative factors including ongoing dialogue and experience with counterparties.

At the time a loan is sold, an estimate of the fair value of the liability is recorded and classified in other liabilities and recorded as a component of gain on mortgage loans, net. We recognize changes in the liability when additional relevant information becomes available. Changes in the liability are recorded as representation and warranty expense, net.

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The following table summarizes the changes in our liability for representation and warranty obligations.

($ in thousands)	**2011**	2010
Balance at January 1,	**$368,826**	$522,467
Provision for representation and warranty obligations		
Loan sales	**—**	47,418
Change in estimate	**216,650**	(132,785)
Total additions	**216,650**	(85,367)
Realized losses (a)	**(226,590)**	(71,559)
Recoveries	**560**	3,285
Balance at December 31,	**$359,446**	$368,826

(a) Includes principal losses and accrued interest on repurchased loans, indemnification payments, and settlements with investors.

Monoline Insurers

Historically, we have securitized loans where the monolines insured all or some of the related bonds and guaranteed the timely repayment of bond principal and interest when the issuer defaults. Typically, any alleged breach requires the insurer to have both the ability to assert a claim as well as evidence that a defect has had a material and adverse effect on the interest of the security holders or the insurer. For the period 2004 through 2007, we sold $24.3 billion of loans into these monoline–wrapped securitizations.

We are currently in litigation with MBIA and FGIC in connection with our representation and warranty obligations, and additional litigation with other monolines is likely.

The following table summarizes the changes in the original unpaid principal balance related to unresolved repurchase demands with respect our Monoline exposure. The table includes demands that we have requested be rescinded but which have not been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews. If we subsequently determine that we cannot deliver the requested documentation, and we repurchase the loan or make an indemnification payment, the demand will be reported in resolved claims.

($ in millions)	**2011**	2010
Balance at January 1,	**$387**	$322
New claims (a)	**54**	102
Resolved claims (b)	**(18)**	(32)
Rescinded claims/other	**44**	(5)
Balance at December 31,	**$467**	$387

(a) Substantially all relate to claims associated with the 2004 through 2007 vintages.

(b) Includes settlements, repurchased loans and claims under which indemnification payments are made.

Private–label Securitization

In general, representations and warranties provided as part of our private–label securitization activities are less rigorous and generally impose higher burdens on investors seeking repurchase. In order to successfully assert a claim, it is our position that a claimant must prove a breach of the representations and warranties that materially and adversely affects the interest of the investor in the allegedly defective loan. Securitization documents typically provide the investors with a right to request that the trustee investigate and initiate a repurchase claim. However, a class of investors generally are required to coordinate with other investors in that class comprising no less than 25% and in some cases 50% of the percentage interest constituting a class of securities of that class issued by the trust to pursue claims for breach of representations and warranties. In addition, our private-label securitizations generally require that the servicer or trustee give notice to the other parties whenever it becomes aware of facts or circumstances that reveal a breach of representation that materially and adversely affects the interest of the certificate holders.

Regarding our securitization activities, we have exposure to potential losses primarily through two avenues. First, investors, through trustees to the extent required by the applicable agreements (or monoline insurers in certain transactions), may request pursuant to applicable agreements that we repurchase loans or make the investor whole for losses incurred if it is determined that we violated representations and warranties made at the time of the sale, provided that such violations materially and adversely impacted the interest of the investor. Contractual representations and warranties are different based on the specific deal structure and investor. It is our position that litigation of these matters must proceed on a loan by loan basis. This issue is being disputed throughout the industry in various pending litigation matters. Similarly in dispute as a matter of law is the degree to which claimants will have to prove that the alleged breaches of representations and warranties actually caused the losses they claim to have suffered. Ultimate resolution by courts of these and other legal issues will impact litigation and treatment of non-litigated claims pursuant to similar contractual provisions. Second, investors in securitizations may attempt to achieve rescission of their investments or damages

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through litigation by claiming that the applicable offering documents were materially deficient. If an investor properly made and proved its allegations, the investor might attempt to claim that damages could include loss of market value on the investment even if there were little or no credit loss in the underlying loans.

Whole–loan Sales

The following table summarizes the changes in the original unpaid principal balance related to unresolved repurchase demands with respect our whole-loan exposure. The table includes demands that we have requested be rescinded but which have not been agreed to by the investor. The table excludes certain demands in situations where investors have requested additional documentation as part of individual loan file reviews. If we subsequently determine that we cannot deliver the requested documentation, and we repurchase the loan or make an indemnification payment, the demand will be reported in resolved claims.

($ in millions)	**2011**	2010
Balance at January 1,	**$47**	$41
New claims (a)	**64**	74
Resolved claims (b)	**(26)**	(29)
Rescinded claims/other	**(31)**	(39)
Balance at December 31,	**$54**	$47

(a) Includes $63.6 million and $68.0 million in new claims associated with the 2004 through 2007 vintages in 2011 and 2010, respectively.
(b) Includes settlements, repurchased loans and claims under which indemnification payments are made.

Private Mortgage Insurance

Mortgage insurance is required for certain consumer mortgage loans sold to certain securitization trusts and may have been in place for consumer mortgage loans sold to whole-loan investors. Mortgage insurance is typically required for first-lien consumer mortgage loans having a loan-to-value ratio at origination of greater than 80 percent. Mortgage insurers are, in certain circumstances, permitted to rescind existing mortgage insurance that covers consumer loans if they demonstrate certain loan underwriting requirements have not been met. Upon receipt of a rescission notice, we assess the notice and if appropriate we refute the notice, or if the notice cannot be refuted we attempt to remedy the defect. In the event the mortgage insurance cannot be reinstated, we may be obligated to repurchase the loan or provide an indemnification payment in the event of a loss, subject to contractual limitations. While we make every effort to reinstate the mortgage insurance, we have had limited success and as a result, most of these requests result in rescission of the mortgage insurance. At December 31, 2011, we have approximately $97.2 million in original unpaid principal balance of outstanding mortgage insurance rescission notices where we have not received a repurchase demand. However, this unpaid principal amount is not representative of expected future losses.

Private–label Securitizations – Other Potential Repurchase Obligations

When we sell mortgage loans through whole-loan sales or securitizations, we are required to make customary representations and warranties about the loans to the purchaser and/or securitization trust. These representations and warranties relate to, among other things, the ownership of the loan, the validity of the lien securing the loan, the loan's compliance with the criteria for inclusion in the transaction, including compliance with underwriting standards or loan criteria established by the buyer, ability to deliver required documentation, and compliance with applicable laws. Generally, the representations and warranties described above may be enforced at any time over the life of the loan. Breaches of these representations and warranties have resulted in a requirement that we repurchase mortgage loans. As the mortgage industry continues to experience higher repurchase requirements and additional investors begin to attempt to put back loans, a significant increase in activity beyond that experienced today could occur, resulting in additional future losses

Legal Proceedings

We are subject to potential liability under various governmental proceedings, claims, and legal actions that are pending or otherwise asserted against us. We are named as defendants in a number of legal actions, and we are occasionally involved in governmental proceedings arising in connection with our business activities. Some of the pending actions purport to be class actions, and certain legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. We establish reserves for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. Given the inherent difficulty of predicting the outcome of litigation and regulatory matters, it is generally very difficult to predict what the eventual outcome will be, and when the matter will be resolved. The actual costs of resolving legal claims may be higher or lower than any amounts reserved for the claims. We recorded a liability for probable legal claims of $87.6 million at December 31, 2011, and $105.0 million at December 31, 2010. At December 31, 2011 and 2010, we had $3.9 million and $127.5 million of appeals bonds related to legal proceedings, respectively.

CONFIDENTIAL RCUCCJSN00007293

Mortgage-backed Securities Litigation
Private-label Securities Litigation

We and certain of our subsidiaries have been named as defendants in several cases relating to our various roles in MBS offerings. The plaintiffs generally allege that the defendants made misstatements and omissions in registration statements, prospectuses, prospectus supplements, and other documents related to the MBS offerings. The alleged misstatements and omissions typically concern underwriting standards. Plaintiffs generally claim that such misstatements and omissions constitute violations of state and/ or federal securities law and common law including negligent misrepresentation and fraud. Plaintiffs seek monetary damages and rescission. Set forth below are descriptions of the most significant of these legal proceedings.

Allstate Litigation

On February 14, 2011, the Allstate Insurance Company and various of its subsidiaries and affiliates (collectively, Allstate) filed a complaint in Hennepin County District Court, Minnesota, against us and certain of our subsidiaries and affiliates, including GMAC Mortgage; Residential Funding Securities LLC (RFS); Residential Accredit Loans, Inc. (RALI); Residential Asset Mortgage Products, Inc. (RAMP); Residential Funding Mortgage Securities I, Inc. (RFMSI); Residential Funding Mortgage Securities II, Inc. (RFMSII); and Residential Asset Securities Corporation (RASC) (collectively, the defendants). The complaint alleges that the defendants misrepresented the riskiness and credit quality of, and omitted material information related to, residential MBS Allstate purchased. The complaint asserts claims for fraud and negligent misrepresentation and seeks money damages and costs, including attorneys' fees. Discovery in this case is underway

DZ Bank

On December 13, 2011, DZ Bank and DG Holding Trust filed a Summons with Notice in New York County Supreme Court against numerous defendants including us and certain of our subsidiaries and affiliates, including Ally Inc.; ResCap; RFC Holding; Ally Securities LLC (Ally Securities); RAMP; RASC; and RALI (collectively, the defendants). The Summons alleges that the offering materials issued by the defendants for MBS purchased by DZ Bank and DG Holding Trust contained material misrepresentations and omissions related to the originator's underwriting guidelines and the credit quality and characteristics of the mortgage loans underlying the securities. It also notices the defendants of the plaintiffs' claims for damages. Such claims include common law fraud, fraudulent inducement, negligent misrepresentation, and aiding and abetting fraud. The Summons has not been served.

FHFA Litigation

On September 2, 2011, FHFA, as conservator for Freddie Mac, filed a complaint against us and certain of our subsidiaries and affiliates, including Ally Inc.; GMAC Mortgage Group, Inc. (GMAC Mortgage Group); ResCap; Res Holdings; Ally Securities; RAMP; RASC; and RALI (collectively, the defendants), in New York County Supreme Court. The complaint alleges that Freddie Mac purchased over $6.0 billion of residential MBS issued in connection with 21 securitizations sponsored and/or underwritten by the defendants. It further alleges that the registration statements, prospectuses, and other offering materials associated with these transactions contained false and misleading statements and omissions of material facts. The complaint asserts claims for negligent misrepresentation, fraud, and violations of state and federal securities laws, and seeks rescission and recovery of the consideration Freddie Mac paid for the securities, as well as other compensatory and punitive damages. Ally Inc. and ResCap removed the case to the United States District Court for the Southern District of New York. The FHFA has moved to remand this case to state court. That motion is still pending.

FHLB Litigation

On July 14, 2011, FHLB of Indianapolis filed an Amended Complaint in Marion County Superior Court for rescission and damages asserting claims for common law negligence and violations of state and federal securities laws, and names our subsidiary RFMSI and GMAC Mortgage Group, among other defendants (collectively, the defendants). The complaint alleges that the offering documents for the securities underwritten and issued by the defendants contained material misrepresentations of fact, evidenced by high default and foreclosure rates, and seeks unspecified damages and an order voiding the transactions at issue. The defendants' motion to dismiss is pending.

On April 20, 2011, FHLB of Boston filed a complaint in Suffolk County Superior Court, naming numerous defendants including us and certain of our subsidiaries and affiliates, including Ally Inc.; GMAC Mortgage Group; and RALI (collectively, the defendants). The complaint alleges that the defendants collectively packaged, marketed, offered, and sold private-label MBS, and FHLB of Boston purchased such securities in reliance upon misstatements and omissions of material facts in the offering documents. The complaint seeks rescission and damages for negligent misrepresentation and violations of the Massachusetts Uniform Securities Act, among other claims. The defendants removed this case to federal court, and FHLB of Boston's motion to remand is pending.

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On October 15, 2011, FHLB of Chicago filed a Corrected Amended Complaint for Rescission and Damages in Cook County Circuit Court, which names us and certain of our subsidiaries and affiliates as defendants, including Ally Inc.; GMAC Mortgage Group; RFS; RAMP; RASC; and RFMSI (collectively, the defendants). The complaint alleges that the offering documents for the securities underwritten and issued by defendants contained material misrepresentations of fact and asserts claims for violations of state securities law and negligent misrepresentation. The complaint seeks rescission of the transactions at issue and damages in an amount to be determined at trial. The defendants' motion to dismiss is pending.

Huntington Bancshares Litigation

On October 11, 2011, Huntington Bancshares, Inc., commenced a lawsuit against us and certain of our affiliates, including Ally; GMAC Mortgage; RALI; ResCap; RFC Holdings; Ally Securities; and several individuals (collectively, the defendants). The complaint alleges that the defendants made misrepresentations and omissions of material facts related to the originator's loan underwriting guidelines in the offering materials for five residential mortgaged-backed securities. The complaint asserts claims for fraud, aiding and abetting fraud, negligent misrepresentation, and violation of the Minnesota Securities Act and seeks rescission, money damages, and costs. The defendants' motion to dismiss is pending.

Massachusetts Mutual Life Insurance Company Litigation

On February 9, 2011, the Massachusetts Mutual Life Insurance Company (MassMutual) filed a complaint in the United States District Court for the District of Massachusetts against us and certain of our subsidiaries and affiliates, including RALI; RAMP; RASC; and RFS (collectively, the defendants). The complaint alleges that the defendants' public filings and offering documents associated with MBS MassMutual purchased contained false statements and omissions of material facts. MassMutual asserts claims for violations of the Massachusetts Uniform Securities Act and seeks both compensatory and statutory damages. The defendants' motion to dismiss was granted in February 2012, subject to certain additional provisions, which has resulted in certain of the original counts being reinstated against certain entities.

National Credit Union Administration Board (NCUAB) Litigation

On August 9, 2011, NCUAB filed a complaint as liquidating agent of U.S. Central Federal Credit Union (U.S. Central) and Western Corporate Federal Credit Union (WesCorp) against Goldman, Sachs & Co. as underwriter and seller, and Fremont Mortgage Securities Corp., GS Mortgage Securities Corp., Long Beach Securities Corp., and RALI, as issuers, with respect to certain residential MBS purchased by U.S. Central and WesCorp. Previously, on June 20, 2011, the NCUAB filed a complaint as liquidating agent of U.S. Central against numerous defendants including RFMSII. The complaints assert claims under the California securities laws and Sections 11 and 12 of the Securities Act of 1933, alleging the offering documents associated with the underlying transactions contained untrue statements and omissions of material facts, and seek money damages and costs. The defendants have moved to dismiss both complaints, and those motions are pending.

New Jersey Carpenters Litigation

On January 3, 2011, New Jersey Carpenters Health Fund, New Jersey Carpenters Vacation Fund, and Boilermaker Blacksmith National Pension Trust, on behalf of themselves and a putative class (collectively, New Jersey Carpenters), filed a Consolidated Second Amended Securities Class Action Complaint against numerous defendants including us and certain or our subsidiaries and affiliates, including ResCap; RALI; and RFS (collectively, the defendants). The complaint alleges that the plaintiffs and the class purchased MBS between June 28, 2006, and May 30, 2007, and asserts that the offering documents associated with these transactions contained misrepresentations and omitted material information in violation of Sections 11, 12, and 15 of the Securities Act of 1933. The complaint seeks compensatory damages, rescission or a rescissory measure of damages, and attorneys' fees and costs, among other relief. New Jersey Carpenters moved for class certification. The court denied the plaintiffs' motion, and an appeal of that decision is pending.

Private-label Monoline Bond Insurer Litigation

MBIA Litigation

On December 4, 2008, MBIA Insurance Corporation (MBIA) filed a complaint in the New York County Supreme Court entitled MBIA Insurance Corporation v. RFC. The complaint alleges the defendants breached its contractual representations and warranties relating to the characteristics of mortgage loans contained in certain insured MBS offerings. The complaint further alleges that the defendant failed to follow specific remedy procedures set forth in the contracts and improperly serviced the mortgage loans. Along with claims for breach of contract, MBIA also alleges fraud. MBIA seeks, among other remedies, repurchase of certain loans, payments on current and future claims under the relevant policies, indemnification for attorneys' fees and costs, and punitive damages. The case is in discovery.

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FGIC Litigation

On November 29, 2011, FGIC filed two complaints against us and several of our subsidiaries and affiliates in New York County Supreme Court. In these cases, both entitled Financial Guaranty Insurance Company v. RFC, et al., FGIC alleges that defendants RFC and ResCap breached their contractual representations and warranties relating to the characteristics of the mortgage loans contained in certain insured MBS offerings. FGIC further alleges that the defendants breached their contractual obligations to permit access to loan files and certain books and records.

In December 15, 2011, FGIC filed a separate complaint in New York County Supreme Court related to insurance policies issued in connection with an RFC-sponsored transaction. This complaint, entitled Financial Guaranty Insurance Company v. Ally, et al., names us, along with certain of our affiliates, including Ally Inc. and ResCap (collectively, the defendants), and seeks various forms of declaratory and monetary relief. The complaint alleges that the defendants are alter egos of one another, fraudulently induced FGIC's agreement to provide insurance by misrepresenting the nature of our business practices and the credit quality and characteristics of the underlying loans, and have now materially breached their agreement with FGIC by refusing its requests for information and documents.

On December 27, 2011, FGIC filed three additional complaints in New York County Supreme Court against us and certain of our affiliates, including Ally Inc. and ResCap (collectively, the defendants). These complaints seek relief nearly identical to that of FGIC's previously filed cases and contain substantially similar allegations. In particular, FGIC alleges that the defendants, acting as alter egos of each other, fraudulently induced FGIC to enter into seven separate insurance and indemnity agreements and breached their contractual obligations under same. There are currently twelve FGIC lawsuits pending against us and our affiliates in the U.S. District Court for the Southern District of New York.

Other Litigation

Kessler Litigation

Several putative class actions filed in 2001-2003, all alleging that originators Community Bank of Northern Virginia and Guaranty National Bank of Tallahassee charged certain interest rates and fees in violation of the applicable Secondary Mortgage Loan Act, were consolidated for settlement purposes in the U.S. District Court for the Western District of Pennsylvania. On September 22, 2010, the Third Circuit Court of Appeals vacated an order approving the settlement and remanded the case to the trial court for further proceedings. On October 10, 2011, plaintiffs filed a joint consolidated amended class action complaint against, among others, RFC alleging violations of the Real Estate Settlement Procedures Act; the Truth in Lending Act, as amended by the Home Ownership and Equity Protection Act; and the Racketeer Influenced and Corrupt Organizations Act. RFC's motion to dismiss is outstanding, and the company intends to vigorously defend against these claims.

Mitchell Litigation

In this statewide class action, plaintiffs alleged that Mortgage Capital Resources, Inc. (MCR) violated the Missouri Second Mortgage Loan Act by charging Missouri borrowers fees and interest not permitted by the Act. We, and Homecomings among others, were named as defendants in their role as assignees of certain of the MCR loans. Following a trial concluded in January 2008, the jury returned verdicts against all defendants, including an award against RFC and HFN for $4 million in compensatory damages (plus pre- and post-judgment interest and attorneys' fees) and against RFC for $92 million in punitive damages. In a November 2010 decision, the Missouri Court of Appeals affirmed the compensatory damages but ordered a new trial on punitive damages. Upon remand, we paid $12.8 million in compensatory damages (including interest and attorneys' fees). In February 2012, we entered into an agreement in principle, subject to documentation and court approval, to settle all of plaintiffs' remaining claims, including plaintiffs already-awarded attorneys' fees on appeal, for a total of $17.3 million.

Regulatory

Our origination, purchase, sale, securitization and servicing business activities expose us to risks of noncompliance with extensive federal, state, local and foreign laws, rules and regulations. Our business activities are also governed by, among other contracts, primary and master servicing agreements that contain covenants and restrictions regarding the performance of our servicing activities. Our failure to comply with these laws, rules, regulations and contracts can lead to, among other things, loss of licenses and approvals, an inability to sell or securitize loans, demands for indemnification or loan repurchases from purchasers of loans, demands for indemnification or other compensation from investors in our securitizations, fines, penalties, litigation, including class action lawsuits, and governmental investigations and enforcement actions, including, in the case of some violations of law, possible criminal liability.

GMAC Financiera, our wholly-owned subsidiary operating in Mexico, incurred losses during the year which reduced its capital stock and its shareholders equity by more than two-thirds. At December 31, 2011, the amount of the deficiency is $62.0 million.

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Until this deficiency is cured, GMAC Financiera falls within one of the causes for dissolution under Mexican law.

Operating leases

As of December 31, 2011, we were obligated under non-cancelable operating leases for office space and equipment. Future minimum rental payments, including escalation clauses, under leases with terms of one year or more at December 31, 2011, were as follows.

Year Ended December 31, *($ in thousands)*	Leases as part of on going operation
2012	**$10,264**
2013	**8,382**
2014	**6,046**
2015	**2,181**
2016	**414**
2017 and thereafter	**—**
	$27,287

The above table includes all rental payments we are obligated to pay under non-cancelable operating leases for office space. These payments exclude amounts we expect to collect through subleases or contract terminations as a result of our restructuring efforts.

Rental expense recorded by us for the years ended December 31, 2011 and 2010, was $(0.8) million and $(0.2) million, respectively. These amounts exclude any leases included in the restructuring activities and discontinued operations.

Other Contingencies

We are subject to potential liability under various other exposures including tax, nonrecourse loans, self-insurance, and other miscellaneous contingencies. We establish reserves for these contingencies when the item becomes probable and the costs can be reasonably estimated. The actual costs of resolving these items may be substantially higher or lower than the amounts reserved for any one item. Based on information currently available, it is the opinion of management that the eventual outcome of these items will not have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

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19. Related Party Transactions

Balance Sheet

A summary of the balance sheet effect of our affiliate transactions were as follows.

December 31, *($ in thousands)*	**2011**	2010
Assets		
Mortgage loans held-for-sale — contributions from Ally Inc. (carrying value) (a)	**$645,357**	$812,954
Other assets		
Receivable, net - Parent	**1,844,929**	2,302,250
Receivable affiliates	**69,666**	7,967
Liabilities		
Borrowings — Ally Inc. Senior Secured Credit Facility (b)	**$130,989**	$180,875
Borrowings — Ally Inc. LOC (b)	**73,545**	298,891
Borrowings — BMMZ Secured Financing Agreement (b)	**236,953**	—
Borrowings — Affiliates (b)	**281,590**	211,151
Other Liabilities		
Payable to Ally Inc. (c)	**27,682**	24,647
Other activity		
Loans purchased (UPB) – GMAC Mortgage	**$292,243**	$—
Loans sold (UPB) – GMAC Mortgage	**8,539**	—
Loans (UPB) sub-serviced - GMAC Mortgage (d)	**43,393,746**	50,253,899
Income tax settled with Ally Inc. (h)	**246,575**	—

(a) Amount represents the carrying value of the loans contributed from Ally Inc. in 2009. The UPB of these loans is $1.6 billion and $2.0 billion at December 31, 2011 and 2010, respectively.

(b) Represents principal balance of debt outstanding plus accrued interest. Includes $97.5 million of outstanding secured borrowings with our affiliate GMAC Mortgage. The borrowings are secured by servicer advances that we have pledged as a co-participant in a funding facility that GMAC Mortgage is required to consolidate as it is deemed to be the primary beneficiary of the VIE.

(c) Includes costs for personnel, information technology, communications, corporate marketing, procurement and services related to facilities incurred by Ally Inc. and allocated to us.

(d) GMAC Mortgage, acts as sub-servicer for loans where we own the primary servicing rights.

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Notes to Consolidated Financial Statements

Statement of Income

A summary of the income statement effect of our affiliate transactions were as follows.

Year ended December 31, *($ in thousands)*	2011	2010
Net financing revenue		
Interest expense - Ally Inc. Senior Secured Credit Facility	**$4,399**	$10,985
Interest expense - Ally Inc. LOC	**7,628**	4,157
Interest expense - BMMZ Secured Financing Agreement	**332**	—
Amortization expense of deferred issuance costs - Ally Inc.	**—**	1,139
Interest expense - affiliates	**13,885**	2,424
Other revenue		
Servicing fees — GMAC Mortgage (a)	**$ (38,920)**	$ (45,774)
Noninterest expense		
Management fees - Ally Inc.	**($2,473)**	$12,868
Discontinued Operations		
Interest Expense - Parent and Affiliates	**$ —**	$ 91,152

(a) GMAC Mortgage acts as a sub-servicer for loans where we own the primary servicing rights.

Statement of Changes in Equity

ResCap received capital support in the form of debt forgiveness from Ally Inc. of $109.4 million during the year ended December 31, 2011. We recognized a capital contribution from RFC Holding of $48.8 million, and a corresponding reduction of borrowings under the Ally Inc. LOC, during the year ended December 31, 2011 in connection with Ally Inc.'s capital support to ResCap.

On January 30, 2012, ResCap received capital support in the form of debt forgiveness from Ally Inc. of $196.5 million. We recognized a capital contribution from RFC Holding of $72.3 million, and a corresponding reduction of borrowings under the Ally Inc. LOC in connection with Ally Inc.'s capital support to ResCap.

20. Regulatory Matters

We are required to maintain regulatory net worth requirements. See Note 6 - Servicing for additional information. Failure to meet minimum capital requirements can initiate certain mandatory actions by federal, state, and foreign agencies that could have a material effect on our financial condition and results of operations. We were in compliance with these requirements as of December 31, 2011.

Certain of our foreign subsidiaries operate in local markets as either banks or regulated finance companies and are subject to regulatory restrictions. These regulatory restrictions, among other things, require that our subsidiaries meet certain minimum capital requirements and may restrict dividend distributions and ownership of certain assets. As of December 31, 2011, compliance with these various regulations has not had a material adverse effect on our financial condition, results of operations or cash flows.

21. Subsequent Events

Events subsequent to December 31, 2011, were evaluated through March 28, 2012, the date on which these Consolidated Financial Statements were issued.

On February 9, 2012, Ally Inc., ResCap and GMAC Mortgage entered into an agreement in principle (Settlement) with federal agencies, 49 state attorneys general and 45 state banking departments with respect to investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage foreclosure homes sales and evictions. On March 12, 2012, the Settlement was filed as a consent judgment in the U.S. District Court for the District of Columbia. On February 9, 2012, Ally Inc., ResCap and GMAC Mortgage also agreed in principle with the (Federal Reserve Board) FRB on a civil monetary penalty related to these same activities. We may choose to allow GMAC Mortgage to provide borrower relief in connection with the Settlement to borrowers in our mortgage loan held for sale portfolio. We do not expect our participation in this respect to have a material impact on our financial condition or results of operations.

On January 30, 2012, ResCap received $196.5 million in capital support from Ally Inc. through the forgiveness of debt. We received a capital contribution of $72.3 million from RFC Holding, and a corresponding forgiveness of our borrowings under the Ally Inc. LOC, in connection with the Ally Inc. capital support to ResCap.

CONFIDENTIAL RCUCCJSN00007299

Exhibit O

DX ANE

GMAC Mortgage, LLC
Consolidated Financial Statements
As of and for the years ended
December 31, 2007 and 2006

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
300 Madison Avenue
New York NY 10017
Telephone (646) 471-3000
www.pwc.com

Report of Independent Auditors

To the Board of Directors and Member of GMAC Mortgage, LLC:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of member equity, and of cash flows present fairly, in all material respects, the financial position of GMAC Mortgage, LLC ("the Company") at December 31, 2007 and December 31, 2006, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

March 25, 2008

GMAC MORTGAGE, LLC
CONSOLIDATED BALANCE SHEETS
December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
ASSETS:		
Cash and cash equivalents	$ 126,779	$ 84,591
Investments, trading (including assets pledged of $257,320 at December 31, 2007 and $ 1,595,292 at December 31, 2006)	595,962	1,772,604
Investments, available for sale	150,194	151,492
Accounts receivable (including assets pledged of $15,053 at December 31, 2006)	1,349,013	986,005
Mortgage loans held for sale - net (including assets pledged of $1,231,090 at December 31, 2007 and $1,065,683 at December 31, 2006)	2,382,949	4,387,668
Lending receivables - net	182	1,333
Mortgage loans held for investment - net (including assets pledged of $495,532 at December 31, 2007)	1,323,347	53,907
Mortgage servicing rights - net	3,395,126	3,752,733
Goodwill	-	176,726
Other assets	1,287,129	487,613
Total Assets	$ 10,610,681	$ 11,854,672
LIABILITIES AND EQUITY		
LIABILITIES:		
Affiliate borrowings	$ 4,078,398	$ 4,114,680
Other borrowings	3,434,309	5,213,427
Total borrowings	7,512,707	9,328,107
Other liabilities	1,991,336	1,241,935
Total Liabilities	9,504,043	10,570,042
EQUITY:		
Member's equity	1,081,049	571,250
Retained earnings	21,711	711,587
Accumulated other comprehensive income :		
Unrealized gain on investments - net of tax	3,878	1,793
Total Equity	1,106,638	1,284,630
Total Liabilities and Equity	$ 10,610,681	$ 11,854,672

The notes to the consolidated financial statements are an integral part of these statements.

CONFIDENTIAL EXAM00234060

GMAC MORTGAGE, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
REVENUE:		
Interest income	$ 622,449	$ 618,598
Interest expense	776,288	763,091
Net interest expense	(153,839)	(144,493)
Provision for loan losses	24,986	1,195
Net interest expense after provision for loan losses	(178,825)	(145,688)
Gain on sale of mortgage loans - net	38,598	246,518
Servicing fees	1,137,956	1,051,398
Servicing asset valuation and hedge loss - net	(320,946)	(718,073)
Net servicing fees	817,010	333,325
(Loss) gain on investments - net	(369,540)	119,316
Other income	97,625	96,208
Total net revenue	404,868	649,679
EXPENSES:		
Compensation and benefits	310,324	292,973
Professional fees	41,434	62,215
Data processing and telecommunications	97,842	81,484
Advertising	79,624	110,632
Occupancy	47,563	48,078
Goodwill impairment	176,726	-
Restructuring	46,760	-
Other	277,809	184,598
Total expenses	1,078,082	779,980
Loss before income taxes	(673,214)	(130,301)
Income tax provision (benefit)	16,662	(780,424)
Net (loss) income	$ (689,876)	$ 650,123

The notes to the consolidated financial statements are an integral part of these statements.

GMAC MORTGAGE, LLC
CONSOLIDATED STATEMENTS OF EQUITY
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	Common stock and Capital paid in excess of par value	Member's Equity	Retained earnings	Comprehensive income	Accumulated other compre-hensive income (loss)	Total equity
Balance at December 31, 2005	$ 570,950		$ 220,312		$ (16,512)	$ 774,750
Cumulative effect of change in accounting principle as of January 1, 2006, net of tax:						
Transfer of unrealized loss for certain available for sale securities to trading securities	-	-	(16,717)	-	16,717	-
Recognize mortgage servicing rights at fair value	-	-	17	-	-	17
Net income	-	-	650,123	650,123	-	650,123
Capital Contributions	300	-	-	-	-	300
Conversion of common stock to member's equity on October 24, 2006	(571,250)	571,250	-	-	-	
Dividends	-	-	(142,148)	-	-	(142,148)
Comprehensive income:						
Other comprehensive income (loss), net of tax:						
Unrealized gain on investments	-	-	-	1,588	-	1,588
Other comprehensive income				1,588	1,588	
				$ 651,711		
Balance at December 31, 2006	$ -	$ 571,250	$ 711,587		$ 1,793	$ 1,284,630
Net loss	-	-	(689,876)	(689,876)	-	(689,876)
Capital Contributions	-	509,799	-	-	-	509,799
Comprehensive income:						
Other comprehensive income (loss), net of tax:						
Unrealized gain on investments	-	-	-	2,085	-	2,085
Other comprehensive income				2,085	2,085	
				$ (687,791)		
Balance at December 31, 2007	$ -	$ 1,081,049	$ 21,711		$ 3,878	$ 1,106,638

The notes to the consolidated financial statements are an integral part of these statements.

GMAC MORTGAGE, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	$ (689,876)	$ 650,123
Reconciliation of net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	(2,796)	24,758
Provision for loan losses	24,986	1,195
Gain on sale of mortgage loans - net	(38,598)	(246,518)
Net loss on sale of other assets	455	232
Goodwill impairment	176,726	-
(Gain) loss on valuation of derivatives	(581,083)	90,318
Loss (gain) on investment securities	369,540	(119,316)
Loss on valuation of mortgage servicing rights	910,095	468,221
Originations and purchases of mortgage loans held for sale	(69,418,845)	(71,127,965)
Proceeds from sales and repayments of mortgage loans held for sale	69,077,585	70,563,911
Deferred income tax	(1,313)	(514,218)
Net change in:		
Investments, trading	797,868	1,374,926
Accounts receivable	(329,006)	85,722
Other assets	612,427	853,760
Other liabilities	(41,110)	(864,897)
Net cash provided by operating activities	867,055	1,240,252
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in lending receivables	1,169	847,713
Originations and purchases of mortgage loans held for investment	(192,373)	(1,352,448)
Proceeds from sales and repayments of mortgage loans held for investment	123,469	1,364,496
Purchases of investments, available for sale	(23,382)	(42,907)
Proceeds from sales and repayments of investments, available for sale	27,232	24,034
Purchases of mortgage servicing rights	(9,291)	(11,780)
Sales of mortgage servicing rights	563,709	-
Net cash provided by investing activities	490,533	829,108

The notes to the consolidated financial statements are an integral part of these statements.

GMAC MORTGAGE, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in affiliate borrowings	$ 463,718	$ 432,025
Decrease in other short-term borrowings	(1,779,118)	(2,564,923)
Proceeds from capital contributions received in cash	-	300
Net cash used in financing activities	(1,315,400)	(2,132,598)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42,188	(63,238)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	84,591	147,829
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 126,779	$ 84,591
SUPPLEMENTAL DISCLOSURES		
Interest paid	752,753	569,093
Taxes paid (received), net of refunds	(66,491)	(264,420)
Non-cash transactions:		
Capital contribution through forgiveness of affiliated borrowings	500,000	-
Capital contribution due to limited liability company election for federal income tax purposes	9,799	-
Originations of mortgage servicing rights	1,106,906	1,152,702
Dividend due to limited liability company election for federal income tax purposes	-	142,148
Transfers from accounts receivable to investments, trading	-	1,023
Transfers from accounts receivable to other assets	3,701	9,760
Transfers from mortgage loans held for sale to investments, trading	-	1,818
Transfers from mortgage loans held for sale to accounts receivable	20,601	-
Transfers from mortgage loans held for sale to other assets	31,643	20,036
Transfers from accounts receivable to mortgage loans held for sale	-	5,525
Transfers from mortgage loans held for investment to other assets	16,662	-
Transfers from investments, available for sale to investments, trading	-	927,141
Transfers from mortgage loans held for sale to mortgage loans held for investment	1,382,992	-
Transfers from investments, trading to accounts receivable	3,511	-
Transfers from investments, trading to mortgage loans held for investment	157	-
Transfers from investments, trading to mortgage loans held for sale	5,566	-
Transfers from mortgage loans held for investment to accounts receivable	13,591	-
Other Disclosures:		
Proceeds from sales and repayments of mortgage loans held for investment for mortgage loans originally designated as held for sale	102,949	-

The notes to the consolidated financial statements are an integral part of these statements.

CONFIDENTIAL EXAM00234064

1. ORGANIZATION

Effective October 24, 2006, GMAC Mortgage Corporation converted its legal form of organization from a corporation to a limited liability company and changed its name to GMAC Mortgage, LLC. GMAC Mortgage, LLC (the "Company") is a wholly-owned subsidiary of GMAC Residential Holding Company, LLC ("RHC"), which is a wholly-owned subsidiary of Residential Capital, LLC ("ResCap"), which is a wholly-owned subsidiary of GMAC Mortgage Group, LLC ("the Group"), which is a wholly-owned subsidiary of GMAC, LLC ("GMAC"). Until November 2006, GMAC was a wholly-owned subsidiary of General Motors Corporation ("GM"). In November 2006, GM completed the sale of a majority equity stake in GMAC to an investment consortium led by Cerberus FIM Investors, LLC.

The Company provides residential mortgage and mortgage-related services to consumers and businesses nationwide. The Company's primary activities are the origination and servicing of prime credit quality residential mortgage loans. The loan products offered by the Company comprise first mortgage loans, home equity loans and lines of credit, and high loan-to-value ("HLTV") products. The Company originates mortgage loans by utilizing its retail branch network, direct lending centers and the correspondent/broker origination channels of an affiliate, GMAC Bank ("the Bank"). In 2007, correspondent/broker lending accounted for approximately 47% of total loan production, retail lending accounted for 29%, and direct lending accounted for the remaining 24%. In addition to retaining servicing rights from sales and securitizations of originated mortgage loans, the Company periodically purchases servicing rights from other mortgage lenders, and provides specialized and sub-servicing to third party clients. The Company's warehouse lending operations provide interim financing to third party mortgage lenders.

2. BASIS OF PRESENTATION

Use of estimates and assumptions – The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting periods. The Company's estimates and assumptions primarily arise from risks and uncertainties associated with prepayment estimates, interest rate volatility, credit exposure and regulatory changes. Changes in market trends and conditions may occur which could cause actual results to differ materially.

Consolidation practices – The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany balances and transactions are eliminated in consolidation. The Company maintains equity investments in entities in which neither majority ownership nor management control is present. These investments are accounted for using the cost method.

Special purpose entities are evaluated to determine whether they meet the GAAP definition of qualifying special purpose entities ("QSPEs"). Special purpose entities that are classified as QSPEs are excluded from the Company's consolidated financial statements. Special purpose entities that are not classified as QSPEs are further evaluated to determine whether they meet the GAAP definition of variable interest entities. Special purpose entities that meet the definition of variable interest entities where the Company is identified as the primary beneficiary are included in the Company's consolidated financial statements. The Company did not maintain any special purpose entities other than those classified as QSPEs or consolidated in the Company's financial statements during 2007 or 2006 (see Note 7).

Reclassifications – Certain items in the 2006 consolidated financial statements have been reclassified to conform to the presentation in the 2007 consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents – Cash and cash equivalents include cash on hand and deposited with banks and government securities with original maturities of less than 30 days.

Investments, trading – Investments, trading, are primarily comprised of mortgage-backed securities, interest-only securities, principal-only securities, mortgage pass-through certificates and U.S. Treasury securities. Mortgage-backed securities and principal-only securities include both securities retained from the Company's own securitizations of mortgage loans, as well as those purchased from third parties. Interest-only securities represent interests retained from the Company's own securitizations. In accordance with SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, investments, trading are carried at estimated fair value with unrealized holding gains and losses recorded within gain on investments on the accompanying consolidated statements of operations. Realized gains and losses on sales of securities are determined using the specific identification method.

Investments, available for sale – Investments, available for sale, are comprised of principal-only securities, interest-only securities, mortgage-backed securities and investments in equity securities. Principal-only securities and interest-only securities represent securities retained from the Company's own securitizations. In accordance with SFAS No. 115, investments, available for sale, are carried at estimated fair value with unrealized holding gains and losses recorded as a separate component of other comprehensive income. Investments, available for sale are periodically evaluated for other-than-temporary impairment. Any charges related to such impairment are recorded within gain on investments on the accompanying consolidated statements of operations. Realized gains and losses on sales of securities are determined using the specific identification method.

Accounts receivable – Accounts receivable are recorded at net realizable value. Included within accounts receivable are advance payments made by the Company during the normal course of its servicing duties. The net advances total $750,286 and $338,464 as of December 31, 2007 and 2006, respectively. These advances may reflect payments of property taxes and insurance premiums in advance of collection from mortgagors, principal and interest payments to investors prior to their collection from mortgagors, and amounts advanced for mortgages in foreclosure. These advances include amounts made in connection with the Company's activities as sub-servicer, and are offset by amounts receivable from sub-servicing clients of $42,217 and $26,568 at December 31, 2007 and 2006, respectively.

Accounts receivable also includes accrued mortgage servicing fees and late charges. The Company accrues mortgage servicing fees and late charges for loans not more than 60 days delinquent. Servicing fees and late charges accrued at the date a loan is placed on nonaccrual status are reversed and subsequently realized only to the extent they are received in cash.

CONFIDENTIAL EXAM00234066

Also included within accounts receivable is the principal balance and corresponding allowance for losses of residential mortgage loans in foreclosure, which have been transferred from other loan classifications. These mortgage loans in foreclosure are substantially covered by insurance or guarantees from federal agencies or private mortgage insurers. Provisions for losses not recoverable from claim proceeds are recorded in accordance with SFAS No. 5, *Accounting for Contingencies* when probable and estimable, generally beginning when loans become 90 days past due. The Company's allowance for loss on mortgage loans in foreclosure was $5,088 and $4,091 as of December 31, 2007 and 2006, respectively. The Company recognized provision expense of $7,244 and income of $3,880 during the years ended December 31, 2007 and 2006, respectively.

The Company included short-term receivables from unconsolidated affiliates of $154,988 and $189,717 within accounts receivable at December 31, 2007 and 2006, respectively.

Mortgage loans held for sale – Mortgage loans held for sale are generally comprised of first mortgage loans, home equity loans and lines of credit, and HLTV mortgage loans, and are carried at estimated fair value or the lower of cost or estimated fair value. The Company had developed and implemented a hedge program, with the primary objective to minimize, to the extent possible, the overall risk of loss due to a change in the fair value of its first mortgage loans. During 2007 the Company discontinued designating mortgage loans held for sale in a qualifying hedging relationship under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Prior to that, the Company designated the hedged risk as the change in the total fair value of its first mortgage loans in accordance with SFAS No. 133 which requires that a hedged item be a specifically identified asset or liability or a portfolio of similar assets or liabilities. If similar assets or liabilities are aggregated and hedged as a portfolio, the individual assets or liabilities must share the risk exposure for which they are being hedged. In addition, the change in fair value attributable to the hedged risk for each item in a hedged portfolio must be shown to respond in a generally proportionate manner to the overall change in fair value of the aggregate portfolio. The Company had aggregated a number of the individual first mortgage loans into groups of loans that meet the similar asset criteria. These individual loans were grouped based on similar characteristics and price sensitivities.

In accordance with SFAS No. 133, the Company determined a statistical measure of effectiveness between the change in fair value of the groups of loans and the change in fair value of the associated hedges. If changes in the fair value of the hedged loans were highly correlated to the changes in the fair value of the derivative contracts, the hedged loans were carried at estimated fair value with unrealized gains and losses recorded in the consolidated statement of operations. SFAS No. 133 states that at least quarterly, an entity that elects hedge accounting must determine whether the hedging relationship has been highly effective in having achieved offsetting changes in fair value through the date of the periodic assessment. SFAS No. 133 further states that the assessment can be based upon regression or other statistical analysis of past changes in fair values as well as on other relevant information. The Company assessed whether its hedge relationship was highly effective based on the measurement of the R-squared, Slope and F-statistic. All three statistical thresholds must be met in order for the Company to conclude that the hedge relationship was highly effective. Hedge ineffectiveness was measured as the difference between the change in value of the hedged assets and the change in value of the designated derivatives and was recognized in earnings in the current period. During the years ended December 31, 2007 and 2006, the Company recorded losses of $716 and $7,292, respectively, due to hedge ineffectiveness between mortgage loans held for sale and their related hedges, which is included within gain on sale of mortgage loans on the accompanying consolidated statements of operations.

Mortgage loans held for sale that are not designated in a hedging relationship are carried at the lower of cost or estimated fair value in accordance with SFAS No. 65, *Accounting for Certain Mortgage Banking Activities*. The evaluation of the lower of cost or estimated fair value is evaluated on a disaggregated basis consistent with how the Company manages the risk of those portfolios.

In accordance with SFAS No. 91, *Accounting for Nonrefundable Fees and Costs Associated with Originating and Acquiring Loans and Initial Direct Costs of Leases*, non refundable fee revenue and direct costs associated with the origination of mortgage loans held for sale are deferred until the loan is sold. The balance of the Company's net deferred origination expenses on mortgage loans held for sale was $344 and $2,613 at December 31, 2007 and 2006, respectively.

The Company generally sells whole loans and mortgage-backed securities servicing retained. Realized gains or losses on such sales are recognized at the time of settlement based upon the difference between the sales proceeds and the allocated basis of loans sold, adjusted for net deferred origination fees and costs, mortgage servicing rights, retained interests, hedge activities and the cost of issuing securities. Subsequent to certain loan sales, the Company may become eligible to regain control of assets that were previously accounted for as having been sold, because one or more of the conditions that demonstrate control has been surrendered are no longer met. As a result, in accordance with Emerging Issues Task Force ("EITF") Issue No. 02-09, *Accounting for Changes that Result in a Transferor Regaining Control of Financial Assets*, the Company recognizes, at fair value, the assets over which it has become eligible to regain control and the related liabilities assumed. The fair value of the assets eligible for repurchase are included within mortgage loans held for sale and the related liabilities are included within other liabilities on the accompanying consolidated balance sheets.

The Company accrues interest on mortgage loans held for sale not more than 60 days delinquent. Interest income accrued at the date the loan is placed on non-accrual status is reversed and subsequently realized only to the extent it is received in cash.

Lending receivables – Lending receivables are comprised of warehouse lines of credit extended to third party correspondents. Advances under these lines of credit are collateralized by underlying mortgage loans and bear interest at variable rates, which are tied to short-term indices. Lending receivables are carried at amortized cost, net of an allowance for credit losses. The Company accrues interest on lending receivables not more than 90 days delinquent.

Mortgage loans held for investment – Mortgage loans held for investment are carried at the principal amount outstanding, less net deferred origination fees and allowance. The Company's classification of its mortgage loans between loans held for sale and loans held for investment is based on management's assessment of its intent and ability to hold loans for the foreseeable future or until maturity. Management's intent and ability with respect to certain mortgage loans may change from time to time depending on a number of factors, including economic conditions. Net deferred origination fees, which include origination fees reduced by origination costs, are amortized as a yield adjustment over the estimated remaining life of the related assets. Interest income recognition is suspended when loans are placed on nonaccrual status. Residential mortgage loans are placed on nonaccrual status when contractually delinquent for 60 days. Interest income accrued at the date a loan is placed on nonaccrual status is reversed and subsequently realized only to the extent it is received in cash. Loans are restored to accrual status only when contractually current and the collection of future payments is reasonably assured.

CONFIDENTIAL EXAM00234068

Allowance for loan losses – The allowance for loan losses is management's estimate of incurred losses inherent in the mortgage loans held for investment and lending receivables portfolios. Additions to the allowance for loan losses are reflected within the provision for loan losses on the consolidated statements of operations. Loans are grouped into pools, based on similar risk characteristics, and evaluated for impairment in accordance with SFAS No. 5, *Accounting for Contingencies*. A loan is considered impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement.

Management's judgment as to the adequacy of the allowance is a result of the Company's ongoing, consistently applied methodology taking into consideration historical loss experience, changes in the size or characteristics of the portfolios, economic conditions and other relevant factors. The uncollectible portion of loans is charged off against the allowance when it is deemed uncollectible. Recoveries of previously charged-off amounts increase the allowance for loan losses. The adequacy of the allowance for loan losses is highly dependent upon management's estimate of variables affecting valuation of collateral, evaluations of performance and status, and the amounts and timing of future cash flows expected to be received on impaired loans and lending receivables. Such estimates, appraisals, evaluations and cash flows may be subject to frequent adjustments due to changing economic conditions of borrowers or the value of the underlying collateral. These estimates are reviewed periodically and adjustments, if necessary, are recorded in the provision for loan losses in the periods in which they become known.

Mortgage servicing rights – The Company capitalizes mortgage servicing rights associated with loans sold servicing retained and servicing rights acquired through bulk and flow purchase transactions at fair value. The Company capitalizes purchased mortgage servicing rights at cost, which is the estimated fair market value. As of January 1, 2006, the Company adopted SFAS No. 156, *Accounting for Servicing of Financial Assets,* which provides the following: (1) revised guidance on when a servicing asset and servicing liability should be recognized, (2) requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable, (3) permits an entity to elect to measure servicing assets and servicing liabilities at fair value each reporting date with changes in fair value in earnings in the period in which the changes occur, (4) upon initial adoption, permits a one-time reclassification of securities designated as available-for-sale to trading for securities which are identified as offsetting the entity's exposure to changes in the fair value of servicing assets or liabilities that a servicer elects to subsequently measure at fair value, and (5) requires separate presentation of servicing assets and servicing liabilities subsequently measured at fair value in the statement of financial position and additional footnote disclosures. The Company has elected to subsequently measure servicing assets and liabilities at fair value and report changes in fair value in earnings in the period in which the changes occur. In addition, the Company made a one time reclassification of $927,141 of available for sale securities to trading securities for securities identified as offsetting the Company's exposure to changes in the fair value of servicing assets.

The adoption of SFAS No. 156 resulted in a $16,700 reduction in the beginning of the year retained earnings, net of tax, as a cumulative effect of change in accounting principle. However, the impact to total equity was a $17 increase, net of tax.

The Company defines its classes of mortgage servicing rights based on both the availability of market inputs and the manner in which the Company manages its risks of its servicing assets and liabilities. The Company manages its servicing rights at the legal entity level, and sufficient market inputs exist to determine the fair value of the Company's recognized servicing assets and liabilities.

CONFIDENTIAL EXAM00234069

The Company estimates fair value of its mortgage servicing rights through a discounted cash flow analysis which uses market-based assumptions for earnings, discount and prepayment rates. The current valuation approach relies on guidance provided by Statement of Financial Accounting Concepts No. 7, *Using Cash Flow Information and Present Value in Accounting Measurements* ("CON 7"), and considers the fair value of the servicing asset to be the present value of the future net servicing cash flows expected to be received over the life of the servicing contract. The Company utilizes an Option Adjusted Spread ("OAS") Monte Carlo simulation approach to forecast future interest rates in conjunction with a discounted cash flow forecast whereby servicing cash flows are projected over multiple interest rate scenarios. An OAS margin is added to the forward LIBOR curve in order to discount the cash flows in each interest rate scenario generated via the Monte Carlo simulation. The OAS margin is added to the forward LIBOR curve in order to achieve an appropriate yield that compensates the Company for risks inherent in the mortgage servicing right asset. The key assumptions utilized in the current valuation methodology include volatility, OAS margin, base mortgage rate, prepayment rate and cost to service. To ensure that the current valuation methodology is deriving a fair value in accordance with GAAP, the Company performs a series of analyses against various available market indicators on a quarterly basis. These analyses include reconciliations of projected and actual cash flows, review of historic multiples, comparison to applicable bulk and flow market activity when available, and comparison to peer prices and valuation multiples from external third party surveys.

Securitizations and retained interests –The Company periodically sells home equity loans and lines of credit, HLTV loans, non-conforming jumbo residential first mortgage loans and other residential first mortgage loans in securitization transactions. During 2006 and a portion of 2007, the Company sold defaulted government insured residential mortgage loans to an off-balance sheet facility until the facility was terminated in 2007 (see Note 7). In these securitizations and sales, the Company retains mortgage servicing rights in addition to interest-only securities, one or more tranches and other consideration, all of which are retained interests in the sold receivables. The Company may retain primary credit risk on the securitization or sale through retention of a subordinated interest. This credit risk is limited to the amount of the subordinated tranches. Gain or loss on a sale of the receivables depends, in part, on the previous carrying amount of the mortgage loans involved in the transfer, allocated between the loans sold and the retained interests, based on their estimated relative fair market value at the date of transfer.

The Company's retained interests are carried at estimated fair value on the accompanying consolidated balance sheets. The Company uses a CON 7 approach in valuing its retained interests. Under this approach, the Company estimates the fair value of retained interests by determining the present value of future expected cash flows using modeling techniques that incorporate the Company's best estimate of key variables, including expected credit losses, prepayment speeds, discount rates commensurate with the risks involved, and if applicable, interest or finance rates on variable and adjustable contracts. To ensure that the current valuation methodology is deriving a fair value in accordance with GAAP, the Company periodically reviews the reasonableness of its key assumptions against available market indicators. Changes in the fair value of retained interests are included within gains on investments on the accompanying consolidated statements of operations.

CONFIDENTIAL EXAM00234070

Goodwill – In accordance with SFAS No. 142, *Goodwill and Other Intangible Assets*, goodwill is tested for impairment at least annually. The impairment test requires a comparison of the fair value of the reporting unit to its carrying amount, including goodwill. A reporting unit is an operating segment or one level below an operating segment as defined in SFAS No. 131, *Disclosures about Segments of an Enterprise and Related Information*. The fair value of the reporting units is determined based on various analyses, including discounted cash flow projections. During the third quarter of 2007, the Company completed its goodwill impairment analysis. The Company experienced deteriorating conditions in the residential mortgage and home markets during 2007, including significant changes in the mortgage secondary market, and tightening underwriting guidelines reducing product offerings. Consistent with prior assessments, the fair value of the Company's reporting units was determined using an internally developed discounted cash flow methodology. In addition, the Company took into consideration other relevant indicators of value available in the market. Based upon the results of the assessment, the Company concluded that the carrying value of goodwill exceeded the fair value, resulting in an impairment loss of $176,726.

Other assets – Included within other assets in the accompanying consolidated balance sheets are derivatives, carried at fair value, of $949,391 and $215,723 at December 31, 2007 and 2006, respectively.

Asset impairment – The Company periodically evaluates the recoverability of its long-lived assets by comparing the respective carrying value to the current and undiscounted expected future cash flows to be generated from such assets. If an impairment of the carrying value was indicated by this review, the Company would adjust the carrying value of the asset to the estimated fair value through a charge to the consolidated income statement in the current period. The Company did not recognize any impairment to long-lived assets during the years ended December 31, 2007 and 2006.

Liability for assets sold with recourse – In connection with the sale of certain mortgage loans, the Company estimates a liability for representation and warranties made in the normal course of the sale or securitization process for assets sold with recourse. The Company provides for such exposures at the time the loans are sold based upon management's estimate of losses incurred. The liability is adjusted through other expense to reflect changes in the anticipated liability. Management believes that the liability for assets sold with recourse is adequate to provide for probable losses related to loans sold with limited recourse obligations. The liability is included within other liabilities on the consolidated balance sheet.

Financial instruments – In accordance with SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*, and SFAS No. 133, the Company has provided fair value estimates and information about valuation methodologies in Notes 6 and 18 to the consolidated financial statements. The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value and, as such, the estimates are not necessarily indicative of the amounts that would be realized in a market exchange. The effect of using different market assumptions and/or estimation methodologies may materially impact the estimated fair value and would likely reduce the comparability of fair value disclosures between the Company and other financial services companies.

CONFIDENTIAL EXAM00234071

Derivative instruments and hedging activities – All derivative financial instruments, whether designated for hedging relationships or not, are recorded on the consolidated balance sheet as assets or liabilities and carried at fair value. At the inception of the derivative contract, the Company determines whether the instrument will be part of a qualifying hedge accounting relationship. For each of these relationships, the Company designates the qualifying derivative financial instrument as a hedge of the fair value of a recognized asset or liability (fair value hedge) or a hedge of the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). The Company also uses derivative financial instruments that do not qualify as hedges under GAAP. Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges, along with the gain or loss on the hedged asset or liability attributable to the hedged risk, are recorded in current period earnings. Gains and losses on derivatives related to mortgage servicing rights are included within servicing asset valuation and hedge loss on the accompanying consolidated statements of operations. Gains and losses on derivatives related to mortgage loans held for sale are included within gain on sale of mortgage loans on the accompanying consolidated statements of operations. For qualifying cash flow hedges, the effective portion of the change in the fair value of the derivative financial instruments is recorded in other comprehensive income, a component of equity, and recognized in the income statement when the hedged cash flows affect earnings. Changes in the fair value of derivative financial instruments held for risk management purposes that do not meet the criteria to qualify as hedges under GAAP are reported in current period earnings. The ineffective portions of fair value and cash flow hedges are immediately recognized in earnings. The Company did not hold any derivative instruments designated as cash flow hedges during 2007 or 2006.

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the consolidated balance sheet, to specific firm commitments or the forecasted transactions. Both at the hedge's inception and on an ongoing basis, the Company formally assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The hedge accounting treatment described above is no longer applied if a derivative financial instrument is terminated or the hedge designation is removed. For fair value hedges, any changes to the hedged asset or liability remain as part of the basis of the asset or liability and are recognized into income over the original hedge period. For cash flow hedges, any changes in fair value of the derivative financial instrument remain in other comprehensive income, a component of equity, and are reclassified into earnings in the period that the hedged asset or liability affects income.

Loan commitments – The Company enters into commitments to make loans whereby the interest rate on the loan is set prior to funding (e.g. interest rate lock commitments or "IRLCs"). IRLCs for loans to be originated or purchased for sale, and for loans to be purchased and held for investment, are derivative financial instruments carried at fair value in accordance with SFAS No. 133 and Staff Accounting Bulletin No. 105, *Application of Accounting Principles to Loan Commitments*. SAB No. 105 provides specific guidance on the measurement of loan commitments, specifying that fair value measurement exclude any expected future cash flows related to the customer relationship or loan servicing. Servicing assets are recognized once they are contractually separated from the underlying loan by sale or securitization. IRLCs, for loans to be held for sale, are recorded as derivatives and subsequent changes in value from the time of the lock are recognized as assets or liabilities, with a corresponding adjustment to current period earnings within gain on sale of mortgage loans on the accompanying consolidated statements of operations. The determination of the change in fair value does not include an estimate of the future mortgage servicing right that will arise when the loan is sold or securitized.

Income taxes – Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not.

In November 2006, the Company and substantially all of its domestic subsidiaries elected to be treated as limited liability companies for federal income tax purposes. As a result of the elections, and GMAC's election to be treated as a multi-member limited liability Company, these entities are no longer taxable entities for federal and certain state income tax purposes.

Prior to the reorganization, the Company was included in the consolidated U.S. federal income tax return, several unitary and/or consolidated state returns, and some foreign consolidated income tax returns of GM. The Company provided for its unitary and/or consolidated state filings and foreign consolidated filings pursuant to a tax sharing arrangement with GM. GM periodically settled these income tax liabilities or receivables.

Reinsurance – A mortgage loan borrower may be required to purchase mortgage guaranty insurance from a third-party mortgage guaranty insurer. A subsidiary of the Company assumes mortgage insurance policies from private mortgage insurance companies (ceding company) which are guaranteed renewable contracts at the insured's (e.g. borrower's) option on a single, monthly or annual premium basis. The ceding company has no ability to re-underwrite or re-price these contracts once a book of business has been established. Premiums written are earned over the policy term. Liabilities for insurance loss and loss adjustment expenses are established for reported insurance losses and loss adjustment expenses based on when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted. The liability for losses on reinsurance assumed is based on information provided by the ceding companies.

Accounting standards - On January 1, 2007, the Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, which supplements SFAS No. 109, *Accounting for Income Taxes*, by defining the confidence level that a tax position must meet in order to be recognized in the financial statements. The Interpretation requires that the tax effects of a position be recognized only if it is more-likely-than-not to be sustained solely on its technical merits as of the reporting date. The more-likely-than-not threshold represents a positive assertion by management that a company is entitled to the economic benefits of a tax position. If a tax position is not considered more-likely-than-not to be sustained based solely on its technical merits, no benefits of the position are to be recognized. The adoption of this interpretation did not result in any adjustments to the Company's retained earnings, since the Company has no uncertain tax positions. There have been no changes to the positions during the year ended December 31, 2007.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*, which provides a definition of fair value, establishes a framework for measuring fair value and requires expanded disclosures about fair value measurements. The standard applies when GAAP requires or allows assets or liabilities to be measured at fair value, and therefore, does not expand the use of fair value in any new circumstance. SFAS No. 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an arm's length transaction between market participants, in the markets where the Company conducts business. SFAS No. 157 clarifies that fair value should be based on the assumptions market participants would use when pricing an asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy gives the highest priority to quoted prices available in active markets and the lowest priority to data lacking transparency. The level of the reliability of inputs utilized for fair value calculations drives the extent of disclosure requirements of the valuation methodologies used under the standard. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those years. The provisions of SFAS No. 157 are required to be applied prospectively, except for certain financial instruments for which the standard should be applied retrospectively. The Company adopted SFAS No. 157 on January 1, 2008 on a prospective basis. This included inventorying all items recorded at fair value and where necessary, modifying valuation models in accordance with SFAS No. 157. The impact of adopting SFAS No. 157 resulted in a cumulative effect adjustment to beginning retained earnings on January 1, 2008. The initial adjustment on adoption will be an increase to equity of approximately $20.9 million related to the recognition of day one gains on purchased mortgage servicing rights and certain residential loan commitments.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*. SFAS No. 159 permits entities to choose to measure at fair value many financial instruments and certain other items that are not currently required to be measured at fair value. Subsequent changes in fair value for designated items will be required to be reported in earnings in the current period. SFAS No. 159 also establishes presentation and disclosure requirements for similar types of assets and liabilities measured at fair value. SFAS No. 159 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those years. The Company adopted SFAS No. 159 on January 1, 2008 without impact to the Company's financial position or results of operations.

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations*, which replaces SFAS No. 141, *Business Combinations*. SFAS No. 141(R) establishes principles and requirements for how an acquiring company (1) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree, (2) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (3) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) is effective for business combinations occurring on or after the beginning of the fiscal year beginning on or after December 15, 2008. SFAS No. 141(R), effective for the Company on January 1, 2009, applies to all transactions or other events in which the Company obtains control in one or more businesses. Management will assess each transaction on a case-by-case basis as they occur.

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In December 2007, the FASB also issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51*, which requires the ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent's equity. It also requires the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008, and early adoption is prohibited. SFAS No. 160 shall be applied prospectively as of the beginning of the fiscal year in which it is initially applied, except for the presentation and disclosure requirements. The presentation and disclosure requirements shall be applied retrospectively for all periods presented. Management is currently assessing the retrospective impacts of adoption and will assess new transactions as they occur.

In April 2007, the FASB issued FASB Staff Position ("FSP") FIN No. 39-1, *Amendment of FASB Interpretation No. 39.* FSP FIN No. 39-1 defines "right of setoff" and specifies what conditions must be met for a derivative contract to qualify for this right of setoff. It also addresses the applicability of a right of setoff to derivative instruments and clarifies the circumstances in which it is appropriate to offset amounts recognized for those instruments in the statement of financial position. In addition, this FSP permits offsetting of fair value amounts recognized for multiple derivative instruments executed with the same counterparty under a master netting arrangement and fair value amounts recognized for the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) arising from the same master netting arrangement as the derivative instruments. This interpretation is effective for fiscal years beginning after November 15, 2007, with early application permitted. The adoption of FSP FIN No. 39-1 is not expected to have a material impact on the Company's financial position or results of operations.

In May 2007, the FASB issued FSP FIN No. 48-1, *Definition of Settlement in FASB Interpretation No. 48.* FSP FIN No. 48-1 provides guidance on how an enterprise should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits. FSP FIN No. 48-1 was effective with the Company's initial adoption of FIN No. 48 on January 1, 2007. The adoption of FSP FIN No. 48-1 did not have a material impact on the Company's financial position or results of operations.

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In November 2007, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") No. 109, *Written Loan Commitments Recorded at Fair Value Through Earnings*. SAB No. 109 provides the SEC staff's views on the accounting for written loan commitments recorded at fair value under GAAP, and revises and rescinds portions of SAB No. 105. SAB No. 105 provided the views of the SEC staff regarding derivative loan commitments that are accounted for at fair value through earnings pursuant to SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. SAB No. 105 states that in measuring the fair value of a derivative loan commitment, the staff believed it would be inappropriate to incorporate the expected net future cash flows related to the associated servicing of the loan. SAB No. 109 supersedes SAB No. 105 and expresses the current view of the SEC staff that, consistent with the guidance in SFAS No. 156 and SFAS No. 159, the expected net future cash flows related to the associated servicing of the loan should be included in the measurement of all written loan commitments that are accounted for at fair value through earnings. SAB No. 105 also indicated that the SEC staff believed that internally-developed intangible assets (such as customer relationship intangible assets) should not be recorded as part of the fair value of a derivative loan commitment. SAB No. 109 retains that SEC staff view and broadens its application to all written loan commitments that are accounted for at fair value through earnings. The SEC staff expects registrants to apply the views of SAB No. 109 in measuring the fair value of derivative loan commitments on a prospective basis to derivative loan commitments issued or modified in fiscal quarters beginning after December 15, 2007. The prospective adoption of SAB No. 109 did not have a material impact on the Company's consolidated financial condition and results of operations.

In February 2008, the FASB issued FSP FAS No. 140-3, *Accounting for Transfers of Financial Assets and Repurchase Financing Transactions*, which provides a consistent framework for the evaluation of a transfer of a financial asset and subsequent repurchase agreement entered into with the same counterparty. FSP FAS No. 140-3 provides guidelines that must be met in order for an initial transfer and subsequent repurchase agreement to not be considered linked for evaluation. If the transactions do not meet the specified criteria, they are required to be accounted for as one transaction. This FSP is effective for fiscal years beginning after November 15, 2008, and shall be applied prospectively to initial transfers and repurchase financings for which the initial transfer is executed on or after adoption. Management is currently assessing the impacts of adoption.

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4. INVESTMENTS, TRADING

The carrying value of investments, trading for the years ended December 31 is as follows:

	2007	2006
U.S. Treasury securities	$ 257,320	$ 400,961
Interest-only securities:		
Home equity lines/loans	222,722	418,896
Other first mortgage loans	-	12,531
High loan to value loans	1,375	31,491
Non-conforming loans	11,713	14,833
Principal-only securities	18,274	877,530
Mortgage backed securities	84,558	16,362
Total	$ 595,962	$ 1,772,604

The fair value of interest-only securities and government mortgage-backed securities have been estimated using discounted cash flow analyses (see Note 6). The fair value of U.S. Treasury securities, principal-only securities and mortgage backed securities are based on quoted market prices.

The change in the unrealized (loss) gain included within (loss) gain on investments on the accompanying consolidated statements of operations for the years ended December 31, 2007 and 2006 is $(305,962) and $137,882, respectively. Realized losses on the sale of investments, trading, included within (loss) gain on investments on the accompanying consolidated statements of operations for the years ended December 31, 2007 and 2006 are $(63,578) and $(18,565), respectively.

The Company's investment in government mortgage-backed securities at December 31, 2006 consisted primarily of residual interests in an off-balance sheet facility which held loans whose principal balance was substantially covered by insurance or guarantees from federal agencies. This facility was terminated in 2007 (see Note 7). The Company's investment in home equity and HLTV interest-only securities is uncertificated and is subject to prepayment risk, interest rate risk, and credit loss.

The Company has pledged investments, trading against certain borrowings (see Note 13).

The Company has purchased and financed certain U.S Treasury securities classified as investments, trading, with the same counterparty. The fair value of these securities totaled $51,773 and $856,688 at December 31, 2007 and 2006, respectively.

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5. INVESTMENTS, AVAILABLE FOR SALE

Investments, available for sale consist of the following:

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
As of December 31, 2007:				
Mortgage and asset backed securities	$ 105,366	$ 759	$ (401)	$ 105,724
Interest-only securities	-	3,558	-	3,558
Principal-only securities	150	136	-	286
Other	39,653	974	(1)	40,626
Total	$ 145,169	$ 5,427	$ (402)	$ 150,194
As of December 31, 2006:				
Mortgage and asset backed securities	$ 103,975	$ 156	$ (1,275)	$ 102,856
Interest-only securities	1,260	3,794	-	5,054
Principal-only securities	184	151	-	335
Other	43,358	193	(304)	43,247
Total	$ 148,777	$ 4,294	$ (1,579)	$ 151,492

The maturity distribution of available for sale securities outstanding is summarized in the following table. Actual maturities may differ from those scheduled as a result of prepayments by issuers.

	Cost	Fair Value
As of December 31, 2007:		
Due in one year or less	$ 13,050	$ 13,049
Due after one year through five years	26,603	27,577
Due after five years through ten years	-	-
Due after ten years	-	-
Mortgage-backed securities and interests in securitization trusts	105,275	109,568
Total	$ 144,928	$ 150,194

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The change in the unrealized gain on investments included in comprehensive income within the consolidated statements of operations for the years ended December 31, 2007 and 2006, respectively, is $2,086 and $1,588, which is net of taxes of $466 and $811.

Investment securities that were in a continuous unrealized loss position for less than twelve months had a fair value of $27,421 and $20,041 with gross unrealized losses of $264 and $88 as of December 31, 2007 and 2006, respectively. Investment securities that were in a continuous unrealized loss position for more than twelve months had a fair value of $16,523 and $87,644 with gross unrealized losses of $139 and $1,490 as of December 31, 2007 and 2006, respectively. The Company does not consider these unrealized losses to be other-than-temporary and it has the intent and ability to hold until full recovery.

The Company acquires and originates principal-only securities and interest-only securities for investment purposes from non-conforming securitization transactions. Non-conforming principal-only securities and interest-only securities classified as available for sale represent the Company's retained interests in several of its own jumbo mortgage loan securitizations. The investment in principal-only securities is certificated and is not subject to prepayment risk and credit loss. Principal-only securities and interest-only securities mature in proportion to the payment stream of the underlying mortgage loans.

The fair value of mortgage-backed securities, principal-only securities, and other securities are based on quoted market prices. The fair value of interest-only securities has been estimated using discounted cash flow analyses (see Note 6).

The Company has pledged investments, available for sale against certain borrowings (see Note 13).

6. SECURITIZED AND SOLD ASSETS

The Company periodically sells home equity loans and lines of credit, HLTV loans, non-conforming jumbo residential first mortgage loans and other residential first mortgage loans in securitization transactions. During 2006 and a portion of 2007, the Company sold defaulted government insured residential mortgage loans to an off-balance sheet facility until the facility was terminated in 2007 (see Note 7). In these securitizations and sales, the Company retains mortgage servicing rights in addition to interest-only securities, one or more tranches and other consideration, all of which are retained interests in the sold receivables. The Company may retain primary credit risk on the securitization or sale through retention of a subordinated interest. This credit risk is limited to the amount of the subordinated tranches. Gain or loss on a sale of the receivables depends, in part, on the previous carrying amount of the mortgage loans involved in the transfer, allocated between the loans sold and the retained interests, based on their estimated relative fair market value at the date of transfer.

The Company recognized gains of $89,081 and $229,774 on the securitization of home equity loans, $0 and $234 on the securitization of HLTV loans during the years ended December 31, 2007 and 2006, respectively. The Company did not recognize pretax gains or losses on the sale of defaulted government insured residential mortgage loans during the years ended December 31, 2007 and 2006. There were no securitizations of non-conforming jumbo residential first mortgage loans and other first mortgage loans during years ended December 31, 2007 and 2006.

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The following summarizes the Company's activity related to the carrying amount of retained interests in securitizations during the years ended December 31, 2007 and 2006:

	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Balance at January 1, 2006	$ 16,036	$ 231,014	$ 17,285	$ 20,587	$ 14,898
New securitizations	4,135	173,991	-	-	-
Interest accretion	-	36,718	2,449	-	1,823
Sales	-	-	-	(2,719)	-
Cash received	(12,435)	(116,418)	(11,283)	(6,702)	(6,876)
Valuation adjustments	4,752	93,591	23,040	8,721	2,686
Balance at December 31, 2006	$ 12,488	$ 418,896	$ 31,491	$ 19,887	$ 12,531
New securitizations	6,132	134,930	-	-	-
Interest accretion	-	71,808	5,312	69	1,484
Sales	-	-	-	-	-
Cash received	(17,726)	(115,313)	(11,099)	(5,699)	(4,029)
Valuation adjustments	(894)	(287,599)	(24,329)	1,014	(9,986)
Balance at December 31, 2007	$ -	$ 222,722	$ 1,375	$ 15,271	$ -

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Key assumptions used in measuring the retained interests at the date of securitization resulting from securitizations completed during the years ended December 31, 2007 and 2006 were as follows:

During 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Weighted average life of collateral in years	1.1	2.1 - 2.5	**	***	****
Prepayment speed (CPR)	15.0%	31.0% - 35.6%	**	***	****
Expected credit losses *****	4.8%	1.0% - 2.0%	**	***	****
Residual cash flows discounted at	6.5%	11.9% - 18.2%	**	***	****
Variable returns to transferees	N/A	*	**	***	****
Weighted average servicing fee	0.4%	0.5%	**	***	****

* Variable pass through: 1 month Libor plus 14 basis points

** The Company did not securitize any HLTV mortgage loans during 2007.

*** The Company did not securitize any non-conforming jumbo first mortgage loans during 2007.

**** The Company did not securitize any other first mortgage loans during 2007.

***** Expected static pool credit losses include projected net credit losses divided by the original balance of the outstandings comprising the securitization pool.

During 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Weighted average life of collateral in years	1.1	1.7 - 2.4	2.8	***	****
Prepayment speed (CPR)	15.0%	31.0% - 44.2%	24.3%	***	****
Expected credit losses *****	4.0%	1.1% - 2.3%	18.3%	***	****
Residual cash flows discounted at	7.0%	11.7% - 12.5%	N/A	***	****
Variable returns to transferees	N/A	*	**	***	****
Weighted average servicing fee	0.4%	0.5%	0.5%	***	****

* Variable pass through: 1 month Libor plus a spread ranging from 7 to 21 basis points
Variable collateral: 1 month Libor plus an average spread ranging from 323 to 367 basis points

** Variable pass through: 1 month Libor plus a spread of 10 basis points

*** The Company did not securitize any non-conforming jumbo first mortgage loans during 2006.

**** The Company did not securitize any other first mortgage loans during 2006.

***** Expected static pool credit losses include projected net credit losses divided by the original balance of the outstandings comprising the securitization pool.

Residual cash flows of the securitized government insured residential mortgage loans are discounted at a rate based on the inherent risk of loss on the underlying mortgage loans. These loans are insured against loss by the Federal Housing Administration ("FHA") and the Veterans Administration ("VA"), resulting in a relatively low risk of loss in comparison to other securitized loan products.

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The following summarizes certain cash flows received from (paid to) securitization trusts during 2007 and 2006:

During 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Cash inflows:					
Proceeds from new securitizations	$ 88,700	$ 3,281,526	$ -	$ -	$ -
Servicing fees received	496	57,754	1,470	25,154	1,153
Other cash flows received on retained interests	17,726	115,313	11,099	8,027	4,029
Repayments of servicing advances	-	7,253	-	-	-
Cash outflows:					
Servicing advances	-	(11,312)	-	-	-
Purchase obligations and options:					
Purchases of loans under conditional call option	(147,480)	-	-	-	-
Representations and warranties obligations	-	(683)	-	-	-
Administrator or Servicer Actions	-	(53,712)	(420)	-	-
Asset performance conditional calls	-	(12,269)	(997)	-	-
Cleanup calls	-	(9,963)	-	-	-

During 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Cash inflows:					
Proceeds from new securitizations	$ 58,400	$ 6,655,011	$ 229,865	$ -	$ -
Servicing fees received	580	45,786	1,838	9,728	1,397
Other cash flows received on retained interests	12,435	116,418	11,283	6,702	6,876
Repayments of servicing advances	-	27,634	-	-	-
Cash outflows:					
Servicing advances	-	(1,149)	-	-	-
Purchase obligations and options:					
Purchases of loans under conditional call option	(19,993)	-	-	-	-
Representations and warranties obligations	-	(373)	-	-	-
Administrator or Servicer Actions	-	(59,513)	-	-	-
Asset performance conditional calls	-	(9,904)	(2,415)	-	-
Cleanup calls	-	(91,876)	(39,663)	-	(23,196)

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At December 31, 2007 and 2006, key assumptions and the sensitivity of the current fair value of residual cash flows to immediate 10% and 20% adverse changes in those assumptions are as follows:

At December 31, 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Carrying amount/fair value of retained interests	$ -	$222,722	$1,375	$15,271	$ -
Weighted-average life (in years)	-	1.6 - 2.4	2.6 - 2.8	4.4	4.1 - 4.3
Prepayment speed assumption (CPR - annual rate)	-	29.1% - 41.6%	22.4% - 24.3%	17.4%	14.6% - 16.8%
Impact on fair value of 10% adverse change	-	($2,411)	$29	($1,392)	-
Impact on fair value of 20% adverse change	-	($4,172)	$58	($2,293)	-
Expected credit losses****	-	1.0% - 6.4%	11.3% - 21.4%	N/A	2.0% - 3.9%
Impact on fair value of 10% adverse change	-	($39,685)	($165)	N/A	-
Impact on fair value of 20% adverse change	-	($74,602)	($320)	N/A	-
Residual cash flows discount rate (annual rate)	-	21.0% - 33.9%	N/A	8.9%	N/A
Impact on fair value of 10% adverse change	-	($10,761)	($39)	($191)	-
Impact on fair value of 20% adverse change	-	($20,468)	($76)	($377)	-
Interest rates on variable and adjustable contracts	-	*	**	N/A	***
Impact on fair value of 10% adverse change	-	($11,077)	-	N/A	-
Impact on fair value of 20% adverse change	-	($20,804)	-	N/A	-

* Variable pass through: 1 month Libor plus a spread ranging from 6 to 58 basis points.
Variable collateral: 1 month Libor plus an average spread ranging from 347 to 399 basis points.

** Variable pass through: 1 month Libor plus a spread of 10 basis points.

*** Variable pass through: 1 month Libor plus a spread ranging from 20 to 325 basis points.

**** Expected static pool credit losses include actual incurred losses plus projected net credit losses divided by the original balance of the oustandings comprising the securitizations pool.

At December 31, 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Carrying amount/fair value of retained interests	$12,488	$418,896	$31,491	$19,887	$12,531
Weighted-average life (in years)	1.1	1.5 - 2.2	2.5 - 2.8	5.2	3.8 - 4.0
Prepayment speed assumption (CPR - annual rate)	15.0%	33.4% - 47.9%	25.9% - 29.2%	14.7%	17.6% - 19.7%
Impact on fair value of 10% adverse change	($6)	($20,112)	($726)	($943)	($421)
Impact on fair value of 20% adverse change	($12)	($37,291)	($1,327)	($1,810)	($790)
Expected credit losses****	3.6%	0.6% - 2.6%	8.8% - 12.8%	N/A	1.0% - 1.2%
Impact on fair value of 10% adverse change	($398)	($13,149)	($3,217)	N/A	($579)
Impact on fair value of 20% adverse change	($797)	($26,266)	($6,386)	N/A	($1,152)
Residual cash flows discount rate (annual rate)	6.5%	13.0%	13.0%	10.2%	13.1%
Impact on fair value of 10% adverse change	($62)	($10,618)	($1,130)	($607)	($823)
Impact on fair value of 20% adverse change	($122)	($20,590)	($2,177)	($1,182)	($1,543)
Interest rates on variable and adjustable contracts	*****	*	**	N/A	***
Impact on fair value of 10% adverse change	($676)	($18,448)	($299)	N/A	($27)
Impact on fair value of 20% adverse change	($1,352)	($36,511)	($590)	N/A	($48)

* Variable pass through: 1 month Libor plus a spread ranging from 6 to 30 basis points.
Variable collateral: 1 month Libor plus an average spread ranging from 354 to 392 basis points.

** Variable pass through: 1 month Libor plus a spread of 10 basis points.

*** Variable pass through: 1 month Libor plus a spread ranging from 20 to 325 basis points.

**** Expected static pool credit losses include actual incurred losses plus projected net credit losses divided by the original balance of the oustandings comprising the securitizations pool.

***** Variable pass through at Tier 1 Commercial Paper rates.

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These sensitivities are hypothetical and should be used with caution. As the figures indicate, changes in fair value based on a 10% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, in this table, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another, which could magnify or counteract the sensitivities.

The following summarizes quantitative information about delinquencies and credit losses associated with securitized assets and other assets managed at December 31, 2007 and 2006

At December 31, 2007:

Type of Loan	Total Amount of Loans	Delinquent Principal Over 60 Days	Credit Losses (Net of Recoveries)
Government insured mortgage loans	$ 751,037	$ 480,649	$ 3,137
Home equity lines and loans	11,820,656	266,626	102,310
High loan-to-value loans	336,410	14,519	11,941
Non-conforming jumbo first mortgage loans	3,856,775	73,878	614
Other first mortgage loans	303,062	25,120	907
Conforming first mortgage loans	1,376,667	67,191	7,747
Total mortgage loans owned or securitized	$ 18,444,607	$ 927,983	$ 126,656
Less:			
Loans securitized	(14,738,311)	(84,437)	(111,492)
Loans held for sale or securitization	(2,382,949)	(613,127)	(14,275)
Total mortgage loans held for investment	$ 1,323,347	$ 230,419	$ 889

At December 31, 2006:

Type of Loan	Total Amount of Loans	Delinquent Principal Over 60 Days	Credit Losses (Net of Recoveries)
Government insured mortgage loans	$ 741,907	$ 437,069	$ 4,717
Home equity lines and loans	11,658,636	113,940	35,262
High loan-to-value loans	395,427	13,247	13,871
Non-conforming jumbo first mortgage loans	4,954,766	38,796	(69)
Other first mortgage loans	365,722	29,286	622
Conforming first mortgage loans	1,577,061	40,310	607
Total mortgage loans owned or securitized	$ 19,693,519	$ 672,648	$ 55,010
Less:			
Loans securitized	(15,251,944)	(124,462)	(39,074)
Loans held for sale or securitization	(4,387,668)	(546,991)	(14,486)
Total mortgage loans held for investment	$ 53,907	$ 1,195	$ 1,450

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7. OFF-BALANCE SHEET FACILITIES

During 2006 and a portion of 2007, the Company utilized two off-balance sheet facilities that it owned to finance mortgage loans prior to their securitization or permanent sale to investors. These facilities were QSPEs and were not consolidated within the Company's financial statements. The Company was required to repurchase any ineligible loans sold to the facilities in the event a breach of representations and warranties occurred. In addition, the Company maintained a right to service the mortgage loans held by each facility and upon the sale of the mortgage loans to the ultimate investors. As servicer, the Company received a monthly servicing fee (and excess service fee, if applicable). Additionally, as servicer, the Company was required to advance payments due from borrowers, which had not been received, as of specified cut-off dates. The Company also performed certain accounting, secondary marketing, and administrative services on behalf of the facilities. During 2007 both off-balance sheet facilities were terminated, and are no longer being utilized.

Walnut Grove Funding Inc. ("Walnut Grove") was a QSPE which financed home equity loans, home equity lines of credit and HLTV mortgage loans prior to securitization. The QSPE purchased these loans from the Company through the issuance of certificates of beneficial interest, the majority of which were owned by a commercial bank's funding conduit. Certain beneficial interests were retained by the Company and were included within investments, trading on the accompanying consolidated balance sheets. The owners of the beneficial interests bore the risk of loss on defaulted mortgage loans. This QSPE was owned by the Company. Walnut Grove held approximately $0 and $294,300 in mortgage loans as of December 31, 2007 and 2006, respectively. Walnut Grove issued certificates of beneficial interest of $0 and $275,442, of the permitted maximum amount of $0 and $900,000 as of December 31, 2007 and 2006, respectively.

Horsham Funding Inc. ("Horsham") was a QSPE used to finance defaulted government insured or guaranteed residential mortgage loans the Company had repurchased from Ginnie Mae. The QSPE funded the purchase of the loans from the Company through financing obtained from two bank-sponsored asset-backed commercial paper conduits. In connection with this financing, the Company retained certain subordinated interests, which were included within investments, trading on the accompanying consolidated balance sheets. Loans were held by the QSPE until they were settled by an insurance claim paid by FHA or VA or in the event the loans became current, they were repurchased through the exercise of a conditional call retained by the Company. This QSPE was owned by the Company. Horsham held approximately $0 and $108,782 in mortgage loans as of December 31, 2007 and 2006, respectively. Horsham issued interests of $0 and $102,401 of the permitted maximum amount of $0 and $200,000 as of December 31, 2007 and 2006, respectively.

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8. MORTGAGE LOANS HELD FOR SALE

Mortgage loans held for sale, net of deferred origination fees and costs, servicing released premiums, and other premiums and discounts, consist of the following as of December 31:

	2007	2006
First mortgages:		
Conforming	$ 1,166,837	$ 1,573,278
Government	569,079	632,429
Non-conforming	228,039	1,283,308
Home equity:		
Lines of credit	235,268	371,267
Loans	127,502	416,473
Non-conforming - HLTV	56,224	98,078
Other loans:		
Construction	-	12,835
Total	$ 2,382,949	$ 4,387,668

The Company sells its one to four unit first mortgage loan inventory to a variety of investors. Conforming fixed rate and adjustable rate first mortgages are primarily sold as agency (Fannie Mae, Freddie Mac or Ginnie Mae) mortgage-backed securities. Non-conforming fixed and adjustable rate first mortgages are sold as whole loans to private investors or through private securitization transactions in which the Company may retain a certificated interest-only or principal-only security. The Company sells its home equity loans and lines of credit as either whole loans to private investors or through private securitization transactions in which it generally retains an uncertificated interest-only security.

The Company lends to consumers for the purposes of acquiring land and constructing residential homes. The Company's primary intent for administering the program is to obtain the permanent financing upon completion of construction.

The Company has pledged mortgage loans held for sale against certain borrowings (see Note 13) and against obligations relating to certain HLTV securitizations (see Note 20).

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9. LENDING RECEIVABLES

Lending receivables consist of the following as of December 31:

	2007	2006
Warehouse lending receivables	$ 182	$ 1,351
Allowance for losses	-	(18)
Total	$ 182	$ 1,333

The following is a summary of the activity in the allowance for losses for lending receivables:

	2007	2006
Balance at January 1,	$ 18	$ 1,842
Provisions	(18)	(1,824)
Balance at December, 31	$ -	$ 18

The Company extended warehouse lines of credit to mortgage correspondents in order to finance the origination of residential mortgage loans. The lines of credit are collateralized by the underlying mortgage loans and bear interest at variable rates. During 2007, the majority of the warehouse lending operation was transferred to the Bank. There were no warehouse lending receivables 60 or more days delinquent as of December 31, 2007 and 2006.

The Company has a participation agreement with the Bank, whereby the Company purchases lending receivables from individual borrowers that exceed the Bank's legal lending limits. Payments on the borrower's outstanding lines of credit are applied against the Company's participation agreement balance in advance of the Bank's lending receivable balance. The Company did not hold any lending receivables purchased as a result of the participation agreement at either December 31, 2007 or 2006. Associated with the participation agreement, the Company deposited $10,000 at the Bank as collateral against any obligations arising from daily participation activity at December 31, 2007 and 2006, respectively. The Bank also acts as servicer for the Company's lending receivables and therefore the Company deposited $10,000 with the Bank in conjunction with providing this service.

The Company has pledged lending receivables against certain borrowings (see Note 13).

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10. MORTGAGE LOANS HELD FOR INVESTMENT

Mortgage loans held for investment consist of the following as of December 31:

	2007	2006
First mortgages:		
Conforming	$ 213,646	$ 3,783
Non-conforming	319,639	2
Government	183,891	712
Second mortgages:		
Lines of credit	217,605	47
Loans	298,775	19,301
Non-conforming - HLTV	91,608	4,300
Reverse mortgages	35,959	39,423
Allowance for losses	(37,776)	(13,661)
Total	$ 1,323,347	$ 53,907

The following is a summary of the activity in the allowance for losses for mortgage loans held for investment:

	2007	2006
Balance at January 1,	$ 13,661	$ 11,398
Provisions	25,004	3,019
Charge-offs	(1,837)	(769)
Recoveries	948	13
Balance at December, 31	$ 37,776	$ 13,661

The Company originates and holds in its portfolio interest-only mortgage loan products. These are first mortgage loan products that allow for payments of interest only for a fixed period of time, whereas traditional mortgage products provide for payments of interest and principal. At the end of the interest-only period, the payment adjusts to include principal and interest payments, and thus significantly increase. The Company had $167,588 of interest-only first mortgage loans classified as held for investment at December 31, 2007. There were no interest only loans held for investment at December 31, 2006.

The Company invests in loans collateralized by property in all fifty states. The five largest state concentrations based on unpaid principal balance are as follows: California (9%), Florida (3%), Texas (3%), Michigan (3%), and New York (2%), aggregating approximately 20% of the portfolio. The risk inherent in such concentrations is dependent not only upon regional and general economic stability that affects property values, but also on the financial well being and creditworthiness of the borrowers.

At December 31, 2007 and 2006, the unpaid principal balance of loans 60 or more days delinquent was $230,418 and $1,195, respectively. The Company recognized provision expense of $25,004 and $3,019 for the years ended December 31, 2007 and 2006, respectively.

The Company has pledged mortgage loans held for investment against certain borrowings (see Note 13).

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11. MORTGAGE SERVICING RIGHTS

The following summarizes the Company's activity related to mortgage servicing rights carried at fair value:

	2007	2006
Estimated fair value at January 1	$ 3,752,733	3,056,471
Additions obtained from sales of mortgage loans	1,106,906	1,152,702
Additions from purchases of servicing assets	9,291	11,780
Sale of excess service fees	(563,709)	-
Changes in fair value:		
Due to changes in valuation inputs or assumptions used in the valuation model	(668,739)	(5,750)
Other changes in fair value	(241,356)	(462,470)
Estimated fair value at December 31	$ 3,395,126	$ 3,752,733

Originated additions include acquisitions of mortgage servicing rights via the Company's loan origination activities in the correspondent/broker, retail and direct channels. Purchased additions generally consist of bulk acquisitions of servicing rights. Changes in fair value due to changes in valuation inputs or assumptions used in the valuation models include all changes due to a revaluation by a model or by a benchmarking exercise. This line item also includes changes in fair value due to a change in valuation assumptions and/or model calculations. Other changes in fair value primarily include the accretion of the present value of the discount related to forecasted cash flows and the economic run-off of the portfolio.

In accordance with SFAS No. 156, the Company has elected to subsequently measure servicing assets and liabilities at fair value and report changes in fair value in earnings in the period in which the changes occur (see Note 3).

The components of servicing fees were as follows for the years ended December 31, 2007 and 2006:

	2007	2006
Contractual servicing fees (net of guarantee fees and including subservicing)	$ 1,000,568	$ 916,010
Late Fees	87,783	74,045
Ancillary fees	49,605	61,343
Total	$ 1,137,956	$ 1,051,398

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During 2007, the Company exchanged certain excess service fees included within capitalized mortgage servicing rights for stripped mortgage backed securities issued by agencies. The excess servicing fees related to mortgage loans with a scheduled principal balance of approximately $51,130,117. The Company retained its rights as primary servicer associated with these loans. The stripped mortgage backed securities were then sold into the secondary market, with the gain on these securities recognized in gain on investments in the accompanying consolidated statement of income.

Note 19 provides the unpaid principal balance, weighted average coupon, weighted average maturity and weighted average servicing fee of the portfolio of loans underlying the Company's mortgage servicing rights.

The Company has pledged mortgage servicing rights against certain borrowings (see Note 13).

At December 31, 2007 and 2006, key economic assumptions and the sensitivity of the current fair value of mortgage servicing rights to immediate 10 and 20 percent adverse changes in those assumptions are as follows:

	2007	2006
Carrying amount of mortgage servicing rights	$ 3,395,126	$ 3,752,733
Weighted-average life (in years)	4.4	4.5
Prepayment speeds (constant prepayment rate) (1):	18.6%	15.6%
Impact on fair value of 10% adverse change	$ (198,103)	$ (192,036)
Impact on fair value of 20% adverse change	$ (376,855)	$ (350,944)
Discount rate (2):	8.4%	8.5%
Impact on fair value of 10% adverse change	$ (46,588)	$ (36,090)
Impact on fair value of 20% adverse change	$ (81,451)	$ (71,237)

(1) represents the weighted average prepayment rate for the life of the mortgage servicing right asset using the Company's OAS/Monte Carlo simulation across 200 interest rate paths.

(2) represents a discount rate imputed from the cash flows generated from the Company's OAS/Monte Carlo simulation across 200 interest rate paths.

These sensitivities are hypothetical and should be used with caution. As the figures indicate, changes in fair value based on a 10% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value of the mortgage servicing rights is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another, which could magnify or counteract the sensitivities.

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12. PROPERTY AND EQUIPMENT

Property and equipment is included within other assets on the accompanying consolidated balance sheets and consists of the following as of December 31:

	2007	2006
Furniture and fixtures	$ 151,963	$ 159,670
Leasehold improvements	66,230	60,966
Capitalized software/web development	80,603	98,998
	298,796	319,634
Less: Accumulated depreciation	(226,446)	(243,397)
Total	$ 72,350	$ 76,237

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which range from two to ten years. Depreciation and amortization expense was $21,848 and $24,758 for the years ended December 31, 2007 and 2006, respectively. See Note 20 for obligations under operating leases.

The Company accounts for expenditures related to software development in accordance with the SOP 98-1, *Accounting for the Costs of Computer Software Developed or Obtained for Internal Use*. SOP 98-1 defines internal use software as software that is acquired, internally developed or modified solely to meet an entity's internal needs. In accordance with SOP 98-1, direct software development costs associated with the design, construction and improvements of internal systems are capitalized. Capitalized software development is then amortized on the straight-line basis when the software is ready for its intended use. Software expenditures that are considered general, administrative or of a maintenance nature are expensed as incurred.

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13. BORROWINGS

Borrowings consist of the following as of December 31:

	2007		2006	
	Outstanding Balance	Weighted Average Rate	Outstanding Balance	Weighted Average Rate
Affiliate borrowings	$ 4,078,398	9.11%	$ 4,114,680	8.28%
Other borrowings:				
Short-term:				
Repurchase agreements	1,553,350		1,827,474	
Secured revolving notes	-		1,402,907	
Variable funding notes	436,959		576,336	
Other	1,444,000		1,275,000	
Investor custodial funds	-		131,710	
Total short-term	3,434,309	6.35%	5,213,427	5.84%
Total other borrowings	3,434,309		5,213,427	
Total	$ 7,512,707	7.84%	$ 9,328,107	6.91%

The Company has a $7,000,000 unsecured credit facility with RHC. The interest rate under this agreement fluctuates monthly and is a stated margin, agreed to between the Company and RHC, which is generally between 100 and 300 basis points above a quoted short-term market rate. Interest is paid monthly and the credit facility is payable upon demand. The Company incurred interest expense on this agreement of $371,388 and $340,582 for the years ended December 31, 2007 and 2006, respectively.

The Company has entered into repurchase agreements with various counterparties in order to finance certain investments, available for sale, investments, trading, and mortgage loans held for sale. These repurchase agreements do not have stated maturity dates and can be terminated at anytime by the Company or the counterparty. In addition, the debt is reset every 30 days and can be reset at any time at the request of either party. The Company incurred interest expense under these arrangements of $102,522 and $98,580 for the years ended December 31, 2007 and 2006, respectively.

The Group sponsored MINT, a multi-seller commercial paper and extendible note conduit, which provided each of the Group's subsidiaries, including the Company, with financing for loans and receivables prior to sale or securitization to permanent investors. The Company used a series of wholly-owned consolidated bankruptcy remote special purposes entities to purchase loans and receivables from the Company and to finance senior participation interests in the assets. MINT then provided financing for the senior participation interests in the form of secured revolving notes. The MINT program was terminated in December 2007. The Company incurred interest expense on the secured revolving notes of $72,818 and $142,980 during the years ended December 31, 2007 and 2006, respectively.

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MINT I, LLC was created during the second quarter of 2007. MINT I is an on-balance sheet facility that provides the Company with financing for mortgage loans prior to sale or securitization and for warehouse lending receivables. MINT I obtains financing through the issuance of extendable notes, which are secured by the mortgage loans and warehouse receivables. As of December 31, 2007, MINT I had uncommitted liquidity of $25,000,000, with no extendable notes outstanding. Due to the lack of investor appetite for mortgage-backed commercial paper, and extendable notes in particular, MINT I stopped issuing extendable notes during the third quarter and it is unclear whether the Company will be able to use this program in the future. The underlying collateral has either been moved to other existing sources of liquidity or sold to third-party investors. The Company incurred interest expense on the secured revolving notes of $11,614 during the year ended December 31, 2007.

The Company participates in revolving funding programs in which it issues variable funding notes. Until August 2007 certain of the variable funding notes were held by an affiliate, RHC. In August 2007 those notes were sold to a third party. The notes are collateralized by certain mortgage loans held for sale and accounts receivable. The Company incurred interest expense on these variable funding notes of $29,435 and $34,151 during the years ended December 31, 2007 and 2006, respectively.

The Company has entered into secured, short term borrowing agreement with two commercial lenders, which are collateralized by certain mortgage servicing rights. The amount outstanding under the agreements was $1,444,000 and $1,275,000 as of December 31, 2007 and 2006, respectively. The Company incurred interest expense on this borrowing agreement of $94,273 and $62,083 during the years ended December 31, 2007 and 2006, respectively.

Certain investors in loans serviced by the Company permit custodial funds to be used by the Company in its daily operations prior to their remittance to the investors. The amounts of custodial funds that may be utilized in operations are subject to certain limitations. In order to remain eligible to use these custodial funds, the Company must meet certain net worth, operational and other requirements. These arrangements were terminated during 2007.

The Company had unsecured lines of credit with two third party banks permitting the Company to borrow a maximum aggregate of $2,000 as of December 31, 2007 and 2006. Generally, loans under the lines of credit have a term of 30 days. The lines are generally renewable at the discretion of the third party banks. The Company incurred interest expense on these lines of credit of $0 and $22 for the years ended December 31, 2007 and 2006, respectively.

The Company uses certain assets as collateral in borrowing transactions. The Company does not record these transactions as sales and all amounts are reflected in the accompanying consolidated financial statements, including changes in value as appropriate. Certain of the Company's borrowing arrangements allow the lender, to varying degrees, to revalue the collateral to values that the lender considers to reflect market values. If a lender determines that the value of the collateral has decreased, it may initiate a margin call requiring the Company to post additional collateral to cover the decrease.

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The following table indicates the balance sheet classification of pledged assets, the amount of assets that have been pledged, and the associated borrowing facility as of December 31:

Asset	2007	2006	Borrowing
Investments, trading	$ 257,320	$ 1,595,292	Repurchase agreements
Accounts receivable	104,146	88,015	Variable funding notes
Accounts receivable	-	15,053	Repurchase agreements
Mortgage loans held for sale	-	1,458,150	Secured revolving notes
Mortgage loans held for sale	-	499,068	Variable funding notes
Mortgage loans held for sale	1,231,090	566,615	Repurchase agreements
Mortgage loans held for investment	355,415	-	Variable funding notes
Mortgage loans held for investment	495,532	-	Repurchase agreements
Mortgage servicing rights	2,554,225	2,447,084	Other
Total	$ 4,997,728	$ 6,669,277	

The assets that were pledged as collateral in the preceding table include assets that can be sold or repledged by the secured party. The assets that could be sold or repledged were as follows as of December 31:

	2007	2006
Investments, trading	$ 257,320	$ 1,595,292
Mortgage loans held for sale	1,231,090	566,615
Mortgage loans held for investment	495,532	-
	$ 1,983,942	$ 2,161,907

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14. OTHER LIABILITIES

Other liabilities consist of the following as of December 31:

	2007	2006
Loan purchases payable	$ 854,369	$ 588,247
Due to investment bankers	582,765	196,545
Other reserves	161,477	72,528
Due to investors	98,769	90,420
Derivatives at fair value	66,965	46,720
Accounts payable to affiliates	46,876	51,246
Issued checks awaiting presentment	42,599	54,129
Accrued compensation	39,206	55,358
Restructuring	30,300	-
Accrued expenses	28,191	32,955
Due to mortgagors	15,840	14,976
Interest payable	9,982	15,870
Deferred income tax	9,121	9,968
Other payables	4,876	12,973
Total	$ 1,991,336	$ 1,241,935

In October 2007, ResCap announced a restructuring plan that would reduce its workforce, streamline operations, and revise its cost structure. As a result of this restructuring plan, the Company has incurred pre-tax restructuring costs related to severance and related costs associated with the workforce reduction of $26,951 and contract termination costs related to closure of facilities of $19,809.

The following table summarizes by category the Company's restructuring charge activity for the period ended December 31, 2007:

	Liability Balance at January 1, 2007	Restructuring Charges Through December 31, 2007	Cost paid or Otherwise Settled Through December 31, 2007	Liability Balance at December 31, 2007
Restructuring Charges:				
Employee severance	$ -	$ 26,951	$ (12,304)	$ 14,647
Lease terminations and fixed asset write-offs	-	19,809	(4,156)	15,653
Total	$ -	$ 46,760	$ (16,460)	$ 30,300

CONFIDENTIAL EXAM00234095

15. ALLOWANCE FOR LOSSES ON LOANS SOLD WITH RECOURSE

The Company's outstanding recourse obligations are summarized as follows as of December 31:

	2007	2006
Remaining principal balance on loans sold with recourse	$ 136,375	$ 205,542
Maximum exposure on loans sold with recourse:		
Full	$ 127,191	$ 189,457
Limited	8,256	11,729
Total	$ 135,447	$ 201,186
Reserve for losses	$ 197	$ 219

The maximum recourse exposure shown above is net of amounts reinsured with mortgage insurance companies, which totaled $598 and $679 as of December 31, 2007 and 2006, respectively. The Company periodically reviews the financial position of the mortgage insurance companies and is satisfied with their ability to perform under the agreements. Provisions for losses of $(12) and $124 were recognized in the years ended December 31, 2007 and 2006, respectively.

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16. REINSURANCE ARRANGEMENTS

A subsidiary of the Company has entered into excess layer reinsurance agreements with seven non-affiliated private mortgage insurance ("PMI") companies that provide PMI for the Company's mortgage loan servicing portfolio. The subsidiary assumes the risk of loss over a specified first loss percentage for covered loans and in return earns a portion of the PMI premium associated with those mortgage loans. The first loss layer is equal to the risk in force multiplied by the weighted average of the first loss percentages based on the percentage of the original loan principal of the loans in each book. The total original principal amount covered by the reinsurance agreements is $51,310,787 and $45,689,215 and the total active original principal amount is $17,080,018 and $14,130,881 as of December 31, 2007 and 2006, respectively.

Assumed premiums written and earned are summarized as follows for the years ended December 31, 2007 and 2006:

	2007	2006
Premiums assumed	$ 40,062	$ 33,634
Change in unearned premiums	(232)	(60)
Premiums earned	$ 39,830	$ 33,574

The subsidiary of the Company assumes mortgage insurance policies from private mortgage insurance companies which are guaranteed renewable contracts at the insured's option on a single, monthly or annual premium basis. The ceding company has no ability to re-underwrite or re-price these contracts once a book of business has been established. Premiums written are earned over the policy term and are included within other income on the accompanying consolidated statements of operation.

The Company establishes a liability for insured events, which included estimates of future payments of loss and related loss adjustment expenses. The Company reserves for loss and loss adjustment expenses when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted. There were no loss or loss adjustment expense reserves at December 31, 2007 and 2006.

CONFIDENTIAL EXAM00234097

17. INCOME TAXES

In November 2006, GMAC elected to be treated as a multi-member LLC to be taxed as a partnership for federal income tax purposes. At the same time, the Company and the majority of its subsidiaries, having converted to single member LLC's during the year, elected to be treated as disregarded entities for tax purposes. As a result, the Company's net deferred tax liability was reversed resulting in an income tax benefit of $795,176. Subsequent to the tax conversion date, income taxes are accrued at the member level with the exception of estimated minimal amounts of state income taxes related to states that do not statutorily adopt the federal income tax consequences of the LLC conversion. For all non-converting subsidiaries, income taxes have been accrued at the applicable federal and state statutory income tax rates.

The following summarizes the Company's significant components of income tax expense (benefit) for the years ended December 31:

	2007	2006
Income tax provision/(benefit):		
Current:		
Federal	$ 16,773	$ (276,764)
State	1,202	9,737
	17,975	(267,027)
Deferred:		
Federal	105	(441,565)
State	(1,418)	(71,832)
	(1,313)	(513,397)
Total	$ 16,662	$ (780,424)

CONFIDENTIAL EXAM00234098

The following summarizes the Company's tax effect of temporary differences that give rise to deferred tax assets and liabilities for the years ended December 31:

	2007	2006
Deferred tax assets:		
Accruals not currently deductible	$ 491	$ 464
Depreciation	93	134
Allowance for loan loss	119	91
Basis difference in mortgage loans and securities	342	48
Securitization activity	500	-
Loss carryforwards - State	3,805	-
Other	-	196
Gross deferred tax assets	5,350	933
Valuation allowance	(3,805)	-
Net deferred tax assets	$ 1,545	$ 933
Deferred tax liabilities:		
Mortgage servicing rights	$ 10,200	$ 10,060
Available for sale securities	466	-
Securitization activity	-	496
Amortization of intangibles	-	345
Total deferred tax liabilities	$ 10,666	$ 10,901
Net deferred tax liability	$ (9,121)	$ (9,968)

At December 31, 2007, the valuation allowance is attributable to state tax net operating losses generated from December 1, 2006 through December 31, 2007. The net operating loss carryforward is $1,069,585 in certain states that impose an income tax on limited liability companies. The state net operating loss carryforwards expire in the years 2012-2027.

A valuation allowance has not been established against any of the Company's remaining deferred tax assets because the Company has determined that it is more likely than not that all such tax assets will be realized.

CONFIDENTIAL EXAM00234099

The following reconciles the statutory federal income tax expense (benefit) and rate to the effective income tax expense (benefit) and rate:

	2007		2006	
	Amount	Percent	Amount	Percent
Computed income tax expense (benefit)	$ (235,625)	35.00	$ (45,605)	35.00
Difference resulting from:				
Impact of LLC losses not subject to federal tax benefit	187,936	(27.92)	22,775	(17.48)
Goodwill	61,854	(9.19)	-	-
LLC conversion deferred tax write-off	-	-	(795,176)	610.26
State income tax expense of LLC's with no federal benefit	(3,999)	0.59	9,756	(7.49)
State income taxes, net of federal tax benefits	-	-	26,427	(20.28)
Impact of foreign operations	1,301	(0.19)	984	(0.76)
Valuation reserve	3,805	(0.56)	-	-
Other - net	1,390	(0.21)	415	(0.31)
Total income tax provision (benefit)	$ 16,662	(2.48)	$ (780,424)	598.94

CONFIDENTIAL EXAM00234100

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

SFAS Nos. 107 and 133 require the disclosure of fair values of all assets and liabilities classified as financial, off-balance sheet and derivative financial instruments. The Company estimates fair value amounts through the use of available market information and appropriate valuation methodologies.

The estimated fair values of the Company's assets and liabilities classified as financial instruments as of December 31 consists of the following:

	2007		2006	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents	$ 126,779	$ 126,779	$ 84,591	$ 84,591
Investments, trading	595,962	595,962	1,772,604	1,772,604
Investments, available for sale	150,194	150,194	151,492	151,492
Mortgage loans held for sale	2,382,949	2,398,561	4,387,668	4,447,677
Lending receivables	182	182	1,333	1,333
Mortgage loans held for investment	1,323,347	1,247,799	53,907	53,907
Derivatives	949,391	949,391	215,723	215,723
Total asset financial instruments	$ 5,528,804	$ 5,468,868	$ 6,667,318	$ 6,727,327
Liabilities:				
Affiliate borrowings	$ 4,078,398	$ 4,078,398	$ 4,114,680	$ 4,114,680
Other borrowings	3,434,309	3,434,309	5,213,427	5,213,427
Derivatives	66,965	66,965	46,720	46,720
Total liability financial instruments	$ 7,579,672	$ 7,579,672	$ 9,374,827	$ 9,374,827

Investments, trading and available for sale – See Notes 4, 5, and 6 for the methodology used in estimating fair value.

Mortgage loans held for sale – The fair values of these financial instruments were based upon actual prices received on recent sales of mortgage loans and securities to investors, where feasible. When sales information is not readily available, fair value is based on prices received for similar asset sales. Otherwise, internal pricing is developed utilizing investor indicators which consider interest rate, loan type, and credit quality, among other factors.

Lending receivables – The fair value of warehouse lending receivables were determined to be their carrying value due to their short-term nature.

CONFIDENTIAL EXAM00234101

Mortgage loans held for investment - The estimated fair value of these financial instruments is based on discounted cash flows using interest rates currently being offered for loans with similar terms to borrowers with similar credit quality; the net realizable value of collateral and/or estimated sales price is based on quoted market prices where available or actual prices received on comparable sales of mortgage loans to investors, adjusted for management estimates to reflect the unique characteristics of the underlying loans.

Borrowings – The fair value of short-term borrowings were determined to be their carrying value.

Derivatives - The estimated carrying amounts and fair values of the Company's derivative financial instruments as of December 31 consist of the following:

	2007		2006	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Derivative Assets:				
Derivatives used for risk management of:				
Mortgage servicing rights	$ 900,455	$ 900,455	$ 195,098	$ 195,098
Mortgage loans held for sale and commitments to purchase/originate mortgages	6,145	6,145	20,625	20,625
Commitments to purchase/originate mortgages	17,897	17,897	-	-
Market value swap with affiliate on mortgage servicing rights	24,894	24,894	-	-
Total derivative assets	$ 949,391	$ 949,391	$ 215,723	$ 215,723
Derivative Liabilities:				
Derivatives used for risk management of:				
Mortgage servicing rights	$ -	$ -	$ 26,286	$ 26,286
Mortgage loans held for sale and commitments to purchase/originate mortgages	42,247	42,247	2,881	2,881
Commitments to purchase/originate mortgages	15,742	15,742	17,553	17,553
Market value swap with affiliate on mortgage servicing rights	191	191	-	-
Other derivatives				
MINT I market value swap	8,785	8,785	-	-
Total derivative liabilities	$ 66,965	$ 66,965	$ 46,720	$ 46,720

CONFIDENTIAL EXAM00234102

The Company's risk management objectives are to minimize market risk and cash flow volatility associated with interest rate, prepayment, and basis risks related to certain assets and liabilities. Derivative financial instruments are used as part of the Company's risk management policy to manage risk related to specific groups of assets and liabilities, including mortgage loans held for sale and mortgage servicing rights. In addition, the Company holds derivative instruments such as commitments to purchase or originate mortgage loans that it has entered into in the normal course of business. The following summarizes the Company's derivative activity:

Mortgage servicing rights - The Company has identified the primary risk associated with holding capitalized mortgage servicing rights as the risk of impairment loss due to a change in the fair value caused by changes in interest rates. In order to manage this risk, the Company has entered into a combination of derivative contracts. These derivatives include interest rate caps and floors, futures options, futures, mortgage-backed security options, interest rate swaps and swaptions. The maturities of these instruments range between six months and twenty years. The Company has entered into written options on treasury futures for notional amounts lower than purchased options on futures. The purchased option coverage is at a strike price less than or equal to the corresponding written option coverage, thereby mitigating the Company's loss exposure. The Company is required to deposit cash in margin accounts maintained by counterparties for unrealized losses on futures contracts. Deposits in margin accounts were $10,293 and $32,954 at December 31, 2007 and 2006, respectively, and are included within accounts receivable in the accompanying consolidated balance sheets.

The derivative contracts contain an element of risk in the event that the counterparties may be unable to meet the terms of such agreements. The Company minimizes its risk exposure by limiting the counterparties to those major banks, investment bankers and private investors who meet established credit and capital guidelines. In the event the counterparties were unable to fulfill their obligations, the Company would not incur any material loss by replacing the position at market rates in effect on December 31, 2007 and 2006. The Company does not expect any counterparty to default on their obligations. In order to further mitigate the risk of counterparty default, the Company has entered into several collateral agreements with counterparties to its mortgage servicing rights derivatives. The agreements require both parties to maintain cash on deposit in the event the fair values of the derivatives meet established thresholds. Deposits in these collateral accounts consisted of $565,486 and $178,864 at December 31, 2007 and 2006, respectively, in cash received by the Company from counterparties, which was included within other liabilities on the accompanying consolidated balance sheets.

Mortgage loans held for sale and commitments to purchase/originate mortgages - The Company uses derivative financial instruments to manage its exposure to risk associated with certain of its mortgage loans held for sale and commitments to purchase/originate conforming first mortgages. Prior to the mortgage funding, the Company often enters into an interest rate lock commitment with borrowers whereby the Company commits to a particular interest rate, provided the borrower elects to close the loan. After the loans are funded, the Company's mortgage loans held for sale are sold into the secondary mortgage market to various investors, primarily as mortgage-backed securities sponsored by Fannie Mae, Freddie Mac and Ginnie Mae. Mortgage loans that are not eligible for an agency sponsored securitization are sold through public or private securitization transactions or in whole loan sales. During the time between the loan's funding or interest rate lock commitment and its sale to the secondary market, the Company is exposed to certain risks. The primary risk associated with its locked pipeline (loans with interest rate lock commitments not yet closed) and warehouse (closed loans) is a decrease in the fair value of the loans due to an unfavorable fluctuation in interest rates. The Company's primary strategy to protect against this risk is selling loans or mortgage-backed securities forward to investors using mandatory and optional forward commitments.

CONFIDENTIAL EXAM00234103

According to SFAS No. 133, interest rate lock commitments are specifically prohibited from being designated as a hedged asset in a fair value hedging relationship. However, in accordance with SFAS No. 149, *Amendment of Statement 133 on Derivative Instruments and Hedging Activities,* certain loan commitments to purchase or originate mortgages have been defined as derivatives. In accordance with SAB No. 105, subsequent changes in the fair value of the loan commitment from the time of the interest rate lock are recognized as assets or liabilities, with a corresponding adjustment to current period earnings. The determination of the change in fair value does not include an estimate of the future mortgage servicing right that will arise when the loan is sold.
Included within commitments to purchase/originate mortgages are loans in pipeline of $3,804,496 and $1,554,482 and with carrying amounts of $4,141 and $(3,476) and closed loans of $2,032,216 and $895,955 with carrying amounts of $7,196 and $(3,711) as of December 31, 2007 and 2006, respectively. The Company has agreed to purchase these loans from GMAC Bank.

As of December 31, 2007 and 2006, the Company had forward delivery commitments to sell mortgages and/or mortgage-backed securities into mandatory delivery contracts with investment bankers, private mortgage investors and agency mortgage-backed securities, as well as options and futures contracts outstanding on U.S. Treasury securities and Eurodollar futures. The Company is required to deposit cash in margin accounts maintained by counterparties for unrealized losses on futures contracts. Deposits in margin accounts were $20,984 and $12,971 at December 31, 2007 and 2006, respectively, and are included within other assets in the accompanying consolidated balance sheets.

Except as discussed above, the Company is not required to satisfy margin or collateral requirements for any of the financial instruments enumerated above.

Off-balance sheet financial instruments – The notional amounts and estimated fair values of the Company's off-balance sheet financial instruments as of December 31 are as follows:

	2007		2006	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Unused commitments on home equity lines	$ 2,495,974	$ -	$ 2,741,174	$ -
Unused lending commitments	4,726	-	10,715	-
Total unused commitments	2,500,700	-	2,751,889	-
Commitments to originate mortgage loans held for investment	58,896	422	-	-
Total off-balance sheet financial instruments	$ 2,559,596	$ 422	$ 2,751,889	$ -

Unused commitments on home equity lines – The Company has unused commitments available on home equity lines of credit. No value is assigned to unused commitments on home equity lines of credit as they represent commitments to lend at market rates tied to short term indices.

Unused lending commitments – The Company has unused commitments available on construction, warehouse and commercial loans. No value is assigned to unused lending commitments as they represent commitments to lend at market rates tied to short term indices.

Commitments to originate mortgage loans held for investment – The Company has entered into interest rate lock commitments with customers on loans designated as mortgage loans held for investment. As discussed above in Mortgage loans held for sale and commitments to purchase/originate mortgages these commitments are not considered a derivative and as such are not recorded on the consolidated balance sheet. The Company has determined the fair value of these commitments in a manner consistent with the method used to value commitments to purchase/originate mortgages.

CONFIDENTIAL EXAM00234105

19. MORTGAGE LOANS SERVICED

The Company originates and sells loans secured by first and second mortgages on one to four unit residential properties to various investors. The Company generally retains the right to collect the monthly principal and interest payments and perform certain escrow, default and collection services. The Company also purchases the right to service loans originated by others.

The Company's aggregate servicing portfolio consists of the following:

At December 31, 2007:	Number Of Loans	Unpaid Principal Balance	Weighted Average Coupon	Weighted Average Remaining Maturity In Months	Weighted Average Service Fees
First mortgage:					
Conventional fixed	1,386,203	$ 192,836,533	6.10%	294	0.44%
Conventional ARM	224,401	46,988,428	6.81%	349	0.30%
Government	181,184	19,567,665	6.16%	316	0.46%
Other	100,702	52,145,786	6.55%	338	0.22%
Total first mortgage	1,892,490	$ 311,538,412	6.29%	311	0.39%
Home equity lines	260,593	$ 10,841,385	8.10%	220	0.39%
Home equity loans	318,622	15,398,659	9.16%	281	0.39%
Other	12,826	566,209	13.03%	251	0.51%
Reverse mortgages	136	35,959	7.94%	*	
Total second mortgage	592,177	$ 26,842,212	8.81%	256	0.39%
Total portfolio	2,484,667	$ 338,380,624	6.49%	307	0.39%

At December 31, 2006:	Number Of Loans	Unpaid Principal Balance	Weighted Average Coupon	Weighted Average Remaining Maturity In Months	Weighted Average Service Fees
First mortgage:					
Conventional fixed	1,355,330	$ 181,915,231	6.04%	292	0.45%
Conventional ARM	260,836	53,675,669	6.52%	355	0.29%
Government	184,152	19,143,896	5.92%	319	0.47%
Other	108,751	55,313,624	6.40%	344	0.23%
Total first mortgage	1,909,069	$ 310,048,420	6.18%	314	0.38%
Home equity lines	292,399	$ 10,651,512	9.24%	207	0.46%
Home equity loans	337,836	16,437,395	9.36%	286	0.10%
Other	8,430	277,273	14.23%	206	0.25%
Reverse mortgages	160	39,423	7.94%	*	
Total second mortgage	638,825	$ 27,405,603	9.36%	254	0.24%
Total portfolio	2,547,894	$ 337,454,023	6.44%	309	0.37%

* This portfolio consists of reverse mortgages whose maturities are not defined.

The Company is acting as sub-servicer for approximately 243,671 and 328,865 loans with an unpaid principal balance of approximately $52,256,026 and $61,499,097 as of December 31, 2007 and 2006, respectively. These loans are included in the aggregate servicing portfolio on the previous page. The principal balances of the loans serviced for others are not included in the accompanying consolidated balance sheets.

The Company has fiduciary responsibility for related escrow and custodial funds aggregating an average of $4,459,724 and $4,406,744 during the months of December 2007 and 2006, respectively. These funds are segregated in custodial bank accounts that are not included in the assets and liabilities of the Company. Escrow and custodial funds totaling $1,673,386 and $1,367,871 at December 31, 2007 and 2006, respectively, have been deposited at an affiliate, GMAC Bank. As is customary in the mortgage banking industry, certain of these funds may be considered by the banks in which deposited, together with other balances maintained in the banks by the Company, when negotiating credit lines available for the Company's use. An investor in loans serviced by the Company permitted custodial funds to be used by the Company prior to their remittance to the investors during 2006 and a portion of 2007. This arrangement was terminated in 2007 (see Note 13).

As of December 31, 2007, the Company carried fidelity bond coverage of $350,000 and mortgage servicing errors and omission insurance coverage of $100,000. This coverage is provided under a policy that includes other unconsolidated affiliates.

An allowance for foreclosure losses, which is included as an offset to accounts receivable in the accompanying consolidated balance sheets, is recorded for estimated losses to be incurred primarily as a result of the Company's responsibility as a servicer of Ginnie Mae pools. These loans are insured against loss of principal by the FHA or partially guaranteed against loss by the VA. The allowance is determined based on several variables, including the Company's experience, the number of delinquent loans serviced for these investors, length of delinquency and amounts previously advanced on behalf of the borrower that the Company does not expect to recover from either the FHA or the VA.

The Company services loans collateralized by property in all fifty states. The five largest state concentrations based on unpaid principal balance are as follows: California (22%), Florida (6%), New Jersey (5%), Massachusetts (5%), and Michigan (4%), aggregating approximately 42% of the portfolio. The risk inherent in such concentrations is dependent not only upon regional and general economic stability that affects property values, but also on the financial well being and creditworthiness of the borrowers.

CONFIDENTIAL EXAM00234107

20. COMMITMENTS AND CONTINGENCIES

The Company is obligated under non-cancelable operating leases primarily for branch and home office facilities. The future minimum rental payments in each of the five years after December 31, 2007 are as follows:

2008	$ 39,605
2009	28,215
2010	22,463
2011	18,479
2012	17,173
Thereafter	84,826
Total	$ 210,761

For the years ended December 31, 2007 and 2006, net rental expense for office facilities of $37,123 and $37,968 included sublease income of $1,423 and $1,270, respectively.

As of the date of this report, management is not aware of any threatened or pending litigation that would have a potential material impact on the financial statements of the Company.

The Company has entered into agreements to provide credit loss protection for certain HLTV securitization transactions. The maximum potential obligation is equivalent to the pledged collateral amount. The Company pledged mortgage loans held for sale totaling $50,533 and $56,542 as of December 31, 2007 and 2006, respectively. The event, which will require the Company to perform on its guaranty obligation, occurs when the security credit enhancements are exhausted and losses are passed through to Over the Counter (OTC) dealers. The guarantees terminate the first calendar month during which the security aggregate note amount is reduced to zero.

The Company is committed, in the normal course of its servicing and sub-servicing duties, to advance payments due from borrowers, which have not been received, as of specified cut-off dates. These advances may reflect payment of property taxes and insurance premiums in advance of collection from mortgagors, principal and interest payments to investors prior to their collection from mortgagors, and amounts advanced for mortgages in foreclosure. These amounts are included within accounts receivable on the accompanying consolidated balance sheets and total $750,286 and $338,464 as of December 31, 2007 and 2006, respectively. Servicing advances receive priority cash flows, including contractual interest, in the event of foreclosure or liquidation, thus making their collection reasonably assured. The Company maintains a reserve for uncollected servicing advances which totaled $5,181 and $3,211 at December 31, 2007 and 2006, respectively.

The Company invests servicing escrows in highly rated short-term investments. In the event that the investment loses value the Company is responsible for any loss of principal in these escrow funds. The Company has established a liability for a loss in the value of the investments in the amount of $1,746 and $0 as of December 31, 2007 and 2006.

In connection with certain acquisitions, the Company has guaranteed, under certain conditions, payments with a total estimated maximum of $22,073 as of December 31, 2006. There was no liability recorded in connection with these guarantees as of December 31, 2007 and 2006. The guaranty for the most significant acquisition expired in 2007.

CONFIDENTIAL EXAM00234108

During 2007, ResCap entered into an agreement with various third party banks to establish a revolving line of credit. The Company, along with other subsidiaries of ResCap, issued guarantees of repayments of principal and interest (if any) on behalf of ResCap. There was no outstanding balance on these lines as of December 31, 2007.

In connection with ResCap's publicly registered debt offering, the Company, along with other subsidiaries of ResCap, issued guarantees of repayments of notes and related interest and premium (if any) on behalf of ResCap. ResCap has issued $13,606,251 and $10,750,000 under its registration statements that were subject to these guarantees at December 31, 2007 and 2006, respectively. Additionally, ResCap has issued 1,217,800 and 750,000 in euros and 743,920 and 400,000 in sterling under its registration statements that were subject to these guarantees at December 31, 2007 and 2006, respectively.

The Company delivers loans to certain agencies under specific programs which allow for streamlined loan processing and limited documentation requirements. In the event any loans delivered under these programs reach a specified delinquency status, the Company may be required to provide certain documentation, or in some cases, repurchase the loan or indemnify the investor for any losses sustained. Each program includes termination features whereby once the loan has performed satisfactorily for a specified period of time, the Company is no longer obligated under the program. The current principal balance for loans sold under these programs was $6,004,529 and $6,390,481 at December 31, 2007 and 2006, respectively.

The Company guarantees the repayment of debt on behalf of certain affiliated third parties. At December 31, 2007 potential non-payment of principal and related interest is guaranteed for GMAC Financiera and GMAC Hipotecaria for $540,269 of which $370,863 is outstanding and for Residential Funding of Canada ULC in the amount of $507,408 of which $253,704 is outstanding. No liability has been recorded as of December 31, 2007 under these guarantees.

21. RELATED PARTY TRANSACTIONS

The Company had short-term receivables from unconsolidated affiliates of $154,988 and $189,717 included within accounts receivable at December 31, 2007 and 2006, respectively.

The Company sold loans totaling $2,824,424 and $4,485,569 for the years ended December 31, 2007 and 2006, respectively, at prevailing market prices to Residential Funding Company, LLC ("RFC"), an unconsolidated affiliated company. The Company retained the servicing rights associated with these loans. Gains on the sale of these loans totaled $40,716 and $40,308 for the years ended December 31, 2007 and 2006, respectively. The Company sold mortgage-backed securities totaling $3,009,886 and $1,347,311 to RFC during the years ending December 31, 2007 and December 31, 2006, respectively. Gains on sales of these mortgage-backed securities totaled $71 and $1,697 for the years ending December 31, 2007 and December 31, 2006, respectively.

The Company purchased loans, including the related mortgage servicing rights, totaling $12,732,488 and $8,217,590 for the years ended December 31, 2007 and 2006, respectively, at prevailing market prices from RFC.

The Company is acting as a sub-servicer for loans owned by RFC. The Company earned service fee revenue on these loans of $3,941 and $2,251 for the years ended December 31, 2007 and 2006, respectively.

CONFIDENTIAL EXAM00234109

The Company has a contract with GMAC Bank to provide a wide range of administrative services in support of the Bank's operations. These services include, but are not limited to, human resources, legal, treasury, finance and accounting, tax, internal audit, and information technology support. For the years ended December 31, 2007 and 2006, income related to these services amounted to $729 and $4,294, respectively.

The Bank provides administrative services to the Company, in support of warehouse lines of credit originated by the affiliate. For the years ended December 31, 2007 and 2006, expense related to these services amounted to $14 and $3,473, respectively.

The Company acts as sub-servicer for loans owned by GMAC Bank. The Company earned service fee revenue on these loans of $7,140 and $7,256, during the years ended December 31, 2007 and 2006, respectively.

The Company executed a loan sale and purchase agreement with GMAC Bank, whereby the Company purchases and sells first mortgage loans, home equity loans and home equity lines of credit to and from the Bank. The Company purchased $27,591,103 and $29,364,007 in loans from GMAC Bank during the years ended December 31, 2007 and 2006, respectively. During the years ended December 31, 2007 and 2006, the Company sold $12,731,131 and $7,012,407, respectively, of loans to GMAC Bank, and recognized gains on sale of $50,758 and $94,115, respectively.

During 2007 and 2006, GMAC Bank provided loan processing services to the Company for loans originated and purchased by the Company through GMAC Bank's correspondent/broker lender origination channel. The Company recorded loan processing fee expense from these services of $24,331 and $26,004 for the years ended December 31, 2007 and 2006, respectively.

During 2005, the Company entered into a market value swap agreement with GMAC Bank in order to offset the change in value of commitments to originate and purchase first mortgage loans held for investment. For the years ended December 31, 2007 and 2006, the Company recognized income of $2,465 and $12 under this agreement.

During 2007, the Company entered into a market value swap agreement with GMAC Bank in order to offset the change in value of mortgage servicing rights and gains and losses associated with capitalizing mortgage servicing rights. For the year ended December 31, 2007, the company recognized income of $3,918 under this agreement.

The Company contracts with GMAC Bank to provide office space to certain Bank employees. For the years ended December 31, 2007 and 2006, the Company recognized income related to this office space of $3,911 and $5,651, respectively.

During 2006, the Bank provided office space to the Company's employees. The Company incurred rent expense of $15 for the year ended December 31, 2006.

CONFIDENTIAL EXAM00234110

22. EMPLOYEE BENEFIT PLANS

The Company participates in a noncontributory defined benefit retirement plan established for all entities within the Group. The defined benefit retirement plan is fully funded as of December 31, 2007. In 2006, the company recorded a curtailment gain of $20,660 as a result of the freezing of the benefit accrual of the Group's noncontributory defined benefit retirement plan at December 31, 2006. No further participant benefits will accrue subsequent to that date and no new entrants will be permitted to enter the plan. As a participant of this plan, the Company incurred pension income of $5,445 and $17,345 for the years ending December 31, 2007 and December 31, 2006, respectively.

The Company participates in a defined contribution savings plan established for all entities within the Group. The Company matches employee contributions up to 6% each pay period with certain limitations. The Company's contribution to the plan was $19,086 and $10,167 for the years ended December 31, 2007 and 2006, respectively.

23. REGULATORY MATTERS

Certain subsidiaries of the Company associated with the Company's mortgage and real estate operations are required to maintain certain regulatory net worth requirements. These entities were in compliance with these requirements throughout the year and at December 31, 2007.

The Company is required to maintain minimum net worth under servicing agreements with Freddie Mac, Fannie Mae, Ginnie Mae, and HUD. As of December 31, 2007, the Company exceeded all minimum net worth requirements established by these agencies.

CONFIDENTIAL EXAM00234111

Exhibit P

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GMAC Residential Holding Company, LLC
Consolidated Financial Statements
As of and for the years ended
December 31, 2007 and 2006

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PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
300 Madison Avenue
New York NY 10017
Telephone (646) 471-3000
www.pwc.com

Report of Independent Auditors

To the Board of Directors and Member of GMAC Residential Holding Company, LLC:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of member equity, and of cash flows present fairly, in all material respects, the financial position of GMAC Residential Holding Company, LLC ("the Company") at December 31, 2007 and December 31, 2006, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

March 25, 2008

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GMAC RESIDENTIAL HOLDING COMPANY, LLC
CONSOLIDATED BALANCE SHEETS
December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
ASSETS:		
Cash and cash equivalents	$ 174,120	$ 134,993
Investments, trading (including assets pledged of $257,320 at December 31, 2007 and $1,595,292 at December 31, 2006)	595,962	1,776,065
Investments, available for sale	150,194	152,399
Accounts receivable - net (including assets pledged of $15,053 at December 31, 2006)	1,603,467	1,082,277
Mortgage loans held for sale - net (including assets pledged of $1,231,090 at December 31, 2007 and $1,065,683 at December 31, 2006)	2,383,366	4,387,668
Lending receivables - net	-	2,729
Mortgage loans held for investment - net (including assets pledged of $495,532 at December 31, 2007)	1,323,347	53,907
Mortgage servicing rights - net	3,395,126	3,752,733
Goodwill	-	343,179
Other assets	1,320,727	515,052
Total Assets	$ 10,946,309	$ 12,201,002
LIABILITIES AND EQUITY		
LIABILITIES:		
Affiliate borrowings	$ 4,019,100	$ 3,923,000
Other borrowings	3,428,757	5,198,104
Total borrowings	7,447,857	9,121,104
Other liabilities	2,119,502	1,354,510
Total Liabilities	9,567,359	10,475,614
EQUITY:		
Member's equity	1,632,092	1,122,293
(Accumulated deficit) retained earnings	(258,153)	600,594
Accumulated other comprehensive income :		
Unrealized gain on investments - net of tax	3,879	1,831
Foreign currency translation adjustment - net of tax	1,132	670
Total Equity	1,378,950	1,725,388
Total Liabilities and Equity	$ 10,946,309	$ 12,201,002

The notes to the consolidated financial statements are an integral part of these statements.

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GMAC RESIDENTIAL HOLDING COMPANY, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
REVENUE:		
Interest income	$ 641,185	$ 1,307,173
Interest expense	752,242	1,149,679
Net interest (expense) income	(111,057)	157,494
Provision for loan losses	24,986	15,295
Net interest (expense) income after provision for loan losses	(136,043)	142,199
Gain on sale of mortgage loans - net	79,720	428,790
Servicing fees	1,137,956	1,062,259
Servicing asset valuation and hedge loss - net	(320,946)	(718,073)
Net servicing fees	817,010	344,186
(Loss) gain on investments - net	(368,992)	119,294
Real estate related revenues	391,148	377,725
Other income	108,270	122,378
Total net revenue	891,113	1,534,572
EXPENSES:		
Compensation and benefits	643,046	677,027
Professional fees	45,918	78,978
Data processing and telecommunications	109,006	101,768
Advertising	95,921	130,686
Goodwill impairment	343,201	-
Restructuring	46,760	-
Occupancy	77,285	80,832
Other	374,229	252,957
Total expenses	1,735,366	1,322,248
Income (loss) before income taxes	(844,253)	212,324
Income tax provision (benefit)	14,656	(657,166)
Net income (loss)	$ (858,909)	$ 869,490

The notes to the consolidated financial statements are an integral part of these statements.

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GMAC RESIDENTIAL HOLDING COMPANY, LLC
CONSOLIDATED STATEMENTS OF EQUITY
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	Common stock and Capital paid in excess of par value	Member's equity	Retained earnings	Compre-hensive income (loss)	Accumulated other compre-hensive income (loss)	Total equity
Balance at December 31, 2005	$ 920,863	$ -	$ 1,064,114		$ (16,282)	$ 1,968,695
Cumulative effect of change in accounting principle as of January 1, 2006, net of tax:						
Transfer of unrealized loss for certain available for sale securities to trading securities	-	-	(16,717)	-	16,717	-
Recognize mortgage servicing rights at fair value	-	-	17	-	-	17
Capital contributions	201,430		-	-	-	201,430
Conversion of common stock to member's equity	(1,122,293)	1,122,293	-	-	-	-
Dividends	-	-	(1,316,310)	-	-	(1,316,310)
Comprehensive income:						
Net income	-	-	869,490	869,490	-	869,490
Other comprehensive income, net of tax:						
Unrealized gain on investments	-	-	-	1,798	-	1,798
Foreign currency translation adjustment	-	-	-	268	-	268
Other comprehensive income				2,066	2,066	
Comprehensive income				$ 871,556		
Balance at December 31, 2006	$ -	$ 1,122,293	$ 600,594		$ 2,501	$ 1,725,388
Dividends	-	-	162	-	-	162
Capital contributions	-	509,799	-	-	-	509,799
Comprehensive income:						
Net loss	-	-	(858,909)	(858,909)	-	(858,909)
Other comprehensive income, net of tax:						
Unrealized gain on investments	-	-	-	2,049	-	2,049
Foreign currency translation adjustment	-	-	-	461	-	461
Other comprehensive income				2,510	2,510	
Comprehensive loss				$ (856,399)		
Balance at December 31, 2007	$ -	$ 1,632,092	$ (258,153)		$ 5,011	$ 1,378,950

The notes to the consolidated financial statements are an integral part of these statements.

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GMAC RESIDENTIAL HOLDING COMPANY, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	$ (858,909)	$ 869,490
Reconciliation of net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	8,473	36,697
Provision for loan losses	24,986	15,295
Gain on sale of mortgage loans - net	(79,720)	(428,790)
Net loss on sale of other assets	1,431	351
Goodwill impairment	343,201	-
(Gain) loss on valuation of derivatives	(581,083)	90,318
Loss (gain) on investment securities	368,992	(119,294)
Loss on valuation of mortgage servicing rights	910,095	468,221
Originations and purchases of mortgage loans held for sale	(69,512,910)	(67,921,317)
Proceeds from sales and repayments of mortgage loans held for sale	69,212,357	70,182,270
Deferred income tax	(1,366)	(512,111)
Change in goodwill	(23)	20
Net change in:		
Investments, trading	801,700	1,293,844
Accounts receivable	(486,104)	(80,645)
Other assets	594,083	1,027,991
Other liabilities	(26,472)	(1,002,419)
Net cash provided by operating activities	718,731	3,919,921
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in lending receivables	2,748	1,330,737
Originations and purchases of mortgage loans held for investment	(192,374)	(6,773,232)
Proceeds from sales and repayments of mortgage loans held for investment	123,468	13,107,080
Purchases of investments, available for sale	(23,382)	(50,366)
Proceeds from sales and repayments of investments, available for sale	28,280	42,424
Additions to mortgage servicing rights	(9,291)	(11,780)
Sales of mortgage servicing rights	563,709	-
Purchases of investments, held to maturity, net of sales and repayments	-	4,534
Acquisitions, net of cash required	-	(740)
Net cash provided by investing activities	493,158	7,648,657

The notes to the consolidated financial statements are an integral part of these statements.

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GMAC RESIDENTIAL HOLDING COMPANY, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2007 and 2006
(Dollars in Thousands)

	2007	2006
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in affiliate borrowings	$ 596,100	$ 521,000
Net decrease in other short-term borrowings	(1,769,419)	(11,287,150)
Proceeds from long-term borrowings	-	4,720,200
Repayments of long-term borrowings	-	(350,000)
Proceeds from capital contributions received in cash	-	100,000
Dividends paid	-	(1,167,413)
Decrease in deposit liabilities	-	(4,123,304)
Net cash used in financing activities	(1,173,319)	(11,586,667)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	557	1,228
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	39,127	(16,861)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	134,993	151,854
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 174,120	$ 134,993
SUPPLEMENTAL DISCLOSURES		
Interest paid	745,240	1,042,787
Taxes paid (received), net of refunds	23,462	(151,695)
Non-cash transactions:		
Capital contributions of lending receivables	-	101,430
Capital contribution through forgiveness of affiliated borrowings	500,000	-
Capital contribution due to limited liability company election for federal income tax purposes	9,799	-
Originations of mortgage servicing rights	1,106,906	1,152,702
Dividend due to limited liability company election for federal income tax purposes	-	142,147
Dividend of the non-cash net assets of the former GMAC Bank	162	6,748
Transfers from accounts receivable to investments, trading	-	1,023
Transfers from accounts receivable to mortgage loans held for sale	-	5,160
Transfers from accounts receivable to other assets	3,701	9,760
Transfers from mortgage loans held for sale to investments, trading	-	1,818
Transfers from mortgage loans held for sale to accounts receivable	20,601	-
Transfers from mortgage loans held for sale to other assets	31,643	20,202
Transfers from mortgage loans held for sale to mortgage loans held for investment	1,382,992	-
Transfers from mortgage loans held for investment to other assets	16,662	3,497
Transfers from mortgage loans held for investment to mortgage loans held for sale	-	2,313
Transfers from mortgage loans held for investment to accounts receivable	13,591	-
Transfers from investments, trading to mortgage loans held for investment	157	-
Transfers from investments, trading to mortgage loans held for sale	5,566	-
Transfers from investments, trading to accounts receivable	3,511	-
Transfers from investments, available for sales to investment, trading	-	927,141
Other Disclosures:		
Proceeds from sales and repayments of mortgage loans held for investment for mortgage loans originally designated as held for sale	102,949	168,320

The notes to the consolidated financial statements are an integral part of these statements.

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1. ORGANIZATION

Effective June 26, 2006, GMAC Residential Holding Corp. converted its legal form of organization from a corporation to a limited liability company and changed its name to GMAC Residential Holding Company, LLC (the "Company"). The Company is a wholly-owned subsidiary of Residential Capital, LLC ("ResCap"), which is a wholly-owned subsidiary of GMAC Mortgage Group, LLC ("the Group"), which is a wholly-owned subsidiary of GMAC, LLC ("GMAC"). Until November 2006, GMAC was a wholly-owned subsidiary of General Motors Corporation ("GM"). In November 2006, GM completed the sale of a majority equity stake in GMAC to an investment consortium led by Cerberus FIM Investors, LLC.

In November 2006, GMAC Bank ("the Bank"), which was then a wholly-owned subsidiary of the Company, transferred substantially all of its assets and liabilities at book value to GMAC Automotive Bank ("GAB"), an indirect wholly-owned subsidiary of GMAC, in a purchase and assumption transaction (the "P&A transaction"). GAB paid the Bank $1.2 billion in the transaction. The Company paid via dividend the $1.2 billion to ResCap. After the transaction, the remainder of the Bank (consisting of approximately $105 million in assets, $93 million in liabilities and $13 million in equity), as well as the Bank's charter, was transferred to GM through a series of dividends. The Bank was then renamed National Motors Bank FSB. As a result, the activity of the Bank from January 1, 2006 through November 21, 2006 is included within the Company's accompanying consolidated financial statements.

The Company provides residential mortgage and mortgage-related services to consumers and businesses nationwide. The Company's primary activities are the origination and servicing of prime credit quality residential mortgage loans. The loan products offered by the Company include first mortgage loans, home equity loans and lines of credit, and high loan-to-value ("HLTV") products. In addition to its origination and sales activities, the Company maintains an investment portfolio of selected loan originations and conducts warehouse lending operations. The Company originates mortgage loans by utilizing its retail branch network, direct lending centers and correspondent/broker origination channels. In 2007, correspondent/broker lending accounted for approximately 47% of total loan production, retail lending accounted for 29%, and direct lending accounted for the remaining 24%. In addition to retaining servicing rights from sales and securitizations of originated mortgage loans, the Company periodically purchases servicing rights from other mortgage lenders, and provides specialized and sub-servicing to third party clients.

The Company's warehouse lending operations provide interim financing to third party mortgage lenders. The Company also provides bundled real estate services to consumers, including real estate brokerage through a combination of franchised and Company owned real estate offices, full service relocation services, and settlement services. Prior to the P&A transaction in November 2006, through the Bank, the Company offered a variety of personal financial products to customers, including consumer deposits, consumer loans and other investment services.

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2. BASIS OF PRESENTATION

Use of estimates and assumptions – The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting periods. The Company's estimates and assumptions primarily arise from risks and uncertainties associated with prepayment estimates, interest rate volatility, credit exposure and regulatory changes. Changes in market trends and conditions may occur which could cause actual results to differ materially.

Consolidation practices – The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany balances and transactions are eliminated in consolidation. The Company maintains equity investments in entities in which neither majority ownership nor management control is present. These investments are accounted for using the cost method.

Special purpose entities are evaluated to determine whether they meet the GAAP definition of qualifying special purpose entities ("QSPEs"). Special purpose entities that are classified as QSPEs are excluded from the Company's consolidated financial statements. Special purpose entities that are not classified as QSPEs are further evaluated to determine whether they meet the GAAP definition of variable interest entities. Special purpose entities that meet the definition of variable interest entities where the Company is identified as the primary beneficiary are included in the Company's consolidated financial statements. The Company did not maintain any special purpose entities other than those classified as QSPEs or consolidated in the Company's financial statements during 2007 or 2006 (see Note 7).

The financial statements of subsidiaries outside the United States generally are measured using the local currency as the functional currency. All assets and liabilities of foreign subsidiaries are translated into U.S. dollars at year-end exchange rates. Income and expense items are translated at average exchange rates prevailing during the reporting period. The resulting translation adjustments are recorded as other comprehensive income, a component of equity.

Reclassifications – Certain items in the 2006 consolidated financial statements have been reclassified to conform to the presentation in the 2007 consolidated financial statements.

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3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents – Cash and cash equivalents include cash on hand and deposited with banks and government securities with original maturities of less than 30 days.

Investments, trading – Investments, trading, are primarily comprised of mortgage-backed securities, interest-only securities, principal-only securities, mortgage pass-through certificates and U.S. Treasury securities. Mortgage-backed securities and principal-only securities include both securities retained from the Company's own securitizations of mortgage loans, as well as those purchased from third parties. Interest-only securities represent interests retained from the Company's own securitizations. In accordance with SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, investments, trading are carried at estimated fair value with unrealized holding gains and losses recorded within gain on investments on the accompanying consolidated statements of operations. Realized gains and losses on sales of securities are determined using the specific identification method.

Investments, available for sale – Investments, available for sale, are comprised of principal-only securities, interest-only securities, mortgage-backed securities and investments in equity securities. Principal-only securities and interest-only securities represent securities retained from the Company's own securitizations. In accordance with SFAS No. 115, investments, available for sale, are carried at estimated fair value with unrealized holding gains and losses recorded as a separate component of other comprehensive income. Investments, available for sale are periodically evaluated for other-than-temporary impairment. Any charges related to such impairment are recorded within gain on investments on the accompanying consolidated statements of operations. Realized gains and losses on sales of securities are determined using the specific identification method.

Accounts receivable – Accounts receivable are recorded at net realizable value. Included within accounts receivable are advance payments made by the Company during the normal course of its servicing duties. The net advances total $750,286 and $338,464 as of December 31, 2007 and 2006, respectively. These advances may reflect payments of property taxes and insurance premiums in advance of collection from mortgagors, principal and interest payments to investors prior to their collection from mortgagors, and amounts advanced for mortgages in foreclosure. These advances include amounts made in connection with the Company's activities as sub-servicer, and are offset by amounts receivable from sub-servicing clients of $42,217 and $26,568 at December 31, 2007 and 2006, respectively.

Accounts receivable also includes accrued mortgage servicing fees and late charges. The Company accrues mortgage servicing fees and late charges for loans not more than 60 days delinquent. Servicing fees and late charges accrued at the date a loan is placed on nonaccrual status are reversed and subsequently realized only to the extent they are received in cash.

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In addition, accounts receivable includes receivables from real estate franchisees related to marketing and administrative services and loans to advance the expansion and profitability of the franchisees. Also included within accounts receivable are amounts due from corporate customers related to relocation assistance provided to their employees by the Company. In connection with these receivables and loans, the Company maintained an allowance for uncollectable amounts of $11,606 and $6,777 at December 31, 2007 and 2006, respectively. The Company recognized provision expense of $4,412 and $2,362 for the years ended December 31, 2007 and 2006, respectively.

Also included within accounts receivable is the principal balance and corresponding allowance for losses of residential mortgage loans in foreclosure, which have been transferred from other loan classifications. These mortgage loans in foreclosure are substantially covered by insurance or guarantees from federal agencies or private mortgage insurers. Provisions for losses not recoverable from claim proceeds are recorded in accordance with SFAS No. 5, *Accounting for Contingencies,* when probable and estimable, generally beginning when loans become 90 days past due. The Company's allowance for loss on mortgage loans in foreclosure was $5,088 and $4,091 as of December 31, 2007 and 2006, respectively. The Company recognized provision (expense) income of $(7,244) and of $3,880 during the years ended December 31, 2007 and 2006, respectively.

The Company includes short-term receivables from unconsolidated affiliates of $122,935 and $89,595 in accounts receivable at December 31, 2007 and 2006, respectively.

Mortgage loans held for sale – Mortgage loans held for sale are generally comprised of first mortgage loans, home equity loans and lines of credit, and HLTV mortgage loans, and are carried at estimated fair value or the lower of cost or estimated fair value. The Company had developed and implemented a hedge program, with the primary objective to minimize, to the extent possible, the overall risk of loss due to a change in the fair value of its first mortgage loans. During 2007 the Company discontinued designating mortgage loans held for sale in a qualifying hedging relationship under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Prior to that, the Company designated the hedged risk as the change in the total fair value of its first mortgage loans in accordance with SFAS No. 133, which requires that a hedged item be a specifically identified asset or liability or a portfolio of similar assets or liabilities. If similar assets or liabilities are aggregated and hedged as a portfolio, the individual assets or liabilities must share the risk exposure for which they are being hedged. In addition, the change in fair value attributable to the hedged risk for each item in a hedged portfolio must be shown to respond in a generally proportionate manner to the overall change in fair value of the aggregate portfolio. The Company had aggregated a number of the individual first mortgage loans into groups of loans that meet the similar asset criteria. These individual loans were grouped based on similar characteristics and price sensitivities.

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In accordance with SFAS No. 133, the Company determined a statistical measure of effectiveness between the change in fair value of the groups of loans and the change in fair value of the associated hedges. If the changes in the fair value of the hedged loans were highly correlated to the changes in the fair value of the derivative contracts, the hedged loans were carried at estimated fair value with unrealized gains and losses recorded in the consolidated statement of operations. SFAS No. 133 states that at least quarterly, an entity that elects hedge accounting must determine whether the hedging relationship has been highly effective in having achieved offsetting changes in fair value through the date of the periodic assessment. SFAS No. 133 further states that the assessment can be based upon regression or other statistical analysis of past changes in fair values as well as on other relevant information. The Company assessed whether its hedge relationship was highly effective based on the measurement of the R-squared, Slope and F-statistic. All three statistical thresholds must be met in order for the Company to conclude that the hedge relationship was highly effective. Hedge ineffectiveness was measured as the difference between the change in value of the hedged assets and the change in value of the designated derivatives and was recognized in earnings in the current period. During the years ended December 31, 2007 and 2006, the Company recorded losses of $716 and $7,292, respectively, due to hedge ineffectiveness between mortgage loans held for sale and their related hedges, which is included within gain on sale of mortgage loans on the accompanying consolidated statements of operations.

Mortgage loans held for sale that are not designated in a hedging relationship are carried at the lower of cost or estimated fair value in accordance with SFAS No. 65, *Accounting for Certain Mortgage Banking Activities*. The evaluation of the lower of cost or estimated fair value is evaluated on a disaggregated basis consistent with how the Company manages the risk of those portfolios.

In accordance with SFAS No. 91, *Accounting for Nonrefundable Fees and Costs Associated with Originating and Acquiring Loans and Initial Direct Costs of Leases*, non refundable fee revenue and direct costs associated with the origination of mortgage loans held for sale are deferred until the loan is sold. The balance of the Company's net deferred origination expenses on mortgage loans held for sale was $344 and $2,613 at December 31, 2007 and 2006, respectively.

The Company generally sells whole loans and mortgage-backed securities servicing retained. Realized gains or losses on such sales are recognized at the time of settlement based upon the difference between the sales proceeds and the allocated basis of loans sold, adjusted for net deferred origination fees and costs, mortgage servicing rights, retained interests, hedge activities and the cost of issuing securities. Subsequent to certain loan sales, the Company may become eligible to regain control of assets that were previously accounted for as having been sold, because one or more of the conditions that demonstrate control has been surrendered are no longer met. As a result, in accordance with Emerging Issues Task Force ("EITF") Issue No. 02-09, *Accounting for Changes that Result in a Transferor Regaining Control of Financial Assets*, the Company recognizes, at fair value, the assets over which it has become eligible to regain control and the related liabilities assumed. The fair value of the assets eligible for repurchase are included within mortgage loans held for sale and the related liabilities are included within other liabilities on the accompanying consolidated balance sheets.

The Company accrues interest on mortgage loans held for sale not more than 60 days delinquent. Interest income accrued at the date the loan is placed on non-accrual status is reversed and subsequently realized only to the extent it is received in cash.

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Lending receivables – Lending receivables are comprised of warehouse lines of credit and commercial loans. The warehouse lines of credit are extended to third party correspondents. Advances under these lines of credit are collateralized by underlying mortgage loans and bear interest at variable rates, which are tied to short-term indices. During 2007, the majority of the warehouse lending operation was transferred to the Bank.

Lending receivables are carried at amortized cost, net of an allowance for credit losses. The Company accrues interest on lending receivables not more than 90 days delinquent.

Mortgage loans held for investment – Mortgage loans held for investment are carried at the principal amount outstanding, less net deferred origination fees and allowance. The Company's classification of its mortgage loans between loans held for sale and loans held for investment is based on management's assessment of its intent and ability to hold loans for the foreseeable future or until maturity. Management's intent and ability with respect to certain mortgage loans may change from time to time depending on a number of factors, including economic conditions. Net deferred origination fees, which include origination fees reduced by origination costs, are amortized as a yield adjustment over the estimated remaining life of the related assets. Interest income recognition is suspended when loans are placed on nonaccrual status. Residential mortgage loans are placed on nonaccrual status when contractually delinquent for 60 days. Interest income accrued at the date a loan is placed on nonaccrual status is reversed and subsequently realized only to the extent it is received in cash. Loans are restored to accrual status only when contractually current and the collection of future payments is reasonably assured.

Allowance for loan losses – The allowance for loan losses is management's estimate of incurred losses inherent in the mortgage loans held for investment and lending receivables portfolios. Additions to the allowance for loan losses are reflected within the provision for loan losses on the consolidated statements of operations. Loans are grouped into pools, based on similar risk characteristics, and evaluated for impairment in accordance with SFAS No. 5. A loan is considered impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement.

Management's judgment as to the adequacy of the allowance is a result of the Company's ongoing, consistently applied methodology taking into consideration historical loss experience, changes in the size or characteristics of the portfolios, economic conditions and other relevant factors. The uncollectible portion of loans is charged off against the allowance when it is deemed uncollectible. Recoveries of previously charged-off amounts increase the allowance for loan losses. The adequacy of the allowance for loan losses is highly dependent upon management's estimate of variables affecting valuation of collateral, evaluations of performance and status, and the amounts and timing of future cash flows expected to be received on impaired loans and lending receivables. Such estimates, appraisals, evaluations and cash flows may be subject to frequent adjustments due to changing economic conditions of borrowers or the value of the underlying collateral. These estimates are reviewed periodically and adjustments, if necessary, are recorded in the provision for loan losses in the periods in which they become known.

Mortgage servicing rights – The Company capitalizes mortgage servicing rights associated with loans sold servicing retained and servicing rights acquired through bulk and flow purchase transactions at fair value. The Company capitalizes purchased mortgage servicing rights at cost, which is the estimated fair market value.

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As of January 1, 2006, the Company adopted SFAS No. 156, *Accounting for Servicing of Financial Assets,* which provides the following: (1) revised guidance on when a servicing asset and servicing liability should be recognized, (2) requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable, (3) permits an entity to elect to measure servicing assets and servicing liabilities at fair value each reporting date with changes in fair value in earnings in the period in which the changes occur, (4) upon initial adoption, permits a one-time reclassification of securities designated as available-for-sale to trading for securities which are identified as offsetting the entity's exposure to changes in the fair value of servicing assets or liabilities that a servicer elects to subsequently measure at fair value, and (5) requires separate presentation of servicing assets and servicing liabilities subsequently measured at fair value in the statement of financial position and additional footnote disclosures. The Company has elected to subsequently measure servicing assets and liabilities at fair value and report changes in fair value in earnings in the period in which the changes occur. In addition, the Company made a one time reclassification of $927,141 of available for sale securities to trading securities for securities identified as offsetting the Company's exposure to changes in the fair value of servicing assets.

The adoption of SFAS No. 156 resulted in a $16,700 reduction in the beginning of the year retained earnings, net of tax, as a cumulative effect of change in accounting principle. However, the impact to total equity was a $17 increase, net of tax.

The Company defines its classes of mortgage servicing rights based on both the availability of market inputs and the manner in which the Company manages its risks of its servicing assets and liabilities. The Company manages its servicing rights at the legal entity level, and sufficient market inputs exist to determine the fair value of the Company's recognized servicing assets and liabilities.

The Company estimates fair value of its mortgage servicing rights through a discounted cash flow analysis which uses market-based assumptions for earnings, discount and prepayment rates. The current valuation approach relies on guidance provided by Statement of Financial Accounting Concepts No. 7, *Using Cash Flow Information and Present Value in Accounting Measurements* ("CON 7"), and considers the fair value of the servicing asset to be the present value of the future net servicing cash flows expected to be received over the life of the servicing contract. The Company utilizes an Option Adjusted Spread ("OAS") Monte Carlo simulation approach to forecast future interest rates in conjunction with a discounted cash flow forecast whereby servicing cash flows are projected over multiple interest rate scenarios. An OAS margin is added to the forward LIBOR curve in order to discount the cash flows in each interest rate scenario generated via the Monte Carlo simulation. The OAS margin is added to the forward LIBOR curve in order to achieve an appropriate yield that compensates the Company for risks inherent in the mortgage servicing right asset. The key assumptions utilized in the current valuation methodology include volatility, OAS margin, base mortgage rate, prepayment rate and cost to service. To ensure that the current valuation methodology is deriving a fair value in accordance with GAAP, the Company performs a series of analyses against various available market indicators on a quarterly basis. These analyses include reconciliations of projected and actual cash flows, review of historic multiples, comparison to applicable bulk and flow market activity when available, and comparison to peer prices and valuation multiples from external third party surveys.

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Securitizations and retained interests – The Company periodically sells home equity loans and lines of credit, HLTV loans, non-conforming jumbo residential first mortgage loans and other residential first mortgage loans in securitization transactions. During 2006 and a portion of 2007, the Company sold defaulted government insured residential mortgage loans to an off-balance sheet facility until the facility was terminated in 2007 (see Note 7). In these securitizations and sales, the Company retains mortgage servicing rights in addition to interest-only securities, one or more tranches and other consideration, all of which are retained interests in the sold receivables. The Company may retain primary credit risk on the securitization or sale through retention of a subordinated interest. This credit risk is limited to the amount of the subordinated tranches. Gain or loss on a sale of the receivables depends, in part, on the previous carrying amount of the mortgage loans involved in the transfer, allocated between the loans sold and the retained interests, based on their estimated relative fair market value at the date of transfer.

The Company's retained interests are carried at estimated fair value on the accompanying consolidated balance sheets. The Company uses a CON 7 approach in valuing its retained interests. Under this approach, the Company estimates the fair value of retained interests by determining the present value of future expected cash flows using modeling techniques that incorporate the Company's best estimate of key variables, including expected credit losses, prepayment speeds, discount rates commensurate with the risks involved, and if applicable, interest or finance rates on variable and adjustable contracts. To ensure that the current valuation methodology is deriving a fair value in accordance with GAAP, the Company periodically reviews the reasonableness of its key assumptions against available market indicators. Changes in the fair value of retained interests are included within gains on investments on the accompanying consolidated statements of operations.

Goodwill – In accordance with SFAS No. 142, *Goodwill and Other Intangible Assets*, goodwill is tested for impairment at least annually. The impairment test requires a comparison of the fair value of the reporting unit to its carrying amount, including goodwill. A reporting unit is an operating segment or one level below an operating segment as defined in SFAS No. 131, *Disclosures about Segments of an Enterprise and Related Information*. The fair value of the reporting units is determined based on various analyses, including discounted cash flow projections. During the third quarter of 2007, the Company completed its goodwill impairment analysis. The Company experienced deteriorating conditions in the residential mortgage and home markets during 2007, including significant changes in the mortgage secondary market, and tightening underwriting guidelines reducing product offerings. Consistent with prior assessments, the fair value of the Company's reporting units was determined using an internally developed discounted cash flow methodology. In addition, the Company took into consideration other relevant indicators of value available in the market. Based upon the results of the assessment, the Company concluded that the carrying value of goodwill exceeded the fair value, resulting in an impairment loss of $343,201.

Other assets – Included within other assets in the accompanying consolidated balance sheets are derivatives, carried at fair value, of $949,391 and $215,723 at December 31, 2007 and 2006, respectively. Also included in other assets are intangible assets, principally trademark licensing and covenant not to compete agreements, which are generally amortized using the straight-line method over the term of the agreements, which do not exceed 15 years. The balance of intangible assets, net of accumulated amortization, at December 31, 2007 and 2006 is $2,194 and $5,384, respectively.

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Asset impairment – The Company periodically evaluates the recoverability of its long-lived assets by comparing the respective carrying value to the current and undiscounted expected future cash flows to be generated from such assets. If an impairment of the carrying value was indicated by this review, the Company would adjust the carrying value of the asset to the estimated fair value through a charge to the consolidated income statement in the current period. The Company did not recognize any impairment to long-lived assets during the years ended December 31, 2007 and 2006.

Liability for assets sold with recourse – In connection with the sale of certain mortgage loans, the Company estimates a liability for representation and warranties made in the normal course of the sale or securitization process for assets sold with recourse. The Company provides for such exposures at the time the loans are sold based upon management's estimate of losses incurred. The liability is adjusted through other expense to reflect changes in the anticipated liability. Management believes that the liability for assets sold with recourse is adequate to provide for probable losses related to loans sold with limited recourse obligations. The liability is included within other liabilities on the consolidated balance sheet.

Financial instruments – In accordance with SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*, and SFAS No. 133, the Company has provided fair value estimates and information about valuation methodologies in Notes 6 and 18 to the consolidated financial statements. The estimated fair value amounts have been determined using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop estimates of fair value and, as such, the estimates are not necessarily indicative of the amounts that would be realized in a market exchange. The effect of using different market assumptions and/or estimation methodologies may materially impact the estimated fair value and would likely reduce the comparability of fair value disclosures between the Company and other financial services companies.

Derivative instruments and hedging activities – All derivative financial instruments, whether designated for hedging relationships or not, are recorded on the consolidated balance sheet as assets or liabilities and carried at fair value. At the inception of the derivative contract, the Company determines whether the instrument will be part of a qualifying hedge accounting relationship. For each of these relationships, the Company designates the qualifying derivative financial instrument as a hedge of the fair value of a recognized asset or liability (fair value hedge) or a hedge of the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). The Company also uses derivative financial instruments that do not qualify as hedges under GAAP. Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges, along with the gain or loss on the hedged asset or liability attributable to the hedged risk, are recorded in current period earnings. Gains and losses on derivatives related to mortgage servicing rights are included within servicing asset valuation and hedge loss on the accompanying consolidated statements of operations. Gains and losses on derivatives related to mortgage loans held for sale are included within gain on sale of mortgage loans on the accompanying consolidated statements of operations. For qualifying cash flow hedges, the effective portion of the change in the fair value of the derivative financial instruments is recorded in other comprehensive income, a component of equity, and recognized in the income statement when the hedged cash flows affect earnings. Changes in the fair value of derivative financial instruments held for risk management purposes that do not meet the criteria to qualify as hedges under GAAP are reported in current period earnings. The ineffective portions of fair value and cash flow hedges are immediately recognized in earnings. The Company did not hold any derivative instruments designated as cash flow hedges during 2007 or 2006.

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The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the consolidated balance sheet, to specific firm commitments or the forecasted transactions. Both at the hedge's inception and on an ongoing basis, the Company formally assesses whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The hedge accounting treatment described above is no longer applied if a derivative financial instrument is terminated or the hedge designation is removed. For fair value hedges, any changes to the hedged asset or liability remain as part of the basis of the asset or liability and are recognized into income over the original hedge period. For cash flow hedges, any changes in fair value of the derivative financial instrument remain in other comprehensive income, a component of equity, and are reclassified into earnings in the period that the hedged asset or liability affects income.

Loan commitments – The Company enters into commitments to make loans whereby the interest rate on the loan is set prior to funding (i.e. interest rate lock commitments or IRLCs). IRLCs for loans to be originated or purchased for sale, and for loans to be purchased and held for investment, are derivative financial instruments carried at fair value in accordance with SFAS No. 133 and Staff Accounting Bulletin No. 105, *Application of Accounting Principles to Loan Commitments* (SAB No. 105). SAB No. 105 provides specific guidance on the measurement of loan commitments, specifying that fair value measurement exclude any expected future cash flows related to the customer relationship or loan servicing. Servicing assets are recognized once they are contractually separated from the underlying loan by sale or securitization. IRLCs, for loans to be held for sale, are recorded as derivatives and subsequent changes in value from the time of the lock are recognized as assets or liabilities, with a corresponding adjustment to current period earnings within gain on sale of mortgage loans on the accompanying consolidated statements of operations. The determination of the change in fair value does not include an estimate of the future MSR that will arise when the loan is sold or securitized.

Income taxes – Income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not.

In November 2006, the Company and substantially all of its domestic subsidiaries elected to be treated as limited liability companies for federal income tax purposes. As a result of the elections, and GMAC's election to be treated as a multi-member limited liability Company, these entities are no longer taxable entities for federal and certain state income tax purposes.

Prior to the reorganization, the Company was included in the consolidated U.S. federal income tax return, several unitary and/or consolidated state returns, and some foreign consolidated income tax returns of GM. The Company provided for its unitary and/or consolidated state filings and foreign consolidated filings pursuant to a tax sharing arrangement with GM. GM periodically settled these income tax liabilities or receivables.

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Reinsurance – A mortgage loan borrower may be required to purchase mortgage guaranty insurance from a third-party mortgage guaranty insurer. A subsidiary of the Company assumes mortgage insurance policies from private mortgage insurance companies (ceding company) which are guaranteed renewable contracts at the insured's (e.g. borrower's) option on a single, monthly or annual premium basis. The ceding company has no ability to re-underwrite or re-price these contracts once a book of business has been established. Premiums written are earned over the policy term. Liabilities for insurance loss and loss adjustment expenses are established for reported insurance losses and loss adjustment expenses based on when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted. The liability for losses on reinsurance assumed is based on information provided by the ceding companies.

Accounting standards – On January 1, 2007, the Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, which supplements SFAS No. 109, *Accounting for Income Taxes*, by defining the confidence level that a tax position must meet in order to be recognized in the financial statements. The Interpretation requires that the tax effects of a position be recognized only if it is more-likely-than-not to be sustained solely on its technical merits as of the reporting date. The more-likely-than-not threshold represents a positive assertion by management that a company is entitled to the economic benefits of a tax position. If a tax position is not considered more-likely-than-not to be sustained based solely on its technical merits, no benefits of the position are to be recognized. The adoption of this interpretation did not result in any adjustments to the Company's retained earnings, since the Company has no uncertain tax positions. There have been no changes to the positions during the year ended December 31, 2007.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*, which provides a definition of fair value, establishes a framework for measuring fair value and requires expanded disclosures about fair value measurements. The standard applies when GAAP requires or allows assets or liabilities to be measured at fair value, and therefore, does not expand the use of fair value in any new circumstance. SFAS No. 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an arm's length transaction between market participants, in the markets where the Company conducts business. SFAS No. 157 clarifies that fair value should be based on the assumptions market participants would use when pricing an asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The fair value hierarchy gives the highest priority to quoted prices available in active markets and the lowest priority to data lacking transparency. The level of the reliability of inputs utilized for fair value calculations drives the extent of disclosure requirements of the valuation methodologies used under the standard. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those years. The provisions of SFAS No. 157 are required to be applied prospectively, except for certain financial instruments for which the standard should be applied retrospectively. The Company adopted SFAS No. 157 on January 1, 2008 on a prospective basis. This included inventorying all items recorded at fair value and where necessary, modifying valuation models in accordance with SFAS No. 157. The impact of adopting SFAS No. 157 resulted in a cumulative effect adjustment to beginning retained earnings on January 1, 2008. The initial adjustment on adoption will be an increase to equity of approximately $20.9 million related to the recognition of day one gains on purchased mortgage servicing rights and certain residential loan commitments.

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In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities*. SFAS No. 159 permits entities to choose to measure at fair value many financial instruments and certain other items that are not currently required to be measured at fair value. Subsequent changes in fair value for designated items will be required to be reported in earnings in the current period. SFAS No. 159 also establishes presentation and disclosure requirements for similar types of assets and liabilities measured at fair value. SFAS No. 159 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those years. The Company adopted SFAS No. 159 on January 1, 2008 without impact to the Company's financial position or results of operations.

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations*, which replaces SFAS No. 141, *Business Combinations*. SFAS No. 141(R) establishes principles and requirements for how an acquiring company (1) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree, (2) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, and (3) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) is effective for business combinations occurring on or after the beginning of the fiscal year beginning on or after December 15, 2008. SFAS No. 141(R), effective for the Company on January 1, 2009, applies to all transactions or other events in which the Company obtains control in one or more businesses. Management will assess each transaction on a case-by-case basis as they occur.

In December 2007, the FASB also issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements — an amendment of ARB No. 51*, which requires the ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent's equity. It also requires the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008, and early adoption is prohibited. SFAS No. 160 shall be applied prospectively as of the beginning of the fiscal year in which it is initially applied, except for the presentation and disclosure requirements. The presentation and disclosure requirements shall be applied retrospectively for all periods presented. Management is currently assessing the retrospective impacts of adoption and will assess new transactions as they occur.

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In April 2007, the FASB issued FASB Staff Position ("FSP") FIN No. 39-1, *Amendment of FASB Interpretation No. 39.* FSP FIN No. 39-1 defines "right of setoff" and specifies what conditions must be met for a derivative contract to qualify for this right of setoff. It also addresses the applicability of a right of setoff to derivative instruments and clarifies the circumstances in which it is appropriate to offset amounts recognized for those instruments in the statement of financial position. In addition, this FSP permits offsetting of fair value amounts recognized for multiple derivative instruments executed with the same counterparty under a master netting arrangement and fair value amounts recognized for the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) arising from the same master netting arrangement as the derivative instruments. This interpretation is effective for fiscal years beginning after November 15, 2007, with early application permitted. The adoption of FSP FIN No. 39-1 is not expected to have a material impact on the Company's financial position or results of operations.

In May 2007, the FASB issued FSP FIN No. 48-1, *Definition of Settlement in FASB Interpretation No. 48.* FSP FIN No. 48-1 provides guidance on how an enterprise should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits. FSP FIN No. 48-1 was effective with the Company's initial adoption of FIN No. 48 on January 1, 2007. The adoption of FSP FIN No. 48-1 did not have a material impact on the Company's financial position or results of operations.

In November 2007, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") No. 109, *Written Loan Commitments Recorded at Fair Value Through Earnings*. SAB No. 109 provides the SEC staff's views on the accounting for written loan commitments recorded at fair value under GAAP, and revises and rescinds portions of SAB No. 105. SAB No. 105 provided the views of the SEC staff regarding derivative loan commitments that are accounted for at fair value through earnings pursuant to SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. SAB No. 105 states that in measuring the fair value of a derivative loan commitment, the staff believed it would be inappropriate to incorporate the expected net future cash flows related to the associated servicing of the loan. SAB No. 109 supersedes SAB No. 105 and expresses the current view of the SEC staff that, consistent with the guidance in SFAS No. 156 and SFAS No. 159, the expected net future cash flows related to the associated servicing of the loan should be included in the measurement of all written loan commitments that are accounted for at fair value through earnings. SAB No. 105 also indicated that the SEC staff believed that internally-developed intangible assets (such as customer relationship intangible assets) should not be recorded as part of the fair value of a derivative loan commitment. SAB No. 109 retains that SEC staff view and broadens its application to all written loan commitments that are accounted for at fair value through earnings. The SEC staff expects registrants to apply the views of SAB No. 109 in measuring the fair value of derivative loan commitments on a prospective basis to derivative loan commitments issued or modified in fiscal quarters beginning after December 15, 2007. The prospective adoption of SAB No. 109 did not have a material impact on the Company's consolidated financial condition and results of operations.

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In February 2008, the FASB issued FSP FAS No. 140-3, *Accounting for Transfers of Financial Assets and Repurchase Financing Transactions*, which provides a consistent framework for the evaluation of a transfer of a financial asset and subsequent repurchase agreement entered into with the same counterparty. FSP FAS No. 140-3 provides guidelines that must be met in order for an initial transfer and subsequent repurchase agreement to not be considered linked for evaluation. If the transactions do not meet the specified criteria, they are required to be accounted for as one transaction. This FSP is effective for fiscal years beginning after November 15, 2008, and shall be applied prospectively to initial transfers and repurchase financings for which the initial transfer is executed on or after adoption. Management is currently assessing the impacts of adoption.

4. INVESTMENTS, TRADING

The carrying value of investments, trading for the years ended December 31 is as follows:

	2007	2006
U.S. Treasury securities	$ 257,320	$ 400,962
Interest-only securities:		
Home equity lines/loans	222,722	418,896
Other first mortgage loans	-	12,531
High loan to value loans	1,375	31,491
Non-conforming loans	11,713	14,833
Principal-only securities	18,274	877,530
Mortgage backed securities	84,558	19,822
Total	$ 595,962	$ 1,776,065

The fair value of interest-only securities and government mortgage-backed securities have been estimated using discounted cash flow analyses (see Note 6). The fair value of U.S. Treasury securities, principal-only securities and mortgage backed securities are based on quoted market prices.

The change in the unrealized (loss) gain included within (loss) gain on investments on the accompanying consolidated statements of operations for the years ended December 31, 2007 and 2006 is $(305,591) and $137,882, respectively. Realized (losses) gains on the sale of investments, trading, included within (loss) gain on investments on the accompanying consolidated statements of operations for the year ended December 31, 2007 and 2006 are $(63,578) and $(18,565), respectively.

The Company's investment in government mortgage-backed securities at December 31, 2006 consisted primarily of residual interests in an off-balance sheet facility which held loans whose principal balance was substantially covered by insurance or guarantees from federal agencies. This facility was terminated in 2007 (see Note 7). The Company's investment in home equity and HLTV interest-only securities is uncertificated and is subject to prepayment risk, interest rate risk, and credit loss. The Company has pledged investments, trading against certain borrowings (see Note 13).

The Company has purchased and financed certain principal-only securities and U.S Treasury securities classified as investments, trading, with the same counterparty. The fair value of these securities totaled $51,773 and $856,688 at December 31, 2007 and 2006, respectively.

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5. INVESTMENTS, AVAILABLE FOR SALE

Investments, available for sale consist of the following:

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
As of December 31, 2007				
Mortgage and asset backed securities	$ 105,366	$ 759	$ (401)	$ 105,724
Interest-only securities	-	3,558	-	3,558
Principal-only securities	150	136	-	286
Other	39,653	974	(1)	40,626
Total	$ 145,169	$ 5,427	$ (402)	$ 150,194
As of December 31, 2006				
Mortgage and asset backed securities	$ 103,975	$ 156	$ (1,275)	$ 102,856
Interest-only securities	1,260	3,794	-	5,054
Principal-only securities	184	151	-	335
Other	44,258	200	(304)	44,154
Total	$ 149,677	$ 4,301	$ (1,579)	$ 152,399

The maturity distribution of available for sale securities outstanding is summarized in the following table. Actual maturities may differ from those scheduled as a result of prepayments by issuers.

	Cost	Fair Value
As of December 31, 2007:		
Due in one year or less	$ 13,050	$ 13,049
Due after one year through five years	26,603	27,577
Due after five years through ten years	-	-
Due after ten years	-	-
Mortgage-backed securities and interests in securitization trusts	105,275	109,568
Total	$ 144,928	$ 150,194

The change in the unrealized gain on investments included in comprehensive income within the consolidated statements of operations for the years ended December 31, 2007 and 2006, respectively, is $2,086 and $1,743, which is net of taxes of $466 and $844. Realized gains (losses) on investments, available for sale, included within (loss) gain on investments on the accompanying consolidated statements of operations for the years ended December 31, 2007 and 2006 are $177 and $(22), respectively.

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Investment securities that were in a continuous unrealized loss position for less than twelve months had a fair value of $27,421 and $20,041 with gross unrealized losses of $264 and $88 as of December 31, 2007 and 2006, respectively. Investment securities that were in a continuous unrealized loss position for more than twelve months had a fair value of $16,523 and $87,644 with gross unrealized losses of $139 and $1,490 as of December 31, 2007 and 2006, respectively. The Company does not consider these unrealized losses to be other-than-temporary and it has the intent and ability to hold until full recovery.

The Company acquires and originates principal-only securities and interest-only securities for investment purposes from non-conforming securitization transactions. Non-conforming principal-only securities and interest-only securities classified as available for sale represent the Company's retained interests in several of its own jumbo mortgage loan securitizations. The investment in principal-only securities is certificated and is not subject to prepayment risk and credit loss. Principal-only securities and interest-only securities mature in proportion to the payment stream of the underlying mortgage loans.

The fair value of mortgage-backed securities, principal-only securities, and other securities are based on quoted market prices. The fair value of interest-only securities has been estimated using discounted cash flow analyses (see Note 6).

The Company has pledged investments, available for sale against certain borrowings (see Note 13).

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6. SECURITIZED AND SOLD ASSETS

The Company periodically sells home equity loans and lines of credit, HLTV loans, non-conforming jumbo residential first mortgage loans and other residential first mortgage loans in securitization transactions. During 2006 and a portion of 2007, the Company sold defaulted government insured residential mortgage loans to an off-balance sheet facility until the facility was terminated in 2007 (see Note 7). In these securitizations and sales, the Company retains mortgage servicing rights in addition to interest-only securities, one or more tranches and other consideration, all of which are retained interests in the sold receivables. The Company may retain primary credit risk on the securitization or sale through retention of a subordinated interest. This credit risk is limited to the amount of the subordinated tranches. Gain or loss on a sale of the receivables depends, in part, on the previous carrying amount of the mortgage loans involved in the transfer, allocated between the loans sold and the retained interests, based on their estimated relative fair market value at the date of transfer.

The Company recognized gains of $89,081 and $229,774 on the securitization of home equity loans, $0 and $234 on the securitization of HLTV loans during the years ended December 31, 2007 and 2006, respectively. The Company did not recognize pretax gains or losses on the sale of defaulted government insured residential mortgage loans during the years ended December 31, 2007 and 2006. There were no securitizations of non-conforming jumbo residential first mortgage loans and other first mortgage loans during years ended December 31, 2007 and 2006.

The following summarizes the Company's activity related to the carrying amount of retained interests in securitizations during the years ended December 31, 2007 and 2006:

	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Balance at January 1, 2006	$ 16,036	$ 231,014	$ 17,285	$ 20,587	$ 14,898
New securitizations	4,135	173,991	-	-	-
Interest accretion	-	36,718	2,449	-	1,823
Sales	-	-	-	(2,719)	-
Cash received	(12,435)	(116,418)	(11,283)	(6,702)	(6,876)
Valuation adjustments	4,752	93,591	23,040	8,721	2,686
Balance at December 31, 2006	$ 12,488	$ 418,896	$ 31,491	$ 19,887	$ 12,531
New securitizations	6,132	134,930	-	-	-
Interest accretion	-	71,808	5,312	69	1,484
Sales	-	-	-	-	-
Cash received	(17,726)	(115,313)	(11,099)	(5,699)	(4,029)
Valuation adjustments	(894)	(287,599)	(24,329)	1,014	(9,986)
Balance at December 31, 2007	$ -	$ 222,722	$ 1,375	$ 15,271	$ -

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Key assumptions used in measuring the retained interests at the date of securitization resulting from securitizations completed during the years ended December 31, 2007 and 2006 were as follows:

During 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Weighted average life of collateral in years	1.1	2.1 - 2.5	**	***	****
Prepayment speed (CPR)	15.0%	31.0% - 35.6%	**	***	****
Expected credit losses *****	4.8%	1.0% - 2.0%	**	***	****
Residual cash flows discounted at	6.5%	11.9% - 18.2%	**	***	****
Variable returns to transferees	N/A	*	**	***	****
Weighted average servicing fee	0.4%	0.5%	**	***	****

* Variable pass through: 1 month Libor plus 14 basis points

** The Company did not securitize any HLTV mortgage loans during 2007.

*** The Company did not securitize any non-conforming jumbo first mortgage loans during 2007.

**** The Company did not securitize any other first mortgage loans during 2007.

***** Expected static pool credit losses include projected net credit losses divided by the original balance of the outstandings comprising the securitization pool.

During 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Weighted average life of collateral in years	1.1	1.7 - 2.4	2.8	***	****
Prepayment speed (CPR)	15.0%	31.0% - 44.2%	24.3%	***	****
Expected credit losses *****	4.0%	1.1% - 2.3%	18.3%	***	****
Residual cash flows discounted at	7.0%	11.7% - 12.5%	N/A	***	****
Variable returns to transferees	N/A	*	**	***	****
Weighted average servicing fee	0.4%	0.5%	0.5%	***	****

* Variable pass through: 1 month Libor plus a spread ranging from 7 to 21 basis points
Variable collateral: 1 month Libor plus an average spread ranging from 323 to 367 basis points

** Variable pass through: 1 month Libor plus a spread of 10 basis points

*** The Company did not securitize any non-conforming jumbo first mortgage loans during 2006.

**** The Company did not securitize any other first mortgage loans during 2006.

***** Expected static pool credit losses include projected net credit losses divided by the original balance of the outstandings comprising the securitization pool.

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Residual cash flows of the securitized government insured residential mortgage loans are discounted at a rate based on the inherent risk of loss on the underlying mortgage loans. These loans are insured against loss by the Federal Housing Administration ("FHA") and the Veterans Administration ("VA"), resulting in a relatively low risk of loss in comparison to other securitized loan products.

The following summarizes certain cash flows received from (paid to) securitization trusts during 2007 and 2006:

During 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Cash inflows:					
Proceeds from new securitizations	$ 88,700	$ 3,281,526	$ -	$ -	$ -
Servicing fees received	496	57,754	1,470	25,154	1,153
Other cash flows received on retained interests	17,726	115,313	11,099	8,027	4,029
Repayments of servicing advances	-	7,253	-	-	-
Cash outflows:					
Servicing advances	-	(11,312)	-	-	-
Purchase obligations and options:					
Purchases of loans under conditional call option	(147,480)	-	-	-	-
Representations and warranties obligations	-	(683)	-	-	-
Administrator or Servicer Actions	-	(53,712)	(420)	-	-
Asset performance conditional calls	-	(12,269)	(997)	-	-
Cleanup calls	-	(9,963)	-	-	-

During 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Cash inflows:					
Proceeds from new securitizations	$ 58,400	$ 6,655,011	$ 229,865	$ -	$ -
Servicing fees received	580	45,786	1,838	9,728	1,397
Other cash flows received on retained interests	12,435	116,418	11,283	6,702	6,876
Repayments of servicing advances	-	27,634	-	-	-
Cash outflows:					
Servicing advances	-	(1,149)	-	-	-
Purchase obligations and options:					
Purchases of loans under conditional call option	(19,993)	-	-	-	-
Representations and warranties obligations	-	(373)	-	-	-
Administrator or Servicer Actions	-	(59,513)	-	-	-
Asset performance conditional calls	-	(9,904)	(2,415)	-	-
Cleanup calls	-	(91,876)	(39,663)	-	(23,196)

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At December 31, 2007 and 2006, key assumptions and the sensitivity of the current fair value of residual cash flows to immediate 10% and 20% adverse changes in those assumptions are as follows:

At December 31, 2007:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Carrying amount/fair value of retained interests	$ -	$222,722	$1,375	$15,271	$ -
Weighted-average life (in years)	-	1.6 - 2.4	2.6 - 2.8	4.4	4.1 - 4.3
Prepayment speed assumption (CPR - annual rate)	-	29.1% - 41.6%	22.4% - 24.3%	17.4%	14.6% - 16.8%
Impact on fair value of 10% adverse change	-	($2,411)	$29	($1,392)	-
Impact on fair value of 20% adverse change	-	($4,172)	$58	($2,293)	-
Expected credit losses****	-	1.0% - 6.4%	11.3% - 21.4%	N/A	2.0% - 3.9%
Impact on fair value of 10% adverse change	-	($39,685)	($165)	N/A	-
Impact on fair value of 20% adverse change	-	($74,602)	($320)	N/A	-
Residual cash flows discount rate (annual rate)	-	21.0% - 33.9%	N/A	8.9%	N/A
Impact on fair value of 10% adverse change	-	($10,761)	($39)	($191)	-
Impact on fair value of 20% adverse change	-	($20,468)	($76)	($377)	-
Interest rates on variable and adjustable contracts	-	*	**	N/A	***
Impact on fair value of 10% adverse change	-	($11,077)	-	N/A	-
Impact on fair value of 20% adverse change	-	($20,804)	-	N/A	-

* Variable pass through: 1 month Libor plus a spread ranging from 6 to 58 basis points.
Variable collateral: 1 month Libor plus an average spread ranging from 347 to 399 basis points.

** Variable pass through: 1 month Libor plus a spread of 10 basis points.

*** Variable pass through: 1 month Libor plus a spread ranging from 20 to 325 basis points.

**** Expected static pool credit losses include actual incurred losses plus projected net credit losses divided by the original balance of the oustandings comprising the securitizations pool.

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At December 31, 2006:	Government Insured First Mortgage Loans	Home Equity Lines of Credit & Home Equity Loans	High Loan to Value Loans	Non-Conforming Jumbo First Mortgage Loans	Other First Mortgage Loans
Carrying amount/fair value of retained interests	$12,488	$418,896	$31,491	$19,887	$12,531
Weighted-average life (in years)	1.1	1.5 - 2.2	2.5 - 2.8	5.2	3.8 - 4.0
Prepayment speed assumption (CPR - annual rate)	15.0%	33.4% - 47.9%	25.9% - 29.2%	14.7%	17.6% - 19.7%
Impact on fair value of 10% adverse change	($6)	($20,112)	($726)	($943)	($421)
Impact on fair value of 20% adverse change	($12)	($37,291)	($1,327)	($1,810)	($790)
Expected credit losses**	3.6%	0.6% - 2.6%	8.8% - 12.8%	N/A	1.0% - 1.2%
Impact on fair value of 10% adverse change	($398)	($13,149)	($3,217)	N/A	($579)
Impact on fair value of 20% adverse change	($797)	($26,266)	($6,386)	N/A	($1,152)
Residual cash flows discount rate (annual rate)	6.5%	13.0%	13.0%	10.2%	13.1%
Impact on fair value of 10% adverse change	($62)	($10,618)	($1,130)	($607)	($823)
Impact on fair value of 20% adverse change	($122)	($20,590)	($2,177)	($1,182)	($1,543)
Interest rates on variable and adjustable contracts	*****	*	**	N/A	***
Impact on fair value of 10% adverse change	($676)	($18,448)	($299)	N/A	($27)
Impact on fair value of 20% adverse change	($1,352)	($36,511)	($590)	N/A	($48)

* Variable pass through: 1 month Libor plus a spread ranging from 6 to 30 basis points.
Variable collateral: 1 month Libor plus an average spread ranging from 354 to 392 basis points.

** Variable pass through: 1 month Libor plus a spread of 10 basis points.

*** Variable pass through: 1 month Libor plus a spread ranging from 20 to 325 basis points.

**** Expected static pool credit losses include actual incurred losses plus projected net credit losses divided by the original balance of the outstandings comprising the securitizations pool.

***** Variable pass through at Tier 1 Commercial Paper rates.

These sensitivities are hypothetical and should be used with caution. As the figures indicate, changes in fair value based on a 10% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, in this table, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another, which could magnify or counteract the sensitivities.

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The following summarizes quantitative information about delinquencies and credit losses associated with securitized assets and other assets managed at December 31, 2007 and 2006:

At December 31, 2007:

Type of Loan	Total Amount of Loans	Delinquent Principal Over 60 Days	Credit Losses (Net of Recoveries)
Government insured mortgage loans	$ 751,037	$ 480,649	$ 3,137
Home equity lines and loans	11,820,656	266,626	102,310
High loan-to-value loans	336,410	14,519	11,941
Non-conforming jumbo first mortgage loans	3,856,775	73,878	614
Other first mortgage loans	303,062	25,120	907
Conforming first mortgage loans	1,377,084	67,191	7,747
Total mortgage loans owned or securitized	$ 18,445,024	$ 927,983	$ 126,656
Less:			
Loans securitized	(14,738,311)	(84,437)	(111,492)
Loans held for sale or securitization	(2,383,366)	(613,127)	(14,275)
Total mortgage loans held for investment	$ 1,323,347	$ 230,419	$ 889

At December 31, 2006:

Type of Loan	Total Amount of Loans	Delinquent Principal Over 60 Days	Credit Losses (Net of Recoveries)
Government insured mortgage loans	$ 741,907	$ 437,069	$ 4,717
Home equity lines and loans	11,658,636	113,940	35,262
High loan-to-value loans	395,427	13,247	13,871
Non-conforming jumbo first mortgage loans	4,954,766	38,796	(69)
Other first mortgage loans	365,722	29,286	622
Conforming first mortgage loans	1,577,061	40,310	607
Total mortgage loans owned or securitized	$ 19,693,519	$ 672,648	$ 55,010
Less:			
Loans securitized	(15,251,944)	(124,462)	(39,074)
Loans held for sale or securitization	(4,387,668)	(546,991)	(14,486)
Total mortgage loans held for investment	$ 53,907	$ 1,195	$ 1,450

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7. OFF-BALANCE SHEET FACILITIES

During 2006 and a portion of 2007, the Company utilized two off-balance sheet facilities that it owned to finance mortgage loans prior to their securitization or permanent sale to investors. These facilities were QSPEs and were not consolidated within the Company's financial statements. The Company was required to repurchase any ineligible loans sold to the facilities in the event a breach of representations and warranties occurred. In addition, the Company maintained a right to service the mortgage loans held by each facility and upon the sale of the mortgage loans to the ultimate investors. As servicer, the Company received a monthly servicing fee (and excess service fee, if applicable). Additionally, as servicer, the Company was required to advance payments due from borrowers, which had not been received, as of specified cut-off dates. The Company also performed certain accounting, secondary marketing, and administrative services on behalf of the facilities. During 2007 both off-balance sheet facilities were terminated, and are no longer being utilized.

Walnut Grove Funding Inc. ("Walnut Grove") was a QSPE which financed home equity loans, home equity lines of credit and HLTV mortgage loans prior to securitization. The QSPE purchased these loans from the Company through the issuance of certificates of beneficial interest, the majority of which were owned by a commercial bank's funding conduit. Certain beneficial interests were retained by the Company and were included within investments, trading on the accompanying consolidated balance sheets. The owners of the beneficial interests bore the risk of loss on defaulted mortgage loans. This QSPE was owned by GMAC Mortgage, LLC ("GMACM"), a wholly owned subsidiary of the Company. Walnut Grove held approximately $0 and $294,300 in mortgage loans as of December 31, 2007 and 2006, respectively. Walnut Grove issued certificates of beneficial interest of $0 and $275,442, of the permitted maximum amount of $0 and $900,000 as of December 31, 2007 and 2006, respectively.

Horsham Funding Inc. ("Horsham") was a QSPE used to finance defaulted government insured or guaranteed residential mortgage loans the Company had repurchased from Ginnie Mae. The QSPE funded the purchase of the loans from the Company through financing obtained from two bank-sponsored asset-backed commercial paper conduits. In connection with this financing, the Company retained certain subordinated interests, which were included within investments, trading on the accompanying consolidated balance sheets. Loans were held by the QSPE until they were settled by an insurance claim paid by FHA or VA or in the event the loans became current, they are repurchased through the exercise of a conditional call retained by the Company. This QSPE was owned by GMACM. Horsham held approximately $0 and $108,782 in mortgage loans as of December 31, 2007 and 2006, respectively. Horsham issued interests of $0 and $102,401 of the permitted maximum amount of $0 and $200,000 as of December 31, 2007 and 2006, respectively.

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8. MORTGAGE LOANS HELD FOR SALE

Mortgage loans held for sale, net of deferred origination fees and costs, servicing released premiums, and other premiums and discounts, consist of the following as of December 31:

	2007	2006
First mortgages:		
Conforming	$ 1,167,254	$ 1,573,278
Government	569,079	632,429
Non-conforming	228,039	1,283,308
Home equity:		
Lines of credit	235,268	371,267
Loans	127,502	416,473
Non-conforming - HLTV	56,224	98,078
Other loans:		
Construction	-	12,835
Total	$ 2,383,366	$ 4,387,668

The Company sells its one to four unit first mortgage loan inventory to a variety of investors. Conforming fixed rate and adjustable rate first mortgages are primarily sold as agency (Fannie Mae, Freddie Mac or Ginnie Mae) mortgage-backed securities. Non-conforming fixed and adjustable rate first mortgages are sold as whole loans to private investors or through private securitization transactions in which the Company may retain a certificated interest-only or principal-only security. The Company sells its home equity loans and lines of credit as either whole loans to private investors or through private securitization transactions in which it generally retains an uncertificated interest-only security.

The Company lends to consumers for the purposes of acquiring land and constructing residential homes. The Company's primary intent for administering the program is to obtain the permanent financing upon completion of construction.

The Company has pledged mortgage loans held for sale against certain borrowings (see Note 13) and against obligations relating to certain HLTV securitizations (see Note 20).

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9. LENDING RECEIVABLES

Lending receivables consist of the following as of December 31:

	2007	2006
Warehouse lending receivables	$ -	$ 2,748
Allowance for losses	-	(19)
Total	$ -	$ 2,729

The following is a summary of the activity in the allowance for losses for lending receivables:

	2007	2006
Balance at January 1,	$ 19	$ 2,883
Provisions	(19)	(590)
Net transfers	-	(2,274)
Balance at December, 31	$ -	$ 19

The Company extends warehouse lines of credit to mortgage correspondents in order to finance the origination of residential mortgage loans. The lines of credit are collateralized by the underlying mortgage loans and bear interest at variable rates. During 2007, the majority of the warehouse lending operations was transferred to the Bank. There were no warehouse lending receivables 60 or more days delinquent as of December 31, 2007 and 2006.

The Company has pledged lending receivables against certain borrowings (see Note 13).

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10. MORTGAGE LOANS HELD FOR INVESTMENT

Mortgage loans held for investment consist of the following as of December 31:

	2007	2006
First mortgages:		
Conforming	$ 213,646	$ 3,783
Non-conforming	319,639	2
Government	183,891	712
Second mortgages:		
Lines of credit	217,605	47
Loans	298,775	19,301
Non-conforming - HLTV	91,608	4,300
Reverse mortgages	35,959	39,423
Allowance for losses	(37,776)	(13,661)
Total	$ 1,323,347	$ 53,907

The following is a summary of the activity in the allowance for losses for mortgage loans held for investment:

	2007	2006
Balance at January 1,	$ 13,661	$ 17,465
Provisions	25,004	15,885
Charge-offs	(1,837)	(1,499)
Recoveries	948	48
Net transfers	-	(18,238)
Balance at December, 31	$ 37,776	$ 13,661

The Company originates and holds in its portfolio interest-only mortgage loan products. These are first mortgage loan products that allow for payments of interest only for a fixed period of time, whereas traditional mortgage products provide for payments of interest and principal. At the end of the interest-only period, the payment adjusts to include principal and interest payments, and thus significantly increase. The Company had $167,588 of interest-only first mortgage loans classified as held for investment at December 31, 2007. There were no interest only loans held for investment at December 31, 2006.

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In addition, the Company offers second-lien loans that when combined with the underlying first-lien mortgage loans result in a loan-to-value ratio in excess of 100%. The Company defines these products as HLTV loans. The Company had $91,608 and $4,300 of HLTV loans classified as held for investment at December 31, 2007 and 2006, respectively. Also included in the portfolio are reverse mortgages, which are discounted advances targeted specifically to individuals who have available equity in their homes. The Company's portfolio of reverse mortgages is being sub-serviced by a third party. The Company no longer originates reverse mortgages. These products are subject to the normal credit and risk processes of the Company. See Note 3 for additional information of the Company's allowance for loss methodology for mortgage loans held for investment.

The Company invests in loans collateralized by property in all fifty states. The five largest state concentrations based on unpaid principal balance are as follows: California (9%), Florida (3%), Texas (3%), Michigan (3%), and New York (2%), aggregating approximately 20% of the portfolio. The risk inherent in such concentrations is dependent not only upon regional and general economic stability that affects property values, but also on the financial well being and creditworthiness of the borrowers.

At December 31, 2007 and 2006, the unpaid principal balance of loans 60 or more days delinquent was $230,418 and $1,195, respectively. The Company recognized provision expense of $25,004 and $15,885 for the years ended December 31, 2007 and 2006, respectively.

The Company has pledged mortgage loans held for investment against certain borrowings (see Note 13).

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11. MORTGAGE SERVICING RIGHTS

The following summarizes the Company's activity related to mortgage servicing rights carried at fair value:

	2007	2006
Estimated fair value at January 1	$ 3,752,733	$ 3,056,471
Additions obtained from sales of mortgage loans	1,106,906	1,152,702
Additions from purchases of servicing assets	9,291	11,780
Sale of excess service fees	(563,709)	-
Changes in fair value:		
Due to changes in valuation inputs or assumptions used in the valuation model	(668,739)	(5,750)
Other changes in fair value	(241,356)	(462,470)
Estimated fair value at December 31	$ 3,395,126	$ 3,752,733

Originated additions include acquisitions of mortgage servicing rights via the Company's loan origination activities in the correspondent/broker, retail and direct channels. Purchased additions generally consist of bulk acquisitions of servicing rights. Changes in fair value due to changes in valuation inputs or assumptions used in the valuation models include all changes due to a revaluation by a model or by a benchmarking exercise. This line item also includes changes in fair value due to a change in valuation assumptions and/or model calculations. Other changes in fair value primarily include the accretion of the present value of the discount related to forecasted cash flows and the economic run-off of the portfolio.

The components of servicing fees were as follows for the years ended December 31, 2007 and 2006:

	2007	2006
Contractual servicing fees (net of guarantee fees and including subservicing)	$ 1,000,568	$ 925,870
Late Fees	87,783	74,178
Ancillary fees	49,605	62,211
Total	$ 1,137,956	$ 1,062,259

During 2007, the Company exchanged certain excess service fees included within capitalized mortgage servicing rights for stripped mortgage backed securities issued by agencies. The excess servicing fees related to mortgage loans with a scheduled principal balance of approximately $51,130,117. The Company retained its rights as primary servicer associated with these loans. The stripped mortgage backed securities were then sold into the secondary market, with the gain on these securities recognized in gain on investments in the accompanying consolidated statement of income.

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Note 19 provides the unpaid principal balance, weighted average coupon, weighted average maturity and weighted average servicing fee of the portfolio of loans underlying the Company's mortgage servicing rights.

The Company has pledged mortgage servicing rights against certain borrowings (see Note 13).

At December 31, 2007 and 2006, key economic assumptions and the sensitivity of the current fair value of mortgage servicing rights to immediate 10 and 20 percent adverse changes in those assumptions are as follows:

	2007	2006
Carrying amount of mortgage servicing rights	$ 3,395,126	$ 3,752,733
Weighted-average life (in years)	4.4	4.5
Prepayment speeds (constant prepayment rate) (1):	18.6%	15.6%
Impact on fair value of 10% adverse change	$ (198,103)	$ (192,036)
Impact on fair value of 20% adverse change	$ (376,855)	$ (350,944)
Discount rate (2):	8.4%	8.5%
Impact on fair value of 10% adverse change	$ (46,588)	$ (36,090)
Impact on fair value of 20% adverse change	$ (81,451)	$ (71,237)

(1) represents the weighted average prepayment rate for the life of the mortgage servicing right asset using the Company's OAS/Monte Carlo simulation across 200 interest rate paths.

(2) represents a discount rate imputed from the cash flows generated from the Company's OAS/Monte Carlo simulation across 200 interest rate paths.

These sensitivities are hypothetical and should be used with caution. As the figures indicate, changes in fair value based on a 10% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumptions to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value of the mortgage servicing rights is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another, which could magnify or counteract the sensitivities.

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12. PROPERTY AND EQUIPMENT

Property and equipment is included within other assets on the accompanying consolidated balance sheets and consists of the following as of December 31:

	2007	2006
Furniture and fixtures	$ 183,653	$ 191,731
Leasehold improvements	84,698	81,635
Capitalized software/web development	85,570	104,724
	353,921	378,090
Less: Accumulated depreciation	(266,692)	(281,096)
Total	$ 87,229	$ 96,994

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which range from two to ten years. Depreciation and amortization expense was $29,460 and $33,445 for the years ended December 31, 2007 and 2006, respectively. See Note 20 for obligations under operating leases.

The Company accounts for expenditures related to software development in accordance with SOP 98-1, *Accounting for the Costs of Computer Software Developed or Obtained for Internal Use.* SOP 98-1 defines internal use software as software that is acquired, internally developed or modified solely to meet an entity's internal needs. In accordance with SOP 98-1, direct software development costs associated with the design, construction and improvements of internal systems are capitalized. Capitalized software development is then amortized on the straight-line basis when the software is ready for its intended use. Software expenditures that are considered general, administrative or of a maintenance nature are expensed as incurred.

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13. BORROWINGS

Borrowings consist of the following as of December 31:

	2007		2006	
	Outstanding Balance	Weighted Average Rate	Outstanding Balance	Weighted Average Rate
Affiliate borrowings	4,019,100	8.02%	$ 3,923,000	7.04%
Other borrowings:				
Short-term:				
Repurchase agreements	1,553,350		2,304,749	
Variable funding notes	419,707		78,300	
Secured revolving notes	-		1,402,907	
Other	1,455,700		1,280,439	
Investor custodial funds	-		131,709	
Total short-term	3,428,757	6.12%	5,198,104	5.71%
Total other borrowings	3,428,757		5,198,104	
Total	$ 7,447,857	7.14%	$ 9,121,104	6.28%

ResCap has extended a $20,000,000 credit facility to its subsidiaries, including the Company. The credit facility is comprised of short and medium-term unsecured borrowings. The Company's portion of short-term, unsecured outstanding balances was $4,019,100 and $3,923,000 as of December 31, 2007 and 2006, respectively. The Company did not utilize medium-term borrowings during 2007 or 2006. The interest rate on short-term borrowings fluctuates monthly and is generally a stated margin above a composite of GMAC's quoted short-term commercial paper rates. The interest rate on medium-term borrowings can be on a fixed or floating rate basis for the borrowing term, which is typically six months to five years. Interest on short-term borrowings is paid monthly and interest on medium-term borrowings is paid semi-annually.

The Company has also entered into repurchase agreements with various counterparties in order to finance certain investments, available for sale, investments, trading, and mortgage loans held for sale. These repurchase agreements do not have stated maturity dates and can be terminated at anytime by the Company or the counterparty. In addition, the debt is reset every 30 days and can be reset at any time at the request of either party. The Company incurred interest expense under these arrangements of $118,143 and $128,118 for the years ended December 31, 2007 and 2006, respectively.

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The Group sponsored MINT, a multi-seller commercial paper and extendible note conduit, which provided each of the Group's subsidiaries, including the Company, with financing for loans and receivables prior to sale or securitization to permanent investors. The Company used a series of wholly-owned consolidated bankruptcy remote special purposes entities to purchase loans and receivables from the Company and to finance senior participation interests in the assets. MINT then provided financing for the senior participation interests in the form of secured revolving notes. The MINT program was terminated in December 2007. The Company incurred interest expense on the secured revolving notes of $84,432 and $142,980 during the years ended December 31, 2007 and 2006, respectively.

MINT I, LLC was created during the second quarter of 2007. MINT I is an on-balance sheet facility that provides the Company with financing for mortgage loans prior to sale or securitization and for warehouse lending receivables. MINT I obtains financing through the issuance of extendable notes, which are secured by the mortgage loans and warehouse receivables. As of December 31, 2007, MINT I had uncommitted liquidity of $25.0 billion, with $0.0 million of extendable notes outstanding. Due to the lack of investor appetite for mortgage-backed commercial paper, and extendable notes in particular, MINT I stopped issuing extendable notes during the third quarter and it is unclear whether the Company will be able to use this program in the future. The underlying collateral has either been moved to other existing sources of liquidity or sold to third-party investors. The Company incurred interest expense on the secured revolving notes of $11,614 during the year ended December 31, 2007.

The Company participates in revolving funding programs in which it issues variable funding notes. The Company incurred interest expense on these variable funding notes of $11,135 and $34,151 during the years ended December 31, 2007 and 2006, respectively.

The Company entered into a secured, short term borrowing agreement with two commercial lenders, which is collateralized by certain mortgage servicing rights. The amount outstanding under the agreements was $1,444,000 and $1,275,000 as of December 31, 2007 and 2006, respectively. The Company incurred interest expense on this borrowing agreement of $94,273and $62,083 during the years ended December 31, 2007 and 2006, respectively.

Certain investors in loans serviced by the Company permit custodial funds to be used by the Company in its daily operations prior to their remittance to the investors. The amounts of custodial funds that may be utilized in operations are subject to certain limitations. In order to remain eligible to use these custodial funds, the Company must meet certain net worth, operational and other requirements. These arrangements were terminated during 2007.

The Company had unsecured lines of credit with two third party banks permitting the Company to borrow a maximum aggregate of $2,000 as of December 31, 2007 and 2006. Generally, loans under the lines of credit have a term of 30 days. The lines are generally renewable at the discretion of the third party banks. The Company incurred interest expense on these lines of credit of $0 and $22 for the years ended December 31, 2007 and 2006, respectively.

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The Company uses certain assets as collateral in borrowing transactions. The Company does not record these transactions as sales and all amounts are reflected in the accompanying consolidated financial statements, including changes in value as appropriate. Certain of the Company's borrowing arrangements allow the lender, to varying degrees, to revalue the collateral to values that the lender considers to reflect market values. If a lender determines that the value of the collateral has decreased, it may initiate a margin call requiring the Company to post additional collateral to cover the decrease. The following table indicates the balance sheet classification of pledged assets, the amount of assets that have been pledged, and the associated borrowing facility as of December 31:

Asset	2007	2006	Borrowing
Investments, trading	$ 257,320	$ 1,595,292	Repurchase agreements
Accounts receivable	104,146	88,015	Variable funding notes
Accounts receivable	-	15,053	Repurchase agreements
Mortgage loans held for sale	1,231,090	1,065,683	Repurchase agreements
Mortgage loans held for sale	-	1,458,149	Secured revolving notes
Mortgage loans held for investment	495,532	-	Repurchase agreements
Mortgage loans held for investment	355,415	-	Debt collateralized by mortgage loans
Mortgage servicing rights	2,554,225	2,447,084	Other
Total	$ 4,997,728	$ 6,669,276	

The assets that were pledged as collateral in the preceding table include assets that can be sold or repledged by the secured party. The assets that could be sold or repledged were as follows as of December 31:

	2007	2006
Investments, trading	$ 257,320	$ 1,595,292
Mortgage loans held for investment	495,532	-
Mortgage loans held for sale	1,231,090	566,615
Total	$ 1,983,942	$ 2,161,907

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14. OTHER LIABILITIES

Other liabilities consist of the following as of December 31:

	2007	2006
Loan purchases payable	$ 854,369	$ 588,247
Due to investment bankers	582,765	196,545
Other reserves	167,173	74,201
Accrued expenses	137,026	131,959
Due to investors	98,769	90,420
Issued checks awaiting presentment	68,741	86,765
Derivatives at fair value	66,965	46,720
Accrued compensation	44,957	62,276
Interest payable	38,746	42,455
Restructuring	30,300	-
Due to mortgagors	15,840	14,977
Deferred tax liability	8,956	10,152
Other payables	4,895	9,793
Total	$ 2,119,502	$ 1,354,510

In October 2007, ResCap announced a restructuring plan that would reduce its workforce, streamline operations, and revise its cost structure. As a result of this restructuring plan, the Company has incurred pre-tax restructuring costs related to severance and related costs associated with the workforce reduction of $26,951 and contract termination costs related to closure of facilities of $19,809.

The following table summarizes by category the Company's restructuring charge activity for the period ended December 31, 2007:

	Liability Balance at January 1, 2007	Restructuring Charges Through December 31, 2007	Cost paid or Otherwise Settled Through December 31, 2007	Liability Balance at December 31, 2007
Restructuring Charges:				
Employee severance	$ -	$ 26,951	$ (12,304)	$ 14,647
Lease terminations and fixed asset write-offs	-	19,809	(4,156)	15,653
Total	$ -	$ 46,760	$ (16,460)	$ 30,300

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15. ALLOWANCE FOR LOSSES ON LOANS SOLD WITH RECOURSE

The Company's outstanding recourse obligations are summarized as follows as of December 31:

	2007	2006
Remaining principal balance on loans sold with recourse	$ 136,375	$ 205,542
Maximum exposure on loans sold with recourse:		
Full	$ 127,191	$ 189,457
Limited	8,256	11,729
Total	$ 135,447	$ 201,186
Reserve for losses	$ 197	$ 219

The maximum recourse exposure shown above is net of amounts reinsured with mortgage insurance companies, which totaled $598 and $679 as of December 31, 2007 and 2006, respectively. The Company periodically reviews the financial position of the mortgage insurance companies and is satisfied with their ability to perform under the agreements. Provisions for losses of $(12) and $124 were recognized in the years ended December 31, 2007 and 2006, respectively.

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16. REINSURANCE ARRANGEMENTS

A subsidiary of the Company has entered into excess layer reinsurance agreements with seven non-affiliated private mortgage insurance ("PMI") companies that provide PMI for the Company's mortgage loan servicing portfolio. The subsidiary assumes the risk of loss over a specified first loss percentage for covered loans and in return earns a portion of the PMI premium associated with those mortgage loans. The first loss layer is equal to the risk in force multiplied by the weighted average of the first loss percentages based on the percentage of the original loan principal of the loans in each book. The total original principal amount covered by the reinsurance agreements is $51,310,787 and $45,689,215 and the total active original principal amount is $17,080,018 and $14,130,881 as of December 31, 2007 and 2006, respectively.

Assumed premiums written and earned are summarized as follows for the years ended December 31, 2007 and 2006:

	2007	2006
Premiums assumed	$ 40,062	$ 33,634
Change in unearned premiums	(232)	(60)
Premiums earned	$ 39,830	$ 33,574

The subsidiary of the Company assumes mortgage insurance policies from private mortgage insurance companies which are guaranteed renewable contracts at the insured's option on a single, monthly or annual premium basis. The ceding company has no ability to re-underwrite or re-price these contracts once a book of business has been established. Premiums written are earned over the policy term and are included within other income on the accompanying consolidated statements of operation.

The Company establishes a liability for insured events, which included estimates of future payments of loss and related loss adjustment expenses. The Company reserves for loss and loss adjustment expenses when notices of default on insured mortgage loans are received and the specified first loss percentage covered by the ceding company is exhausted. There were no loss or loss adjustment expense reserves at December 31, 2007 and 2006.

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17. INCOME TAXES

In November 2006, GMAC elected to be treated as a multi-member LLC to be taxed as a partnership for federal income tax purposes. At the same time, the Company and the majority of its subsidiaries were converted to single member LLC's, and elected to be treated as disregarded entities for tax purposes. As a result, the Company's net deferred tax liability was reversed resulting in an income tax benefit of $790,519. Subsequent to the tax conversion date, income taxes are accrued at the member level with the exception of estimated minimal amounts of state income taxes related to states that do not statutorily adopt the federal income tax consequences of the LLC conversion. For all non-converting subsidiaries, income taxes have been accrued at the applicable federal and state statutory income tax rates.

The following summarizes the Company's income tax provision (benefit) for the years ended December 31:

	2007	2006
Income tax provision/(benefit):		
Current:		
Federal	$ 16,826	$ (163,953)
State	411	17,898
Foreign	(1,215)	26
	16,022	(146,029)
Deferred:		
Federal	129	(439,530)
State	(1,495)	(71,607)
	(1,366)	(511,137)
Total	$ 14,656	$ (657,166)

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The following summarizes the Company's deferred tax assets and liabilities for the years ended December 31:

	2007	2006
Assets:		
Accruals not currently deductible	$ 613	$ 474
Depreciation	94	137
Allowance for loan loss	161	109
Basis difference in mortgage loans and securities	342	48
Securitization activity	501	-
Loss carryforwards	4,013	-
Other	7	-
Gross deferred tax assets	5,731	768
Valuation allowance	(4,013)	-
Net deferred tax assets	$ 1,718	$ 768
Liabilities:		
Mortgage servicing rights	$ 10,200	$ 10,060
Securitization activity	-	496
Amortization of intangibles	(6)	279
Available for sale securities	466	296
Other	14	(211)
Total deferred tax liabilities	$ 10,674	$ 10,920
Net deferred tax liability	$ (8,956)	$ (10,152)

At December 31, 2007, the valuation allowance is attributable to state tax net operating losses generated from December 1, 2006 through December 31, 2007. The net operating loss carryforward is $1,128,974 in certain states that impose an income tax on limited liability companies. The state net operating loss carryforwards expire in the years 2012-2027.

A valuation allowance has not been established against any of the Company's remaining deferred tax assets because the Company has determined that it is more likely than not that all such tax assets will be realized.

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The following reconciles the income tax provision at the statutory rate and the actual income tax provision:

	2007		2006	
	Amount	Percent	Amount	Percent
Income tax provision at statutory federal rate	$ (288,328)	35.00	$ 74,313	35.00
Difference resulting from:				
Impact of LLC losses not subject to federal tax benefit	181,765	(22.06)	22,551	10.62
Goodwill	120,120	(14.58)	-	-
LLC conversion deferred tax write-off	-	-	(790,519)	(372.32)
State income tax expense of LLC's with no federal benefit	(3,460)	0.42	(300)	(0.14)
State income taxes, net of federal tax benefit	-	-	33,204	15.64
Unbenefited foreign loss	1,495	(0.18)	1,235	0.58
Valuation reserve	4,013	(0.49)	-	-
Other - net	(949)	0.11	2,350	1.11
Total income tax provision (benefit)	$ 14,656	(1.78)	$ (657,166)	(309.51)

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18. FAIR VALUE OF FINANCIAL INSTRUMENTS

SFAS Nos. 107 and 133 require the disclosure of fair values of all assets and liabilities classified as financial, off-balance sheet and derivative financial instruments. The Company estimates fair value amounts through the use of available market information and appropriate valuation methodologies.

The estimated fair values of the Company's assets and liabilities classified as financial instruments as of December 31 consist of the following:

	2007		2006	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents	$ 174,120	$ 174,120	$ 134,993	$ 134,993
Investments, trading	595,962	595,962	1,776,065	1,776,065
Investments, available for sale	150,194	150,194	152,399	152,399
Mortgage loans held for sale	2,383,366	2,398,978	4,387,668	4,447,677
Lending receivables	-	-	2,729	2,729
Mortgage loans held for investment	1,323,347	1,247,799	53,907	53,907
Derivatives	949,391	949,391	215,723	215,723
Total asset financial instruments	$ 5,576,380	$ 5,516,444	$ 6,723,484	$ 6,783,493
Liabilities:				
Borrowings	$ 7,447,857	$ 7,447,857	$ 9,121,104	$ 9,121,104
Derivatives	66,965	66,965	46,720	46,720
Total liability financial instruments	$ 7,514,822	$ 7,514,822	$ 9,167,824	$ 9,167,824

Investments, trading and available for sale – See Notes 4, and 5 for the methodology used in estimating fair value.

Mortgage loans held for sale – The fair values of these financial instruments were based upon actual prices received on recent sales of mortgage loans and securities to investors, where feasible. When sales information is not readily available, fair value is based on prices received for similar asset sales. Otherwise, internal pricing is developed utilizing investor indicators which consider interest rate, loan type, and credit quality, among other factors.

Lending receivables – The fair value of warehouse lending receivables were determined to be their carrying value due to their short-term nature.

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Mortgage loans held for investment –The estimated fair value of these financial instruments is based on discounted cash flows using interest rates currently being offered for loans with similar terms to borrowers with similar credit quality; the net realizable value of collateral and/or estimated sales price is based on quoted market prices where available or actual prices received on comparable sales of mortgage loans to investors, adjusted for management estimates to reflect the unique characteristics of the underlying loans.

Borrowings – The fair value of short-term borrowings were determined to be their carrying value.

Derivatives - The estimated carrying amounts and fair values of the Company's derivative financial instruments as of December 31 consist of the following:

	2007		2006	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Derivative Assets:				
Derivatives used for risk management of:				
Mortgage servicing rights	$ 900,455	$ 900,455	$ 195,098	$ 195,098
Mortgage loans held for sale and commitments to purchase/originate mortgages	6,145	6,145	20,625	20,625
Commitments to purchase/originate mortgages	17,897	17,897	-	-
Market value swap with affiliate on mortgage servicing rights	24,894	24,894	-	-
Total derivative assets	$ 949,391	$ 949,391	$ 215,723	$ 215,723
Derivative Liabilities:				
Derivatives used for risk management of:				
Mortgage servicing rights	$ -	$ -	$ 26,286	$ 26,286
Mortgage loans held for sale and commitments to purchase/originate mortgages	42,247	42,247	2,881	2,881
Commitments to purchase/originate mortgages	15,742	15,742	17,553	17,553
Market value swap with affiliate on mortgage servicing rights	191	191	-	-
Other derivatives				
MINT I market value swap	8,785	8,785	-	-
Total derivative liabilities	$ 66,965	$ 66,965	$ 46,720	$ 46,720

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The Company's risk management objectives are to minimize market risk and cash flow volatility associated with interest rate, prepayment, and basis risks related to certain assets and liabilities. Derivative financial instruments are used as part of the Company's risk management policy to manage risk related to specific groups of assets and liabilities, including mortgage loans held for sale and mortgage servicing rights. In addition, the Company holds derivative instruments such as commitments to purchase or originate mortgage loans that it has entered into in the normal course of business. The following summarizes the Company's derivative activity:

Mortgage servicing rights – The Company has identified the primary risk associated with holding capitalized mortgage servicing rights as the risk of impairment loss due to a change in the fair value caused by changes in interest rates. In order to manage this risk, the Company has entered into a combination of derivative contracts. These derivatives include interest rate caps and floors, futures options, futures, mortgage-backed security options, interest rate swaps and swaptions. The maturities of these instruments range between six months and twenty years. The Company has entered into written options on treasury futures for notional amounts lower than purchased options on futures. The purchased option coverage is at a strike price less than or equal to the corresponding written option coverage, thereby mitigating the Company's loss exposure. The Company is required to deposit cash in margin accounts maintained by counterparties for unrealized losses on futures contracts. Deposits in margin accounts were $10,293 and $32,954 at December 31, 2007 and 2006, respectively, and are included within accounts receivable in the accompanying consolidated balance sheets.

The derivative contracts contain an element of risk in the event that the counterparties may be unable to meet the terms of such agreements. The Company minimizes its risk exposure by limiting the counterparties to those major banks, investment bankers and private investors who meet established credit and capital guidelines. In the event the counterparties were unable to fulfill their obligations, the Company would not incur any material loss by replacing the position at market rates in effect on December 31, 2007 and 2006. The Company does not expect any counterparty to default on their obligations. In order to further mitigate the risk of counterparty default, the Company has entered into several collateral agreements with counterparties to its mortgage servicing rights derivatives. The agreements require both parties to maintain cash on deposit in the event the fair values of the derivatives meet established thresholds. Deposits in these collateral accounts consisted of $565,486 and $178,864 at December 31, 2007 and 2006, respectively, in cash received by the Company from counterparties, which was included within other liabilities on the accompanying consolidated balance sheets.

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Mortgage loans held for sale and commitments to purchase/originate mortgages – The Company uses derivative financial instruments to manage its exposure to risk associated with certain of its mortgage loans held for sale and commitments to purchase/originate conforming first mortgages. Prior to the mortgage funding, the Company often enters into an interest rate lock commitment with borrowers whereby the Company commits to a particular interest rate, provided the borrower elects to close the loan. After the loans are funded, the Company's mortgage loans held for sale are sold into the secondary mortgage market to various investors, primarily as mortgage-backed securities sponsored by Fannie Mae, Freddie Mac and Ginnie Mae. Mortgage loans that are not eligible for an agency sponsored securitization are sold through public or private securitization transactions or in whole loan sales. During the time between the loan's funding or interest rate lock commitment and its sale to the secondary market, the Company is exposed to certain risks. The primary risk associated with its locked pipeline (loans with interest rate lock commitments not yet closed) and warehouse (closed loans) is a decrease in the fair value of the loans due to an unfavorable fluctuation in interest rates. The Company's primary strategy to protect against this risk is selling loans or mortgage-backed securities forward to investors using mandatory and optional forward commitments.

According to SFAS No. 133, interest rate lock commitments are specifically prohibited from being designated as a hedged asset in a fair value hedging relationship. However, in accordance with SFAS No. 149, *Amendment of Statement 133 on Derivative Instruments and Hedging Activities,* certain loan commitments to purchase or originate mortgages have been defined as derivatives. In accordance with SAB No. 105 subsequent changes in the fair value of the loan commitment from the time of the interest rate lock are recognized as assets or liabilities, with a corresponding adjustment to current period earnings. The determination of the change in fair value does not include an estimate of the future mortgage servicing right that will arise when the loan is sold.

Included within commitments to purchase/originate mortgages are loans in pipeline of $3,804,496 and $1,554,482 and with carrying amounts of $4,141 and $(3,476) and closed loans of $2,032,216 and $895,955 with carrying amounts of $7,196 and $(3,711) as of December 31, 2007 and 2006, respectively. The Company has agreed to purchase these loans from GMAC Bank.

As of December 31, 2007 and 2006, the Company had forward delivery commitments to sell mortgages and/or mortgage-backed securities into mandatory delivery contracts with investment bankers, private mortgage investors and agency mortgage-backed securities, as well as options and futures contracts outstanding on U.S. Treasury securities and Eurodollar futures. The Company is required to deposit cash in margin accounts maintained by counterparties for unrealized losses on futures contracts. Deposits in margin accounts were $20,984 and $12,971 at December 31, 2007 and 2006, respectively, and are included within other assets in the accompanying consolidated balance sheets.

Except as discussed above, the Company is not required to satisfy margin or collateral requirements for any of the financial instruments enumerated above.

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Off-balance sheet financial instruments – The notional amounts and estimated fair values of the Company's off-balance sheet financial instruments as of December 31 are as follows:

	2007		2006	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Unused commitments on home equity lines	$ 2,495,974	$ -	$ 2,741,174	$ -
Unused lending commitments	4,726	-	10,715	-
Total unused commitments	2,500,700	-	2,751,889	-
Commitments to originate mortgage loans held for investment	58,896	422	-	-
Total off-balance sheet financial instruments	$ 2,559,596	$ 422	$ 2,751,889	$ -

Unused commitments on home equity lines – The Company has unused commitments available on home equity lines of credit. No value is assigned to unused commitments on home equity lines of credit as they represent commitments to lend at market rates tied to short term indices.

Unused lending commitments – The Company has unused commitments available on construction, warehouse and commercial loans. No value is assigned to unused lending commitments as they represent commitments to lend at market rates tied to short term indices.

Commitments to originate mortgage loans held for investment – The Company has entered into interest rate lock commitments with customers on loans designated as mortgage loans held for investment. As discussed above in Mortgage loans held for sale and commitments to purchase/originate mortgages these commitments are not considered a derivative and as such are not recorded on the consolidated balance sheet. The Company has determined the fair value of these commitments in a manner consistent with the method used to value commitments to purchase/originate mortgages.

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19. MORTGAGE LOANS SERVICED

The Company originates and sells loans secured by first and second mortgages on one to four unit residential properties to various investors. The Company generally retains the right to collect the monthly principal and interest payments and perform certain escrow, default and collection services. The Company also purchases the right to service loans originated by others. The Company's aggregate servicing portfolio consists of the following:

At December 31, 2007:	Number Of Loans	Unpaid Principal Balance	Weighted Average Coupon	Weighted Average Remaining Maturity In Months	Weighted Average Service Fees
First mortgage:					
Conventional fixed	1,386,203	$ 192,836,533	6.10%	294	0.44%
Conventional ARM	224,401	46,988,428	6.81%	349	0.30%
Government	181,184	19,567,665	6.16%	316	0.46%
Other	100,702	52,145,786	6.55%	338	0.22%
Total first mortgage	1,892,490	$ 311,538,412	6.29%	311	0.39%
Home equity lines	260,593	$ 10,841,385	8.10%	220	0.39%
Home equity loans	318,622	15,398,659	9.16%	281	0.39%
Other	12,826	566,209	13.03%	251	0.51%
Reverse mortgages	136	35,959	7.94%	*	
Total second mortgage	592,177	$ 26,842,212	8.81%	256	0.39%
Total portfolio	2,484,667	$ 338,380,624	6.49%	307	0.39%

At December 31, 2006:	Number Of Loans	Unpaid Principal Balance	Weighted Average Coupon	Weighted Average Remaining Maturity In Months	Weighted Average Service Fees
First mortgage:					
Conventional fixed	1,355,330	$ 181,915,231	6.04%	292	0.45%
Conventional ARM	260,836	53,675,669	6.52%	355	0.29%
Government	184,152	19,143,896	5.92%	319	0.47%
Other	108,751	55,313,624	6.40%	344	0.23%
Total first mortgage	1,909,069	$ 310,048,420	6.18%	314	0.38%
Home equity lines	292,399	$ 10,651,512	9.24%	207	0.46%
Home equity loans	337,836	16,437,395	9.36%	286	0.10%
Other	8,430	277,273	14.23%	206	0.25%
Reverse mortgages	160	39,423	7.94%	*	
Total second mortgage	638,825	$ 27,405,603	9.36%	254	0.24%
Total portfolio	2,547,894	$ 337,454,023	6.44%	309	0.37%

- This portfolio consists of reverse mortgages whose maturities are not defined.

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The Company is acting as sub-servicer for approximately 243,671 and 328,865 loans with an unpaid principal balance of approximately $52,256,026 and $61,499,097 as of December 31, 2007 and 2006, respectively. These loans are included in the aggregate servicing portfolio on the previous page. The principal balances of the loans serviced for others are not included in the accompanying consolidated balance sheets.

The Company has fiduciary responsibility for related escrow and custodial funds aggregating an average of $4,459,724 and $4,406,744 during the months of December 2007 and 2006, respectively. These funds are segregated in custodial bank accounts that are not included in the assets and liabilities of the Company. Escrow and custodial funds totaling $1,673,386 and $1,367,871 at December 31, 2007 and 2006, respectively, have been deposited at an affiliate, GMAC Bank. As is customary in the mortgage banking industry, certain of these funds may be considered by the banks in which deposited, together with other balances maintained in the banks by the Company, when negotiating credit lines available for the Company's use. An investor in loans serviced by the Company permitted custodial funds to be used by the Company prior to their remittance to the investors during 2006 and a portion of 2007 (see Note 13). This arrangement was terminated in 2007.

As of December 31, 2007, the Company carried fidelity bond coverage of $350,000 and mortgage servicing errors and omission insurance coverage of $100,000. This coverage is provided under a policy that includes other unconsolidated affiliates.

An allowance for foreclosure losses, which is included as an offset to accounts receivable in the accompanying consolidated balance sheets, is recorded for estimated losses to be incurred primarily as a result of the Company's responsibility as a servicer of Ginnie Mae pools. These loans are insured against loss of principal by the FHA or partially guaranteed against loss by the VA. The allowance is determined based on several variables, including the Company's experience, the number of delinquent loans serviced for these investors, length of delinquency and amounts previously advanced on behalf of the borrower that the Company does not expect to recover from either the FHA or the VA.

The Company services loans collateralized by property in all fifty states. The five largest state concentrations based on unpaid principal balance are as follows: California (22%), Florida (6%), New Jersey (5%), Massachusetts (5%), and Michigan (4%), aggregating approximately 42% of the portfolio. The risk inherent in such concentrations is dependent not only upon regional and general economic stability that affects property values, but also on the financial well being and creditworthiness of the borrowers.

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20. COMMITMENTS AND CONTINGENCIES

The Company is obligated under non-cancelable operating leases primarily for branch and corporate office facilities and equipment leases. The future minimum rental payments in each of the five years after December 31, 2007 are as follows:

2008	$ 62,838
2009	44,038
2010	32,117
2011	21,554
2012	18,764
Thereafter	85,227
Total	$ 264,538

For the years ended December 31, 2007 and 2006, net rental expense for office facilities of $71,037 and $67,309 included sublease income of $719 and $588, respectively.

As of the date of this report, management is not aware of any threatened or pending litigation that would have a potential material impact on the financial statements of the Company.

The Company has entered into agreements to provide credit loss protection for certain HLTV securitization transactions. The maximum potential obligation is equivalent to the pledged collateral amount. The Company pledged mortgage loans held for sale totaling $50,533 and $56,542 as of December 31, 2007 and 2006, respectively. The event, which will require the Company to perform on its guaranty obligation, occurs when the security credit enhancements are exhausted and losses are passed through to Over the Counter (OTC) dealers. The guarantees terminate the first calendar month during which the security aggregate note amount is reduced to zero.

The Company is committed, in the normal course of its servicing and sub-servicing duties, to advance payments due from borrowers, which have not been received, as of specified cut-off dates. These advances may reflect payment of property taxes and insurance premiums in advance of collection from mortgagors, principal and interest payments to investors prior to their collection from mortgagors, and amounts advanced for mortgages in foreclosure. These amounts are included within accounts receivable on the accompanying consolidated balance sheets and total $750,286 and $338,464 as of December 31, 2007 and 2006, respectively. Servicing advances receive priority cash flows, including contractual interest, in the event of foreclosure or liquidation, thus making their collection reasonably assured. The Company maintains a reserve for uncollected servicing advances which totaled $5,181 and $3,211 at December 31, 2007 and 2006, respectively.

In connection with certain acquisitions, the Company has guaranteed, under certain conditions, payments with a total estimated maximum of $22,073 as of December 31, 2006. There was no liability recorded in connection with these guarantees as of December 31, 2006. The guaranty for the most significant acquisition expired in 2007.

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In connection with its correspondent/broker origination channel, the Company sponsors certain agents who originate mortgage loans under government loan programs. Under these arrangements, the Company has guaranteed any uninsured losses resulting from the actions of the agents.

In connection with ResCap's publicly registered debt offering, the Company, along with other subsidiaries of ResCap, issued guarantees of repayments of notes and related interest and premium (if any) on behalf of ResCap. ResCap has issued $13,606,251 and $10,750,000 under its registration statements that were subject to these guarantees at December 31, 2007 and 2006, respectively. Additionally, ResCap has issued 1,217,800 and 750,000 in euros and 743,920 and 400,000 in sterling under its registration statements that were subject to these guarantees at December 31, 2007 and 2006, respectively.

During 2007, ResCap entered into an agreement with various third party banks to establish a revolving line of credit. The Company, along with other subsidiaries of ResCap, issued guarantees of repayments of principal and interest (if any) on behalf of ResCap. There was no outstanding balance on these lines as of December 31, 2007.

The Company delivers loans to certain agencies under specific programs which allow for streamlined loan processing and limited documentation requirements. In the event any loans delivered under these programs reach a specified delinquency status, the Company may be required to provide certain documentation, or in some cases, repurchase the loan or indemnify the investor for any losses sustained. Each program includes termination features whereby once the loan has performed satisfactorily for a specified period of time, the Company is no longer obligated under the program. The current principal balance for loans sold under these programs was $6,004,529 and $6,390,481 at December 31, 2007 and 2006, respectively.

The company guarantees the repayment of debt on behalf of certain affiliated third parties. At December 31, 2007 potential non-payment of principal and related interest is guaranteed for GMAC Financiera and GMAC Hipotecaria for $540,269 of which $370,863 is outstanding and for Residential Funding of Canada ULC in the amount of $507,408 of which $253,704 is outstanding. No liability has been recorded as of December 31, 2007 under these guarantees.

21. RELATED PARTY TRANSACTIONS

The Company incurred interest expense on a line of credit with ResCap of $347,157 and $287,487 for the years ended December 31, 2007 and 2006, respectively.

The Company had short-term receivables from unconsolidated affiliates of $122,932 and $89,595 included within accounts receivable at December 31, 2007 and 2006, respectively.

The Company sold loans totaling $2,824,424 and $4,485,569 for the years ended December 31, 2007 and 2006, respectively, at prevailing market prices to Residential Funding Company, LLC, an unconsolidated affiliated company. The Company retained the servicing rights associated with these loans. Gains on the sale of these loans totaled $40,716 and $40,308 for the years ended December 31, 2007 and 2006, respectively.

The Company sold mortgage-backed securities totaling $3,009,886 and $1,347,311 to RFC during the years ended December 31, 2007 and 2006, respectively. Gains on sales of these mortgage-backed securities totaled $71 and $1,697 for the years ended December 31, 2007 and 2006, respectively.

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The Company purchased loans, including the related mortgage servicing rights, totaling $12,732,488 and $8,217,590 for the years ended December 31, 2007 and 2006, respectively, at prevailing market prices from RFC.

The Company is acting as a sub-servicer for loans owned by RFC. The Company earned service fee revenue on these loans of $3,941 and $2,251 for the years ended December 31, 2007 and 2006, respectively.

The Company provides global relocation services to GM and GMAC for certain relocations of their employees. The Company earned $10,643 and $8,589 for such services for the years ended December 31, 2007 and 2006, respectively. In addition, GM and GMAC paid the Company mortgage-related fees for certain employees of $3,884 and $11,044 for the years ended December 31, 2007 and 2006, respectively.

The Company has a contract with GMAC Bank to provide a wide range of administrative services in support of the Bank's operations. These services include, but are not limited to, human resources, legal, treasury, finance and accounting, tax, internal audit, and information technology support. For the years ended December 31, 2007 and 2006, income related to these services amounted to $729 and $435, respectively.

The Bank provides administrative services to the Company, in support of warehouse lines of credit originated by the affiliate. For the years ended December 31, 2007 and 2006, expense related to these services amounted to $14 and $369, respectively.

The Company acts as sub-servicer for loans owned by GMAC Bank. The Company earned service fee revenue on these loans of $7,140 and $742, during the years ended December 31, 2007 and 2006, respectively.

The Company executed a loan sale and purchase agreement with GMAC Bank, whereby the Company purchases and sells first mortgage loans, home equity loans and home equity lines of credit to and from the Bank. The Company purchased $27,591,103 and $2,602,904 in loans from GMAC Bank during the years ended December 31, 2007 and 2006, respectively. During the years ended December 31, 2007 and 2006, the Company sold $12,731,131 and $566,421, respectively, of loans to GMAC Bank, and recognized gains on sale of $50,758 and $10,159, respectively.

During 2007 and 2006, GMAC Bank provided loan processing services to the Company for loans originated and purchased by the Company through GMAC Bank's correspondent/broker lender origination channel. The Company recorded loan processing fee expense from these services of $24,331 and $2,955 for the years ended December 31, 2007 and 2006, respectively.

During 2005, the Company entered into a market value swap agreement with GMAC Bank in order to offset the change in value of commitments to originate and purchase first mortgage loans held for investment. For the years ended December 31, 2007 and 2006, the Company recognized income of $2,465 and $11 under this agreement.

During 2007, the Company entered into a market value swap agreement with GMAC Bank in order to offset the change in value of mortgage servicing rights and gains and losses associated with capitalizing mortgage servicing rights. For the year ended December 31, 2007, the company recognized income of $3,918 under this agreement.

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The Company contracts with GMAC Bank to provide office space to certain Bank employees. For the years ended December 31, 2007 and 2006, the Company recognized income related to this office space of $3,911 and $571, respectively.

22. EMPLOYEE BENEFIT PLANS

The Company participates in a noncontributory defined benefit retirement plan established for all entities within the Group. The defined benefit retirement plan is fully funded as of December 31, 2006. In 2006, the Company recorded a curtailment gain of $20,660 as a result of the freezing of the benefit accrual of the Group's noncontributory defined benefit retirement plan at December 31, 2006. No further participant benefits will accrue subsequent to that date and no new entrants will be permitted to enter the plan. As a participant of this plan, the Company incurred pension income of $5,006 and of $16,471 for the years ended December 31, 2007 and 2006, respectively.

The Company participates in a defined contribution savings plan established for all entities within the Group. The Company matches employee contributions up to 6% per pay period with certain limitations. The Company's contribution to the plan was $21,279 and $13,103 for the years ended December 31, 2007 and 2006, respectively.

23. REGULATORY MATTERS

Certain subsidiaries of the Company associated with the Company's mortgage and real estate operations are required to maintain certain regulatory net worth requirements. These entities were in compliance with these requirements throughout the years ending December 31, 2007 and December 31, 2006.

The Company is required to maintain minimum net worth under servicing agreements with Freddie Mac, Fannie Mae, Ginnie Mae, and HUD. As of December 31, 2007 and December 31, 2006 the Company exceeded all minimum net worth requirements established by these agencies.

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GMAC RESIDENTIAL HOLDING COMPANY, LLC AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULE - CONSOLIDATING BALANCE SHEET (Unaudited)
December 31, 2007 (Dollars in thousands)

	GMAC Residential Holding Company, LLC Consolidated	Eliminations	GMAC Residential Holding Company, LLC	GMAC Mortgage, LLC Consolidated	GMAC Home Services, LLC	GHS Global Relocation U. K. Ltd	GMACRH Settlement Services, LLC
ASSETS							
Cash and cash equivalents	$ 174,120	$ -	$ 8,524	$ 126,779	$ 4,306	$ 21,930	$ 12,581
Investments, trading	595,962	-	-	595,962	-	-	-
Investments, available for sale	150,194	-	-	150,194	-	-	-
Accounts receivable - intercompany	-	(4,722,019)	4,523,597	154,988	-	-	43,434
Accounts receivable	1,603,467	-	122,935	1,194,025	240,412	45,506	589
Mortgage loans held for sale - net	2,383,366	-	-	2,382,949	417	-	-
Lending receivables - net	-	(182)	-	182	-	-	-
Mortgage loans held for investment - net	1,323,347	-	-	1,323,347	-	-	-
Mortgage servicing rights - net	3,395,126	-	-	3,395,126	-	-	-
Investment in subsidiaries	-	(769,954)	769,954	-	-	-	-
Other assets	1,320,727	-	(206)	1,287,129	30,745	2,253	806
Total Assets	$ 10,946,309	$ (5,492,155)	$ 5,424,804	$ 10,610,681	$ 275,880	$ 69,689	$ 57,410
LIABILITIES AND EQUITY							
LIABILITIES:							
Accounts payable - intercompany	$ -	(4,722,019)	-	4,125,273	594,190	2,556	-
Affiliate borrowings	4,019,100	-	4,019,100	-	-	-	-
Other borrowings	3,428,757	(182)	(17,252)	3,434,309	182	11,700	-
Other liabilities	2,119,502	-	28,559	1,944,460	16,913	63,373	66,197
Total liabilities	9,567,359	(4,722,201)	4,030,407	9,504,042	611,285	77,629	66,197
EQUITY:							
Common Stock	-	(1,454)	-	-	-	1,454	-
Capital paid in excess of par value	-	-	-	-	-	-	-
Member's Equity	1,632,092	(1,098,158)	1,632,091	1,081,049	17,100	-	10
(Accumulated deficit) retained earnings	(258,153)	329,658	(237,694)	21,711	(352,695)	(10,336)	(8,797)
Accumulated other comprehensive income:							
Unrealized gain on investments	3,879	-	-	3,879	-	-	-
Foreign currency translation adjustment	1,132	-	-	-	190	942	-
Total equity	1,378,950	(769,954)	1,394,397	1,106,639	(335,405)	(7,940)	(8,787)
Total Liabilities and Equity	$ 10,946,309	$ (5,492,155)	$ 5,424,804	$ 10,610,681	$ 275,880	$ 69,689	$ 57,410

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GMAC RESIDENTIAL HOLDING COMPANY, LLC AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULE - CONSOLIDATING STATEMENT OF OPERATIONS (Unaudited)
For the Year Ended December 31, 2007 (Dollars in thousands)

	GMAC Residential Holding Company, LLC Consolidated	Eliminations	GMAC Residential Holding Company, LLC	GMAC Mortgage, LLC	GMAC Home Services, LLC	GHS Global Relocation U.K. Ltd.	GMACRH Settlement Services, LLC
REVENUE:							
Interest income	$ 641,185	$ (419,622)	$ 417,380	$ 622,449	$ 15,648	$ 2,685	$ 2,645
Interest expense	(752,242)	419,622	(367,718)	(776,288)	(28,214)	356	-
Net interest (expense) income	(111,057)	-	49,662	(153,839)	(12,566)	3,041	2,645
Provision for loan losses	24,986	-	-	24,986	-	-	-
Net interest (expense) income after provision for loan losses	(136,043)	-	49,662	(178,825)	(12,566)	3,041	2,645
Gain (loss) on sale of mortgage loans, net	79,720	41,861	-	38,598	(739)	-	-
Servicing fees	1,137,956	-	-	1,137,956	-	-	-
Servicing asset valuation and hedge loss, net	(320,946)	-	-	(320,946)	-	-	-
Net servicing fees	817,010	-	-	817,010	-	-	-
(Loss) gain on investments - net	(368,992)	-	548	(369,540)	-	-	-
Real estate related revenues	391,148	-	-	-	382,801	8,347	-
Subsidiary income (loss)	-	907,550	(907,550)	-	-	-	-
Other income	108,270	(41,861)	15	97,625	285	107	52,099
Total net revenue	891,113	907,550	(857,325)	404,868	369,781	11,495	54,744
EXPENSES:							
Compensation & benefits	643,046	-	4	310,324	311,558	8,632	12,528
Professional fees	45,918	-	-	41,434	3,153	254	1,077
Data processing and telecommunications	109,006	-	-	97,842	9,059	302	1,803
Advertising	95,921	-	-	79,624	16,197	97	3
Goodwill impairment	343,201	-	1,040	176,726	161,551	3,884	-
Restructuring	46,760	-	-	46,760	-	-	-
Occupancy	77,285	-	19	47,563	27,891	887	925
Other	374,229	-	346	277,809	60,282	903	34,889
Total expenses	1,735,366	-	1,409	1,078,082	589,691	14,959	51,225
Income (loss) before income taxes	(844,253)	907,550	(858,734)	(673,214)	(219,910)	(3,464)	3,519
Income tax provision (benefit)	14,656	-	175	16,662	(763)	(1,604)	186
Net income (Loss)	$ (858,909)	$ 907,550	$ (858,909)	$ (689,876)	$ (219,147)	$ (1,860)	$ 3,333

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EXAM00125416

Exhibit Q

DX ANQ

From: Westman, Barbara - Hudson
Sent: Friday, March 26, 2010 2:51 PM
To: Hamzehpour, Tammy
Cc: Bode, Sue
Subject: Debt Forgiveness Procedures and Related Documents
Attachments: Debt Forgiveness Procedures.doc; Procedure Documents.zip

Tammy, attached is a procedure document outlining the process followed to monitor solvency/net worth requirements for the various ResCap subsidiaries. I have also attached a zip file with examples of the various documents referenced in the procedures.

Please let me know if you need any further information.

Barb Westman

GMAC ResCap
Financial Controls
952-857-7789
barbara.westman@gmacrescap.com

RFC/GMACM
Debt Forgiveness Procedures

1. Written consent of the RFC and GMACM Board of Directors delegates to the CFO the authority to approve debt forgiveness under $50 million for a specific listing of entities as necessary to meet solvency requirements. See *Attachment 1 and Attachment 2.*

2. Written consent of the ResCap Board of Directors delegates to the CFO the authority to approve debt forgiveness under $50 million for RFC as necessary to meet solvency requirements. See *Attachment 3.*

3. Inventory of entities within RFC and GMACM with net worth or solvency requirements is maintained. This includes requirements for funding facilities, state licensing requirements, agency requirements or other purposes. Note that as of 12/301/09, this listing of entities was significantly reduced with the amending and restating of the Revolver Loan Agreement. See *Attachment 4* for the listing of entities prior to 12/30/09 and *Attachment 5* for the listing of entities after 12/30/09.

4. If any large transactions are expected to occur which will impact equity for any of the listed entities, pro forma calculations are performed. See *Attachment 6* for an example. Any needed equity adjustments are requested in advance of month end.

5. On Day 4, after all other entries have been posted, monthly solvency calculations are performed on this listing of entities to ensure all entities meet all requirements. These calculations are documented in RFC and GMACM Net Worth Requirement workbooks. See *Attachment 7* for the RFC workbook and *Attachment 8* for the GMACM workbook. Email confirmation is also received from IBG UK and IBG CE that all local GAAP requirements have been met. See *Attachment 9.*

6. If debt forgiveness is required in order to meet minimum requirements, a written request is provided to Jim Young for approval, along with appropriate calculations. Jim approves via email.

7. If any debt forgiveness is required that is outside of the guidelines in the Board of Directors consents, specific requests are made to the Board and are approved separately.

8. For any debt forgiveness in excess of $50 million, GMAC Board of Directors consent is obtained per GMAC requirements.

9. Approval documents are provided to the appropriate accounting team and the debt forgiveness entries are recorded as follows: Dr Additional Paid in Capital (APIC), Cr Notes Receivable (forgiving entity); Dr Notes Payable, Cr APIC (entity receiving forgiveness). This is in compliance with the Related Party Accounting Policy, section 6.5.2 "Debt Forgiveness or Extinguishment" as follows:

Extinguishment of debt transactions between related entities may be in essence capital transactions. As such, forgiveness of debt and related interest between related parties and the associated gains or losses generally should not be classified as income statement items but rather as capital transactions.

10. Solvency calculations are updated in the workbook for any debt forgiveness entries prior to monthly ledger close to ensure all entities meet the solvency/net worth requirements. An email with related documentation is provided to the CAO to document that all requirements have been met prior to signing of monthly compliance certifications. See *Attachment 10* for the specific compliance requirement.

11. Equity Rollforward reports are created that document the equity changes. See *Attachment 11*.

12. As funding facility agreements are amended or new agreements signed, provisions are reviewed to update the solvency workbooks with any new or amended requirements.

13. As state licenses are renewed and updated information is requested, requirements are reviewed for any changes and workbooks are updated.

RESIDENTIAL FUNDING COMPANY, LLC

WRITTEN CONSENT IN LIEU OF MEETING OF BOARD OF DIRECTORS

November 12, 2009

The undersigned, being the Directors of Residential Funding Company, LLC, a Delaware limited liability company (the "Company"), do hereby consent in writing that the following resolution shall have the same force and effect as if adopted at a Meeting of the Board of Directors of the Company:

WHEREAS, the Company has provided inter-company loans to its affiliates listed in Exhibit A attached hereto (the "Affiliates");

WHEREAS, in order for each of the Affiliates to have positive capital so it can comply with solvency representations made under certain funding facilities, the Company desires to grant debt forgiveness to its Affiliates; and

WHEREAS, certain consents and other actions were needed in order to determine the amount of and effect such debt forgiveness which, due to administrative oversight, were not taken in a timely fashion; however, the Company's intent always was to effect the necessary debt forgiveness.

THEREFORE, BE IT

RESOLVED, that, from and effective as of June 30, 2008, the Directors of the Company hereby approve capital injections into the Affiliates from time to time in the form of forgiveness of the debt of each the Affiliates in order to replenish each of their respective capital, in each case in an amount necessary to enable the respective Subsidiary to be solvent and carry a positive capital at the end of each calendar month, including with respect to amounts that may become known after any such month-end based on the Affiliate's month-end financial statements;

RESOLVED, that the Chief Financial Officer of the Company is fully authorized (i) to take any and all actions necessary or appropriate to effect such debt forgiveness of each of the Affiliates and otherwise implement the foregoing resolution and (ii) to determine and document the amount, if any, of debt forgiveness needed until such time as this Written Consent may be revoked by the Directors of the Company; and

RESOLVED, that the proper officers of the Company and of the respective Affiliates are fully authorized to take all actions necessary or appropriate to implement the foregoing resolutions.

This Consent may be executed in counterpart, each of which shall constitute an original, and all of which, taken together, constitute one and the same original; and facsimile signatures of this Consent shall be deemed to constitute original signatures.

IN WITNESS WHEREOF, the undersigned Directors have executed this Written Consent this 12th day of November, 2009.

John Vella

James N. Young

IN WITNESS WHEREOF, the undersigned Directors have executed this Written Consent this 12th day of November, 2009.

John Vella

James N. Young

Exhibit A

GMAC-RFC Holding Company, LLC
Homecomings Financial, LLC
Residential Mortgage Real Estate Holdings, LLC
Residential Funding Real Estate Holdings, LLC
Homecomings Financial Real Estate Holdings, LLC
Equity Investment I, LLC
Developers of Hidden Springs, LLC
DOA Holding Properties, LLC
RFC Asset Holdings II, LLC
Hidden Springs Sewer Company, LLC
DOA Properties I, LLC
DOA Properties II, LLC
RFC Construction Funding, LLC
GMAC Model Home Finance I, LLC
CMH Holdings LLC
DOA Properties III (Models), LLC
DOA Properties V (Lots-CA), LLC
DOA Properties VII (Lots-NV), LLC
DOA Properties IX (Lots-other), LLC
DOA Properties IV, LLC
Equity Investment IV, LLC
DOA Properties VI, LLC
DOA Properties VIII, LLC
RC Properties I, LLC
RC Properties II, LLC
RC Properties III, LLC
RC Properties IV, LLC
RC Properties V, LLC
RC Properties VI, LLC
RC Properties VII, LLC
RC Properties VIII, LLC
RC Properties IX, LLC
RC Properties X, LLC
RC Properties XI, LLC
RC Properties XII, LLC
RC Properties XIII, LLC
RC Properties XIV, LLC
RC Properties XV, LLC
RC Properties XVI, LLC
RC Properties XVII, LLC
RC Properties XVIII, LLC
RC Properties XIX, LLC
RC Properties XX, LLC
GMAC Model Home Finance, LLC
GMCMTH, LLC
LENOne, LLC
KBOne, LLC
WPSHOne, LLC
DOA Properties IIIB (KBModels), LLC
RFC MHF Funding, LLC
Win-Win Beazer Pool I (Delaware), LLC
Win-Win Pardee Pool II (Delaware), LLC

Win-Win Pardee Pool III (Delaware), LLC
Win-Win Spectrum (Delaware), LLC

GMAC MORTGAGE, LLC

WRITTEN CONSENT IN LIEU OF MEETING OF BOARD OF DIRECTORS

December 10, 2009

The undersigned, being the Directors of GMAC Mortgage, LLC, a Delaware limited liability company (the "Company"), do hereby consent in writing that the following resolution shall have the same force and effect as if adopted at a Meeting of the Board of Directors of the Company:

WHEREAS, the Company has provided inter-company loans to its affiliates listed in Exhibit A attached hereto (the "Affiliates");

WHEREAS, in order for each of the Affiliates to have positive capital so it can comply with solvency representations made under certain funding facilities, the Company desires to grant debt forgiveness to its Affiliates; and

WHEREAS, certain consents and other actions were needed in order to determine the amount of and effect such debt forgiveness which, due to administrative oversight, were not taken in a timely fashion; however, the Company's intent always was to effect the necessary debt forgiveness.

THEREFORE, BE IT

RESOLVED, that, from and effective as of June 30, 2008, the Directors of the Company hereby approve capital injections into the Affiliates from time to time in the form of forgiveness of the debt of each of the Affiliates in order to replenish each of their respective capital, in each case in an amount necessary to enable the respective Affiliate to be solvent and carry a positive capital at the end of each calendar month, including with respect to amounts that may become known after any such month-end based on the Affiliate's month-end financial statements;

RESOLVED, that the Chief Financial Officer of the Company is fully authorized (i) to take any and all actions necessary or appropriate to effect such debt forgiveness of each of the Affiliates and otherwise implement the foregoing resolution and (ii) to determine and document the amount, if any, of debt forgiveness needed until such time as this Written Consent may be revoked by the Directors of the Company; and

RESOLVED, that the proper officers of the Company and of the respective Affiliates are fully authorized to take all actions necessary or appropriate to implement the foregoing resolutions.

This Consent may be executed in counterpart, each of which shall constitute an original, and all of which, taken together, constitute one and the same original; and facsimile signatures of this Consent shall be deemed to constitute original signatures.

IN WITNESS WHEREOF, the undersigned Directors have executed this Written Consent this 10th day of December, 2009.

John Vella

James N. Young

IN WITNESS WHEREOF, the undersigned Directors have executed this Written Consent this 10th day of December, 2009.

John Vella

James N. Young

Exhibit A

Residential Consumer Services, LLC
GMAC Mortgage USA Corporation
ditech, LLC
Home Connects Lending Services, LLC
GMACR Mortgage Products, LLC
MINT I, LLC
MINT I VFN Holdings, LLC

Written Consent of the Executive Committee
of the Board of Directors of Residential Capital, LLC

October 29, 2009

The undersigned, being all the members of the Executive Committee of the Board of Directors of Residential Capital, LLC (the "Company"),

WHEREAS, Residential Funding Company, LLC ("RFC") must maintain certain minimum tangible net worth in order to maintain its state mortgage licenses, the most restrictive of which requires a tangible net worth of $1,000,000 (the "TNW Requirements"); and

WHEREAS, RFC has incurred substantial operating losses and losses upon the sale of assets and is expected to continue to incur such losses in the foreseeable future, which losses impair its ability to continue to meet the TNW Requirements;

NOW, THEREFORE, be it

RESOLVED that the Executive Committee approves capital injections into RFC from time to time in the form of forgiveness of affiliate debt, as needed in order to replenish capital reduced by expected operating losses of RFC, in each case in an amount necessary to enable RFC to exceed its TNW Requirements as at the end of each calendar month by $1,000,000, including with respect to amounts that may become known after any such month-end based on the Company's consolidated month-end financial statements;

RESOLVED, that the Executive Committee hereby delegates to the CFO of the Company the authority to determine and document the amount, if any, of debt forgiveness needed as at the end of each calendar month until such time as this Written Consent may be revoked by the Executive Committee; and

RESOLVED, that the proper officers of the Company and of RFC are fully authorized to take all actions necessary or appropriate to implement the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned members of the Executive Committee have executed this Action by Written Consent as of the day and year first written above.

Thomas Marano

James N. Young

Written Consent of the Executive Committee
of the Board of Directors of Residential Capital, LLC

October 29, 2009

The undersigned, being all the members of the Executive Committee of the Board of Directors of Residential Capital, LLC (the "Company"),

WHEREAS, Residential Funding Company, LLC ("RFC") must maintain certain minimum tangible net worth in order to maintain its state mortgage licenses, the most restrictive of which requires a tangible net worth of $1,000,000 (the "TNW Requirements"); and

WHEREAS, RFC has incurred substantial operating losses and losses upon the sale of assets and is expected to continue to incur such losses in the foreseeable future, which losses impair its ability to continue to meet the TNW Requirements;

NOW, THEREFORE, be it

RESOLVED that the Executive Committee approves capital injections into RFC from time to time in the form of forgiveness of affiliate debt, as needed in order to replenish capital reduced by expected operating losses of RFC, in each case in an amount necessary to enable RFC to exceed its TNW Requirements as at the end of each calendar month by $1,000,000, including with respect to amounts that may become known after any such month-end based on the Company's consolidated month-end financial statements;

RESOLVED, that the Executive Committee hereby delegates to the CFO of the Company the authority to determine and document the amount, if any, of debt forgiveness needed as at the end of each calendar month until such time as this Written Consent may be revoked by the Executive Committee; and

RESOLVED, that the proper officers of the Company and of RFC are fully authorized to take all actions necessary or appropriate to implement the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned members of the Executive Committee have executed this Action by Written Consent as of the day and year first written above.

Thomas Marano

James N. Young

Rescap	11/30/09 Equity	
Rescap	275,000,259	Multiple requirements
Consolidated RFC	40,989,374	Multiple requirements
Consolidated GMACM	2,039,739,117	Multiple requirements

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RFC Entities	LE#	Equity	
Residential Funding Mortgage Securities I	10002	-	remove
GMAC-RFC	10010	1,662,656,483	Multilple requirements
Homecomings Financial Network	10011	949,576,466	remove
RFC Asset Holdings, Inc.	10015	58,379,335	remove
Developers of Hidden Springs	10018	5,179,945	remove
Hidden Springs Sewer Company	10019	1,560,062	remove
Developers of Denver	10021	1,000,608	remove
Core Equity I LLC	10022	76,554,459	remove
RFC-GSAP Servicer Advance, LLC	10044	1,841,735	GSAP
RFC Asset Management	10300	52,294,047	remove
RFC SFJV-2002, LLC	10301	33,953,881	remove
RCSFJV2004, LLC	10302	8,719,964	remove
GMAC Model Home Finance, LLC	10500	279,592,793	remove
GMAC Model Home I	10550	737,978	remove
CMH Holdings	10555	237,053,343	remove
Ameriland LLC	13003	93,434	remove
MALA SPE (MFC Asset)	13200	263,018,318	remove
Equity Investment IV	16115	19,777,173	remove
DOA Holding Properties, LLC	16220	62,918,467	remove
DOA Holdings NoteCo, LLC	16221	607,746	remove
DOA Properties I	16230	56,690	remove
DOA Properties II	16240	8,116,036	remove
DOA Properties III	16260	15,837,986	remove
DOA Properties IIIB	16263	14,053,133	remove
DOA Properties IV	16264	99,531	remove
DOA Properties V	16265	13,957,392	remove
DOA Properties VII	16267	36,489,888	remove
DOA Properties VIII	16268	684,233	remove
DOA Properties IX	16269	15,574,166	remove
Win-Win Spectrum	16270	698,834	remove
Win_Win Beazer Pool I	16271	8,119,147	remove
Win-Win Pardee Pool II	16272	48,334	remove
Win-Win Pardee Pool III	16273	14,131,480	remove
RFC Construction Funding Corp.	30003	78,104,490	remove
RC Properties I	30004	71,341,240	remove

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GMAC Mortgage Entities	LE#	Equity	
GMAC Mortgage LLC	SS001	4,583,507,193	Multiple requirements
Executive Trustee Services LLC	SS002	157,873,487	Licensing
Residential Consumer Serv LLC	SS007	52,074	Licensing
GMAC Mortgage USA Corporation	SS009	1,071,888	remove
Ditech.com LLC	SS026	3,495,442	Licensing
GMAC Residential Holding Co LL	SS033	2,039,739,119	remove
Home Connects Lending Serv LLC	SS067	409,478	remove
GMACR Mortgage Products LLC	SS084	38,614,080	GSAP
GMAC Mortgage Serv Advanc Fund	SS088	395,406	GSAP
MINT I, LLC	SS089	107,163,750	remove
MINT I VFN Holdings, LLC	SS090	1	remove
Passive Asset Transactions LLC	SS095	1,449,163,623	remove

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IBG Local Entities	LE#	Equity
UK Entities		
GMAC - RFC (UK) Limited	11077	74,289,804
Conduit (No. 2) Limited	11802	36,522

Per local UK financial statements provided by Mithi Padmanathan

CE Entities	
GMAC-RFC Nederland B.V.	11777
Quion 20	11778
Atlas Funding BV	11781
PREEMAC 2 NL NETH B.V.	11785

From: van Kalveen, Kees
Sent: Friday, December 18, 2009 9:25 AM
To: Bode, Sue
Cc: Jensen, Sharon (Contractor); Willems, Ramon
Subject: Solvency

Sue

As a follow-up to our conference call, I can confirm that under NL Gaap the following entities are indeed solvent as per 30-11-2009:

GMAC RFC Nederland B.V.
Quion 20 B.V.
Atlas Funding B.V.
Preemac II B.V.

With kind regards,

Kees van Kalveen
Chief Financial Officer Continental Europe

t +31 (0)70 356 78 28 (direct)
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f +31 (0)70 356 79 09

International Business Group
Continental Europe
Finance

Summary of Solvency Requirements

		Jun-08	Nov-08	Jun-08	Apr-08	Jun-04	Oct-03	Mar-09			
		FACILITY									
General Ledger Name	**LE #**	**Revolver**	**LOC/CA**	**CITI MSR**	**MSR**	**GSAP**	**Conduit (UK)**	**RBS (CE)**	**Lehman**	**Licensing**	**Agency**
Rescap Consolidated		X		X			X	X	X		
Consolidated RFC		X									
Consolidated GMACM		X									
Residential Funding Mortgage Securities I	10002	X									
GMAC-RFC	10010	X			X	X			X	$1,000,000	FHLMA
Homecomings Financial Network	10011	X									
RFC Asset Holdings, Inc.	10015	X									
Developers of Hidden Springs	10018	X									
Hidden Springs Sewer Company	10019	X									
Developers of Denver	10021	X									
Core Equity I LLC	10022	X									
RFC-GSAP Servicer Advance, LLC	10044					X					
RFC Asset Management	10300	X									
RFC SFJV-2002, LLC	10301	X									
RCSFJV2004, LLC	10302	X									
GMAC Model Home Finance, LLC	10500	X									
GMAC Model Home I	10550	X									
CMH Holdings	10555	X									
GMAC - RFC (UK) Limited	11077						L				
GMAC-RFC Nederland B.V.	11777							L			
Quion 20	11778							L			
Atlas Funding BV	11781							L			
PREEMAC 2 NL NETH B.V.	11785							L			
Conduit (No. 2) Limited	11802						L				
Ameriland LLC	13003	X									
MALA SPE (MFC Asset)	13200	X									
Equity Investment IV	16115	X									
DOA Holding Properties, LLC	16220	X									
DOA Holdings NoteCo, LLC	16221	X									
DOA Properties I	16230	X									
DOA Properties II	16240	X									
DOA Properties III	16260	X									
DOA Properties IIIB	16263	X									
DOA Properties IV	16264	X									
DOA Properties V	16265	X									
DOA Properties VII	16267	X									
DOA Properties VIII	16268	X									
DOA Properties IX	16269	X									
Win-Win Spectrum	16270	X									
Win_Win Beazer Pool I	16271	X									
Win-Win Pardee Pool II	16272	X									
Win-Win Pardee Pool III	16273	X									
RFC Construction Funding Corp.	30003	X									
RC Properties I	30004	X									
GMAC Mortgage LLC	SS001	X		X	X	X				$1,000,000	ALL 3
Executive Trustee Services LLC	SS002									$7,500	
Residential Consumer Serv LLC	SS007	X								$1	
GMAC Mortgage USA Corporation	SS009	X									
Ditech.com LLC	SS026	X								$200,000	
GMAC Residential Holding Co LL	SS033	X									
Home Connects Lending Serv LLC	SS067	X									
GMACR Mortgage Products LLC	SS084	X				X					
GMAC Mortgage Serv Advanc Fund	SS088					X					
MINT I, LLC	SS089	X									
MINT I VFN Holdings, LLC	SS090	X									
Passive Asset Transactions LLC	SS095	X									

L = Local GAAP ledgers only, not applicable to US GAAP

Rescap
12/31/09 Balances

Equity Requirements	LE#	Equity	Revolver Assets	LOC Assets	Revolver Debt	LOC Debt	Notes
Parent Entities							
Rescap		275,000,000	229,478,934				Revolver Assets = Notes Receivable from IBG SPEs
Consolidated RFC		853,872,105					
Consolidated GMACM		1,106,567,690					
RFC Entities							
GMAC-RFC	10010	3,073,980,453	429,963,206	695,250,458	647,661,807	193,940,100	Revolver Assets = various LOC Assets = loans and Warehouse
RFC-GSAP Servicer Advance, LLC	10044	1,841,735					
GMAC Mortgage Entities							
GMAC Mortgage LLC	SS001	3,693,014,240	1,140,935,258	480,332,085	897,639,149	149,559,900	Assets = various
Executive Trustee Services LLC	SS002	162,025,279					
Residential Consumer Serv LLC	SS007	49,792					
Ditech.com LLC	SS026	3,495,374					
GMACR Mortgage Products LLC	SS084	33,125,877					
GMAC Mortgage Serv Advanc Fund	SS088	295,372					
No Equity Requirements							
Homecomings Financial Network	10011	na	42,246				Assets = REOs, Servicing Advances
RFC Asset Holdings, Inc.	10015	na	5,631,010				Assets = Securities
Developers of Hidden Springs	10018	na	117,932				Equity pledge, assets held in underlying entities
Core Equity I LLC	10022	na		131,290,674			Equity pledge
CMH Holdings	10555	na	55,259,538				Equity pledge, assets held in underlying entities
Equity Investment IV	16115	na	34,880,989				Equity pledge
DOA Holding Properties, LLC	16220	na	44,328,381				Equity pledge, assets held in underlying entities
RFC Construction Funding Corp.	30003	na	299,390,263				Equity pledge, assets held in underlying entities
Passive Asset Transactions LLC	SS095	na	18,055,828	454,578,224			Revolver Assets = Securities LOC Assets = Securities and Notes Receivable from IBG SPEs
Totals			2,258,083,584	1,761,451,441			

Debt Forgiveness Processed

Entity	LE #	Prior Periods	9/30/2009	10/31/2009	11/30/2009	12/31/2009
Rescap					52,376,000	457,758,443
Consolidated RFC			344,218,264	95,579,170	77,325,000	579,000,000
Consolidated GMACM						20,000,000
Residential Funding Mortgage Securities I	10002					
GMAC-RFC	10010					
Homecomings Financial Network	10011					
RFC Asset Holdings, Inc.	10015	Processed		Processed		
Developers of Hidden Springs	10018	Processed		Processed		
Hidden Springs Sewer Company	10019					
Developers of Denver	10021					
Core Equity I LLC	10022	Processed		Processed		
RFC-GSAP Servicer Advance, LLC	10044				7,000,000	
RFC Asset Management	10300					
RFC SFJV-2002, LLC	10301					
RCSFJV2004, LLC	10302					
GMAC Model Home Finance, LLC	10500	Processed		Processed		
GMAC Model Home I	10550	Processed		Processed		
CMH Holdings	10555					
Ameriland LLC	13003					
MALA SPE (MFC Asset)	13200					
Equity Investment IV	16115	Processed		Processed		
DOA Holding Properties, LLC	16220	Processed		Processed		
DOA Holdings NoteCo, LLC	16221					
DOA Properties I	16230	Processed		Processed		
DOA Properties II	16240	Processed		Processed		
DOA Properties III	16260	Processed		Processed		
DOA Properties IIIB	16263	Processed		Processed		
DOA Properties IV	16264	Processed		Processed		
DOA Properties V	16265	Processed		Processed		
DOA Properties VII	16267	Processed		Processed		
DOA Properties VIII	16268					
DOA Properties IX	16269	Processed		Processed		
Win-Win Spectrum	16270	Processed		Processed		
Win_Win Beazer Pool I	16271	Processed		Processed		
Win-Win Pardee Pool II	16272	Processed		Processed		
Win-Win Pardee Pool III	16273	Processed		Processed		
RFC Construction Funding Corp.	30003					
RC Properties I	30004	Processed		Processed		
GMAC Mortgage LLC	SS001					
Executive Trustee Services LLC	SS002					
Residential Consumer Serv LLC	SS007				5,300,000	
GMAC Mortgage USA Corporation	SS009					
Ditech.com LLC	SS026					
GMAC Residential Holding Co LL	SS033					
Home Connects Lending Serv LLC	SS067				5,000,000	
GMACR Mortgage Products LLC	SS084					
GMAC Mortgage Serv Advanc Fund	SS088				55,000,000	2,000,000
MINT I, LLC	SS089					
MINT I VFN Holdings, LLC	SS090				1,354	
Passive Asset Transactions LLC	SS095	44,000,000				

Note 1: 11/30/09 ResCap debt forgiveness was in the form of forgiveness of a portion of the MSR facility.
Note 2: 12/31/09 ResCap debt forgiveness was in the form of forgiveness of the remaining MSR facility and facility was termed, as well as forgivess of intercompany debt
Ally Bank loans were also contributed (amount not included above)

Summary of Solvency Requirements

		Impermissable	termed Jun-08	Nov-08	Jun-08	Apr-08	Jun-04	Oct-03	Mar-09			e
			FACILITY									
General Ledger Name	LE #		Revolver	LOC/CA	CITI MSR	~~GMAC MSR~~	GSAP	Conduit (UK)	RBS (CE)	Lehman	Licensing	Agency
Rescap Consolidated			X	X	X			X	X	X		
Consolidated RFC			~~X~~							X		
Consolidated GMACM			~~X~~									
GMAC-RFC	10010		~~X~~			~~X~~	X				$1,000,000	FHLMA
RFC-GSAP Servicer Advance, LLC	10044						X					
GMAC - RFC (UK) Limited	11077							L				
GMAC-RFC Nederland B.V.	11777								L			
Quion 20	11778								L			
Atlas Funding BV	11781								L			
PREEMAC 2 NL NETH B.V.	11785								L			
Conduit (No. 2) Limited	11802							L				
Silo No 2 Limited	11805							L				
GMAC Mortgage LLC	SS001		~~X~~		X	~~X~~	X				$1,000,000	ALL 3
Executive Trustee Services LLC	SS002										$7,500	
Residential Consumer Serv LLC	SS007	I	~~X~~								$1	
Ditech.com LLC	SS026		~~X~~								$200,000	
GMACR Mortgage Products LLC	SS084		~~X~~				X					
GMAC Mortgage Serv Advanc Fund	SS088						X					

L = Local GAAP ledgers only, not applicable to US GAAP

I = Impermissable entities
K= Regulation K entities (none)

~~X~~ = Requirement removed effective 12/30/09

MSR Terminated 12/09
Rescap solvency added to LOC 12/30/09

Rescap	12/31/09 Equity	
Rescap	275,000,000	Multiple requirements
Consolidated RFC	853,872,105	Multiple requirements
Consolidated GMACM	1,106,567,690	Multiple requirements

12/31/2009

RFC Entities	LE#	Equity		
GMAC-RFC	10010	3,073,980,453	Multilple requirements	$579m equity adjustment processed during December
RFC-GSAP Servicer Advance, LLC	10044	1,841,735	GSAP requirement	

1/21/10 Updated all values to current ledger.
All are solvent.

GMAC Mortgage Entities	LE#	12/31/09 Equity		
GMAC Mortgage LLC	SS001	3,693,014,240	Multiple requirements	$20m equity adjustment processed to meet agency change requirements
Executive Trustee Services LLC	SS002	162,025,279	Licensing	
Residential Consumer Serv LLC	SS007	49,792	Licensing	(Impermissible Entity)
Ditech.com LLC	SS026	3,495,374	Licensing	
GMACR Mortgage Products LLC	SS084	33,125,877	GSAP requirement	
GMAC Mortgage Serv Advanc Fund	SS088	295,372	GSAP requirement	$2m equity adjustment processed

1/21/10 Updated all values to current ledger. All are solvent.

IBG Local Entities **LE#**

UK Entities

GMAC - RFC (UK) Limited	11077
Conduit (No. 2) Limited	11802
Silo No 2 Limited	11805

Per local UK financial statements provided by Mithi Padmanathan

I can confirm that all these companies are solvent for UK GAAP. Never the less, the final accounts will not be available until the end of Jan 2010

I hope this helps

Mithi Padmanathan
Senior Manager - Financial Reporting (US and UK)
Direct Line: +44 1344 854299
Mobile: +44 7717 475753
Please consider the environment before printing this e-mail

From: Westman, Barbara - Hudson [mailto:Barbara.Westman@gmacrescap.com]
Sent: 05 January 2010 22:56
To: Padmanathan, Soumitra
Cc: Bode, Sue; Jensen, Sharon (Contractor)
Subject: Solvency Requirements

Please confirm that under UK GAAP, the following entities are Solvent as of 12/31/09:

GMAC - RFC (UK) Limited
Conduit (No. 2) Limited
Silo No 2 Limited

Please provide this information as soon as possible once available, and provide copies of the financial statements. Note that last month we had not inquired about Silo No 2, but we have confirmed that this entity also has a solvency requirement.

Thank you.

Barb Westman

GMAC Rescap
Financial Controls
952-857-7789
barbara.westman@gmacrescap.com

CE Entities

GMAC-RFC Nederland B.V.	11777
Quion 20	11778
Atlas Funding BV	11781
PREEMAC 2 NL NETH B.V.	11785

Barbara

I can confirm I have a positive NAV in all operating companies in The Netherlands.

With kind regards,

Kees van Kalveen

Chief Financial Officer Continental Europe

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International Business Group
Continental Europe
Finance

		GMAC RFC	Management Allocations	GMAC Residential	GMAC Mortgage Bank (Jan 09 only)	RESI/GMAC Bank Elim (Jan 09 only	ResCap Parent Company	ResCap Eliminations	ResCap Holding LE	GMAC Mortgage Group Parent	ResCap Investments, Inc.	GMAC Mortgage Group Elims	GMAC Mortgage Ops Consol
		SAP LE5003	SAP LE5005	SAP LE5004	SAP LE1632	SAP LE5007	SAP LE5002	SAP LE5008	Sum (A . . .G)	SAP LE5001	SAPLE5009	SAPLE5006	+ H + I + J + K
Total assets	**ASSETS**												
Cash and cash equivalents	CASH_EQUIVALENT	217,825,286	-	126,392,389			421,042,991	-	765,260,666	-	-	-	765,260,666
Mortgage loans held for sale	MTG_LOANS_HFS	2,575,921,101	-	2,729,972,700			-	3,634,823	5,309,528,624	-	-	-	5,309,528,624
Trading securities	TRADING_SEC	48,517,760	-	75,012,295			-	(24,946,714)	98,583,340	-	-	-	98,583,340
Mortgage loans held for invest	MTG_LOANS_HFI_NET	1,609,208,790	-	225,618,013			-	-	1,834,826,803	-	-	-	1,834,826,803
Lending receivables, net	LENDING_REC'_NET	304,386,771	-	-			-	-	304,386,771	-	-	-	304,386,771
Mortgage servicing rights	MTG_SERVICING_RIGHTS	285,319,323	-	2,254,268,960			-	-	2,539,588,283	-	-	-	2,539,588,283
Accounts receivable	ACCOUNTS_RECEIVABLE	(840,265,508)	-	2,426,202,759			1,025,205,133	(63,752,808)	2,547,389,575	-	-	-	2,547,389,575
Investments in real estate	INVEST_REALESTAT_OTH	114,254,747	-	-			-	-	114,254,747	-	-	-	114,254,747
Other assets	OTHER_ASSETS	2,976,452,560	(0)	3,384,647,609			5,420,485,745	(6,324,223,324)	5,457,362,589	274,962,630	2,750,000	(277,712,623)	5,457,362,596
Total Assets	**ASSETS**	**7,291,620,829**	**(0)**	**11,222,114,724**			**6,866,733,869**	**(6,409,288,024)**	**18,971,181,398**	**274,962,630**	**2,750,000**	**(277,712,623)**	**18,971,181,405**
Total liabilities	**LIABILITIES**												
Total borrowings	TOTAL_BORROWINGS	2,777,371,686	-	5,694,788,037			6,840,758,890	(3,918,969,965)	11,393,948,648	-	-	-	11,393,948,648
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-			-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	3,660,377,038	-	4,420,758,997			(249,025,008)	(529,878,276)	7,302,232,750	4,901,826	37,362	-	7,307,171,938
Total Liabilities	**LIABILITIES**	**6,437,748,723**	**-**	**10,115,547,033**			**6,591,733,882**	**(4,448,848,241)**	**18,696,181,398**	**4,901,826**	**37,362**	**-**	**18,701,120,586**
Common Stock	SAP30101	6	-	-	-	-	-	-	**6**	50,000	-	**-**	**50,006**
Additional paid-in capital-	SAP30200	14,176,120,882	-	3,409,335,302	59,277,934	(3,057,827)	11,324,371,150	(17,641,676,296)	**11,324,371,145**	11,710,271,302	39,355,270	**(11,363,726,423)**	**11,710,271,294**
Preferred Int	SAP30250	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**
Member's Interest	**MEMBERS_INTEREST**	14,176,120,888	-	3,409,335,302	59,277,934	(3,057,827)	11,324,371,150	(17,641,676,296)	**11,324,371,151**	11,710,321,302	39,355,270	(11,363,726,423)	**11,710,321,300**
Ret earnings	SAP30300	(8,885,378,109)	(0)	(430,972,049)			(6,461,471,731)	9,316,350,163	**(6,461,471,726)**	(6,839,987,485)	-	**6,461,471,734**	**(6,839,987,477)**
Ret earnings-Members' Int Di	SAP30301								**-**				**-**
Ret earnings-Preferred Int D	SAP30302								**-**				**-**
Ret earnings-Mgrl Eq Div	SAP30305								**-**				**-**
Net (loss) income	NET_INCOME	(4,424,480,804)	(0)	(1,838,501,480)	(59,277,934)	3,057,827	(4,543,830,982)	6,319,202,391	**(4,543,830,981)**	(4,544,394,555)	(37,066,507)	**4,580,897,488**	**(4,544,394,555)**
Retained Earnings	**RETAINED_EARNINGS**	**(13,309,858,913)**	**(0)**	**(2,269,473,528)**	**(59,277,934)**	**3,057,827**	**(11,005,302,712)**	**15,635,552,554**	**(11,005,302,707)**	**(11,384,382,040)**	**(37,066,507)**	**11,042,369,222**	**(11,384,382,032)**
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**												
Cum Chg in Accting policy	SAP30304	-	-	-			-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	(16,410,000)	-	(33,030,000)			(49,440,000)	49,440,000	(49,440,000)	(61,250,000)	354,600	49,085,399	(61,250,001)
Accum Trans Adj-	SAP30400	4,020,130	-	-			5,635,632	(4,020,123)	5,635,638	5,635,627	73,457	(5,709,089)	5,635,634
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-			-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	(264,083)			(264,083)	264,083	(264,083)	(264,085)	(126)	264,211	(264,083)
Der Mkt Adj-	SAP30600	(0)	-	-			0	(0)	-	0	(4,056)	4,056	1
Der Mkt Adj-Def Tx	SAP30601	-	-	-			-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-			-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**(12,389,870)**	**-**	**(33,294,083)**			**(44,068,451)**	**45,683,959**	**(44,068,445)**	**(55,878,458)**	**423,875**	**43,644,578**	**(55,878,449)**
Total Equity		**853,872,105**	**(0)**	**1,106,567,690**	**-**	**-**	**274,999,987**	**(1,960,439,783)**	**275,000,000**	**270,060,804**	**2,712,638**	**(277,712,623)**	**270,060,819**
Total Liabilities, Minority Interest and Equity		**7,291,620,829**	**(0)**	**11,222,114,724**	**-**	**-**	**6,866,733,869**	**(6,409,288,024)**	**18,971,181,398**	**274,962,630**	**2,750,000**	**(277,712,623)**	**18,971,181,405**
Total net revenue	**TOTAL_REVENUE**												
Net interest income	**NET_INTEREST_INCOME**												
Interest income	INTEREST_INCOME	765,888,813	-	269,722,309	80,913,644	966,653	297,855,770	(365,075,247)	1,050,271,943	-	-	(9,209)	1,050,262,734
Interest expense	INTEREST_EXPENSE	(435,053,661)	(0)	(491,379,865)	(69,475,448)	-	(426,977,630)	364,948,651	(1,057,937,953)	(9,209)	-	9,209	(1,057,937,952)
Net interest income	NET_INTEREST_INCOME	330,835,153	(0)	(221,657,556)	11,438,197	966,653	(129,121,861)	(126,595)	(7,666,010)	(9,209)	-	-	(7,675,218)
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	(255,543,916)	-	517,328,893	(1,047,177)	2,300,064	-	2,803,330	265,841,194	-	-	-	265,841,194
Net servicing fees	**NET_SERVICING_FEE**												
Servicing fees	SERVICING_FEE_INC	217,136,463	-	926,635,188	12,612,352	(722,790)	-	(262,243)	1,155,398,970	-	-	-	1,155,398,970
Servicing asset valuation	ASSET_VAL_HEDGE_G_L	(175,120,258)	-	(587,273,409)	(11,978,149)	-	-	-	(774,371,817)	-	-	-	(774,371,817)
Net servicing fees	NET_SERVICING_FEE	42,016,205	-	339,361,779	634,203	(722,790)	-	(262,243)	381,027,153	-	-	-	381,027,153
Gain (loss) on inv securities	G/L_ON_SECURITIES	(43,226,604)	-	(44,426,497)	-	-	28,531	-	(87,624,571)	-	-	-	(87,624,571)
Real estate related revenues	RE_RELATED_REVENUES	(267,241,457)	-	5,730	-	-	-	-	(267,235,727)	-	-	-	(267,235,727)
Loss on foreclosed real estate	REO_FORECLOSED_INC	(47,754,662)	-	(11,599,739)	(686,476)	-	-	-	(60,040,876)	-	-	-	(60,040,876)
Other Income	**OTHER_INCOME**												
Service Fee Inc-Dep Accts-US	SAP45700	-	-	-	(7,169)	-	-	-	(7,169)	-	-	-	(7,169)
Dir Ins Prems Rev-written	SAP44600	-	-	43,911,324	-	-	-	-	43,911,324	-	-	-	43,911,324
Mtg Proc fees	SAP42010	-	-	92,583,411	5,061,833	(1,120,479)	-	-	96,524,764	-	-	-	96,524,764

		GMAC RFC	Management Allocations	GMAC Residential	GMAC Mortgage Bank (Jan 09 only)	RESI/GMAC Bank Elim (Jan 09 only	ResCap Parent Company	ResCap Eliminations	ResCap Holding LE	GMAC Mortgage Group Parent	ResCap Investments, Inc.	GMAC Mortgage Group Elims	GMAC Mortgage Ops Consol
		SAP LE5003	SAP LE5005	SAP LE5004	SAP LE1632	SAP LE5007	SAP LE5002	SAP LE5008	Sum (A . . .G)	SAP LE5001	SAPLE5009	SAPLE5006	+ H + I + J + K
Mtg Proc fees-Ln Orig fee De	SAP42040	432,734,235	-	(6,544,159)	(1,083,162)	-	-	-	425,106,914	-	-	-	425,106,914
Other Mtg Banking Income	SAP42050	(642,356,063)	-	-	-	-	941,106	(948,793)	(642,363,749)	-	-	-	(642,363,749)
Securitization Income - Oth	SAP49904	(26,931,748)	-	-	-	-	-	-	(26,931,748)	-	-	-	(26,931,748)
Inc Inv Sec-Dividend Inc	SAP41130	-	-	205,791	(2,860,751)	-	-	-	(2,654,961)	-	-	-	(2,654,961)
Gain/Loss on Ret of Dbt	SAP45400	-	-	-	-	-	1,735,040,024	-	1,735,040,024	-	-	-	1,735,040,024
Svc fee Inc-Mtg Sttlmt Svc	SAP42030	-	-	-	-	-	-	-	-	-	-	-	-
Misc Income	SAP45600	9,670	-	28,490,646	876,229	(643,260)	-	(1,940,411)	26,792,874	-	-	-	26,792,874
Oth Interco Inc	SAP49000	-	-	(5,679,402)	-	-	(6,211,717,360)	6,211,717,360	(5,679,402)	(4,543,868,344)	(37,029,145)	4,580,897,490	(5,679,401)
Other Income	OTHER_INCOME	(236,543,906)	-	152,967,609	1,986,979	(1,763,740)	(4,475,736,230)	6,208,828,157	1,649,738,870	(4,543,868,344)	(37,029,145)	4,580,897,490	1,649,738,871
Total Revenue	**TOTAL_REVENUE**	**(477,459,188)**	**(0)**	**731,980,219**	**12,325,725**	**780,188**	**(4,604,829,560)**	**6,211,242,648**	**1,874,040,033**	**(4,543,877,553)**	**(37,029,145)**	**4,580,897,490**	**1,874,030,825**
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**1,259,872,113**	**-**	**745,669,539**	**94,235,170**	**15,929**	**-**	**-**	**2,099,792,750**	**-**	**-**	**-**	**2,099,792,750**
Total expenses	**TOTAL_EXPENSES**												
Compensation and benefits	COMP_BENEFITS	64,240,706	-	279,775,936	4,459,308	-	-	-	348,475,949	(1,930,000)	-	-	346,545,949
Professional fees	PROFESSIONAL_FEES	106,831,135	-	38,422,842	3,575,879	-	7,265,936	-	156,095,793	-	-	-	156,095,793
Data process & telecomm	DP_COMMUNICATIONS	18,553,775	-	112,683,112	873,030	-	126	-	132,110,043	-	-	-	132,110,043
Advertising	ADVERTISING	334,068	-	10,048,800	291,233	-	-	227,500	10,901,600	-	-	-	10,901,600
Occupancy	OCCUPANCY	14,199,663	-	27,870,054	233,243	-	-	-	42,302,959	-	-	-	42,302,959
Other	MISC_OPERATING_EXP	1,169,622,936	-	1,362,798,415	2,761,391	(2,293,567)	26,508,730	(108,187,243)	2,451,210,661	(1,244,849)	-	3	2,449,965,814
Non Interest Expense	**TOTAL_EXPENSES**	**1,373,782,282**	**-**	**1,831,599,159**	**12,194,083**	**(2,293,567)**	**33,774,792**	**(107,959,743)**	**3,141,097,005**	**(3,174,849)**	**-**	**3**	**3,137,922,159**
					-	-			-				-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**113,536,165**	**-**	**(6,787,000)**	**(34,825,594)**	**-**	**(94,773,369)**	**-**	**(22,849,798)**	**3,691,851**	**37,362**	**-**	**(19,120,585)**
Net Income (Loss) from Continuir	**NET_INCOME_CONT_OPS**	(3,224,649,748)	(0)	(1,838,501,480)	-	3,057,827	(4,543,830,982)	6,319,202,391	**(3,284,721,991)**	(4,544,394,555)	(37,066,507)	4,580,897,488	**(3,285,285,565)**
Income (Loss) from Discontinued	**INCOME_FROM_DISC_OPS**	**(1,199,831,056)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,199,831,056)**	**-**	**-**	**-**	**(1,199,831,056)**
Net Income (Loss)	**NET_INCOME**	(4,424,480,804)	(0)	(1,838,501,480)	(59,277,934)	3,057,827	(4,543,830,982)	6,319,202,391	**(4,543,830,981)**	(4,544,394,555)	(37,066,507)	4,580,897,488	**(4,544,394,555)**
		0	-	0	-	0	-	-	0	-	-	-	0

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
Report Run Time: 14:54
ENTERPRISE_ACCOUNT Tree Version

		10010	10011	10013	10015	10017	10018	10019	10020	10021	10022	10026
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	11,121,813	121,085	25,000	65,033	-	128,386	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	2,083,777,295	(0)	-	12,161,094	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	15,808,133	-	-	16,697,171	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	79,668,271	-	-	1,529,006,449	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	47,290,076	-	-	-	-	-	-	-	-	5,000,000	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	285,319,323	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	82,293,250	(1,081,902)	-	61,857,693	-	-	-	-	-	-	-
Investments in real estate	INVEST_REALESTAT_OTH	(458,073)	-	-	-	-	-	-	-	-	41,609,337	-
Other assets	OTHER_ASSETS	3,022,648,062	77,704,716	-	(536,810,613)	-	1,635,913	-	-	112,327	84,681,337	1
Total Assets	**ASSETS**	**5,627,468,149**	**76,743,899**	**25,000**	**1,082,976,828**	**-**	**1,764,299**	**-**	**-**	**112,327**	**131,290,674**	**1**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	867,268,546	-	-	1,583,098,910	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	1,686,219,149	(921,276,521)	-	42,248,760	0	(3,373,388)	(1,572,429)	(0)	(892,880)	(27,820,948)	-
Total Liabilities	**LIABILITIES**	**2,553,487,696**	**(921,276,521)**	**-**	**1,625,347,670**	**0**	**(3,373,388)**	**(1,572,429)**	**(0)**	**(892,880)**	**(27,820,948)**	**-**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	(1)	(20)	25,000	10	-	10	-	-	-	-	-
Additional paid-in capital-	SAP30200	14,176,123,977	128,902,979	-	1,470,828,469	-	7,126,154	1,547,792	-	4,649,970	391,957,553	1
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**14,176,123,976**	**128,902,959**	**25,000**	**1,470,828,479**	**-**	**7,126,164**	**1,547,792**	**-**	**4,649,970**	**391,957,553**	**1**
Ret earnings	SAP30300	-$8,883,557,471.12	$868,988,781.03	$0.00	-$1,338,171,551.15	$0.00	-$2,041,248.78	$98,574.85	$0.00	-$3,888,432.85	-$84,898,451.23	$0.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$2,200,313,272.58	$2,150,880.98	$0.00	-$675,027,770.40	$0.00	$52,771.39	-$73,937.48	$0.00	$21,889.24	-$168,149,479.90	$0.00
Retained Earnings	**RETAINED_EARNINGS**	(11,083,870,744)	869,117,462	-	(2,013,199,322)	(0)	(1,988,477)	24,637	0	(3,644,763)	(232,845,931)	-
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	(16,410,000)	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	(1,862,779)	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	(0)	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**(18,272,779)**	**-**	**-**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		3,073,980,453	998,020,421	25,000	(542,370,843)	(0)	5,137,687	1,572,429	0	1,005,207	159,111,622	1
Total Liabilities, Minority Interest and Equity		5,627,468,149	76,743,899	25,000	1,082,976,828	-	1,764,299	-	-	112,327	131,290,674	1
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	61,807,716	102,136,609	-	181,489,390	-	(31,572)	(92,919)	0	25,523	(31,142,134)	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	(28,308,370)	1,192,596	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	(6,242,151)	44,197,091	-	(8,148,108)	-	-	-	-	-	-	-

RFC Trial Balance - Legal Entity Detail
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		10041	10042	10043	10044	10099	10300	10301	10302	10399	10400	10500
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	11,403	10,935	11,340	-	-	1,748,402
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	38,525,532	-	-	-	(102)	-	-	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	24,137,756
Other assets	OTHER_ASSETS	-	-	-	-	(1,646,367)	42,873,526	31,455	455	(43,113,274)	-	68,539,264
Total Assets	**ASSETS**	**-**	**-**	**-**	**38,525,532**	**(1,646,367)**	**42,884,929**	**42,390**	**11,694**	**(43,113,274)**	**-**	**94,425,422**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	32,284,396	-	-	-	-	-	-	115,373
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	0	6,948	(0)	4,399,401	-	(9,487,645)	(33,900,132)	(8,708,281)	-	486,877	(188,929,255)
Total Liabilities	**LIABILITIES**	**0**	**6,948**	**(0)**	**36,683,796**	**-**	**(9,487,645)**	**(33,900,132)**	**(8,708,281)**	**-**	**486,877**	**(188,813,882)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	10	10	-	(10)	-	-
Additional paid-in capital-	SAP30200	-	-	-	7,000,001	(1,547,792)	(1,860)	-	-	-	3,113	584,477,532
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**-**	**-**	**7,000,001**	**(1,547,792)**	**(1,850)**	**10**	**-**	**(10)**	**3,113**	**584,477,532**
Ret earnings	SAP30300	$0.00	-$5,082.47	$0.00	-$5,158,343.30	-$98,574.85	$49,033,429.98	$34,376,264.21	$8,736,999.87	-$43,113,263.88	-$489,678.08	-$304,884,739.88
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$0.01	-$1,885.37	$0.00	$77.72	$0.00	$3,340,993.34	-$433,751.98	-$17,024.78	$0.00	-$311.79	$3,848,511.49
Retained Earnings	**RETAINED_EARNINGS**	(0)	(6,948)	0	(5,158,266)	(98,575)	52,374,423	33,942,512	8,719,975	(43,113,264)	(489,990)	(301,238,228)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		(0)	(6,948)	0	1,841,735	(1,646,367)	52,372,573	33,942,522	8,719,975	(43,113,274)	(486,877)	283,239,304
Total Liabilities, Minority Interest and Equity		-	-	-	38,525,532	(1,646,367)	42,884,929	42,390	11,694	(43,113,274)	-	94,425,422
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	-	(1,885)	0	78	-	3,596,779	(449,410)	-	-	-	2,271,084
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-

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		10501	10503	10517	10550	10555	10559	10599	11000	11077	11078	11233
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	2,505,228	-	-	-	37,002,803	3,082,225	107,394
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	11,255,792	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	8,125,272	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	4,574,534	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	1,044,536	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	690,709	-	-	-	-	-	6,362,462	329,442	7,666
Investments in real estate	INVEST_REALESTAT_OTH	-	-	22,740,013	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	-	543,795	247,218,981	-	(227,765,185)	(65,530,256)	1,185,742,533	14,762,900	-	-
Total Assets	**ASSETS**	**-**	**-**	**23,974,517**	**247,218,981**	**2,505,228**	**(227,765,185)**	**(65,530,256)**	**1,185,742,533**	**82,083,762**	**4,456,203**	**115,060**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	-	12,614,062	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(4,132,772)	(31,527,888)	25,778,368	226,765,185	(234,212,717)	-	-	112,910,715	(112,647,565)	(4,857,385)	(14,512,967)
Total Liabilities	**LIABILITIES**	**(4,132,772)**	**(31,527,888)**	**25,778,368**	**226,765,185**	**(234,212,717)**	**-**	**-**	**112,910,715**	**(100,033,503)**	**(4,857,385)**	**(14,512,967)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	1,132,035,184	1,068,678,416	92,435,002	88,528
Additional paid-in capital-	SAP30200	4,202,644	107,324,273	25,769,898	1,000,000	58,090,641	-	(195,294,530)	131,176,813	370,981,451	-	-
Preferred Int	SAP30250	-	-	-	-	227,765,185	(227,765,185)	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**4,202,644**	**107,324,273**	**25,769,898**	**1,000,000**	**285,855,826**	**(227,765,185)**	**(195,294,530)**	**1,263,211,997**	**1,439,659,866**	**92,435,002**	**88,528**
Ret earnings	SAP30300	-$69,872.08	-$74,212,723.43	-$9,932,116.80	$0.00	-$45,842,488.56	$0.00	$129,784,274.80	-$37,497,331.84	-$989,914,783.95	-$50,072,182.83	$14,059,111.21
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	-$1,583,661.80	-$17,641,632.39	$19,453,796.00	-$3,495,392.15	$0.00	$0.00	-$8,771,356.32	-$340,462,081.75	-$23,803,189.52	$228,541.94
Retained Earnings	**RETAINED_EARNINGS**	(69,872)	(75,796,385)	(27,573,749)	19,453,796	(49,137,881)	-	129,764,275	(46,268,688)	(1,330,376,846)	(73,875,352)	14,287,653
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	(144,111,491)	72,834,245	(9,246,062)	251,845
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(144,111,491)**	**72,834,245**	**(9,246,062)**	**251,845**
Total Equity		4,132,772	31,527,888	(1,803,851)	20,453,796	236,717,945	(227,765,185)	(65,530,256)	1,072,831,818	182,117,266	9,313,588	14,628,026
Total Liabilities, Minority Interest and Equity		-	-	23,974,517	247,218,981	2,505,228	(227,765,185)	(65,530,256)	1,185,742,533	82,083,762	4,456,203	115,060
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	-	(5,781)	-	-	(269,725)	-	(2,264,897)	(6,979,716)	(20,699,357)	(11,474,181)	320,598
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	(42,455,494)	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	15,944,345	1,687,242	-

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		11255	11257	11258	11259	11333	11334	11343	11353	11354	11382	11700
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	-	-	-	32,517
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	(0)	-	0	(541)	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	69,296,134	72,765,505	108,396,093	321,468,958	183,594,216	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	-	(10,814)	(11,112)	(15,462)	(45,862)	(26,771)	20,187	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	(0)	161	-	-	1,650,185	1,977,640	17,363,681	58,427,289	12,714,591	-	9,406,362
Total Assets	**ASSETS**	**(0)**	**161**	**-**	**-**	**70,935,505**	**74,732,033**	**125,744,313**	**379,850,385**	**196,281,495**	**20,187**	**9,438,879**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	64,564,575	68,618,785	119,034,541	370,033,897	190,263,126	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(4,637,637)	40,433	129,228	(7,896,402)	25,556,607	21,787,197	11,557,271	11,365,130	6,712,334	-	13,469,511
Total Liabilities	**LIABILITIES**	**(4,637,637)**	**40,433**	**129,228**	**(7,896,402)**	**90,121,181**	**90,405,982**	**130,591,812**	**381,399,027**	**196,975,461**	**-**	**13,469,511**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	181	196	158	6,228,035	20,645	22,395	22,892	22,060	22,060	25,034	1
Additional paid-in capital-	SAP30200	8,267,523	-	-	-	-	-	-	-	-	-	335,645,591
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**8,267,704**	**196**	**158**	**6,228,035**	**20,645**	**22,395**	**22,892**	**22,060**	**22,060**	**25,034**	**335,645,593**
Ret earnings	SAP30300	-$11,148,280.43	$0.00	-$418,884.23	$3,275,551.27	-$15,817,837.45	-$12,827,104.53	-$3,894,911.23	-$4,670,410.49	-$2,270,971.48	-$47.94	-$314,733,030.42
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$8,489,570.98	$0.00	$0.00	-$102,820.43	-$4,859,507.59	-$3,841,047.58	-$1,202,502.52	$3,814,076.84	$1,892,309.14	$48.87	-$1,783,303.24
Retained Earnings	**RETAINED_EARNINGS**	(4,678,709)	-	(418,664)	3,172,931	(20,477,345)	(16,668,152)	(5,097,414)	(1,056,334)	(378,662)	1	(316,516,334)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	1,048,643	(40,467)	289,279	(1,504,564)	1,271,024	971,809	227,023	(514,367)	(337,363)	(4,847)	(23,159,891)
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**1,048,643**	**(40,467)**	**289,279**	**(1,504,564)**	**1,271,024**	**971,809**	**227,023**	**(514,367)**	**(337,363)**	**(4,847)**	**(23,159,891)**
Total Equity		4,637,637	(40,272)	(129,228)	7,896,402	(19,185,676)	(15,673,949)	(4,847,499)	(1,548,642)	(693,966)	20,187	(4,030,632)
Total Liabilities, Minority Interest and Equity		(0)	161	-	-	70,935,505	74,732,033	125,744,313	379,850,385	196,281,495	20,187	9,438,879
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	-	-	-	-	1,194,522	1,391,933	1,939,416	4,459,392	2,119,415	-	(488,523)
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	(176,767)	(174,717)	(191,522)	(345,438)	(272,136)	-	-

RFC Trial Balance - Legal Entity Detail
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		11701	11702	11755	11766	11767	11776	11777	11778	11779	11780	11781
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	328,051	10,594,185	-	-	17,572,567	16,922,567	48,577,518	2,192,404	-	1,276,215	811,642
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	1,238,267	8,134,744	-	-	1,122,066
Trading securities	TRADING_SEC	-	-	-	-	-	-	(0)	-	(34,514,579)	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	208,807,133	98,889,540	(145,031)	-	-	(457)
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	2,622,080	(28,168,616)	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	-	850,933	17,035,923	1,499,897	12,256,493	(267,254)	216,844	120,371
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	487,046	5,174,695	-	-	361,592	210,954,676	247,448,508	2,243,537	(183,028,008)	266,858	1,627,539
Total Assets	**ASSETS**	**815,097**	**15,768,881**	**-**	**-**	**18,785,092**	**456,342,378**	**369,485,114**	**24,682,147**	**(217,809,840)**	**1,759,916**	**3,681,161**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	0	(40,054,898)	-	(70,647,803)	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	579,433	(709,545)	-	0	967,161	46,094,780	264,194,892	17,665,944	(267,254)	1,605,365	(4,335,422)
Total Liabilities	**LIABILITIES**	**579,433**	**(709,545)**	**-**	**0**	**967,161**	**46,094,780**	**224,139,994**	**17,665,944**	**(70,915,057)**	**1,605,365**	**(4,335,422)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	11,801	28,450,000	-	-	24,909,000	21,962	18,614	24,635	(70,922)	2	21,652
Additional paid-in capital-	SAP30200	-	-	-	-	1,847,690	2,325,870,719	544,275,471	30,535,500	(587,274,968)	-	12,464,000
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**11,801**	**28,450,000**	**-**	**-**	**26,756,690**	**2,325,892,681**	**544,294,085**	**30,560,135**	**(587,345,890)**	**2**	**12,485,652**
Ret earnings	SAP30300	$319,881.28	-$11,733,108.52	$0.00	$0.00	-$10,999,358.27	-$1,584,001,357.29	-$391,389,978.99	-$15,902,108.30	$413,371,775.89	$115,320.95	-$8,485,871.54
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$15,170.49	-$2,827,952.84	$0.00	$0.00	-$1,872,990.37	-$280,834,702.17	-$21,014,359.11	-$4,317,731.10	$38,711,114.19	$38,877.72	$1,989,795.82
Retained Earnings	**RETAINED_EARNINGS**	304,691	(14,361,061)	-	-	(12,872,347)	(1,844,636,059)	(412,404,336)	(20,219,837)	450,082,890	153,999	(4,475,876)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	(80,827)	2,389,487	-	(0)	3,933,588	(71,009,022)	13,455,370	(3,324,095)	(9,631,783)	551	6,806
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**(80,827)**	**2,389,487**	**-**	**(0)**	**3,933,588**	**(71,009,022)**	**13,455,370**	**(3,324,095)**	**(9,631,783)**	**551**	**6,806**
Total Equity		235,664	16,478,426	-	(0)	17,817,931	410,247,599	145,345,119	7,016,202	(146,894,783)	154,551	8,016,582
Total Liabilities, Minority Interest and Equity		815,097	15,768,881	-	-	18,785,092	456,342,378	369,485,114	24,682,147	(217,809,840)	1,759,916	3,681,161
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	(10,256)	600,551	-	-	177,928	(5,348,332)	28,643,900	(1,485,260)	-	-	(586,844)
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	(8,795,539)	(2,569,031)	(857,871)	-	-	2,623,002
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	(73,367)	(31,375,808)	-	-	-	72,252

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
Report Run Time: 14:54
ENTERPRISE_ACCOUNT Tree Version

		11784	11785	11786	11788	11799	11802	11803	11804	11805	11808	11807
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	1,096,550	(1,558,257)	26,242	1,080,444	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	4,000,736	91,448,840	22,569,683	-	-	236,985,044	(0)	-	-	-	-
Trading securities	TRADING_SEC	28,166,203	-	34,514,579	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	142,950,350	6,833,063	88,727,581	-	-	0	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	1,734,976	455,446	1,926,776	-	-	(901,526)	-	-	825,352	-	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	4,899,552	51,241	19,985,768	(19,903,446)	27,677,157	-	-	78,080	-	-
Total Assets	**ASSETS**	**177,948,814**	**102,078,645**	**147,816,101**	**21,066,212**	**(19,903,446)**	**263,760,674**	**(0)**	**-**	**903,432**	**-**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	(0)	123,163,234	-	-	-	159,405,113	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	314,431,424	(7,958,323)	355,322,646	32,588,118	-	240,547,583	(16,142)	(5,245)	(122,565,462)	(4,706)	(1,511)
Total Liabilities	**LIABILITIES**	**314,431,424**	**115,204,911**	**355,322,646**	**32,588,118**	**-**	**399,952,696**	**(16,142)**	**(5,245)**	**(122,565,462)**	**(4,706)**	**(1,511)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	131,323	(24,910,917)	4	4	2	2	2	2
Additional paid-in capital-	SAP30200	164,689,123	-	-	45,572,279	(2,795,106)	-	-	-	-	-	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**164,689,123**	**-**	**-**	**45,703,602**	**(27,706,023)**	**4**	**4**	**2**	**2**	**2**	**2**
Ret earnings	SAP30300	-$129,943,670.91	$0.00	$0.00	-$51,202,879.87	$10,978,316.78	-$92,948,511.97	$8,887,827.00	$3,178,047.11	$92,704,178.34	$2,743,919.06	-$130,100.48
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$184,985,568.43	-$11,883,402.95	-$204,101,848.38	-$1,271,708.78	$0.00	-$36,819,804.93	$8,813,191.94	-$124,758.51	$41,707,418.22	$4,108,897.56	$204,987.99
Retained Earnings	**RETAINED_EARNINGS**	(294,909,239)	(11,883,403)	(204,101,848)	(52,474,588)	10,976,317	(129,568,317)	17,300,819	3,051,291	134,411,597	6,850,817	74,868
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	(6,262,494)	(1,242,863)	(3,404,697)	(4,750,919)	(3,173,740)	(6,623,708)	(17,284,681)	(3,046,047)	(10,942,704)	(6,846,113)	(73,358)
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**(6,262,494)**	**(1,242,863)**	**(3,404,697)**	**(4,750,919)**	**(3,173,740)**	**(6,623,708)**	**(17,284,681)**	**(3,046,047)**	**(10,942,704)**	**(6,846,113)**	**(73,358)**
Total Equity		(136,482,610)	(13,126,266)	(207,506,545)	(11,521,906)	(19,903,446)	(136,192,022)	16,142	5,245	123,468,894	4,706	1,511
Total Liabilities, Minority Interest and Equity		177,948,814	102,078,645	147,816,101	21,066,212	(19,903,446)	263,760,674	(0)	0	903,432	0	(0)
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	7,074,905	2,844,974	4,770,836	(1,334,157)	-	12,254,602	21	-	(15,608)	(736)	427
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	(135,514,985)	(14,414,368)	(161,516,674)	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	(745,050)	-	-	(323,567)	-	-

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
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		11808	11809	11810	11828	11888	11900	11901	11997	11999	12000	12001	
Total assets	**ASSETS**												
Cash and cash equivalents	CASH_EQUIVALENT	-	4,257,316	14,713,579	-	394,499	-	-	-	-	1,388,543	-	
Mortgage loans held for sale	MTG_LOANS_HFS	-	157,805,746	147,248,604	-	-	-	-	-	-	-	-	
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-	
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	26,161,564	79,148,233	-	-	720,958,050	430,753,801	-	-	-	-	
Lending receivables, net	LENDING_REC_NET	-	15,978,913	48,546,331	-	-	-	-	-	-	-	-	
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-	
Accounts receivable	ACCOUNTS_RECEIVABLE	-	(451,531,868)	(573,554,033)	-	0	3,233,799	(20,024,474)	-	-	-	-	
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-	
Other assets	OTHER_ASSETS	-	6,427,811	4,837,230	-	-	22,840,478	25,538,329	(12,458,783)	(1,185,742,695)	(20,581,109)	-	
Total Assets	**ASSETS**	**-**	**(240,900,517)**	**(279,060,057)**	**-**	**394,499**	**747,032,328**	**436,267,656**	**(12,458,783)**	**(1,185,742,695)**	**(19,192,567)**	**-**	
Total liabilities	**LIABILITIES**												
Total borrowings	TOTAL_BORROWINGS	-	0	0	-	-	777,830,609	443,832,839	-	-	-	-	
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-	
Other total liabilities	OTHER_TOTAL_LIAB	(3,672)	(10,961)	109,884	-	(144,082,716)	44,030,415	1,674,500	2,600,465	(0)	663,961	-	
Total Liabilities	**LIABILITIES**	**(3,672)**	**(10,961)**	**109,884**	**-**	**(144,082,716)**	**821,861,025**	**445,507,339**	**2,600,465**	**(0)**	**663,961**	**-**	
Member's interest	**MEMBERS_INTEREST**												
Common Stock	SAP30101	2	-	-	-	803	26,537	-	(28,581,951)	(1,167,456,344)	5,923	-	
Additional paid-in capital-	SAP30200	-	189,134,722	-	-	100,174,197	-	-	(42,870,976)	(96,761,811)	32,252,165	-	
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-	
Member's Interest	**MEMBERS_INTEREST**	**2**	**189,134,722**	**-**	**-**	**100,175,001**	**26,537**	**-**	**(71,452,927)**	**(1,264,218,155)**	**32,258,088**	**-**	
Ret earnings	SAP30300	-$6,855,750.35	-$340,815,033.30	-$48,211,887.71	-$298,707.82	$29,178,052.39	-$32,527,742.50	$0.00	$59,852,983.67	-$88,978,703.82	$4,364,301.50	$0.00	
Ret earnings-Members' Int Di	SAP30301												
Ret earnings-Preferred Int D	SAP30302												
Ret earnings-Mgrl Eq Div	SAP30305												
Net (loss) income	NET_INCOME	$6,739,590.71	-$130,581,521.84	-$226,041,469.23	$0.00	$2,984,753.22	-$35,035,508.42	-$9,510,285.17	-$1,882,042.57	-$74,259.85	-$42,802,150.49	$0.00	
Retained Earnings	**RETAINED_EARNINGS**	83,840	(471,396,555)	(274,253,337)	(296,708)	32,162,806	(67,563,249)	(9,510,265)	57,970,921	(87,052,964)	(38,237,849)	-	
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**												
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-	
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-	
Accum Trans Adj-	SAP30400	(80,170)	41,372,278	(4,916,604)	296,708	12,139,408	(7,291,985)	270,582	(1,577,241)	165,528,424	(13,876,767)	-	
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-	
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-	
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-	
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-	
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-	
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**(80,170)**	**41,372,278**	**(4,916,604)**	**296,708**	**12,139,408**	**(7,291,985)**	**270,582**	**(1,577,241)**	**165,528,424**	**(13,876,767)**	**-**	
Total Equity		3,672	(240,889,555)	(279,169,941)	-	144,477,215	(74,828,697)	(9,239,684)	(15,059,248)	(1,185,742,694)	(19,856,528)	-	
Total Liabilities, Minority Interest and Equity		(0)	(240,900,517)	(279,060,057)	-	394,499	747,032,328	436,267,656	(12,458,783)	(1,185,742,695)	(19,192,567)	-	
Total net revenue	**TOTAL_REVENUE**												
Net interest income	NET_INTEREST_INCOME	8,060	36,061,128	23,042,393	-	4,085,676	(12,243,730)	5,071,979	(24,824)	(69,889)	962,752	-	
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	(69,349,577)	(103,150,593)	-	-	(21,371)	5,086,003	-	-	-	-	
Net servicing fees	NET_SERVICING_FEE	-	(1,962,829)	(2,433,704)	-	-	-	-	-	-	-	-	

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
Report Run Time: 14:54
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		12004	12005	12006	12009	12011	12013	12099	12100	12310	12700	12725
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	13,684,692	-	617,195	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	12,198,503	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	9,028,607	-	31,580	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	3,977,403	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	119,603,107	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	-	-	-	-	1,594,461	-	-	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	-	-	-	-	-	-	47,983,540	-	(0)	-
Total Assets	**ASSETS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**208,070,314**	**-**	**648,775**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	167,444,082	-	(0)	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	-	-	-	-	-	(1)	5,575,512	0	508,301	-
Total Liabilities	**LIABILITIES**	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**173,019,595**	**0**	**508,301**	**-**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	86,946,073	-	927,694	-
Additional paid-in capital-	SAP30200	-	-	-	-	-	-	-	-	-	7,860,510	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**86,946,073**	**-**	**8,788,204**	**-**
Ret earnings	SAP30300	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.03	$7,510,392.39	$0.00	-$10,273,022.45	$0.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$54,279,489.72	$0.00	-$458,719.88	$0.00
Retained Earnings	**RETAINED_EARNINGS**	-	-	-	-	-	-	0	(46,769,097)	(0)	(10,729,742)	-
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	1	(5,126,257)	-	2,082,013	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**(5,126,257)**	**-**	**2,082,013**	**-**
Total Equity		-	-	-	-	-	-	1	35,050,719	(0)	140,474	-
Total Liabilities, Minority Interest and Equity		-	-	-	-	-	-	0	208,070,314	-	648,775	-
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	-	-	-	-	-	-	-	(1,038,423)	-	162,170	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	(12,284,262)	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	359,115	-	-	-

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
Report Run Time: 14:54
ENTERPRISE_ACCOUNT Tree Version

		12799	12800	12999	13000	13001	13002	13003	13099	13200	13300	13400
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	-	16,001	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	-	-	-	-	-	-	-	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	0	-	20,591,813	-	-	-	-	(116,181)	1,148	-	-
Total Assets	**ASSETS**	**0**	**-**	**20,591,813**	**-**	**-**	**-**	**-**	**(116,181)**	**17,150**	**-**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	(0)	-	-	-	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(5)	-	-	0	0	-	(93,450)	-	(263,001,039)	(89,529,940)	137,817,470
Total Liabilities	**LIABILITIES**	**(5)**	**-**	**-**	**0**	**0**	**-**	**(93,450)**	**-**	**(263,001,039)**	**(89,529,940)**	**137,817,470**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	0	-	(41,910,272)	-	-	-	-	-	10	-	-
Additional paid-in capital-	SAP30200	-	-	-	-	-	-	650,000	(650,000)	159,970,351	194,974,133	(95,076,179)
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**0**	**-**	**(41,910,272)**	**-**	**-**	**-**	**650,000**	**(650,000)**	**159,970,361**	**194,974,133**	**(95,076,179)**
Ret earnings	SAP30300	$0.00	$43,802.03	$0.00	-$0.01	-$0.01	$0.00	-$533,818.81	$533,818.81	$103,074,822.90	-$105,444,192.61	-$42,741,291.18
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	-$43,802.03	$43,181,991.24	$0.00	$0.01	$0.00	-$22,731.18	$0.00	-$28,795.45	$0.00	$0.00
Retained Earnings	**RETAINED_EARNINGS**	-	-	43,181,991	(0)	(0)	-	(556,550)	533,819	103,047,827	(105,444,193)	(42,741,291)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	5	-	19,320,093	-	-	-	-	-	-	-	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**5**	**-**	**19,320,093**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		5	-	20,591,813	(0)	(0)	-	93,450	(116,181)	263,018,189	89,529,940	(137,817,470)
Total Liabilities, Minority Interest and Equity		0	-	20,591,813	-	-	-	-	(116,181)	17,150	-	-
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	-	-	0	-	0	(0)	-	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
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		13500	14000	14025	14040	14042	14050	14075	14997	14999	15000	15010
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	5,713,866	-	0	-	-	44,284	-	-	0	(0)
Mortgage loans held for sale	MTG_LOANS_HFS	-	406,722	-	0	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	15,066,573	-	0	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	3,260,964	-	(0)	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	0	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	419,340	-	(0)	-	-	5,530	-	-	(0)	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	12,418	30,500,883	-	(0)	-	-	730,512,268	(730,512,264)	(1)	-	-
Total Assets	**ASSETS**	**12,418**	**55,368,347**	**-**	**0**	**-**	**-**	**730,562,083**	**(730,512,264)**	**(1)**	**0**	**(0)**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	0	-	-	-	-	(0)	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	1,030,359	2,755,320	(0)	0	(0)	(1)	4,628	-	-	0	-
Total Liabilities	**LIABILITIES**	**1,030,359**	**2,755,320**	**(0)**	**0**	**(0)**	**(1)**	**4,628**	**-**	**-**	**0**	**-**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	81,413,870	-	-	-	1	38,817,507	(30,137,805)	-	-	-
Additional paid-in capital-	SAP30200	(2,623)	111,789,060	-	-	5	-	2,269,524,013	(2,469,682,535)	-	-	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**(2,623)**	**193,202,930**	**-**	**-**	**5**	**1**	**2,308,341,520**	**(2,499,820,341)**	**-**	**-**	**-**
Ret earnings	SAP30300	-$842,489.10	-$148,981,357.33	$0.00	$0.00	$0.00	$0.00	-$1,345,985,754.82	$1,530,855,489.75	-$3,873,273.79	$851,487.31	$8,781.89
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$172,848.76	-$16,292,870.48	$0.00	$0.04	$0.00	$0.00	-$122,120,216.00	$125,804,802.15	$4,185,117.04	-$851,487.35	-$8,781.41
Retained Earnings	**RETAINED_EARNINGS**	(1,015,318)	(165,274,228)	-	0	-	-	(1,468,085,971)	1,656,260,272	311,843	(0)	0
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Acctng policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	24,684,325	0	(0)	(5)	0	(109,698,094)	113,047,805	(311,844)	0	(1)
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**24,684,325**	**0**	**(0)**	**(5)**	**0**	**(109,698,094)**	**113,047,805**	**(311,844)**	**0**	**(1)**
Total Equity		(1,017,941)	52,613,028	0	-	0	1	730,557,455	(730,512,264)	(1)	0	(0)
Total Liabilities, Minority Interest and Equity		12,418	55,368,347	-	0	(0)	-	730,562,083	(730,512,264)	(1)	0	(0)
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	(185,267)	(3,710,703)	-	-	-	-	-	-	-	490,156	412
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	(1,096,844)	-	(0)	-	-	-	-	1,447,152	-	-
Net servicing fees	NET_SERVICING_FEE	-	844,403	-	-	-	-	-	-	-	-	-

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

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		15020	15025	15999	16113	16114	16115	16220	16221	16230	16240	16251
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	10,862,014	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	(33,270,006)	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	-	-	-	-	-	-	-	-	-	-
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	24,234,645	-	-	-	-	-
Other assets	OTHER_ASSETS	-	-	-	6,434,839	26,409,616	10,646,344	32,195,650	-	12,308,420	227,309	-
Total Assets	**ASSETS**	**-**	**-**	**-**	**6,434,839**	**26,409,616**	**34,880,989**	**9,787,658**	**-**	**12,308,420**	**227,309**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	(33,270,006)	13,363,282	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(0)	0	(0)	(5,431,621)	144,662,037	4,550,000	(20,339,898)	(13,970,962)	719,481	(8,161,156)	65,903
Total Liabilities	**LIABILITIES**	**(0)**	**0**	**(0)**	**(5,431,621)**	**144,662,037**	**4,550,000**	**(53,609,905)**	**(607,680)**	**719,481**	**(8,161,156)**	**65,903**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	-	-	-	388,443	(14,706)	21,444,542	75,171,019	13,970,962	31,215,423	16,855,749	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**-**	**-**	**388,443**	**(14,706)**	**21,444,542**	**75,171,019**	**13,970,962**	**31,215,423**	**16,855,749**	**-**
Ret earnings	SAP30300	$0.00	$0.00	$0.00	$11,003,280.39	-$131,690,888.03	$0.00	-$15,029,713.08	-$13,383,282.24	-$18,518,414.53	-$5,978,487.35	-$85,550.95
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$0.03	$0.00	$0.00	$474,736.95	$13,453,173.36	$8,886,447.38	$3,258,255.88	$0.00	-$3,110,070.37	-$2,490,816.85	-$352.49
Retained Earnings	**RETAINED_EARNINGS**	(0)	(0)	-	11,478,017	(118,237,715)	8,886,447	(11,773,457)	(13,363,282)	(19,626,485)	(8,467,284)	(65,903)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	0	(0)	0	-	-	-	-	-	-	-	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**0**	**(0)**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		0	(0)	0	11,866,460	(118,252,421)	30,330,989	63,397,562	607,680	11,588,938	8,388,465	(65,903)
Total Liabilities, Minority Interest and Equity		(0)	(0)	-	6,434,839	26,409,616	34,880,989	9,787,658	-	12,308,420	227,309	-
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	5,211	79	-	-	(12,956,442)	-	4,041,121	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-

EXAM10362103

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
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		18260	18263	18264	18265	18267	18268	18269	18270	18271	18272	18273
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	25,989,507	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVABLE	-	112	-	-	-	-	-	-	-	-	6
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	699,825	-	-	-	1,291,245
Other assets	OTHER_ASSETS	4,334	691,894	67	(6,521)	109,347	39,290,676	3,340,014	-	414,637	-	2,562,707
Total Assets	**ASSETS**	**25,993,841**	**692,006**	**67**	**(6,521)**	**109,347**	**39,290,676**	**4,039,839**	**-**	**414,637**	**-**	**3,853,958**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	19,854	-	-	-	33,270,006	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	10,160,496	(13,929,289)	(99,625)	(13,930,214)	(36,603,120)	5,503,665	(13,933,079)	(697,168)	(8,026,645)	(48,334)	(11,260,439)
Total Liabilities	**LIABILITIES**	**10,160,496**	**(13,909,435)**	**(99,625)**	**(13,930,214)**	**(36,603,120)**	**38,773,671**	**(13,933,079)**	**(697,168)**	**(8,026,645)**	**(48,334)**	**(11,260,439)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	29,893,722	47,793,822	241,046	30,831,721	40,257,485	100,000	85,712,012	2,678,095	11,947,642	-	19,309,234
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**29,893,722**	**47,793,822**	**241,046**	**30,831,721**	**40,257,485**	**100,000**	**85,712,012**	**2,678,095**	**11,947,642**	**-**	**19,309,234**
Ret earnings	SAP30300	-$13,119,732.48	-$32,948,883.22	$343,314.17	-$15,729,188.88	-$2,482,575.45	$0.00	-$52,394,477.37	-$1,114,417.87	-$4,854,190.13	$48,970.88	-$8,581,853.21
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$940,843.94	-$245,498.21	-$484,867.86	-$1,178,838.98	-$1,062,443.17	$417,004.82	-$15,344,616.80	-$888,508.95	$1,147,829.74	-$638.95	$2,388,815.57
Retained Earnings	**RETAINED_EARNINGS**	(14,060,376)	(33,192,381)	(141,354)	(16,908,028)	(3,545,019)	417,005	(67,739,094)	(1,980,927)	(3,506,360)	48,334	(4,194,838)
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		15,833,345	14,601,441	99,692	13,923,693	36,712,466	517,005	17,972,918	697,168	8,441,282	48,334	15,114,396
Total Liabilities, Minority Interest and Equity		25,993,841	692,006	67	(6,521)	109,347	39,290,676	4,039,839	-	414,637	-	3,853,958
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOME	20,150	(413,963)	-	-	-	-	-	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

Report Run Date: 1/13/2010
Report Run Time: 14:54
ENTERPRISE_ACCOUNT Tree Version

As Of Reporting Date: 2009-12-31
Report Layout: EXT_RPTG_TB_LE_DETAIL_RFC_YTD

		18299	19950	19980	19998	19999	30003	30004	40014	41888	Consolidated RFC
Total assets	**ASSETS**										
Cash and cash equivalents	CASH_EQUIVALENT	-	(57,751,805)	(97,720,716)	-	-	140,722,616	-	-	-	217,825,286
Mortgage loans held for sale	MTG_LOANS_HFS	-	(85,917,157)	(128,514,335)	-	-	-	-	-	-	2,575,921,101
Trading securities	TRADING_SEC	-	(8,125,272)	(28,166,203)	-	(8,114,305)	-	-	-	-	48,517,760
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	(865,405,236)	(1,697,774,030)	-	(6,704,297)	-	-	-	-	1,609,208,790
Lending receivables, net	LENDING_REC_NET	-	-	-	-	0	100,193,814	-	-	-	304,386,771
Mortgage servicing rights	MTG_SERVICING_RIGHTS	-	-	25,546,536	-	-	-	-	-	-	285,319,323
Accounts receivable	ACCOUNTS_RECEIVABLE	-	(6,426,965)	(18,828,416)	-	(612,230)	810,083	-	-	-	(840,265,508)
Investments in real estate	INVEST_REALESTAT_OTH	-	-	-	-	-	-	-	-	-	114,254,747
Other assets	OTHER_ASSETS	(32,983,677)	845,083,435	1,424,157,163	(1)	(2,684,529,705)	(17,478,044)	76,244,897	-	-	2,976,452,560
Total Assets	**ASSETS**	**(32,983,677)**	**(178,543,001)**	**(521,300,000)**	**(1)**	**(2,699,960,538)**	**224,248,470**	**76,244,897**	**-**	**-**	**7,291,620,829**
Total liabilities	**LIABILITIES**										
Total borrowings	TOTAL_BORROWINGS	-	(825,128,986)	(1,151,015,645)	-	(128,736,207)	-	-	-	-	2,777,371,686
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	824,805,985	1,151,015,645	-	117,326,372	130,168,759	601,178	-	(0)	3,660,377,038
Total Liabilities	**LIABILITIES**	**-**	**(323,001)**	**(0)**	**-**	**(11,409,835)**	**130,168,759**	**601,178**	**-**	**(0)**	**6,437,748,723**
Member's interest	**MEMBERS_INTEREST**										
Common Stock	SAP30101	-	-	-	-	(1,268,285,008)	10	-	-	-	6
Additional paid-in capital-	SAP30200	(46,346,960)	(178,220,000)	(521,300,000)	(1)	(6,108,582,880)	-	88,072,579	-	-	14,176,120,882
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**(46,346,960)**	**(178,220,000)**	**(521,300,000)**	**(1)**	**(7,376,867,889)**	**10**	**88,072,579**	**-**	**-**	**14,176,120,888**
Ret earnings	SAP30300	$13,363,282.24	$0.00	$0.00	$0.00	$4,711,893,349.80	$0.00	$0.00	$3,230,634.88	$188,267.08	(8,885,378,109)
Ret earnings-Members' Int Di	SAP30301										
Ret earnings-Preferred Int D	SAP30302										
Ret earnings-Mgrl Eq Div	SAP30305										
Net (loss) income	NET_INCOME	$0.00	$0.00	$0.00	$0.00	-$23,332,800.20	$94,079,700.95	-$12,428,860.79	-$3,230,634.88	-$188,300.31	(4,424,480,804)
Retained Earnings	**RETAINED_EARNINGS**	13,363,282	-	(0)	-	4,688,360,549	94,079,701	(12,428,861)	-	(33)	**(13,309,858,913)**
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**										
Cum Chg in Accting policy	SAP30304	-	-	-	-	-	-	-	-	-	-
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	(16,410,000)
Accum Trans Adj-	SAP30400	-	-	-	-	(43,363)	-	-	-	33	4,020,130
Accum Trans Adj-Def Tx Adj	SAP30401	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	(0)
Der Mkt Adj-Def Tx	SAP30601	-	-	-	-	-	-	-	-	-	-
Def Tax - OCI Pension	SAP30701	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comp Income	**ACCUM_OTH_COMP_INC**	**-**	**-**	**-**	**-**	**(43,363)**	**-**	**-**	**-**	**33**	**(12,389,870)**
Total Equity		(32,983,677)	(178,220,000)	(521,300,000)	(1)	(2,688,550,702)	94,079,711	75,643,718	-	0	853,872,105
Total Liabilities, Minority Interest and Equity		(32,983,677)	(178,543,001)	(521,300,000)	(1)	(2,699,960,538)	224,248,470	76,244,897	-	(0)	**7,291,620,829**
Total net revenue	**TOTAL_REVENUE**										
Net interest income	NET_INTEREST_INCOME	-	-	(27,663,146)	-	12,448	(22,042,834)	(692,775)	1,383,165	90,943	330,835,153
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_NET	-	-	315,980,835	-	(1,538,524)	-	-	-	-	(255,543,916)
Net servicing fees	NET_SERVICING_FEE	-	-	31,376,923	-	0	-	-	-	-	42,016,205

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		10010	10011	10013	10015	10017	10018	10019	10020	10021	10022	10026
Gain (loss) on inv securities	G/L_ON_SECURITIES	(46,053,932)	-	-	5,829,778	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	(5,127,654)	-	-	-	-	-	-	-	-	(222,338,683)	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	(14,962,923)	582,483	-	7,374,306	-	443,512	240,616	-	-	-	-
Other Income	OTHER_INCOME	(406,823,707)	-	-	(188,133,699)	-	-	-	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	**(445,711,022)**	**148,108,779**	**-**	**(1,588,333)**	**-**	**411,939**	**147,698**	**0**	**25,523**	**(253,480,817)**	**-**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	435,501,188	-	-	80,616,704	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	34,720,044	-	-	-	-	-	-	-	-	(650,000)	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**470,221,232**	**-**	**-**	**80,616,704**	**-**	**-**	**-**	**-**	**-**	**(650,000)**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	38,735,194	1,238,873	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	92,992,464	3,019,678	-	21,119	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATIONS	6,851,571	425,631	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	516	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	2,801,647	76,622	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXP	863,190,569	215,223,091	-	9,882,888	-	348,714	221,635	-	-	-	-
Non Interest Expense	**TOTAL_EXPENSES**	**1,004,571,444**	**219,984,410**	**-**	**9,904,008**	**-**	**348,714**	**221,635**	**-**	**-**	**-**	**-**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	(209,652,179)	(64,173,315)	-	505,328,082	-	9,063	-	-	3,341	(73,409,647)	-
U.S. St Tx Exp-Curr Yr	SAP59010	(31,386,727)	(9,852,997)	-	77,590,644	-	1,391	-	-	513	(11,271,690)	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	(457,740)	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	6,220	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**(241,490,426)**	**(74,026,312)**	**-**	**582,918,726**	**-**	**10,454**	**-**	**-**	**3,854**	**(84,681,337)**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$1,879,013,272.56	$2,150,880.98	$0.00	-$675,027,770.40	$0.00	$52,771.39	-$73,937.48	$0.00	$21,869.24	-$168,149,479.90	$0.00
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	(521,300,000)	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**(521,300,000)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$2,200,313,272.56	$2,150,880.98	$0.00	-$675,027,770.40	$0.00	$52,771.39	-$73,937.48	$0.00	$21,869.24	-$168,149,479.90	$0.00

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		10041	10042	10043	10044	10099	10300	10301	10302	10399	10400	10500
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	(1,274,160)
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	-	-	-	-	229,606
Total Revenue	**TOTAL_REVENUE**	**-**	**(1,885)**	**0**	**78**	**-**	**3,596,779**	**(449,410)**	**-**	**-**	**-**	**1,226,530**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	931
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	-	-	-	639,908
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	430	428	436	-	-	16,755
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	487
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	49,254
Other	MISC_OPERATING_EXP	-	-	-	-	-	15,608	15,369	17,044	-	312	(3,127,317)
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**-**	**-**	**-**	**-**	**16,038**	**15,797**	**17,480**	**-**	**312**	**(2,419,981)**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	207,836	(27,268)	(395)	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	0	-	-	-	-	31,912	(4,187)	(61)	-	-	0
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**0**	**-**	**-**	**-**	**-**	**239,748**	**(31,455)**	**(455)**	**-**	**-**	**0**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$0.01	-$1,885.37	$0.00	$77.72	$0.00	$3,340,993.34	-$433,751.98	-$17,024.78	$0.00	-$311.79	$3,648,511.49
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$0.01	-$1,885.37	$0.00	$77.72	$0.00	$3,340,993.34	-$433,751.98	-$17,024.78	$0.00	-$311.79	$3,648,511.49

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
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		10501	10503	10517	10550	10555	10559	10599	11000	11077	11078	11233
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	659,285	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	(965,025)	(15,012,942)	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	-	-	-	(886,928)	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	(229,606)	55,714	(15,059,641)	379,814	18,478
Total Revenue	**TOTAL_REVENUE**	**-**	**(970,806)**	**(15,012,942)**	**-**	**(269,725)**	**-**	**(2,494,504)**	**(6,924,002)**	**(62,497,788)**	**(9,407,125)**	**339,075**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	211,629,631	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	(131,404)	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**211,629,631**	**(131,404)**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	17,434,499	1,216,473	-
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	33,760	2,549,121	1,498,447	17,904
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	-	6,725,475	19,670	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	324,290	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	9,781,779	25,091	-
Other	MISC_OPERATING_EXP	-	612,856	2,628,690	-	3,225,667	-	(2,494,504)	54,635	58,499,103	(119,222)	2,443
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**612,856**	**2,628,690**	**-**	**3,225,667**	**-**	**(2,494,504)**	**88,395**	**95,314,266**	**2,640,459**	**20,348**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	(16,864,357)	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	0	(2,589,439)	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	1,758,959	(28,979,623)	11,887,009	90,185
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**0**	**(19,453,796)**	**-**	**-**	**-**	**1,758,959**	**(28,979,623)**	**11,887,009**	**90,185**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$0.00	-$1,583,861.60	-$17,641,832.39	$19,453,796.00	-$3,495,392.15	$0.00	$0.00	-$8,771,358.32	-$340,482,081.75	-$23,803,189.52	$228,541.94
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	$0.00	-$1,583,861.60	-$17,641,832.39	$19,453,796.00	-$3,495,392.15	$0.00	$0.00	-$8,771,358.32	-$340,482,081.75	-$23,803,189.52	$228,541.94

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		11255	11257	11258	11259	11333	11334	11343	11353	11354	11382	11700
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	(226,566)	7,731	(187,845)	407,437	(162,302)	-	-
Other Income	OTHER_INCOME	-	-	-	-	(1,366,545)	(1,745,279)	(2,283,891)	(2,891,201)	(864,172)	-	-
Total Revenue	**TOTAL_REVENUE**	**-**	**-**	**-**	**-**	**(575,356)**	**(520,332)**	**(723,841)**	**1,630,189**	**820,804**	**-**	**(488,523)**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	(541,840)	(683,572)	(829,046)	(3,783,278)	(1,999,488)	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**(541,840)**	**(683,572)**	**(829,046)**	**(3,783,278)**	**(1,999,488)**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	(5,781)
Professional fees	PROFESSIONAL_FEES	-	-	-	-	89,088	89,829	131,804	129,999	89,320	(57)	(537,982)
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	-	-	-	109
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXP	(6,469,571)	-	-	-	64,428	59,895	30,517	76,301	53,660	(7)	238,967
Non Interest Expense	**TOTAL_EXPENSES**	**(6,469,571)**	**-**	**-**	**-**	**153,516**	**149,724**	**162,321**	**206,300**	**142,980**	**(64)**	**(304,687)**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	102,620	4,672,475	3,854,564	1,145,386	1,593,091	785,003	16	1,599,468
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**-**	**102,620**	**4,672,475**	**3,854,564**	**1,145,386**	**1,593,091**	**785,003**	**16**	**1,599,468**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$6,469,570.98	$0.00	$0.00	-$102,620.43	-$4,859,507.59	-$3,841,047.58	-$1,202,502.52	$3,814,076.84	$1,892,309.14	$48.67	-$1,783,303.24
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	$6,469,570.98	$0.00	$0.00	-$102,620.43	-$4,859,507.59	-$3,841,047.58	-$1,202,502.52	$3,814,076.84	$1,892,309.14	$48.67	-$1,783,303.24

RFC Trial Balance - Legal Entity Detail
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Unaudited

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		11701	11702	11755	11766	11767	11776	11777	11778	11779	11780	11781
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	(177,619,938)	-	-	36,711,114	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	138,918	-	-	-	-	-
Other Income	OTHER_INCOME	566,934	(418,442)	-	-	1,233,378	(17,252,919)	10,110,654	-	-	-	(21,027)
Total Revenue	**TOTAL_REVENUE**	**556,678**	**182,109**	**-**	**-**	**1,411,306**	**(208,951,178)**	**4,809,715**	**(2,343,132)**	**36,711,114**	**-**	**2,087,382**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	38,585,875	208,434	(198)	-	-	(2,341)
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**38,585,875**	**208,434**	**(198)**	**-**	**-**	**(2,341)**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	106	1,463,152	-	-	244,030	(13,065)	8,719,053	-	-	299,892	-
Professional fees	PROFESSIONAL_FEES	390,314	1,200,448	-	-	1,369,250	5,978,241	10,147,533	9,335	-	(2,223,321)	7,797
Data process & telecomm	DP_COMMUNICATIONS	20,540	2,067,733	-	-	64,633	-	541,018	-	-	1,549,028	-
Advertising	ADVERTISING	-	-	-	-	-	-	21,150	-	-	-	-
Occupancy	OCCUPANCY	-	341,879	-	-	1,328,652	43	1,694,928	-	-	171,929	-
Other	MISC_OPERATING_EXP	22,681	(2,263,152)	-	-	277,732	7,172,766	4,491,960	1,925,127	-	91,790	92,131
Non Interest Expense	**TOTAL_EXPENSES**	**433,640**	**2,810,061**	**-**	**-**	**3,284,296**	**13,137,985**	**25,615,641**	**1,934,462**	**-**	**(110,683)**	**99,928**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	138,208	-	-	-	-	(40,335)	-	40,335	-	72,005	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**138,208**	**-**	**-**	**-**	**-**	**(40,335)**	**-**	**40,335**	**-**	**72,005**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$15,170.49	-$2,827,952.64	$0.00	$0.00	-$1,872,990.37	-$280,834,702.17	-$21,014,359.11	-$4,317,731.10	$36,711,114.19	$38,877.72	$1,989,795.82
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$15,170.49	-$2,827,952.64	$0.00	$0.00	-$1,872,990.37	-$280,834,702.17	-$21,014,359.11	-$4,317,731.10	$36,711,114.19	$38,877.72	$1,989,795.82

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		11784	11785	11786	11788	11799	11802	11803	11804	11805	11808	11807
Gain (loss) on inv securities	G/L_ON_SECURITIES	(557,828)	-	(36,711,114)	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	3,121	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	3,501,401	-	(15,627,784)	11,321,990	(124,757)	15,627,409	5,398,670	266,948
Total Revenue	**TOTAL_REVENUE**	**(128,997,909)**	**(11,569,394)**	**(193,456,952)**	**2,167,244**	**-**	**(4,115,112)**	**11,322,010**	**(124,757)**	**15,288,234**	**5,397,934**	**267,375**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	35,012,960	108,142	10,455,379	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**35,012,960**	**108,142**	**10,455,379**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	1,555,990	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	62,360	128,809	49,767	177,513	-	9,780	(1,209)	-	6,010	(1,209)	(1,461)
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	983,306	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXP	892,340	77,057	139,750	722,144	-	182,749	(1)	-	162	(1)	(12)
Non Interest Expense	**TOTAL_EXPENSES**	**954,700**	**205,866**	**189,517**	**3,438,953**	**-**	**192,528**	**(1,210)**	**-**	**6,172**	**(1,210)**	**(1,473)**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	32,312,165	2,710,029	-	(26,425,357)	1,292,247	63,880
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**-**	**-**	**-**	**32,312,165**	**2,710,029**	**-**	**(26,425,357)**	**1,292,247**	**63,880**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$164,985,568.43	-$11,883,402.95	-$204,101,848.38	-$1,271,708.78	$0.00	-$36,819,804.93	$8,813,191.94	-$124,758.51	$41,707,418.22	$4,108,897.56	$204,987.99
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$164,985,568.43	-$11,883,402.95	-$204,101,848.38	-$1,271,708.78	$0.00	-$36,819,804.93	$8,813,191.94	-$124,758.51	$41,707,418.22	$4,108,897.56	$204,987.99

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		11808	11809	11810	11828	11888	11900	11901	11997	11999	12000	12001
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	556,867	(4,766,136)	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	8,846,157	109,377	777,684	-	-	-	-	24,824	-	(43,139,772)	-
Total Revenue	**TOTAL_REVENUE**	**8,854,217**	**(34,585,034)**	**(86,530,356)**	**-**	**4,085,676**	**(12,265,101)**	**10,157,982**	**-**	**(69,889)**	**(42,177,020)**	**-**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	91,027,938	135,324,449	-	-	21,637,874	19,495,671	386,174	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	3,878,831	3,723,484	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**94,906,769**	**139,047,933**	**-**	**-**	**21,637,874**	**19,495,671**	**386,174**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	(9,020)	-	-	-
Professional fees	PROFESSIONAL_FEES	(1,209)	1,049,249	423,260	-	(59,139)	109,438	29,679	420,382	-	41,438	-
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	(420,382)	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	(2,527,598)	-	7,450	-
Other	MISC_OPERATING_EXP	(130)	40,081	39,626	-	(127,266)	1,023,093	142,897	3,832,486	4,371	136,761	-
Non Interest Expense	**TOTAL_EXPENSES**	**(1,339)**	**1,089,329**	**462,886**	**-**	**(186,405)**	**1,132,531**	**172,576**	**1,295,868**	**4,371**	**185,649**	**-**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	2,115,966	390	294	-	1,287,328	-	-	-	-	239,482	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**2,115,966**	**390**	**294**	**-**	**1,287,328**	**-**	**-**	**-**	**-**	**239,482**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$6,739,590.71	-$130,581,521.84	-$226,041,489.23	$0.00	$2,984,753.22	-$35,035,506.42	-$9,510,285.17	-$1,882,042.57	-$74,259.85	-$42,802,150.49	$0.00
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	$6,739,590.71	-$130,581,521.84	-$226,041,489.23	$0.00	$2,984,753.22	-$35,035,506.42	-$9,510,285.17	-$1,882,042.57	-$74,259.85	-$42,802,150.49	$0.00

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		12004	12005	12008	12009	12011	12013	12099	12100	12310	12700	12725
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	(456,273)	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	-	-	8,096	-	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	-	(18,512,196)	-	579	-
Total Revenue	**TOTAL_REVENUE**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(31,923,943)**	**-**	**162,749**	**-**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	3,141,769	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	22,585,937	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**25,727,705**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	5,201,926	-	80,102	-
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	1,251,748	-	52,424	-
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	1,144,537	-	6,986	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	17,413	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	940,920	-	19,715	-
Other	MISC_OPERATING_EXP	-	-	-	-	-	-	-	(8,677,753)	-	(35,205)	-
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(121,209)**	**-**	**124,021**	**-**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	(3,250,950)	-	495,447	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,250,950)**	**-**	**495,447**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$54,279,489.72	$0.00	-$458,719.88	$0.00
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-$54,279,489.72	$0.00	-$458,719.88	$0.00

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		12799	12800	12999	13000	13001	13002	13003	13099	13200	13300	13400
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	-	(4,425)	-	-	-	-
Other Income	OTHER_INCOME	-	-	43,181,991	-	-	-	-	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	**-**	**-**	**43,181,991**	**-**	**0**	**(0)**	**(4,425)**	**-**	**-**	**-**	**-**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	-	43,602	-	-	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXP	-	-	-	-	-	-	18,306	-	27,944	-	-
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**43,602**	**-**	**-**	**-**	**-**	**18,306**	**-**	**27,944**	**-**	**-**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	(995)	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	(153)	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,148)**	**-**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$0.00	-$43,602.03	$43,181,991.24	$0.00	$0.01	$0.00	-$22,731.18	$0.00	-$28,795.45	$0.00	$0.00
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	$0.00	-$43,602.03	$43,181,991.24	$0.00	$0.01	$0.00	-$22,731.18	$0.00	-$28,795.45	$0.00	$0.00

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		13500	14000	14025	14040	14042	14050	14075	14997	14999	15000	15010
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	(2,928,429)	-	0	-	-	-	-	-	945,996	-
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	(2,333,001)	-	-	-	-	-	-	2,737,956	(2,384,465)	-
Total Revenue	**TOTAL_REVENUE**	**(185,267)**	**(9,224,574)**	**-**	**-**	**-**	**-**	**-**	**-**	**4,185,108**	**(948,313)**	**412**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	68,289	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**68,289**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	(267,144)	-	(0)	-	-	-	-	-	228,984	-
Professional fees	PROFESSIONAL_FEES	-	55,305	-	0	-	-	15,269	-	-	251,458	-
Data process & telecomm	DP_COMMUNICATIONS	-	1,662,689	-	(0)	-	-	-	-	-	135,179	73
Advertising	ADVERTISING	-	(10,669)	-	-	-	-	-	-	-	673	-
Occupancy	OCCUPANCY	-	238,504	-	-	-	-	-	-	-	16,211	-
Other	MISC_OPERATING_EXP	-	5,091,135	-	0	-	-	122,108,961	(125,604,802)	(9)	(929,351)	9,121
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**6,769,819**	**-**	**(0)**	**-**	**-**	**122,124,230**	**(125,604,802)**	**(9)**	**(296,845)**	**9,194**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	(10,765)	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	(1,653)	-	-	-	-	-	-	-	-	-	-
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	230,189	-	-	-	-	(4,014)	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**(12,418)**	**230,189**	**-**	**-**	**-**	**-**	**(4,014)**	**-**	**-**	**-**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$172,848.76	-$18,292,870.48	$0.00	$0.04	$0.00	$0.00	-$122,120,216.00	$125,604,802.15	$4,185,117.04	-$851,487.35	-$8,781.41
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$172,848.76	-$18,292,870.48	$0.00	$0.04	$0.00	$0.00	-$122,120,216.00	$125,604,802.15	$4,185,117.04	-$851,487.35	-$8,781.41

RFC Trial Balance - Legal Entity Detail
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		15020	15025	15999	16113	16114	16115	16220	16221	16230	16240	16251	
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-	
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	(5,960,231)	-	(1,759,897)	-	-	-	-	-	
Loss on foreclosed real estate	REO_FORECLOSED_INC	(619,686)	-	-	-	-	-	851	-	(14,376,372)	(1,679,910)	-	
Other Income	OTHER_INCOME	1,588,235	448	-	-	-	-	-	-	-	-	-	
Total Revenue	**TOTAL_REVENUE**	**973,759**	**528**	**-**	**(5,960,231)**	**(12,956,442)**	**(1,759,897)**	**4,041,972**	**-**	**(14,376,372)**	**(1,679,910)**	**-**	
Provision for Loan Losses	**PROV_LOAN_LOSSES**												
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-	
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-	
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total expenses	**TOTAL_EXPENSES**												
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-	
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	-	-	48,489	-	
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	-	-	-	-	
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-	
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-	
Other	MISC_OPERATING_EXP	973,759	528	-	(129)	-	-	(2,312)	-	367,118	952,543	352	
Non Interest Expense	**TOTAL_EXPENSES**	**973,759**	**528**	**-**	**(129)**	**-**	**-**	**(2,312)**	**-**	**367,118**	**1,001,033**	**352**	
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**												
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	(5,578,316)	(22,894,307)	(9,229,239)	683,136	-	(10,084,929)	(164,818)	-	
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	(856,523)	(3,515,308)	(1,417,105)	104,892	-	(1,548,491)	(25,307)	-	
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-	
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-	
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**-**	**(6,434,839)**	**(26,409,616)**	**(10,646,344)**	**788,028**	**-**	**(11,633,420)**	**(190,126)**	**-**	
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$0.03	$0.00	$0.00	$474,738.95	$13,453,173.38	$8,888,447.38	$3,256,255.88	$0.00	-$3,110,070.37	-$2,490,816.85	-$352.49	
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**												
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-	
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Net Income (Loss)	**NET_INCOME**	-$0.03	$0.00	$0.00	$474,738.95	$13,453,173.38	$8,888,447.38	$3,256,255.88	$0.00	-$3,110,070.37	-$2,490,816.85	-$352.49	

RFC Trial Balance - Legal Entity Detail
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		18280	18283	18284	18285	18287	18288	18289	18270	18271	18272	18273
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENUES	-	(339,765)	-	(567,108)	(688,263)	-	(14,718,254)	(814,812)	902,598	-	1,422,738
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	479,949	-	-	744,349	25,000	-	-	-	-
Other Income	OTHER_INCOME	252,828	18,947	-	-	-	-	-	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	**272,978**	**(734,781)**	**479,949**	**(567,108)**	**(688,263)**	**744,349**	**(14,693,254)**	**(814,812)**	**902,598**	**-**	**1,422,738**
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	67,025	-	3,138	-	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATIONS	-	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	3,340	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXP	1,147,591	68,663	961,547	605,211	423,527	86,434	3,794,515	51,697	11,787	637	4,843
Non Interest Expense	**TOTAL_EXPENSES**	**1,217,956**	**68,663**	**964,684**	**605,211**	**423,527**	**86,434**	**3,794,515**	**51,697**	**11,787**	**637**	**4,843**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	(3,757)	(483,679)	(58)	5,653	(42,779)	208,844	(2,724,776)	-	(222,807)	-	(839,950)
U.S. St Tx Exp-Curr Yr	SAP59010	(577)	(74,267)	(9)	868	(6,568)	32,067	(418,376)	-	(34,211)	-	(128,971)
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**(4,334)**	**(557,946)**	**(67)**	**6,521**	**(49,347)**	**240,911**	**(3,143,152)**	**-**	**(257,019)**	**-**	**(968,921)**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	-$940,643.94	-$245,498.21	-$484,867.86	-$1,178,838.98	-$1,062,443.17	$417,004.82	-$15,344,616.80	-$888,508.95	$1,147,829.74	-$638.95	$2,388,815.57
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**											
Income (Loss) - Disc Ops Net	SAP59040	-	-	-	-	-	-	-	-	-	-	-
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**NET_INCOME**	-$940,643.94	-$245,498.21	-$484,867.86	-$1,178,838.98	-$1,062,443.17	$417,004.82	-$15,344,616.80	-$888,508.95	$1,147,829.74	-$638.95	$2,388,815.57

RFC Trial Balance - Legal Entity Detail
Trial Balance for Month ended 2009-12-31
Unaudited

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As Of Reporting Date: 2009-12-31
Report Layout: EXT_RPTG_TB_LE_DETAIL_RFC_YTD

		16299	19950	19960	19998	19999	30003	30004	40014	41688	Consolidated RFC
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	178,177,766	-	2,215,713	-	-	(3,438,743)	-	(43,226,604)
Real estate related revenues	RE_RELATED_REVENUES	-	-	-	-	-	-	-	-	-	(267,241,457)
Loss on foreclosed real estate	REO_FORECLOSED_INC	-	-	(138,918)	-	-	-	(20,755,887)	-	-	(47,754,662)
Other Income	OTHER_INCOME	-	-	2,255,198	-	(26,864,703)	387,413,928	13,613,753	-	-	(236,543,906)
Total Revenue	**TOTAL_REVENUE**	**-**	**-**	**499,988,659**	**-**	**(26,175,066)**	**365,371,094**	**(7,834,909)**	**(2,055,579)**	**90,943**	**(477,459,188)**
Provision for Loan Losses	**PROV_LOAN_LOSSES**										
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	(125,887,970)	-	(898,300)	-	-	-	-	948,574,443
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	247,170,778	-	-	-	311,297,670
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**(125,887,970)**	**-**	**(898,300)**	**247,170,778**	**-**	**-**	**-**	**1,259,872,113**
Total expenses	**TOTAL_EXPENSES**										
Compensation and benefits	COMP_BENEFITS	-	-	(11,954,465)	-	-	-	-	-	70,977	64,240,706
Professional fees	PROFESSIONAL_FEES	-	-	(19,558,153)	-	-	4,206,493	283,153	-	23,729	106,831,135
Data process & telecomm	DP_COMMUNICATIONS	-	-	(3,256,956)	-	-	-	-	-	14,888	18,553,775
Advertising	ADVERTISING	-	-	(21,150)	-	-	-	-	-	1,358	334,068
Occupancy	OCCUPANCY	-	-	(837,903)	-	-	-	-	-	67,201	14,199,663
Other	MISC_OPERATING_EXP	-	-	(15,292,138)	-	39	2,436,079	18,422,774	1,175,056	255,554	1,169,622,936
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**-**	**(50,920,766)**	**-**	**39**	**6,642,572**	**18,705,927**	**1,175,056**	**433,706**	**1,373,782,282**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**										
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	(1,685,244)	15,151,591	(12,233,571)	-	-	91,270,393
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	(258,761)	2,326,452	(1,878,405)	-	-	14,818,954
U.S. St TxExp-Uncrtn Tx Post	SAP59019	-	-	-	-	-	-	-	-	-	(457,740)
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	(1,733,662)	-	-	-	-	-	(154,463)	7,904,558
Income Tax Expense	**INC_TAX_EXP_BENEFIT**	**-**	**-**	**(1,733,662)**	**-**	**(1,944,005)**	**17,478,044**	**(14,111,976)**	**-**	**(154,463)**	**113,536,165**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_OPS**	$0.00	$0.00	$878,531,055.84	$0.00	-$23,332,800.20	$94,079,700.95	-$12,428,880.79	-$3,230,834.88	-$188,300.31	(3,224,649,748)
Income from Discontinued Opera	**INCOME_FROM_DISC_OPS**										
Income (Loss) - Disc Ops Net	SAP59040	-	-	(678,531,056)	-	-	-	-	-	-	(1,199,831,056)
Income (Loss) from Discontinued Operations	**INCOME_FROM_DISC_OPS**	**-**	**-**	**(678,531,056)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,199,831,056)**
Net Income (Loss)	**NET_INCOME**	$0.00	$0.00	$0.00	$0.00	-$23,332,800.20	$94,079,700.95	-$12,428,880.79	-$3,230,834.88	-$188,300.31	(4,424,480,804)

0

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		ELIM1	ELIM2	ELIM3	ELIM5	ELIM6	ELIM9	ELM11	ELM13	ELM14	ELM18	ELM19
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	(1,724,281,597)	-	-	(3,778,759,356)	-	(368,366)	-	-	-	(1)
Total Assets	**ASSETS**	**-**	**(1,724,281,597)**	**-**	**-**	**(3,778,759,356)**	**-**	**(368,366)**	**-**	**-**	**-**	**(1)**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	(0)	-	-	1	-	-	-	-	-	-
Total Liabilities	**LIABILITIES**	**-**	**(0)**	**-**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	(30)	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	-	(1,585,248,754)	-	-	(5,378,301,518)	-	(6,200,000)	-	-	-	(1)
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**(1,585,248,784)**	**-**	**-**	**(5,378,301,518)**	**-**	**(6,200,000)**	**-**	**-**	**-**	**(1)**
Ret earnings	SAP30300	$0.00	-$174,823,397.71	$0.00	$0.00	-$27,094,510.24	$0.00	$5,091,332.02	$0.00	$0.00	$0.00	$0.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	$34,799,401.88	$0.00	$0.00	$1,593,342,589.85	$0.00	$740,302.14	$0.00	$0.00	$0.00	$0.00
Retained Earnings	**RETAINED_EARNINGS**	**-**	(139,823,996)	**-**	**-**	1,566,248,080	**-**	5,831,634	**-**	**-**	**-**	**-**
Accumulated other comp inc	**ACCUM_OTH_COMP_INC**											
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	33,030,000	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	791,181	-	-	264,083	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**791,181**	**-**	**-**	**33,294,083**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		**-**	(1,724,281,598)	**-**	**-**	(3,778,759,355)	**-**	(368,366)	**-**	**-**	**-**	(1)
Total Liabilities, Minority Interest and Equity		**-**	(1,724,281,598)	**-**	**-**	(3,778,759,355)	**-**	(368,366)	**-**	**-**	**-**	(1)
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	-	(0)	-	-	-	-	-	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	34,799,402	-	-	1,593,342,590	-	740,302	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	**-**	**34,799,402**	**-**	**-**	**1,593,342,590**	**-**	**740,302**	**-**	**-**	**-**	**-**

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Trial Balance for Month ended 12/31/2009
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		ELM20	SS001	SS002	SS007	SS009	SS019	SS025	SS026	SS027	SS033	SS066
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	122,644,771	-	60,735	500,000	-	375,669	853,913	317,080	1,257,887	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	2,729,972,700	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	32,009,752	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	(0)	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	2,254,268,960	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	1,045,693,711	(1,689)	-	-	-	9,633,983	-	-	24,492,563	-
Other assets	OTHER_ASSETS	(207,014)	3,880,191,415	615,952	-	-	-	274,534,518	-	-	3,733,759,356	368,366
Total Assets	**ASSETS**	**(207,014)**	**10,064,781,309**	**614,263**	**60,735**	**500,000**	**-**	**284,544,171**	**853,913**	**317,080**	**3,759,509,806**	**368,366**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	1,858,199,049	-	-	-	-	-	-	-	2,938,690,876	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	4,513,568,016	(161,411,016)	10,943	(572,285)	(207,014)	229,524,059	(2,641,462)	(796,537)	(285,748,759)	(40,376,750)
Total Liabilities	**LIABILITIES**	**-**	**6,371,767,065**	**(161,411,016)**	**10,943**	**(572,285)**	**(207,014)**	**229,524,059**	**(2,641,462)**	**(796,537)**	**2,652,942,116**	**(40,376,750)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	30	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	-	5,378,291,518	26,000	5,011,021	2,999,970	-	61,434,975	1,000,000	525,000	3,409,335,302	10,000
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**5,378,291,518**	**26,000**	**5,011,021**	**3,000,000**	**-**	**61,434,975**	**1,000,000**	**525,000**	**3,409,335,302**	**10,000**
Ret earnings	SAP30300	$0.00	-$14,381,081.43	$101,537,271.77	-$4,908,093.75	-$1,936,147.00	$0.00	$115,559,518.82	$2,471,117.53	$581,500.85	-$430,972,048.21	$41,475,591.87
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$207,013.78	-$1,637,802,113.11	$60,462,007.41	-$55,135.57	$8,432.78	$207,014.04	-$121,183,200.09	$24,256.88	$7,115.87	-$1,838,501,480.08	-$740,475.82
Retained Earnings	**RETAINED_EARNINGS**	(207,014)	(1,651,983,195)	161,999,279	(4,961,229)	(1,927,714)	207,014	(5,623,681)	2,495,374	588,616	(2,269,473,528)	40,735,116
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	(33,030,000)	-	-	-	-	-	-	-	(33,030,000)	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	(264,083)	-	-	-	-	(791,181)	-	-	(264,083)	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**(33,294,083)**	**-**	**-**	**-**	**-**	**(791,181)**	**-**	**-**	**(33,294,083)**	**-**
Total Equity		(207,014)	3,693,014,240	162,025,279	49,792	1,072,286	207,014	55,020,112	3,495,374	1,113,616	1,106,567,690	40,745,116
Total Liabilities, Minority Interest and Equity		(207,014)	10,064,781,305	614,263	60,735	500,000	-	284,544,171	853,913	317,080	3,759,509,807	368,366
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	-	(101,578,821)	1,191,508	(41,137)	5,389	-	5,228,525	(4,446)	7,688	(191,205,687)	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	517,270,332	-	-	-	-	-	58,561	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	301,430,406	39,292,517	-	-	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	(12,591,010)	-	-	-	-	261,175	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	5,730	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	(11,599,739)	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	(207,014)	89,135,718	33,299,245	5,167,149	-	316,085	43,911,324	3,417	-	(1,647,006,097)	(740,302)
Total Revenue	**TOTAL_REVENUE**	**(207,014)**	**782,072,618**	**73,783,270**	**5,126,012**	**5,389**	**316,085**	**49,401,023**	**57,531**	**7,688**	**(1,838,211,784)**	**(740,302)**

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		SS067	SS071	SS077	SS078	SS084	SS085	SS086	SS087	SS088	SS089	SS090
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	4,724	-	-	-	377,611	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	225,618,013	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	-	-	-	5,258,456	-	-	-	1,340,495,423	-	-
Other assets	OTHER_ASSETS	-	-	-	-	-	-	-	-	-	-	-
Total Assets	**ASSETS**	**4,724**	**-**	**-**	**-**	**231,254,080**	**-**	**-**	**-**	**1,340,495,423**	**-**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	230,182,508	-	-	-	667,715,604	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(363,642)	-	-	0	(32,054,303)	-	-	-	672,484,446	(107,163,748)	(0)
Total Liabilities	**LIABILITIES**	**(363,642)**	**-**	**-**	**0**	**198,128,204**	**-**	**-**	**-**	**1,340,200,050**	**(107,163,748)**	**(0)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	6,200,000	-	-	-	-	-	-	-	57,000,251	102,931,116	2,354
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**6,200,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**57,000,251**	**102,931,116**	**2,354**
Ret earnings	SAP30300	-$5,091,332.02	$0.00	$0.00	$0.00	$38,942,200.00	$0.00	$0.00	$0.00	-$35,856,853.00	$4,241,095.27	-$1,116.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	-$740,301.74	$0.00	$0.00	$0.00	-$5,816,323.38	$0.00	$0.00	$0.00	-$20,848,225.81	-$8,482.50	-$1,236.47
Retained Earnings	**RETAINED_EARNINGS**	(5,831,634)	-	-	-	33,125,877	-	-	-	(56,704,879)	4,232,633	(2,352)
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		368,366	-	-	-	33,125,877	-	-	-	295,372	107,163,749	2
Total Liabilities, Minority Interest and Equity		4,724	-	-	0	231,254,081	-	-	-	1,340,495,423	0	2
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	(2)	-	-	-	11,804,738	-	-	-	(21,004,310)	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	(1,361,145)	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	-	-	205,791	-	-
Total Revenue	**TOTAL_REVENUE**	**(2)**	**-**	**-**	**-**	**10,443,593**	**-**	**-**	**-**	**(20,798,520)**	**-**	**-**

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		SS095	SS097	SS098	SS430	SS434	SS440	SS441	SS443	SS449	SS453	SS454
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	43,002,542	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	630,311	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	998,794,334	-	1	-	-	-	-	-	-	-	-
Total Assets	**ASSETS**	**1,042,427,187**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	(363,492,950)	-	-	-	-	-	-	-	-	-	-
Total Liabilities	**LIABILITIES**	**(363,492,950)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	1,354,318,067	-	1	-	-	-	-	-	-	-	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**1,354,318,067**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Ret earnings	SAP30300	-$48,009,297.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$97,611,368.11	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Retained Earnings	**RETAINED_EARNINGS**	51,602,071	-	-	-	-	-	-	-	-	-	-
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Equity		1,405,920,138	-	1	-	-	-	-	-	-	-	-
Total Liabilities, Minority Interest and Equity		1,042,427,188	-	1	-	-	-	-	-	-	-	-
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	73,938,999	-	-	-	-	-	-	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	(32,096,663)	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	**41,842,336**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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		SS455	SS457	SS460	SS462	SS463	SS464	SS474	SS479	SS491	SS492	SS493
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	-	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	-	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	-	-	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	-	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	-	-	-	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	-	-	-	-	-	-	-	-	-	-
Total Assets	**ASSETS**	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	-	-	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	-	-	-	-	-	-	-	-	-	(0)
Total Liabilities	**LIABILITIES**	-	-	-	-	-	-	-	-	-	-	**(0)**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital-	SAP30200	-	-	-	-	-	-	-	-	-	-	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	-	-	-	-	-	-	-	-	-	-	-
Ret earnings	SAP30300	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Retained Earnings	**RETAINED_EARNINGS**	-	-	-	-	-	-	-	-	-	-	-
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	-	-
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	-	-	-	-	-	-	-	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	-	-	-	-	-	-	-	-	-	-	-
Total Equity		-	-	-	-	-	-	-	-	-	-	-
Total Liabilities, Minority Interest and Equity		-	-	-	-	-	-	-	-	-	-	(0)
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	-	-	-	-	-	-	-	-	-	-	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-	-	-	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	-	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	**TOTAL_REVENUE**	-	-	-	-	-	-	-	-	-	-	-

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		SS496	Consolidated Resi	ELM15	SS070	SS072	SS073	Consolidated Bank	ELM17	RESI - Bank Elims	44040	44042
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	126,392,389	(933,125,842)	10,436,027,723	946,867,317	-	10,449,769,198	(877,611)	(877,611)	363,500,892	5,935
Mortgage loans held for sale	MTG_LOANS_HFS	-	2,729,972,700	-	5,507,977,964	-	-	5,507,977,964	-	-	49,500,168	-
Trading securities	TRADING_SEC	-	75,012,295	-	-	-	-	-	-	-	0	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	225,618,013	-	2,496,010,791	7,233,401,825	-	9,729,412,616	3,406,768	3,406,768	318,185,088	-
Lending receivables, net	LENDING_REC_NET	-	-	-	1,510,008,629	-	-	1,510,008,629	-	-	409,801	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	2,254,268,960	-	1,014,560,944	-	-	1,014,560,944	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	2,426,202,759	-	106,048,307	28,582,589	(2,120)	134,628,777	-	-	803,548,942	-
Other assets	OTHER_ASSETS	-	3,384,647,609	(7,074,214,601)	15,479,822,423	14,176	463,070	8,406,085,069	(246,409,067)	(246,409,067)	550,407,451	224,341,209
Total Assets	**ASSETS**	**-**	**11,222,114,724**	**(8,007,340,442)**	**36,550,456,782**	**8,208,865,908**	**460,950**	**36,752,443,198**	**(243,879,910)**	**(243,879,910)**	**2,085,552,342**	**224,347,144**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	5,694,788,037	-	15,278,112,337	-	-	15,278,112,337	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	(933,125,842)	30,281,651,220	-	-	29,348,525,378	(95,464,019)	(95,464,019)	1,713,484,138	-
Other total liabilities	OTHER_TOTAL_LIAB	-	4,420,758,997	-	(9,979,325,943)	1,134,651,308	2,056,553	(8,842,618,082)	(158,369,978)	(158,369,978)	80,317,014	13,636
Total Liabilities	**LIABILITIES**	**-**	**10,115,547,033**	**(933,125,842)**	**35,580,437,614**	**1,134,651,308**	**2,056,553**	**35,784,019,633**	**(253,833,997)**	**(253,833,997)**	**1,793,801,152**	**13,636**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	-	(10)	-	10	-	-	-	-	224,879,403	185,848,395
Additional paid-in capital-	SAP30200	-	3,409,335,302	(7,768,158,774)	3,027,462,255	7,768,158,774	-	3,027,462,255	-	-	4,835,106	-
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**3,409,335,302**	**(7,768,158,784)**	**3,027,462,255**	**7,768,158,784**	**-**	**3,027,462,255**	**-**	**-**	**229,714,509**	**185,848,395**
Ret earnings	SAP30300	$0.00	(430,972,049)	-$458,724,111.51	$71,889,298.17	$458,724,111.51	-$1,558,352.00	70,330,946	$15,893,558.87	15,893,559	$35,783,472.88	-$7,855.89
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	(1,838,501,480)	$1,152,668,294.93	-$2,188,102,893.04	-$1,152,668,294.95	-$37,251.00	(2,186,140,144)	-$5,939,471.34	(5,939,471)	$323,339.76	-$84.48
Retained Earnings	**RETAINED_EARNINGS**	**-**	**(2,269,473,528)**	693,944,183	(2,114,213,595)	(693,944,183)	(1,595,603)	**(2,115,809,198)**	9,954,087	**9,954,087**	36,086,813	(7,920)
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	(33,030,000)	-	-	-	-	-	-	-	-	-
Accum Trans Adj-	SAP30400	-	-	-	-	-	-	-	-	-	31,556,532	38,493,033
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	(264,083)	-	56,770,508	-	-	56,770,508	-	-	(5,606,663)	-
Der Mkt Adj-	SAP30600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**(33,294,083)**	**-**	**56,770,508**	**-**	**-**	**56,770,508**	**-**	**-**	**25,949,868**	**38,493,033**
Total Equity		-	1,106,567,690	(7,074,214,601)	970,019,168	7,074,214,600	(1,595,603)	968,423,565	9,954,087	9,954,087	291,751,190	224,333,509
Total Liabilities, Minority Interest and Equity		-	**11,222,114,724**	(8,007,340,442)	36,550,456,782	8,208,865,908	460,950	**36,752,443,198**	(243,879,910)	**(243,879,910)**	2,085,552,342	224,347,144
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	-	(221,657,556)	-	(138,433,453)	492,630,760	-	354,197,306	8,554,561	8,554,561	(329,510)	-
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	517,328,893	-	164,479,289	1,326,343	(1,516,429)	164,289,203	11,646,948	11,646,948	11,937,310	-
Net servicing fees	NET_SERVICING_FEE	-	339,361,779	-	(162,861,712)	1,060,875	-	(161,800,837)	(8,100,225)	(8,100,225)	5,926,780	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	(44,426,497)	-	63,633,592	-	-	63,633,592	-	-	(252,165)	-
Real estate related revenues	RE_RELATED_REVENU	-	5,730	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	(11,599,739)	-	(17,740,651)	-	-	(17,740,651)	-	-	-	-
Other Income	OTHER_INCOME	-	152,967,609	1,152,668,295	(1,030,892,452)	11,187	1,940,411	123,727,440	(86,695,611)	(86,695,611)	10,049,043	-
Total Revenue	**TOTAL_REVENUE**	**-**	**731,980,219**	**1,152,668,295**	**(1,121,815,388)**	**495,029,166**	**423,981**	**526,306,054**	**(74,594,326)**	**(74,594,326)**	**27,331,459**	**-**

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		44044	44998	44999	ResMor	60004	ResCap Investment, Inc.	60005	SS005	SS011	SS012	GMAC Mortgage Group SS011
Total assets	**ASSETS**											
Cash and cash equivalents	CASH_EQUIVALENT	-	-	-	363,506,827	-	-	-	-	-	-	-
Mortgage loans held for sale	MTG_LOANS_HFS	-	-	-	49,500,168	-	-	-	-	-	-	-
Trading securities	TRADING_SEC	-	-	-	0	-	-	-	-	-	-	-
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-	(764,844)	317,420,243	-	-	-	-	-	-	-
Lending receivables, net	LENDING_REC_NET	-	-	-	409,801	-	-	-	-	-	-	-
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	ACCOUNTS_RECEIVAE	-	-	(0)	803,548,942	-	-	-	-	-	-	-
Other assets	OTHER_ASSETS	-	(224,341,209)	0	550,407,451	2,750,000	2,750,000	274,962,630	-	-	-	274,962,630
Total Assets	**ASSETS**	**-**	**(224,341,209)**	**(764,844)**	**2,084,793,432**	**2,750,000**	**2,750,000**	**274,962,630**	**-**	**-**	**-**	**274,962,630**
Total liabilities	**LIABILITIES**											
Total borrowings	TOTAL_BORROWINGS	-	-	-	-	-	-	-	-	-	-	-
Deposit liabilities	DEPOSIT_LIABILITIES	-	-	(0)	1,713,484,138	-	-	-	-	-	-	-
Other total liabilities	OTHER_TOTAL_LIAB	-	-	-	80,330,650	37,362	37,362	4,901,826	-	-	-	4,901,826
Total Liabilities	**LIABILITIES**	**-**	**-**	**(0)**	**1,793,814,787**	**37,362**	**37,362**	**4,901,826**	**-**	**-**	**-**	**4,901,826**
Member's interest	**MEMBERS_INTEREST**											
Common Stock	SAP30101	-	(185,848,395)	-	224,879,403	-	-	50,000	-	-	-	50,000
Additional paid-in capital-	SAP30200	-	-	-	4,835,106	39,355,270	39,355,270	11,710,271,302	-	-	-	11,710,271,302
Preferred Int	SAP30250	-	-	-	-	-	-	-	-	-	-	-
Member's Interest	**MEMBERS_INTEREST**	**-**	**(185,848,395)**	**-**	**229,714,509**	**39,355,270**	**39,355,270**	**11,710,321,302**	**-**	**-**	**-**	**11,710,321,302**
Ret earnings	SAP30300	$0.00	$0.00	-$1,157,255.53	34,598,362	$0.00	-	-$6,839,987,485.40	$0.00	$0.00	$0.00	(6,839,987,485)
Ret earnings-Members' Int Di	SAP30301											
Ret earnings-Preferred Int D	SAP30302											
Ret earnings-Mgrl Eq Div	SAP30305											
Net (loss) income	NET_INCOME	$0.00	$0.00	$518,368.04	841,641	-$37,088,507.07	(37,066,507)	-$4,544,394,554.50	$0.00	$0.00	$0.00	(4,544,394,555)
Retained Earnings	**RETAINED_EARNINGS**	**-**	**-**	(638,889)	**35,440,003**	(37,066,507)	**(37,066,507)**	(11,384,382,040)	**-**	**-**	**-**	**(11,384,382,040)**
Accumulated other comp inc	**ACCUM_OTH_COMP_I**											
Pension Adj (SFAS 158)	SAP30700	-	-	-	-	354,600	354,600	(61,250,000)	-	-	-	(61,250,000)
Accum Trans Adj-	SAP30400	-	(38,492,814)	(125,955)	31,430,796	73,457	73,457	5,635,627	-	-	-	5,635,627
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	-	-	-	(5,606,663)	(126)	(126)	(264,085)	-	-	-	(264,085)
Der Mkt Adj-	SAP30600	-	-	-	-	(4,056)	(4,056)	0	-	-	-	0
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_I**	**-**	**(38,492,814)**	**(125,955)**	**25,824,133**	**423,875**	**423,875**	**(55,878,458)**	**-**	**-**	**-**	**(55,878,458)**
Total Equity		-	(224,341,209)	(764,844)	290,978,645	2,712,638	2,712,638	270,060,804	-	-	-	270,060,804
Total Liabilities, Minority Interest and Equity		-	(224,341,209)	(764,844)	**2,084,793,432**	2,750,000	**2,750,000**	274,962,630	-	-	-	**274,962,630**
Total net revenue	**TOTAL_REVENUE**											
Net interest income	NET_INTEREST_INCOM	-	-	(1,216)	(330,726)	-	-	(9,209)	-	-	-	(9,209)
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-	519,582	12,456,892	-	-	-	-	-	-	-
Net servicing fees	NET_SERVICING_FEE	-	-	(92,752)	5,834,029	-	-	-	-	-	-	-
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-	-	(252,165)	-	-	-	-	-	-	-
Real estate related revenues	RE_RELATED_REVENU	-	-	-	-	-	-	-	-	-	-	-
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-	-	-	-	-	-	-	-	-	-
Other Income	OTHER_INCOME	-	-	-	10,049,043	(37,029,145)	(37,029,145)	(4,543,868,344)	-	-	-	(4,543,868,344)
Total Revenue	**TOTAL_REVENUE**	**-**	**-**	**425,614**	**27,757,073**	**(37,029,145)**	**(37,029,145)**	**(4,543,877,553)**	**-**	**-**	**-**	**(4,543,877,553)**

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Report Layout: EXT_RPTG_TB_LE_DETAIL_RESIPLUS_YTD

		60000	GMAC Mtg Group Elims	GMAC Mtg Ops Other	BMMZ, Inc.	ELM36	Total
Total assets	**ASSETS**						
Cash and cash equivalents	CASH_EQUIVALENT	-	-		476,318	(476,318)	10,938,790,803
Mortgage loans held for sale	MTG_LOANS_HFS	-	-		-	-	8,287,450,832
Trading securities	TRADING_SEC	-	-		-	-	75,012,295
Mortgage loans held for invest	MTG_LOANS_HFI_NET	-	-		-	-	10,275,857,641
Lending receivables, net	LENDING_REC_NET	-	-		-	-	1,510,418,431
Mortgage servicing rights	MTG_SERVICING_RIGI	-	-		-	-	3,268,829,904
Accounts receivable	ACCOUNTS_RECEIVAE	-	-		-	-	3,364,380,478
Other assets	OTHER_ASSETS	(277,712,623)	(277,712,623)		-	-	12,094,731,068
Total Assets	**ASSETS**	**(277,712,623)**	**(277,712,623)**		**476,318**	**(476,318)**	**49,815,471,452**
Total liabilities	**LIABILITIES**						
Total borrowings	TOTAL_BORROWINGS	-	-		-	-	20,972,900,374
Deposit liabilities	DEPOSIT_LIABILITIES	-	-		-	(476,318)	30,966,069,178
Other total liabilities	OTHER_TOTAL_LIAB	-	-		-	-	(4,494,959,226)
Total Liabilities	**LIABILITIES**	**-**	**-**		**-**	**(476,318)**	**47,444,010,326**
							-
Member's interest	**MEMBERS_INTEREST**						
Common Stock	SAP30101	-	-		-	-	224,929,403
Additional paid-in capital-	SAP30200	(11,363,726,423)	(11,363,726,423)		500,000	-	6,828,032,812
Preferred Int	SAP30250	-	-		-	-	-
Member's Interest	**MEMBERS_INTEREST**	**(11,363,726,423)**	**(11,363,726,423)**		**500,000**	**-**	**7,052,962,215**
Ret earnings	SAP30300	$6,481,471,734.05	6,461,471,734		-	-	(688,664,933)
Ret earnings-Members' Int Di	SAP30301						-
Ret earnings-Preferred Int D	SAP30302						-
Ret earnings-Mgrl Eq Div	SAP30305						-
Net (loss) income	NET_INCOME	$4,580,897,487.88	4,580,897,488		(23,682)	-	(4,030,326,709)
Retained Earnings	**RETAINED_EARNINGS**	11,042,369,222	**11,042,369,222**	**-**	**(23,682)**	**-**	**(4,718,991,643)**
Accumulated other comp inc	**ACCUM_OTH_COMP_IN**						
Pension Adj (SFAS 158)	SAP30700	49,085,399	49,085,399		-	-	(44,840,001)
Accum Trans Adj-	SAP30400	(5,709,089)	(5,709,089)		-	-	31,430,792
Unrlzd G(L) Sec-Dbt Sec FAS1	SAP30502	264,211	264,211		-	-	50,899,762
Der Mkt Adj-	SAP30600	4,056	4,056		-	-	1
Accumulated Other Comprehensive Income	**ACCUM_OTH_COMP_IN**	**43,644,578**	**43,644,578**		**-**	**-**	**37,490,553**
Total Equity		(277,712,623)	(277,712,623)	-	476,318	-	2,371,461,125
Total Liabilities, Minority Interest and Equity		(277,712,623)	**(277,712,623)**	**-**	**476,318**	**(476,318)**	**49,815,471,452**
Total net revenue	**TOTAL_REVENUE**						
Net interest income	NET_INTEREST_INCOM	-	-		282	-	140,754,659
G(L) on Sale of Mtge Lns Net	G/L_ON_SALE_MTG_N	-	-		-	-	705,721,936
Net servicing fees	NET_SERVICING_FEE	-	-		-	-	175,294,746
Gain (loss) on inv securities	G/L_ON_SECURITIES	-	-		-	-	18,954,930
Real estate related revenues	RE_RELATED_REVENU	-	-		-	-	5,730
Loss on foreclosed real estate	REO_FORECLOSED_IN	-	-		-	-	(29,340,390)
Other Income	OTHER_INCOME	4,580,897,490	4,580,897,490		-	-	200,048,483
Total Revenue	**TOTAL_REVENUE**	**4,580,897,490**	**4,580,897,490**		**282**	**-**	**1,211,440,094**

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		ELIM1	ELIM2	ELIM3	ELIM5	ELIM6	ELIM9	ELM11	ELM13	ELM14	ELM18	ELM19
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	-	-	-	-	-	-	-	-	-	-	-
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATION:	-	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXI	-	-	-	-	1	-	-	-	-	-	-
Non Interest Expense	**TOTAL_EXPENSES**	-	-	-	-	1	-	-	-	-	-	-
Income tax expense (benefit)	**INC_TAX_EXP_BENEFIT**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	-	-	-	-	-	-	-	-	-	-	-
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$0.00	$34,799,401.88	$0.00	$0.00	$1,593,342,589.85	$0.00	$740,302.14	$0.00	$0.00	$0.00	$0.00
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	$0.00	$34,799,401.88	$0.00	$0.00	$1,593,342,589.85	$0.00	$740,302.14	$0.00	$0.00	$0.00	$0.00

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Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	729,698,652	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**729,698,652**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	269,546,925	10,224,944	-	-	-	-	-	-	4,067	-
Professional fees	PROFESSIONAL_FEES	-	36,518,628	519,305	-	-	-	1,353,744	-	-	-	-
Data process & telecomm	DP_COMMUNICATION	-	112,325,658	39,607	405	-	-	-	-	-	385	-
Advertising	ADVERTISING	-	10,046,984	1,159	657	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	26,749,551	1,099,051	-	-	-	-	-	-	20,842	-
Other	MISC_OPERATING_EXI	-	1,239,666,694	1,509,962	5,182,282	1,051	42,362	171,516,418	39,345	767	16,935	1,056
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**1,694,854,440**	**13,394,028**	**5,183,344**	**1,051**	**42,362**	**172,870,162**	**39,345**	**767**	**42,230**	**1,056**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	0	-	-	-	56,419	(2,285,938)	(237)	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	(4,878,362)	(72,765)	(2,196)	(4,095)	10,289	-	(5,834)	(195)	247,466	(882)
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**-**	**(4,878,362)**	**(72,765)**	**(2,196)**	**(4,095)**	**66,708**	**(2,285,938)**	**(6,071)**	**(195)**	**247,466**	**(882)**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	-$207,013.78	-$1,637,802,113.11	$80,462,007.41	-$55,135.57	$8,432.78	$207,014.04	-$121,183,200.09	$24,258.88	$7,115.87	-$1,838,501,480.08	-$740,475.82
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	-$207,013.78	-$1,637,802,113.11	$80,462,007.41	-$55,135.57	$8,432.78	$207,014.04	-$121,183,200.09	$24,258.88	$7,115.87	-$1,838,501,480.08	-$740,475.82

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Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	15,970,886	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**15,970,886**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	1,166	-	-	-	30,000	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATION:	317,057	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	609	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXI	397,961	-	-	-	280,212	-	-	-	49,706	1,292	1,232
Non Interest Expense	**TOTAL_EXPENSES**	**716,793**	**-**	**-**	**-**	**310,212**	**-**	**-**	**-**	**49,706**	**1,292**	**1,232**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	23,507	-	-	-	(21,182)	-	-	-	-	7,171	4
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**23,507**	**-**	**-**	**-**	**(21,182)**	**-**	**-**	**-**	**-**	**7,171**	**4**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	-$740,301.74	$0.00	$0.00	$0.00	-$5,816,323.38	$0.00	$0.00	$0.00	-$20,848,225.81	-$8,462.50	-$1,236.47
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	-$740,301.74	$0.00	$0.00	$0.00	-$5,816,323.38	$0.00	$0.00	$0.00	-$20,848,225.81	-$8,462.50	-$1,236.47

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		SS095	SS097	SS098	SS430	SS434	SS440	SS441	SS443	SS449	SS453	SS454
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATION	-	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXI	(55,908,862)	-	-	-	-	-	-	-	-	-	-
Non Interest Expense	**TOTAL_EXPENSES**	**(55,908,862)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	139,830	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**139,830**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$97,611,388.11	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	$97,611,388.11	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

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		SS455	SS457	SS460	SS462	SS463	SS464	SS474	SS479	SS491	SS492	SS493
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	-	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	-	-	-	-	-	-	-	-	-	-	-
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	-	-	-	-	-	-	-	-
Professional fees	PROFESSIONAL_FEES	-	-	-	-	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATION	-	-	-	-	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	-	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	-	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXI	-	-	-	-	-	-	-	-	-	-	-
Non Interest Expense	**TOTAL_EXPENSES**	-	-	-	-	-	-	-	-	-	-	-
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	-	-	-	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	-	-	-	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	-	-	-	-	-	-	-	-	-	-	-
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

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		SS496	Consolidated Resi	ELM15	SS070	SS072	SS073	Consolidated Bank	ELM17	RESI - Bank Elims	44040	44042
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	745,669,539	-	1,200,536,735	1,475,729,921	-	2,676,266,656	15,429,271	15,429,271	269,187	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	9,844,855	-	-	9,844,855	-	-	(6,617)	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**745,669,539**	**-**	**1,210,381,590**	**1,475,729,921**	**-**	**2,686,111,511**	**15,429,271**	**15,429,271**	**262,570**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	279,775,936	-	865,964	51,718	56,457,994	57,375,676	-	-	20,557,555	-
Professional fees	PROFESSIONAL_FEES	-	38,422,842	-	65,627,984	1,500	1,180,439	66,809,923	-	-	19,655,414	-
Data process & telecomm	DP_COMMUNICATION	-	112,683,112	-	16,595,189	493	382,417	16,978,099	-	-	4,850,366	-
Advertising	ADVERTISING	-	10,048,800	-	41,214,154	-	1,127	41,215,282	-	-	16,639,801	-
Occupancy	OCCUPANCY	-	27,870,054	-	32,673	36,872	121,320	190,865	-	-	2,385,117	-
Other	MISC_OPERATING_EXI	-	1,362,798,415	-	147,836,517	2,582,343	(57,719,317)	92,699,544	(84,084,126)	(84,084,126)	(33,256,694)	64
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**1,831,599,159**	**-**	**272,172,482**	**2,672,926**	**423,981**	**275,269,389**	**(84,084,126)**	**(84,084,126)**	**30,831,560**	**64**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	(2,229,756)	-	(383,941,240)	155,351,360	209,074	(228,380,806)	-	-	-	-
U.S. St Tx Exp-Curr Yr	SAP59010	-	(4,557,243)	-	(34,325,327)	13,943,253	(171,823)	(20,553,897)	-	-	-	-
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	-	-	-	-	-	-	(4,086,011)	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**-**	**(6,787,000)**	**-**	**(418,266,567)**	**169,294,614**	**37,251**	**(248,934,702)**	**-**	**-**	**(4,086,011)**	**-**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$0.00	(1,838,501,480)	$1,152,888,294.93	-$2,188,102,893.04	-$1,152,888,294.95	-$37,251.00	(2,186,140,144)	-$5,939,471.34	(5,939,471)	$323,339.78	-$84.48
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	$0.00	(1,838,501,480)	$1,152,888,294.93	-$2,188,102,893.04	-$1,152,888,294.95	-$37,251.00	(2,186,140,144)	-$5,939,471.34	(5,939,471)	$323,339.78	-$84.48
			(0)					-		-		

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		44044	44998	44999	ResMor	60004	ResCap Investment, Inc.	60005	SS005	SS011	SS012	GMAC Mortgage Group
Provision for Loan Losses	**PROV_LOAN_LOSSES**											
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-	-	269,187	-	-	-	-	-	-	-
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-	-	(6,617)	-	-	-	-	-	-	-
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**	**-**	**262,570**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total expenses	**TOTAL_EXPENSES**											
Compensation and benefits	COMP_BENEFITS	-	-	-	20,557,555	-	-	(1,930,000)	-	-	-	(1,930,000)
Professional fees	PROFESSIONAL_FEES	-	-	-	19,655,414	-	-	-	-	-	-	-
Data process & telecomm	DP_COMMUNICATION	-	-	-	4,850,366	-	-	-	-	-	-	-
Advertising	ADVERTISING	-	-	-	16,639,801	-	-	-	-	-	-	-
Occupancy	OCCUPANCY	-	-	-	2,385,117	-	-	-	-	-	-	-
Other	MISC_OPERATING_EXI	-	-	(92,752)	(33,349,381)	-	-	(1,244,849)	-	-	-	(1,244,849)
Non Interest Expense	**TOTAL_EXPENSES**	**-**	**-**	**(92,752)**	**30,738,873**	**-**	**-**	**(3,174,849)**	**-**	**-**	**-**	**(3,174,849)**
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**											
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-	-	-	32,368	32,368	3,202,504	-	-	-	3,202,504
U.S. St Tx Exp-Curr Yr	SAP59010	-	-	-	-	4,994	4,994	489,347	-	-	-	489,347
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-	-	(4,086,011)	-	-	-	-	-	-	-
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**-**	**-**	**-**	**(4,086,011)**	**37,362**	**37,362**	**3,691,851**	**-**	**-**	**-**	**3,691,851**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$0.00	$0.00	$518,388.04	841,641	-$37,088,507.07	(37,066,507)	-$4,544,394,554.50	$0.00	$0.00	$0.00	(4,544,394,555)
Income (Loss) from Discontinued Operations												
Net Income (Loss)	**NET_INCOME**	$0.00	$0.00	$518,388.04	841,641	-$37,088,507.07	(37,066,507)	-$4,544,394,554.50	$0.00	$0.00	$0.00	(4,544,394,555)
					(0)		-					-

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		60000	GMAC Mtg Group Elims	GMAC Mtg Ops Other	BMMZ, Inc.	ELM36	Total
Provision for Loan Losses	**PROV_LOAN_LOSSES**						
Cons Prov Cr Loss-Res Mtg	SAP51050	-	-		-	-	3,437,634,654
Comm Prov Cr Loss-Oth CommLn	SAP51090	-	-		-	-	9,838,238
Provision for Loan Losses	**PROV_LOAN_LOSSES**	**-**	**-**		**-**	**-**	**3,447,472,892**
Total expenses	**TOTAL_EXPENSES**						
Compensation and benefits	COMP_BENEFITS	-	-		23,964	-	355,803,132
Professional fees	PROFESSIONAL_FEES	-	-		-	-	124,888,179
Data process & telecomm	DP_COMMUNICATION	-	-		-	-	134,511,577
Advertising	ADVERTISING	-	-		-	-	67,903,883
Occupancy	OCCUPANCY	-	-		-	-	30,446,036
Other	MISC_OPERATING_EXI	3	3		-	-	1,336,819,605
Non Interest Expense	**TOTAL_EXPENSES**	**3**	**3**		**23,964**	**-**	**2,050,372,412**
							-
Income tax expense (benefit)	**INC_TAX_EXP_BENEFI**						
Fed Inc Tx Exp-Curr Yr	SAP59000	-	-		-	-	(227,375,690)
U.S. St Tx Exp-Curr Yr	SAP59010	-	-		-	-	(24,616,799)
Non-U.S. Inc Tx Exp-Curr Yr	SAP59020	-	-		-	-	(4,086,011)
Income Tax Expense	**INC_TAX_EXP_BENEFI**	**-**	**-**		**-**	**-**	**(256,078,500)**
Net Income (Loss) from Continuing Operations	**NET_INCOME_CONT_O**	$4,580,897,487.88	4,580,897,488		(23,682)	-	(4,030,326,709)
Income (Loss) from Discontinued Operations							-
Net Income (Loss)	**NET_INCOME**	$4,580,897,487.88	4,580,897,488		(23,682)	-	(4,030,326,709)
			-	-	-	-	-

10044 is solvent. No entries to be booked in December

Diana Goembel
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GMAC Mortgage Entities

		Minimum Required Equity	Actual Equity (Deficit) December 2009	Excess (Deficit) Versus Required	Direct Parent Rcvbl (Debt) Interco Balance December 2009	Direct Parent	Debt Relief Adjustment	Adjusted Equity	Adjusted Excess (Deficit) Versus Required
GMAC Mortgage LLC	SS001	1,000,000	3,693,014,241	3,692,014,241			0	3,693,014,241	3,692,014,241
Executive Trustee Services LLC *	SS002	7,500	162,025,279	162,017,779			0	162,025,279	162,017,779
Residential Consumer Serv LLC	SS007	1	49,791	49,790			0	49,791	49,790
Ditech.com LLC	SS026	200,000	3,495,375	3,295,375			0	3,495,375	3,295,375
GMACR Mortgage Products LLC	SS084	1	33,125,877	33,125,876			0	33,125,877	33,125,876
GMAC Mortgage Serv Advanc Fund	SS088	1	(1,704,628)	(1,704,629)	(673,440,662)	001	2,000,000	295,372	295,371

* Entity not listed on Revolver but has licensing requirements, include in process

Note that we must contact Barb Westman for permission before we process any debt relief to Corp 007 RCS !!!

Note a $20 million equity adjustment was processed for GMACM due to an agency requirement around quarterly reductions in equity.

12/31/09 LOC Assets

GL ACCTG PERIOD	LEGAL ENTITY CODE	LEGAL ENTITY NAME	FUND FACILITY BORR BASE DSCR	DINET ASSET CARRY VALUE	UND FACILITY NAME	
200912	001	GMAC Mortgage	HELOC Excluded Amounts	125,577,145	GMAC LOC	rfg loan
200912	10010	RFC	Group C Loans	75,717,073	GMAC LOC	rfg loan
200912	001	GMAC Mortgage	REO in SPV-GMACM	2,303,179	GMAC LOC	rfg loan
200912	001	GMAC Mortgage	Group B Loans	161,956,466	GMAC LOC	rfg loan
200912	10010	RFC	REO in SPV-RFC	962,389	GMAC LOC	rfg loan
200912	10010	RFC	REO out of SPV-RFC	8,660,400	GMAC LOC	rfg loan
200912	001	GMAC Mortgage	REO out of SPV-GMACM	3,416,653	GMAC LOC	rfg loan
200912	10010	RFC	Group A Loans	62,183,314	GMAC LOC	rfg loan
200912	001	GMAC Mortgage	Group E Loans	30,363,237	GMAC LOC	rfg loan
200912	001	GMAC Mortgage	Group D Loans	79,304,588	GMAC LOC	rfg loan
200912	10010	RFC	Group F Loans	619,383,811	GMAC LOC	rfg loan
200912	11786	GX CE Funding II B.V	GX-Dutch Loans	23,294,669	GMAC LOC	ibg
200912	11810	Flume (no 8)	Flume-A	64,316,452	GMAC LOC	ibg
200912	11786	GX CE Funding II B.V	GX-German Loans	92,528,789	GMAC LOC	ibg
200912	11810	Flume (no 8)	Flume-D	48,546,331	GMAC LOC	ibg
200912	10010	RFC	GX-German Loans	(52,895,302)	GMAC LOC	ibg
200912	11810	Flume (no 8)	Flume-C	110,719,553	GMAC LOC	ibg
200912	10010	RFC	Flume-A	(8,220,000)	GMAC LOC	ibg
200912	11810	Flume (no 8)	Flume-B	55,711,137	GMAC LOC	ibg
200912	10010	RFC	Flume-B	(30,220,000)	GMAC LOC	ibg
200912	10010	RFC	Flume-C	(26,870,000)	GMAC LOC	ibg
200912	11786	GX CE Funding II B.V	GX-German MBS	34,514,579	GMAC LOC	ibg
200912	10010	RFC	GX-Dutch Loans	(6,203,002)	GMAC LOC	ibg
200912	10022	BCG Equity Investments I	Equity Inv I	131,290,674	GMAC LOC	bcg
200912	001	GMAC Mortgage	FHA/VA Receivables-Group D	539,810	GMAC LOC	fha va
200912	001	GMAC Mortgage	FHA/VA Receivables-Group E	66,137,262	GMAC LOC	fha va
200912	001	GMAC Mortgage	FHA/VA Receivables-Group B	10,733,744	GMAC LOC	fha va
200912	095	Passive Asset Transactions, LLC	German Class B Securities	24,946,714	GMAC LOC	securities
200912	10010	FSMC	Warehouse Loans	30,602,300	GMAC LOC	Warehouse
200912	10010	PSER	Warehouse Loans	22,149,474	GMAC LOC	Warehouse

1,761,451,441

12/31/09 Revolver Assets

ACCTG_CYCLE_	GAL_ENTITY_CO	GAL_ENTITY_NA	FACILITY_BORR_BASE_	ASSET_CARRY_VALUE_AMT
31-Dec-09	001	Mortgage	REO out of SPV	837,991
31-Dec-09	10010	RFC	Servicing P&I Advances	8,307,996
31-Dec-09	10555	Home Finance I	BCG	55,259,538
31-Dec-09	11809	Viaduct (no. 7)	IBG-UK	205,169,283
31-Dec-09	001	Mortgage	Scratch and Dent Loans	387,814,729
31-Dec-09	10010	RFC	REO out of SPV	8,567,414
31-Dec-09	10011	HFN	Advances	(236,907)
31-Dec-09	001	Mortgage	Residual Interest	11,531,010
31-Dec-09	10010	RFC	Residual Interest	1,613,665
31-Dec-09	10010	RFC	Advances	20,284,296
31-Dec-09	16115	(Marbella	BCG	34,880,989
31-Dec-09	001	Mortgage	Other Receivables	77,173,110
31-Dec-09	11784	B.V.	IBG-CE	175,461,428
31-Dec-09	10010	RFC	IBG-CE	(116,971,777)
31-Dec-09	001	Mortgage	Conforming Loans	48,620,148
31-Dec-09	001	Mortgage	Servicing P&I Advances	206,856,833
31-Dec-09	16220	Properties, LLC	BCG	44,328,381
31-Dec-09	10015	RFAH	Securities	169,798
31-Dec-09	10010	RFC	Scratch and Dent Loans	286,260,983
31-Dec-09	10010	RFC	REO in SPV	21,230,490
31-Dec-09	10011	HFN	REO out of SPV	2,372
31-Dec-09	10018	Hidden	BCG	117,932
31-Dec-09	095	Transactions,	Securities	18,055,828
31-Dec-09	001	Mortgage	REO in SPV	1,422,366
31-Dec-09	10011	HFN	REO in SPV	276,780
31-Dec-09	30003	Construction	BCG	299,390,263
31-Dec-09	10010	RFC	IBG-UK	(34,180,000)
31-Dec-09	001	Mortgage	Advances	143,314,589
31-Dec-09	10010	RFC	Securities	4,101,735
31-Dec-09	001	Mortgage	Securities	22,257,955
31-Dec-09	10015	RFAH	Residual Interest	5,461,212
31-Dec-09	10010	RFC	BCG	-
31-Dec-09	10010	RFC	IBG-Canada	79,596,627
31-Dec-09	001	Mortgage	Servicing T&I Advances	241,106,527
				2,258,083,584

Reporting	As of Date	Payable Receivable Asset II	Note Asse	Legal Entity Code	GL Account Numl	Cost Cente	Local Currenc	US Dollar Amount	Funding Facility
200912	12/31/2009	GMAC REVOLVER	Payable	10010	2010000009	2210	647661807.4	647,661,807	GMAC REVOLVER
200912	12/31/2009	GMAC REVOLVER	Payable	1	23000002	REVO01	897639149.1	897,639,149	GMAC REVOLVER
200912	12/31/2009	GMAC LOC	Payable	10010	2010000001	2210	193940100	193,940,100	GMAC LOC
200912	12/31/2009	GMAC LOC	Payable	1	23000002	REVO01	149559900	149,559,900	GMAC LOC

GMAC ResCap, LLC
Tangible Net Equity Compliance Analysis
Amounts in Dollars, unless noted

	ResCap Liquidity		Net Equity				Adjusted Net Tangible Equity				
							RFC	GMACM			
	Unrestricted	Total	ResCap	RFC	GMACM	All Other / Eliminations	NY - State	FNMA	GNMA	NY - State	Comments
Minimum Covenant and Compliance Requirements											
Funding Facilities											
1 Tangible Net Worth		$ -	$ 250,000,000	$ 1	$ 1	$ 1					
2 Liquidity	$ 250,000,000	$ 750,000,000									
Agency Min Equity Requirements											
3 HUD (adjusted net worth)											
4 FNMA (based on our FNMA portfolio)			$ 250,000,000					$ 354,581,000			Required amount as of Oct 31
5 GNMA (based on securities held or min of $500 million)									$ 500,000,000		
6 FHLMC				$ 250,000	$ 250,000						
Licensing											
7 Individual States - Min GAAP Equity		N/A	N/A	$ 1,000,000	$ 1,000,000						
New York (Adjusted Tangible Net Equity)							$ 250,000			$ 250,000	
Equity Roll Forward / Estimates											
8 **November 30, 2009 (Beg Balance)**	**$ 424,000,000**	**$ 957,000,000**	**$ 275,000,258**	**$ 40,989,374**	**$ 4,583,507,191**	**$ (4,510,917,309)**	**$ 2,000,000**	**$ 2,510,947,000**	**$ 2,325,517,000**	**$ 2,325,517,000**	
December Activity											
9 Projected December Activity / Operating Results	(80,000,000)	(157,000,000)	(583,000,000)	(391,000,000)	(192,000,000)		(391,000,000)	(192,000,000)	(192,000,000)	(192,000,000)	
10 RFC Debt Forgiveness											
11 CE/UK			-	463,000,000		(463,000,000)	463,000,000	-	-	-	
12 Canada			-	100,000,000		(100,000,000)	100,000,000	-	-	-	
13 Mexico			-	16,000,000		(16,000,000)	16,000,000	-	-	-	
14 Tax Conversion - Record DTA and DTL			296,000,000	(380,000,000)	76,000,000	600,000,000	(380,000,000)	76,000,000	76,000,000	76,000,000	Estimate provided by GMAC tax
15 Impairment to the DTA			(296,000,000)			(296,000,000)					
16 **December 31, 2009 - Forecast**	**$ 344,000,000**	**$ 800,000,000**	**$ (307,999,742)**	**$ (151,010,626)**	**$ 4,467,507,191**	**$ (4,785,917,309)**	**$ (190,000,000)**	**$ 2,394,947,000**	**$ 2,209,517,000**	**$ 2,209,517,000**	
Strategic Actions											
17 Asset valuations											
18 Servicing			(97,000,000)	(20,000,000)	(77,000,000)		(20,000,000)	(77,000,000)	(77,000,000)	(77,000,000)	
19 Portfolio - International			(570,000,000)	(365,000,000)		(183,000,000)	(365,000,000)	-	-	-	
20 Portfolio - Domestic			(700,000,000)	(250,000,000)	(548,000,000)		(250,000,000)	(548,000,000)	(548,000,000)	(548,000,000)	Includes $190 for HE Funded Draws
21 Fortress Sale			(720,000,000)	(720,000,000)	-		(720,000,000)	-	-	-	Will recognize the mark down on IBG assets in Dec
22 Pay Off Certain Debt Facilities	(840,000,000)	(840,000,000)									GMAC Revolver and GMAC LOC
23 Total Strategic Actions	$ (840,000,000)	$ (840,000,000)	$ (2,087,000,000)	$ (1,355,000,000)	$ (625,000,000)	$ (183,000,000)	$ (1,355,000,000)	$ (625,000,000)	$ (625,000,000)	$ (625,000,000)	
24 **December 31, 2009 - Updated Forecast**	**$ (496,000,000)**	**$ (40,000,000)**	**$ (2,394,999,742)**	**$ (1,506,010,626)**	**$ 3,842,507,191**	**$ (4,968,917,309)**	**$ (1,545,000,000)**	**$ 1,769,947,000**	**$ 1,584,517,000**	**$ 1,584,517,000**	
Potential Capital Contributions											
25 GMAC Mortgage Loan Contribution	-	-	1,442,000,000	1,442,000,000	-		1,442,000,000	-	-	-	Contributed from GMAC to ResCap and From ResCap to RFC
26 GMAC Debt Forgiveness:							-	-	-	-	
27 MSR facility forgiveness	-	-	197,624,234	104,624,234	93,000,000		104,624,234	93,000,000	93,000,000	93,000,000	
28 GMAC LOC	-	-	-	-	-		-	-	-	-	
29 Other Liabilities	-	-	180,000,000	180,000,000		-	180,000,000	-	-	-	Accrued Stewardship liability
30 Total Debt Forgiveness	$ -	$ -	$ 377,624,234	$ 284,624,234	$ 93,000,000	$ -	$ 284,624,234	$ 93,000,000	$ 93,000,000	$ 93,000,000	
31 Cash Equity	840,000,000	840,000,000	840,000,000			840,000,000	-	-	-	-	Plug to get meet min liquidity requirements
32 Total Capital Contributions	$ 840,000,000	$ 840,000,000	$ 2,659,624,234	$ 1,726,624,234	$ 93,000,000	$ 840,000,000	$ 1,726,624,234	$ 93,000,000	$ 93,000,000	$ 93,000,000	
33 **December 31, 2009 - Post Capital Contributions**	**$ 344,000,000**	**$ 800,000,000**	**$ 264,624,492**	**$ 220,613,608**	**$ 3,935,507,191**	**$ (4,128,917,309)**	**$ 181,624,234**	**$ 1,862,947,000**	**$ 1,677,517,000**	**$ 1,677,517,000**	
Other Potential Debt Forgiveness											
34 Revolver related to prior asset sales			-	147,000,000		(147,000,000)	147,000,000				

Includes $250 million estimate for the adjustment to the Rep and Warranty reserve
Will need to look at this by sub and determine if any of the subs will have offsetting tax benefits / expense - RFC should be able to use the DTL, but that would be offset with additional impairment to the total ResCap DTA - so we still net to zero on a consolidated basis.

Total Parent Co has $600 million in DTA, but with $100 million impaired

0.207207207

0.350728155

RFC	GMACM
-	520,252,000.00

Rescap	11/30/09 Equity
Rescap	275,000,259

RFC Entities	LE#	11/30/09 Equity	
GMAC-RFC	10010	1,662,656,483	
Homecomings Financial Network	10011	949,576,466	
RFC Asset Holdings, Inc.	10015	58,379,335	
RFC SFJV-2002, LLC	10301	33,953,881	
RCSFJV2004, LLC	10302	8,719,964	
RFC Asset Management	10300	52,294,047	
Developers of Hidden Springs	10018	5,179,945	
Hidden Springs Sewer Company	10019	1,560,062	
Developers of Denver	10021	1,000,608	
Ameriland LLC	13003	93,434	
Core Equity I LLC	10022	76,554,459	
Equity Investment IV	16115	19,777,173	
GMAC Model Home I	10550	737,978	
CMH Holdings	10555	237,053,343	
RFC Construction Funding Corp.	30003	78,104,490	
RC Properties I	30004	71,341,240	
DOA HOLDING	16221	43,526,213	*
DOA Properties VIII	16268	684,233	
DOA Properties I	16230	56,690	
DOA Properties II	16240	8,116,036	
DOA Properties III	16260	15,837,986	
Win-Win Spectrum	16270	698,834	
Win_Win Beazer Pool I	16271	8,119,147	
Win-Win Pardee Pool II	16272	48,334	
Win-Win Pardee Pool III	16273	14,131,480	
DOA Properties IIIB	16263	14,053,133	
DOA Properties IV	16264	99,531	
DOA Properties V	16265	13,957,392	
DOA Properties VII	16267	36,489,888	
DOA Properties IX	16269	15,574,166	
MALA SPE (MFC Asset)	13200	263,018,318	
Residential Funding Mortgage Securities I	10002	-	

* This balance needs to be verified

GMAC Mortgage Entities

	LE#	11/30/09 Equity	
GMAC Mortgage LLC	SS001	4,583,507,193	
Executive Trustee Services LLC	SS002	157,873,487	*
Residential Consumer Serv LLC	SS007	52,074	
GMAC Mortgage USA Corporation	SS009	1,071,888	
Ditech.com LLC	SS026	3,495,442	
GMAC Residential Holding Co LL	SS033	2,039,739,119	
Home Connects Lending Serv LLC	SS067	409,478	
GMACR Mortgage Products LLC	SS084	38,614,080	
MINT I, LLC	SS089	107,163,750	
MINT I VFN Holdings, LLC	SS090	1	
Passive Asset Transactions LLC	SS095	1,449,163,623	

* Entity not listed on Revolver but has licensing requirements

Residential Funding Company, LLC
Regulatory Adjusted Net Worth Calculation
(in whole dollars)

	November 30, 2009		
RFC equity at month end	$ (88,711,626)	$ (88,711,626)	
Less unacceptable assets:			
Affiliate rec - Resi	33,612,374		
Affiliate rec - ResMor	456,506		
Affiliate rec - Broker Dealer	91,394		
Other assets	4,829,300		
RFC adjusted net worth (a)	**(127,701,200)**		
Minimum regulatory required adjusted net worth	1,000,000		what regulatory entity requires this amount?
Excess net worth approved by the ResCap Board	1,000,000		
Total required adjusted net worth (b)	**2,000,000**		
Excess (deficit) RFC adjusted net worth (a - b)	**$ (129,701,200)**		
GMAC MSR debt forgiveness	$ 52,376,000		
PCO Intercompany	77,325,000		
	$ 129,701,000	$ 129,701,000	
		$ 40,989,374	

Residential Funding Company, LLC
Other Assets Detail
(in whole dollars)

	November 30, 2009	
Property and equipment at cost	$ 252,836,883	
Accumulated depreciation and amortization	(202,967,851)	
Net property and equipment	49,869,032	
Fair value of derivative instruments	75,594,356	
Restricted cash	235,144,647	
Repossessed, foreclosed and owned real estate	239,202,989	
Derivative collateral placed with counterparties	4,875,043	
Uncertificated trading securities	221,913,043	
Income taxes receivable	37,758,211	
Prepaid expenses	34,464,700	
Other assets	4,829,300	
Total other assets	$ 903,651,321	is this used for anything in the TNW calc?

	ResCap Consolidated	ResCap Consolidated	ResCap Consolidated	ResCap Consolidated	ResCap Consolidated	ResCap Consolidated
	Y2009	Y2009	Y2009	Y2009	Y2009	Y2009
	PRODUCT	PRODUCT	PRODUCT	PRODUCT	PRODUCT	PRODUCT
	Amount	Amount	Amount	Amount	Amount	Amount
	Actual	Actual	Actual	Actual	Actual	Actual
	Source	Source	Source	Source	Source	Source
	YTD Nov	YTD Nov	YTD Nov	YTD Oct	YTD Oct	YTD Oct
	Rescap Excl Bank and ResMor	GMACM - GMAC Mortgage LLC	LE Consolidated RFC Legal Entity	Rescap Excl Bank and ResMor	GMACM - GMAC Mortgage LLC	LE Consolidated RFC Legal Entity
Total equity	1,956,459,229	5,188,975,445	2,881,096,569	1,880,563,674	5,100,426,417	2,753,300,906
Net (loss) income	(1,681,458,970)	(605,468,255)	(2,840,107,195)	(1,591,221,708)	(630,331,701)	(2,725,404,508)
	275,000,258	4,583,507,191	40,989,374	289,341,966	4,470,094,716	27,896,399

ResCap Consolidated	ResCap Consolidated	ResCap Consolidated
Y2009	Y2009	Y2009
PRODUCT	PRODUCT	PRODUCT
Amount	Amount	Amount
Actual	Actual	Actual
Source	Source	Source
YTD Sep	YTD Sep	YTD Sep
Rescap Excl Bank and ResMor	GMACM - GMAC Mortgage LLC	LE Consolidated RFC Legal Entity
1,898,271,973	5,100,425,272	2,678,433,947
(1,489,438,387)	(656,202,971)	(2,641,911,186)
408,833,586	4,444,222,301	36,522,761

RFC
Summary of Requirements

01/31/10	**In Compliance?**
Overall Compliant?	**Yes**
HUD Net Worth	**Yes**
RFC - NEW YORK Licensing	**Yes**
RFC - CALIFORNIA Licensing	**Yes**
RFC - MICHIGAN Licensing	**Yes**
RFC - KENTUCKY (Highest Requirement) Licensing	**Yes**
GSAP - RFC Solvency	**Yes**
GSAP - RFC-GSAP Servicer Advance, LLC Solvency	**Yes**
LEHMAN - RFC Solvency	**Terminated**

Residential Funding Company
(Dollars in Whole Dollars)

		10/31/09	11/30/09	12/31/09	01/31/10
HUD CALCULATION					
FHA Insured Mortgage Volume*					
Factor of 1%		1%	1%	1%	1%
Subtotal		$ -	$ -	$ -	$ -
Minimum		250,000	250,000	250,000	250,000
Subtotal		250,000	250,000	250,000	250,000
Maximum		1,000,000	1,000,000	1,000,000	1,000,000
HUD Required Net Worth		$ 250,000	$ 250,000	$ 250,000	$ 250,000
GAAP Equity		$ 27,896,399	$ 40,989,374	$ 853,872,105	$ 980,915,275
Less: Receivables from Affiliates Resi	2020100001	20,200,549	33,612,374	-	8,934,943
Less: Receivables from Affiliates ResMor	2020100012	-	456,506	23,334	3,850
Less: Receivables from Affiliates Broker Dealer	1020700090	837,134	91,394	217,881	45,205
Less: Other Assets	Oth Assts-Oth	4,858,716	4,829,300	4,780,339	4,399,074
Adjusted Net Worth		$ 2,000,000	$ 1,999,800	$ 848,850,550	$ 967,532,203
HUD Required Net Worth		$ 250,000	$ 250,000	$ 250,000	$ 250,000
Adjusted Net Worth		2,000,000	1,999,800	848,850,550	967,532,203
Excess Net Worth		$ 1,750,000	$ 1,749,800	$ 848,600,550	$ 967,282,203
In Compliance?		**Yes**	**Yes**	**Yes**	**Yes**

Per HUD Manual:

For continued approval, any supervised mortgagee or non-supervised mortgagee must maintain an adjusted net worth of one percent of the volume of FHA single family insured mortgages the mortgagee originated, purchased, or serviced during the prior fiscal year, but not less than $250,000, up to a maximum requirement of $1 million. Supervised mortgagees are not required to verify adjusted net worth to renew their approval, but may be asked to verify compliance during the renewal process.

In calculating mortgage volume at the end of the fiscal year:
- Start with the aggregate unpaid principal balance in the servicing portfolio as of the end of the fiscal year
- Add the aggregate original principal amount of insured mortgagees purchased from sponsored loan correspondents during the fiscal year, and
- Subtract from this total the aggregate outstanding principal balance of insured mortgagees originated by the mortgagee or purchase from its loan correspondent during the mortgagees fiscal ear that were retained for servicing

* Note: As $250,000 is the max amount, the 1% of column calc is not performed.

Residential Funding Company

(Dollars in Whole Dollars)

Licensing Requirements

	10/31/09	11/30/09	12/31/09	01/31/10
RFC - NEW YORK				
Required Adjusted Net Worth	$ 250,000	$ 250,000	$ 250,000	$ 250,000
GAAP Equity	$ 27,896,399	$ 40,999,374	$ 853,872,105	$ 980,915,275
Less Unacceptable Assets:				
Loans to Officers	-	-	-	-
Intangibles	-	-	-	-
Other Unacceptable Assets	4,858,716	4,829,300	4,780,339	4,399,074
Accounts Receivable - Affiliates	21,037,683	34,160,274	241,216	6,883,998
Adjusted Net Worth	$ 2,000,000	$ 1,999,800	$ 848,850,550	$ 967,532,203
Required Adjusted Net Worth	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Adjusted Net Worth	2,000,000	1,999,800	848,850,550	967,532,203
Excess Net Worth	$ 1,750,000	$ 1,749,800	$ 848,600,550	$ 967,282,203
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**
RFC - CALIFORNIA				
Required Adjusted Net Worth	$ 25,000	$ 25,000	$ 25,000	$ 25,000
GAAP Equity	$ 27,896,399	$ 40,999,374	$ 853,872,105	$ 980,915,275
Less: Receivables from Affiliates Resi	20,200,549	33,612,374	-	6,934,943
Less: Receivables from Affiliates ResMor	-	455,505	23,334	3,850
Less: Receivables from Affiliates Broker Dealer	837,134	91,394	217,881	45,205
Less: Other Assets	4,858,716	4,829,300	4,780,339	4,399,074
Adjusted Net Worth	$ 2,000,000	$ 1,999,800	$ 848,850,550	$ 967,532,203
Required Adjusted Net Worth	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Adjusted Net Worth	2,000,000	1,999,800	848,850,550	967,532,203
Excess Net Worth	$ 1,975,000	$ 1,974,800	$ 848,825,550	$ 967,507,203
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**
RFC - MICHIGAN				
Amount Determined by Commissioner	?	?	?	?
Maximum	100,000	100,000	100,000	100,000
Required Adjusted Net Worth	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Member's Equity per Consolidated Balance Sheet	$ 27,896,399	$ 40,999,374	$ 853,872,105	$ 980,915,275
Less Excluded Assets:				
Loans to Officers	-	-	-	-
Intangibles	-	-	-	-
Adjusted Net Worth	$ 27,896,399	$ 40,999,374	$ 853,872,105	$ 980,915,275
Required Adjusted Net Worth	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Adjusted Net Worth	27,896,399	40,999,374	853,872,105	980,915,275
Excess Net Worth	$ 27,796,399	$ 40,899,374	$ 853,772,105	$ 980,815,275
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**
RFC - KENTUCKY (Highest Requirement)				
Required Net Worth	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Net Worth	27,896,399	40,999,374	853,872,105	980,915,275
Excess Net Worth	$ 26,896,399	$ 39,999,374	$ 852,872,105	$ 979,915,275
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**

Per Compliance, three states require a defined Adjusted Net Worth calculation as shown below. All other states use a GAAP net worth definition with the highest requirement in the state of Kentucky for $1 million.

New York

adjusted net worth of not less than $250,000;

Adjusted net worth shall consist of stockholders equity per the statement of financial condition at the end of the reporting period less the following non-acceptable assets: any asset or portion thereof pledged to secure obligations of any person or entity other than that of the mortgage banker; any asset (except construction loans receivable, secured by first mortgages, from related companies) due from officers or stockholders of the mortgage banker or related companies; that portion of any marketable security (listed or unlisted) not shown at lower of cost or market, except for any shares of FNMA stock required to be held under a servicing agreement which should be carried at cost; any amount in excess of the lower of the cost or market value of mortgages in foreclosure, construction loans, or property acquired through foreclosure; any amount shown on the balance sheet in joint ventures, subsidiaries, affiliates and/or related companies which is greater than the value of said assets at equity; Goodwill or value placed on insurance renewals or property management contract renewals or other similar intangibles; organization costs; the value of any servicing contracts not determined in accordance with FASB 65, Accounting for Certain Mortgage Banking Activities, or subsequent revisions thereto; and "other assets", unless the financial statements are accompanied by a schedule prepared by the independent auditor or a schedule prepared by the mortgage banker and signed by an officer of the mortgage banker.

California

Net worth is $25,000. California utilizes the HUD financial calculation.

Michigan

A licensee who acts as a mortgage servicer shall maintain a net worth in an amount determined by the commissioner not exceeding $100,000.00. Net worth shall be determined at the conclusion of the fiscal year of the licensee immediately preceding the date an application for a license, or renewal of a license, is submitted to the commissioner. Net worth shall be disclosed on a form prescribed by the commissioner or on a form prepared or reviewed by a certified public accountant and shall be computed in accordance with generally accepted accounting principles. The following assets shall be excluded in the computation of net worth:

(a) That portion of an applicant's assets pledged to secure obligations of any person other than that of the applicant.

(b) Any asset except construction loans receivable, secured by first mortgages from related companies, due from officers or stockholders of the applicant or persons in which the applicant's officers or stockholders have an interest.

(c) An amount in excess of the lower of the cost or market value of mortgage loans in foreclosure, or real property acquired through foreclosure.

(d) An investment shown on the balance sheet in joint ventures, subsidiaries, or affiliates, which is greater than the market value of the assets.

(e) Good will or value placed on insurance renewals or property management contract renewals or other similar intangible value.

(f) Organization costs.

Funding Facilities Solvency Requirements
(Dollars in Whole Dollars)

GSAP Facility

	11/30/09	12/31/09	01/31/10
Residential Funding Company, LLC			
Required Net Worth	$ 1	$ 1	$ 1
GAAP Net Worth	40,989,374	853,872,105	980,915,275
Excess Net Worth	$ 40,989,373	$ 853,872,104	$ 980,915,274
In Compliance?	**Yes**	**Yes**	**Yes**
RFC-GSAP Servicer Advance, LLC			
Required Net Worth	$ 1	$ 1	$ 1
GAAP Net Worth	1,841,735	1,841,735	1,841,734
Excess Net Worth	$ 1,841,734	$ 1,841,734	$ 1,841,733
In Compliance?	**Yes**	**Yes**	**Yes**

LEHMAN Facility

Residential Funding Company, LLC			
Required Net Worth	$ 1	$ 1	$ 1
GAAP Net Worth	40,989,374	853,872,105	980,915,275
Excess Net Worth	$ 40,989,373	$ 853,872,104	$ 980,915,274
In Compliance?	**Yes**	**Yes**	**Yes** Terminated

Per GSAP agreement (based on facility document),

"During the term of this Indenture: the Issuer is not and will not be "insolvent" .... and as of each Funding Date, the Issuer, each Transferor and each Originator shall not be insolvent ....."

Definitions include:

Issuer - GMAC MORTGAGE SERVICER ADVANCE FUNDING COMPANY LTD
Originator - GMACM and RFC
Transferor - GMAC Mortgage Transferor or the RFC Transferor, meaning:
"GMAC Mortgage Transferor" means GMACR Mortgage Products, LLC, in its capacity as purchaser of the GMAC Mortgage Receivables under the GMAC Mortgage Receivables Sale Agreement and as transferor of the GMAC Mortgage Receivables under the GMAC Mortgage Receivables Pooling Agreement, and any successors and assignees permitted hereunder.
"RFC Transferor" means RFC – GSAP Servicer Advance, LLC, a Delaware limited liability company, in its capacity as purchaser of the RFC Receivables under the RFC Receivables Sale Agreement and as transferor of the RFC Receivables under the RFC Receivables Pooling Agreement, and any successors and assignees permitted hereunder.

Per Mike Scarseth, the Lehman agreement terminated in January 2010:

We have not been able to get Lehman to sign a termination letter. Nevertheless, the repurchase agreement obligations have been satisfied and the agreement terminated under its terms. We view the repo as terminated, thus we no longer have any compliance requirements thereto.

Per Lehman agreement (based on facility document):

9(b)(ix) Each Transaction Party and its Subsidiares are Solvent and will not cease to be Solvent due to any Transaction hereunder or the Guarantee of Guarantor (both immediately before and after giving effect to such Transaction or the Guarantee of Guarantor). The amount of consideration being received by Seller upon its sale or transfer of any Purchased Asset to Buyer constitutes reasonably equivalent value and fair consideration for such Purchased Asset. No Seller is selling or transferring any Purchased Asset with any intent to hinder, delay, or defraud any of its creditors. As used herein, the term "Solvent" means, with respect to each Transaction Party on a particular date that on such date (i) the most recently reported value of the assets pursuant to Section 11(c) hereof of such Transaction Pary, taking into account the fair value of assets accounted for on a fair value basis and the carry value of other assets, is greater than the total amount of the most recently reported liabilities pursuant to Section 11(c) hereof of such Transaction Pary (including the fair value of liabilities reported on a fair value basis), (ii) after giving effect to each Transaction, such Transaction Party is able to realize upon its assets and pay its debts and other liabilities as they mature, assuming an orderly disposition, and (iii) such Transaction Pary does not have unreasonably small capital with which to conduct its business. Also, an "Event of Insolvency" occurs with respect to RFC, ResCap or a Material Affiliate. Event of Insolvency is essentially a bankruptcy filing.

Desktop Procedures

This spreadsheet was developed to monitor the various solvency and net worth requirements of the RFC entities.

Monthly
1. Update the date to the current month end.
2. Update values in green cells to current month end values
3. Ensure all edit checks are yes.
4. If any entity is not meeting the requirement, debt forgiveness may be processed by requesting approval from Jim Young.

Annually

1. When requested by Compliance to certify net worth for license filing, verify that the calculation has not changed, or make any necessary changes and document the source.

2. Annually, (suggest end of third quarter or early fourth quarter) verify all funding facility requirements with Treasury. They should be providing notification during the year on any changes.

GMAC Mortgage LLC Net Worth Tests

Summary of Requirements 1/31/10	In Compliance?
Overall Compliant?	**Yes**
FANNIE MAE CALCULATION	**Yes**
GINNIE MAE CALCULATION	**Yes**
FREDDIE MAC CALCULATION	**Yes**
FNMA 302.01: Decline in Net Worth one quarter	**Yes**
FNMA 302.01: Decline in Net Worth two quarters	**Yes**
FNMA 302.02: Profitability	**Yes**
FNMA 302.03: Minimum Capital Requirements	**Yes**
GNMA Rep. & Warranty Computation of Adjusted Net Worth	**Yes**
T905 - GMEN Indenture Net Worth	**Yes**
T932 - CITI Consolidated Tangible Net Worth	**Yes**
T932 - CITI Consolidated Tangible Net Worth above $1.0 billion?	**Yes**
T932 - CITI Consolidated Tangible Net Worth above $0.5 billion?	**Yes**
GSAP - GMAC Mortgage LLC Net Worth	**Yes**
GSAP - GMACR MORTGAGE PRODUCTS LLC Net Worth	**Yes**
GSAP - GMAC MORTGAGE SERV ADVANCE FUND Net Worth	**Yes**
GMAC MORTGAGE - NEW YORK Licensing	**Yes**
GMAC MORTGAGE - CALIFORNIA Licensing	**Yes**
GMAC MORTGAGE - MICHIGAN Licensing	**Yes**
GMAC MORTGAGE - KENTUCKY (Highest Requirement) Licensing	**Yes**
DITECH Licensing	**Yes**
EXECUTIVE TRUSTEE SERVICES Licensing	**Yes**

GMAC Mortgage

Standard Agency Requirements

(Dollars in thousands)

	12/31/2008	1/31/2009	2/28/2009	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/09	1/31/10
FANNIE MAE CALCULATION														
FNMA Portfolio	$ 149,418,472	$ 145,322,226	$ 143,129,472	$ 142,936,646	$ 141,495,013	$ 139,879,412	$ 139,689,217	$ 139,655,956	$ 140,041,574	$ 140,628,845	$ 141,172,265	$ 106,116,713	$ 97,981,092	$ 96,547,564
Factor	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Subtotal	373,546	363,306	357,824	357,342	353,738	349,699	349,223	349,140	350,104	351,572	352,931	265,292	244,953	241,369
Plus: FNMA Base	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	2,500	2,500
FNMA Required Net Worth	$ 375,196	$ 364,956	$ 359,474	$ 358,992	$ 355,388	$ 351,349	$ 350,873	$ 350,790	$ 351,754	$ 353,222	$ 354,581	$ 266,942	$ 247,453	$ 243,869
GAAP Net Worth	$ 1,684,549	$ 1,762,556	$ 1,712,157	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Less: Receivables from Affiliates	376,073	533,263	558,969	590,592	676,661	930,845	1,215,386	1,501,447	1,411,601	1,427,921	1,431,594	1,381,591	1,018,446	1,002,277
Less: Pledged assets against off b/s	11,000	11,000	11,000	11,000	11,000	11,000	11,041	1,511	1,511	1,511	1,511	1,511	1,502	1,502
Less: Derivatives and Collateral from Affiliates	-	-	-	-	-	350,549	199,905	252,125	321,562	402,913	526,043	756,026	695,749	686,794
Adjusted Tangible Net Worth	$ 1,297,476	$ 1,218,293	$ 1,142,188	$ 1,015,981	$ 885,210	$ 938,760	$ 2,976,873	$ 2,806,886	$ 2,869,840	$ 2,611,878	$ 2,510,947	$ 2,444,379	$ 1,977,317	$ 2,022,280
FNMA Required Net Worth	$ 375,196	$ 364,956	$ 359,474	$ 358,992	$ 355,388	$ 351,349	$ 350,873	$ 350,790	$ 351,754	$ 353,222	$ 354,581	$ 266,942	$ 247,453	$ 243,869
Adjusted Tangible Net Worth	1,297,476	1,218,293	1,142,188	1,015,981	885,210	938,760	2,976,873	2,806,886	2,869,840	2,611,878	2,510,947	2,444,379	1,977,317	2,022,280
Excess Net Worth	$ 922,280	$ 853,337	$ 782,714	$ 656,989	$ 529,822	$ 587,411	$ 2,626,000	$ 2,456,096	$ 2,518,086	$ 2,258,656	$ 2,156,366	$ 2,177,437	$ 1,729,864	$ 1,778,411
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
GINNIE MAE CALCULATION														
Unpaid Principal Balance of Securities Outstanding	$ 17,779,478	$ 18,076,011	$ 18,637,442	$ 19,551,925	$ 21,706,861	$ 23,341,128	$ 25,591,264	$ 27,603,111	$ 29,634,672	$ 31,655,900	$ 34,079,530	$ 35,950,215	$ 36,789,404	$ 38,591,930
Plus: Outstanding Balance of Commitments Authority Issued & Requested	2,590	245,747	1,013,346	803,235	2,442,049	2,830,088	34,827	2,448,727	214,577	247,820	2,521,774	48,782	743,843	41,269
Total Outstanding Portfolio and Authority	17,782,068	18,321,758	19,650,788	20,355,160	24,148,910	26,171,216	25,626,091	30,051,838	29,849,249	31,903,720	36,601,304	35,998,997	37,533,247	38,633,199
Less exclusion required	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
	17,762,068	18,301,758	19,630,788	20,335,160	24,128,910	26,151,216	25,606,091	30,031,838	29,829,249	31,883,720	36,581,304	35,978,997	37,513,247	38,613,199
Percentage required	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
	35,524	36,604	39,262	40,670	48,258	52,302	51,212	60,064	59,658	63,767	73,163	71,958	75,026	77,226
Plus 1.0% of outstanding servicing and commitments in excess of $5 million, but less than $20 million	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Plus minimum required for servicers with more than one type of security	250	250	250	250	250	250	250	250	250	250	250	250	250	250
GNMA Required Net Worth	$ 35,924	$ 37,004	$ 39,662	$ 41,070	$ 48,658	$ 52,702	$ 51,612	$ 60,464	$ 60,058	$ 64,167	$ 73,563	$ 72,358	$ 75,426	$ 77,626
Member's Equity per Consolidated Balance Sheet	$ 1,684,549	$ 1,762,556	$ 1,712,157	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Less Unacceptable Assets:														
Accounts Receivable - Affiliates	376,073	533,263	558,969	590,592	676,661	930,845	1,215,386	1,501,447	1,411,601	1,427,921	1,431,594	1,381,591	1,018,446	1,002,277
Derivatives and Collateral - Affiliates	-	-	-	-	-	350,549	199,905	252,125	321,562	402,913	526,043	756,026	695,749	686,794
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans to Officers	42	27	18	-	-	-	-	-	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Unacceptable Assets	141,688	142,613	151,972	162,156	163,941	169,581	172,337	174,260	180,241	194,794	186,941	189,849	191,239	195,227
Subtotal - Unacceptable Assets	517,803	675,903	710,959	752,748	840,602	1,450,975	1,587,628	1,927,832	1,913,404	2,015,628	2,144,578	2,327,466	1,905,434	1,884,298
Adjusted Net Worth	$ 1,166,746	$ 1,086,653	$ 1,001,198	$ 864,825	$ 732,269	$ 780,179	$ 2,815,577	$ 2,634,137	$ 2,691,110	$ 2,428,595	$ 2,325,517	$ 2,256,041	$ 1,787,580	$ 1,828,555
Required Net Worth calculated above	$ 35,924	$ 37,004	$ 39,662	$ 41,070	$ 48,658	$ 52,702	$ 51,612	$ 60,464	$ 60,058	$ 64,167	$ 73,563	$ 72,358	$ 75,426	$ 77,626
Minimum Required Net Worth per GNMA						500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Required Net Worth (greater of calculation above or 500,000 minimum)						500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Adjusted Net Worth	1,166,746	1,086,653	1,001,198	864,825	732,269	780,179	2,815,577	2,634,137	2,691,110	2,428,595	2,325,517	2,256,041	1,787,580	1,828,555
Excess Net Worth	$ 1,130,822	$ 1,049,649	$ 961,536	$ 823,755	$ 683,611	$ 280,179	$ 2,315,577	$ 2,134,137	$ 2,191,110	$ 1,928,595	$ 1,825,517	$ 1,756,041	$ 1,287,580	$ 1,328,555
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
FREDDIE MAC CALCULATION														
FHLMC Required Net Worth	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Member's Equity per Consolidated Balance Sheet	1,684,549	1,762,556	1,712,157	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Excess Net Worth	$ 1,684,299	$ 1,762,306	$ 1,711,907	$ 1,617,323	$ 1,572,621	$ 2,230,904	$ 4,402,955	$ 4,561,719	$ 4,604,264	$ 4,443,973	$ 4,469,845	$ 4,583,257	$ 3,692,764	$ 3,712,603
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

GMAC Mortgage

Standard Agency Requirements

(Dollars in thousands)

T009-

Per Capital Markets the net worth requirements must be maintained for Fannie Mae (Do not have agreement with the requirement)

"GAAP" shall mean United States Generally Accepted Accounting Principles inclusive of, but not limited to, applicable statements of Financial Accounting Standards issued by the Financial Accounting Standards Board, its predecessors and successors and SEC Staff Accounting Guidance as in effect from time to time applied on a consistent basis.
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T932-

From the Loan and Security Agreement dated September 7, 2007

Section 8.01 Events of Default. The following events shall be "Events of Default".
(m) The failure of Borrower to maintain the Freddie Mac, Fannie Mae or Ginnie Mae net worth requirements.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States of America and applied on a consistent basis.
==

T000-C Freddie Mac (FHLMC)

4.3: Acceptable Net Worth requirement (10/06/06)

The Seller/Servicer must at all times maintain an Acceptable Net Worth of $250,000. Freddie Mac may, as it deems appropriate and in its sole discretion:

Modify a Seller/Servicer's Net Worth requirement
Impose limitations, restrictions or qualifications on the sale of Mortgages to, or the Servicing of Mortgages for Freddie Mac by any Seller/Servicer, and
Impose additional requirements on any Seller/Servicer, regardless of the Seller/Servicer's Net Worth

Freddie Mac will provide Seller/Servicer with notice of any modification to Seller/Servicer's Acceptable Net Worth requirement, any limitations, restrictions or qualifications on the sale of Mortgages or Servicing of Mortgages, or additional requirements.
==

T000-A Fannie Mae (FNMA)

Part I, Section 302 of the Selling Guide as Amended by Announcement 8-23 dated September 16, 2008

Selling and Servicing Guides, Part I, Section 302: Net Worth and Liquidity Requirements

Minimum Net Worth Requirements – Effective as of December 31, 2008
Fannie Mae requires lenders to meet minimum net worth requirements to remain an eligible seller/servicer. Lender net worth, as defined and calculated by Fannie Mae, is the lender's Total Equity Capital as determined by Generally Accepted Accounting Principles (GAAP), less goodwill and other intangible assets (excluding Mortgage Servicing Rights) and, based on Fannie Mae's assessment of associated risks, a possible deduction of "affiliate receivables" and "pledged assets net of associated liabilities" (hereinafter referred to as "Lender Adjusted Net Worth"). Effective as of December 31, 2008, the minimum Lender Adjusted Net Worth required to be maintained by a lender must be at least $1.65 million for approved seller/servicers and $2.5 million for new lenders seeking Fannie Mae approval, plus a dollar amount that represents one-quarter of one percent (.25%) of the outstanding principal balance of its total portfolio of mortgages serviced for Fannie Mae. (A lender's total Fannie Mae servicing portfolio includes first and second whole mortgages held in Fannie Mae's portfolio, participation interest in first and second mortgages in participation pools held in the portfolio, mortgages and participation interests in MBS pools, and multifamily mortgages.) Lenders approved for selling and/or servicing HomeStyle® Construction-to-Permanent mortgages or mortgage loans with an Expanded Approval® recommendation are also subject to the increased net worth requirements (i.e., the current HomeStyle and Expanded Approval net worth requirements are no longer applicable as of December 31, 2008). As of December 31, 2009, the minimum Lender Adjusted Net Worth requirement for all seller/servicers will be $2.5 million plus a dollar amount that represents one-quarter of one percent (.25%) of the outstanding principal balance of the lender's total portfolio of mortgages serviced for Fannie Mae.

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GMAC Mortgage

Standard Agency Requirements

(Dollars in thousands)

T000-B- Ginnie Mae (GNMA)

Section 2.9 (C) of Chapter 2 of the MBS GNMA guide & 3-8 of Chapter 3 dated 10/01/2008

2-9: NET WORTH REQUIREMENTS
The applicant must have an adjusted net worth, calculated as provided in paragraph (C) below, of at least:

(C) Net Worth Calculation
The computation of net worth must be performed in accordance with the procedures set forth in Audit Guide Chapter 6.
An Issuer's adjusted net worth will be calculated by subtracting the total amount of unacceptable assets from the net worth as stated on the audited balance sheet. Excess/(deficit) net worth is the difference between adjusted net worth and required net worth.
In certain circumstances and by its sole discretion, Ginnie Mae may accept a corporate guaranty as consideration for reclassifying certain assets that are treated as unacceptable under the Audit Guide.
If the balance sheet includes "Other Assets" or the equivalent, a schedule identifying the major components of any such asset, signed by an officer of the Issuer, must be included. If a schedule is not included, the item will be deducted by Ginnie Mae for purposes of calculating adjusted net worth.

3-8: NET WORTH REQUIREMENTS
An approved Issuer must maintain an adjusted net worth, calculated as provided in Section 2-9(D), of at least the following amounts:
(A) Types of Authorized Securities
(1) SF, FS, BD, ARM, GPM, GEM, SN, MH and HMBS securities: If the applicant is authorized to issue only the types of securities included in this category, $1,000,000, plus 1 percent of the amount of the Ginnie Mae securities outstanding in excess of $5 million but less than $20 million, plus 0.2 percent of any amount by which the total of additional Ginnie Mae securities, commitment authority, pools, and loan packages that have been approved, but for which securities have not yet been delivered, exceeds $20 million.

(4) Issuers of Single Family MBS and HMBS, approved before October 1, 2008, will have until October 1, 2010 to meet the $1,000,000 net worth requirement.

Between 10/1/08 and 10/1/2010 Issuers that are already approved must maintain the current net worth requirements.

a) Single family $250,000 minimum net worth requirement

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GMAC Mortgage
Standard Agency Requirements
(Dollars in thousands)
For the Period Ended December 31, 2009

FANNIE MAE CALCULATION 302.01, 302.02, 302.03

	12/31/2007	3/31/2008	6/30/2008	9/30/2008	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/09	1/31/10
Adjusted Tangible Net Worth	901,117	1,330,902	1,155,160	1,217,205	1,297,476	1,015,981	2,976,873	2,611,878	1,977,317	2,022,280
Quarterly Net Income (Loss)	(274,422)	351,299	(115,585)	(153,224)	(139,434)	(221,689)	(234,587)	(199,925)	(981,399)	-
Total Assets	10,491,891	10,681,606	10,357,597	10,434,333	9,500,071	9,597,951	11,008,405	11,176,139	11,235,856	11,615,737

302.01: Decline in Net Worth

Quarterly Reporting Period (9/30/09 - 12/31/09)		
Change in Adjusted Tangible Net Worth	-24.30%	
No more than 25% decline in net worth acceptable		
In compliance?	**Yes**	
Two Quarter Reporting Period (6/30/09 - 12/31/09)		
Change in Adjusted Tangible Net Worth	-33.58%	
No more than 40% decline in net worth acceptable		
In compliance?	**Yes**	

302.02: Profitability

Four **or More** Quarters of Consecutive Losses from/including Q1 2008 ?	**Yes**	Seven consecutive quarters per Orange above
AND		
Change in Net Worth during that consecutive loss period	48.57%	December 31, 2009 versus March 31, 2008 (beginning of first period of consecutive losses)
No more than 30% decline acceptable		
In Compliance?	**Yes**	

302.03: Minimum Capital Requirements

Adjusted Net Worth/Total Assets at 01/31/10	17.41%
Ratio of 6% or more acceptable	
In Compliance?	**Yes**

GMAC Mortgage, LLC
GNMA Rep. & Warranty Computation of Adjusted Net Worth
(Dollars in thousands)

	12/31/2006	12/31/2007	12/31/2008	1/31/2009	2/28/2009	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/09	1/31/10
Unpaid Principal Balance of Securities Outstanding			$ 17,779,478	$ 18,076,011	$ 18,637,442	$ 19,551,925	$ 21,706,861	$ 23,341,128	$ 25,591,264	$ 27,603,111	$ 29,634,672	$ 31,655,900	$ 34,079,530	$ 35,950,215	$ 36,789,404	$ 38,591,930
Plus: Outstanding Balance of Commitments Authority Issued & Requested			2,590	245,747	1,013,346	803,235	2,442,049	2,830,088	34,827	2,448,727	214,577	247,820	2,521,774	48,782	743,843	41,269
Total Outstanding Portfolio and Authority			17,782,068	18,321,758	19,650,788	20,355,160	24,148,910	26,171,216	25,626,091	30,051,838	29,849,249	31,903,720	36,601,304	35,998,997	37,533,247	38,633,199
Less exclusion required			20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
			17,762,068	18,301,758	19,630,788	20,335,160	24,128,910	26,151,216	25,606,091	30,031,838	29,829,249	31,883,720	36,581,304	35,978,997	37,513,247	38,613,199
Percentage required			0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
			35,524	36,604	39,262	40,670	48,258	52,302	51,212	60,064	59,658	63,767	73,163	71,958	75,026	77,226
Plus 1.0% of outstanding servicing and commitments in excess of $5 million, but less than $20 million			150	150	150	150	150	150	150	150	150	150	150	150	150	150
Plus minimum required for servicers with more than one type of security			250	250	250	250	250	250	250	250	250	250	250	250	250	250
Required GNMA Net Worth	$ 33,793	$ 34,306	$ 35,924	$ 37,004	$ 39,662	$ 41,070	$ 48,658	$ 52,702	$ 51,612	$ 60,464	$ 60,058	$ 64,167	$ 73,563	$ 72,358	$ 75,426	$ 77,626
Representation & Warranty Multiple	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Adjusted Required Net Worth	$ 168,965	$ 171,530	$ 179,620	$ 185,020	$ 198,310	$ 205,350	$ 243,290	$ 263,510	$ 258,060	$ 302,320	$ 300,290	$ 320,835	$ 367,815	$ 361,790	$ 377,130	$ 388,130
Member's Equity per Consolidated Balance Sheet			1,684,549	1,762,556	1,712,157	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Less Unacceptable Assets:																
Accounts Receivable - Affiliates			376,073	533,263	558,969	590,592	676,661	930,845	1,215,386	1,501,447	1,411,601	1,427,921	1,431,594	1,381,591	1,018,446	1,002,277
Goodwill			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives and Collateral - Affiliates			-	-	-	-	-	350,549	199,905	252,125	321,562	402,913	526,043	756,026	695,749	686,794
Loans to Officers			42	27	18	-	-	-	-	-	-	-	-	-	-	-
Deferred Charges			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Unacceptable Assets			141,688	142,613	151,972	162,156	163,941	169,581	172,337	174,260	180,241	184,794	186,941	189,849	191,239	195,227
Subtotal - Unacceptable Assets			517,803	675,903	710,959	752,748	840,602	1,450,975	1,587,628	1,927,832	1,913,404	2,015,628	2,144,578	2,327,466	1,905,434	1,884,298
GNMA Adjusted Net Worth Calculation	$ 885,226	$ 869,608	$ 1,166,746	$ 1,086,653	$ 1,001,198	$ 864,825	$ 732,269	$ 780,179	$ 2,815,577	$ 2,634,137	$ 2,691,110	$ 2,428,595	$ 2,325,517	$ 2,256,041	$ 1,787,580	$ 1,828,555
Excess Net Worth (GNMA Adj Net Worth- Adj Req Net Worth)	$ 716,261	$ 698,078	$ 987,126	$ 901,633	$ 802,888	$ 659,475	$ 488,979	$ 516,669	$ 2,557,517	$ 2,331,817	$ 2,390,820	$ 2,107,760	$ 1,957,702	$ 1,894,251	$ 1,410,450	$ 1,440,425
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Section 8.01 (i)(j)(l) of the Second Amended and Restated Loan and Security Agreement dated December 29, 2006

Section 8.01 Events of Default. The following events shall be "Events of Default":

(l) The failure of Borrower to maintain a the Freddie Mac, Fannie Mae, and Ginnie Mae net worth requirements;

Schedule 1 under Second Amended and Restated Loan and Security Agreement dated December 29, 2006.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States of America and applied on a consistent basis.
"Leverage Ratio", with respect to the Borrower, means the ratio of total liabilities to Net Worth.
"Net Worth", with respect to any Person, means an amount equal to, on a consolidated basis, such Person's stockholder equity (determined in accordance with GAAP).
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GMAC Mortgage, LLC
T905 - GMEN Indenture and Servicing Agreement
Net Worth Requirement

	12/31/06	12/31/07	12/31/2008	1/31/2009	2/28/2009	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/09	1/31/10
Required Net Worth per Agreement	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000	$ 175,000,000
Equity			1,684,549,049	1,762,555,788	1,712,156,990	1,617,572,669	1,572,871,020	2,231,154,238	4,403,204,692	4,561,969,004	4,604,514,240	4,444,222,303	4,470,094,719	4,583,507,194	3,693,014,241	3,712,853,427
Less Goodwill			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Intangibles			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Loans to Officers			41,575	26,540	17,693	-	-	-	-	-	-	-	-	-	-	-
Less Deferred Charges			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tangible Net Worth	1,284,629,589	1,106,638,000	1,684,507,474	1,762,529,248	1,712,139,297	1,617,572,669	1,572,871,020	2,231,154,238	4,403,204,692	4,561,969,004	4,604,514,240	4,444,222,303	4,470,094,719	4,583,507,194	3,693,014,241	3,712,853,427
Excess Net Worth	$ 1,109,629,589	$ 931,638,000	$ 1,509,507,474	$ 1,587,529,248	$ 1,537,139,297	$ 1,442,572,669	$ 1,397,871,020	$ 2,056,154,238	$ 4,228,204,692	$ 4,386,969,004	$ 4,429,514,240	$ 4,269,222,303	$ 4,295,094,719	$ 4,408,507,194	$ 3,518,014,241	$ 3,537,853,427
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

From the GMACM Home Equity Notes 2004 Variable Funding Trust Indenture dated as of February 24, 2004

Rapid Amortization Event Definition:
(k) GMACM fails to maintain a Tangible Net Worth of at least $175,000,000.

Servicing Default:
(vi) GMACM fails to maintain a Tangible Net Worth of at least $175,000,000.

Net Worth: As of any date of determination, the net worth of GMACM and its consolidated subsidiaries, as determined in accordance with GAAP.

Tangible Net Worth: Net Worth, less the sum of the following (without duplication): (a) any other assets of GMACM and its consolidated subsidiaries that would be treated as intangibles under GAAP including, without limitation, any write-up of assets (other than adjustments to market value to the extent required under GAAP with respect to excess servicing, residual interests in offerings of asset-backed securities and asset-backed securities that are interest-only securities), good-will, research and development costs, trade-marks, trade names, copyrights, patents and unamortized debt discount and expenses and (b) loans or other extensions of credit to officers of GMACM or its consolidated subsidiaries other than mortgage loans made to such Persons in the ordinary course of business.

GAAP: Generally accepted accounting principles.
==

GMAC Mortgage
(Dollars in thousands)

	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/09	1/31/10
Consolidated Tangible Net Worth (CTNW) Calculation - CITI											
GAAP Net Worth	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Less: Intangibles	-	-	-	-	-	-	-	-	-	-	-
Adjusted Tangible Net Worth	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Required Tangible Net Worth	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Adjusted Tangible Net Worth	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Excess Net Worth	$ 1,367,573	$ 1,322,871	$ 1,981,154	$ 4,153,205	$ 4,311,969	$ 4,354,514	$ 4,194,223	$ 4,220,095	$ 4,333,507	$ 3,443,014	$ 3,462,853
In Compliance?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
Attributed Rate Triggers											
Consolidated Tangible Net Worth above $1.0 billion?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
Consolidated Tangible Net Worth above $0.5 billion?	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

T932- Citibank

Section 1(c) of Amendment #11 to the Loan and Security Agreement dated April 6, 2009

SECTION 1. Amendments. Effective as of March 31, 2009 (the "Effective Date") the Agreement is hereby amended as follows:

(c) Section 8.01(l) of the Agreement is hereby amended by deleting such section and replacing it with the following (with the modified text underlined for review purposes):

(l) The Borrower's [GMACM] Consolidated Tangible Net Worth as of the last day of any fiscal month shall be less than $250,000,000;

"'GAAP' shall mean United States Generally Accepted Accounting Principles inclusive of, but not limited to, applicable statements of Financial Accounting Standards issued by the Financial Accounting Standards Board, its predecessors and successors and SEC Staff Accounting Guidance as in effect from time to time applied on a consistent basis."

"'Consolidated Net Worth' shall mean, at any date, the amount which would appear in accordance with GAAP on a consolidated balance sheet of the Borrower and its Subsidiaries opposite the heading 'equity' (or any similar item), but excluding the portion of consolidated equity of GMAC Bank included in the Guarantor's consolidated equity."
--

GSAP Funding Facility
(Dollars in Whole Dollars)

	12/31/09	1/31/10
GMAC Mortgage LLC		
Required Net Worth	$ 1	$ 1
GAAP Net Worth	3,693,014,000	3,712,853,000
Excess Net Worth	$ 3,693,013,999	$ 3,712,852,999
In Compliance?	**Yes**	**Yes**
GMACR MORTGAGE PRODUCTS LLC		
Required Net Worth	$ 1	$ 1
GAAP Net Worth	33,125,877	31,333,668
Excess Net Worth	$ 33,125,876	$ 31,333,667
In Compliance?	**Yes**	**Yes**
GMAC MORTGAGE SERV ADVANCE FUND		
Required Net Worth	$ 1	$ 1
GAAP Net Worth	295,372	295,372
Excess Net Worth	$ 295,371	$ 295,371
In Compliance?	**Yes**	**Yes**

Per GSAP agreement,

"During the term of this Indenture, the Issuer is not and will not be "insolvent" .....and as of each Funding Date, the Issuer, each Transferor and each Originator shall not be insolvent ....."

Definitions include:

Issuer - GMAC MORTGAGE SERVICER ADVANCE FUNDING COMPANY LTD
Originator - GMACM and RFC
Transferor - GMAC Mortgage Transferor or the RFC Transferor, meaning:
"GMAC Mortgage Transferor" means GMACR Mortgage Products, LLC, in its capacity as purchaser of the GMAC Mortgage Receivables under the GMAC Mortgage Receivables Sale Agreement and as transferor of the GMAC Mortgage Receivables under the GMAC Mortgage Receivables Pooling Agreement, and any successors and assignees permitted hereunder.
"RFC Transferor" means RFC – GSAP Servicer Advance, LLC, a Delaware limited liability company, in its capacity as purchaser of the RFC Receivables under the RFC Receivables Sale Agreement and as transferor of the RFC Receivables under the RFC Receivables Pooling Agreement, and any successors and assignees permitted hereunder

GMAC Mortgage

Licensing Requirements

(Dollars in thousands)

	12/31/2008	1/31/2009	2/28/2009	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/09	1/31/10
GMAC MORTGAGE - NEW YORK														
Required Adjusted Net Worth	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Stockholders Equity	$ 1,684,549	$ 1,762,556	$ 1,712,157	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Less Unacceptable Assets:														
Loans to Officers	42	27	18	-	-	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Unacceptable Assets	141,688	142,613	151,972	162,156	163,941	169,581	172,337	174,260	180,241	184,794	186,941	189,849	191,239	195,227
Accounts Receivable - Affiliates	376,073	533,263	558,969	590,592	676,661	930,845	1,215,386	1,501,447	1,411,601	1,427,921	1,431,594	1,381,591	1,018,446	1,002,277
Adjusted Net Worth	$ 1,166,746	$ 1,086,653	$ 1,001,198	$ 864,825	$ 732,269	$ 1,130,728	$ 3,015,482	$ 2,886,262	$ 3,012,672	$ 2,831,508	$ 2,851,560	$ 3,012,067	$ 2,483,329	$ 2,515,349
Required Adjusted Net Worth	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Adjusted Net Worth	1,166,746	1,086,653	1,001,198	864,825	732,269	1,130,728	3,015,482	2,886,262	3,012,672	2,831,508	2,851,560	3,012,067	2,483,329	2,515,349
Excess Net Worth	$ 1,166,496	$ 1,086,403	$ 1,000,948	$ 864,575	$ 732,019	$ 1,130,478	$ 3,015,232	$ 2,886,012	$ 3,012,422	$ 2,831,258	$ 2,851,310	$ 3,011,817	$ 2,483,079	$ 2,515,099
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GMAC MORTGAGE - CALIFORNIA														
Required Adjusted Net Worth	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25
Stockholders Equity	$ 1,684,549	$ 1,762,556	$ 1,712,157	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Less Unacceptable Assets:														
Loans to Officers	42	27	18	-	-	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Unacceptable Assets	141,688	142,613	151,972	162,156	163,941	169,581	172,337	174,260	180,241	184,794	186,941	189,849	191,239	195,227
Accounts Receivable - Affiliates	376,073	533,263	558,969	590,592	676,661	930,845	1,215,386	1,501,447	1,411,601	1,427,921	1,431,594	1,381,591	1,018,446	1,002,277
Adjusted Net Worth	$ 1,166,746	$ 1,086,653	$ 1,001,198	$ 864,825	$ 732,269	$ 1,130,728	$ 3,015,482	$ 2,886,262	$ 3,012,672	$ 2,831,508	$ 2,851,560	$ 3,012,067	$ 2,483,329	$ 2,515,349
Required Adjusted Net Worth	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25	$ 25
Adjusted Net Worth	1,166,746	1,086,653	1,001,198	864,825	732,269	1,130,728	3,015,482	2,886,262	3,012,672	2,831,508	2,851,560	3,012,067	2,483,329	2,515,349
Excess Net Worth	$ 1,166,721	$ 1,086,628	$ 1,001,173	$ 864,800	$ 732,244	$ 1,130,703	$ 3,015,457	$ 2,886,237	$ 3,012,647	$ 2,831,483	$ 2,851,535	$ 3,012,042	$ 2,483,304	$ 2,515,324
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GMAC MORTGAGE - MICHIGAN														
Amount Determined by Commissioner	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Maximum	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Required Adjusted Net Worth	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Member's Equity per Consolidated Balance Sheet	1,684,549	1,762,556	1,712,157	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Less Excluded Assets:														
Loans to Officers	42	27	18	0	0	0	0	0	0	0	0	0	0	0
Intangibles	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Net Worth	$ 1,684,507	$ 1,762,529	$ 1,712,139	$ 1,617,573	$ 1,572,871	$ 2,231,154	$ 4,403,205	$ 4,561,969	$ 4,604,514	$ 4,444,223	$ 4,470,095	$ 4,583,507	$ 3,693,014	$ 3,712,853
Required Adjusted Net Worth	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Adjusted Net Worth	1,684,507	1,762,529	1,712,139	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Excess Net Worth	$ 1,684,407	$ 1,762,456	$ 1,712,057	$ 1,617,473	$ 1,572,771	$ 2,231,054	$ 4,403,105	$ 4,561,869	$ 4,604,414	$ 4,444,123	$ 4,469,995	$ 4,583,407	$ 3,692,914	$ 3,712,753
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GMAC MORTGAGE - KENTUCKY (Highest Requirement)														
Required Net Worth	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Net Worth	1,684,549	1,762,556	1,712,157	1,617,573	1,572,871	2,231,154	4,403,205	4,561,969	4,604,514	4,444,223	4,470,095	4,583,507	3,693,014	3,712,853
Excess Net Worth	$ 1,683,549	$ 1,761,556	$ 1,711,157	$ 1,616,573	$ 1,571,871	$ 2,230,154	$ 4,402,205	$ 4,560,969	$ 4,603,514	$ 4,443,223	$ 4,469,095	$ 4,582,507	$ 3,692,014	$ 3,711,853
In Compliance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Per Compliance, three states require a defined Adjusted Net Worth calculation as shown below. All other states use a GAAP net worth definition with the highest requirement in the state of Kentucky for $1 million.

GMAC Mortgage

Licensing Requirements

(Dollars in thousands)

New York adjusted net worth of not less than $250,000; Adjusted net worth shall consist of stockholders equity per the statement of financial condition at the end of the reporting period less the following non-acceptable assets: any asset or portion thereof pledged to secure obligations of any person or entity other than that of the mortgage banker; any asset (except construction loans receivable, secured by first mortgages, from related companies) due from officers or stockholders of the mortgage banker or related companies; that portion of any marketable security (listed or unlisted) not shown at lower of cost or market, except for any shares of FNMA stock required to be held under a servicing agreement which should be carried at cost; any amount in excess of the lower of the cost or market value of mortgages in foreclosure, construction loans, or property acquired through foreclosure; any amount shown on the balance sheet in joint ventures, subsidiaries, affiliates, and/or related companies which is greater than the value of said assets at equity; Goodwill or value placed on insurance renewals or property management contract renewals or other similar intangibles; organization costs; the value of any servicing contracts not determined in accordance with FASB 65, Accounting for Certain Mortgage Banking Activities, or subsequent revisions thereto; and "other assets", unless the financial statements are accompanied by a schedule prepared by the independent auditor or a schedule prepared by the mortgage banker and signed by an officer of the mortgage banker.
California Net worth is $25,000. California utilizes the HUD financial calculation.
Michigan A licensee who acts as a mortgage servicer shall maintain a net worth in an amount determined by the commissioner not exceeding $100,000.00. Net worth shall be determined at the conclusion of the fiscal year of the licensee immediately preceding the date an application for a license, or renewal of a license, is submitted to the commissioner. Net worth shall be disclosed on a form prescribed by the commissioner or on a form prepared or reviewed by a certified public accountant and shall be computed in accordance with generally accepted accounting principles. The following assets shall be excluded in the computation of net worth: (a) That portion of an applicant's assets pledged to secure obligations of any person other than that of the applicant. (b) Any asset except construction loans receivable, secured by first mortgages from related companies, due from officers or stockholders of the applicant or persons in which the applicant's officers or stockholders have an interest. (c) An amount in excess of the lower of the cost or market value of mortgage loans in foreclosure, or real property acquired through foreclosure. (d) An investment shown on the balance sheet in joint ventures, subsidiaries, or affiliates, which is greater than the market value of the assets. (e) Good will or value placed on insurance renewals or property management contract renewals or other similar intangible value. (f) Organization costs.

GMAC Mortgage
Licensing Requirements
(Dollars in thousands)

GMAC Mortgage Subsidiaries
(Dollars in Whole Dollars)

	12/31/09	1/31/10
Licensing Requirements		
DITECH		
Required Net Worth	$ 200,000	$ 200,000
GAAP Net Worth	3,495,375	3,495,152
Excess Net Worth	$ 3,295,375	$ 3,295,152
In Compliance?	**Yes**	**Yes**
EXECUTIVE TRUSTEE SERVICES		
Required Net Worth	$ 7,500	$ 7,500
GAAP Net Worth	162,025,279	166,113,696
Excess Net Worth	$ 162,017,779	$ 166,106,196
In Compliance?	**Yes**	**Yes**

Net Worth Licensing Requirements per Compliance/Licensing

GMAC Mortgage Entities

		Minimum Required Equity	Actual Equity (Deficit) January 2010	Excess (Deficit) Versus Required	Direct Parent Rcvbl (Debt) Interco Balance January 2010	Direct Parent	Debt Relief Adjustment	Adjusted Equity	Adjusted Excess (Deficit) Versus Required
GMACM Consolidated	various	1,000,000	3,712,853,427	3,711,853,427			0	3,712,853,427	3,711,853,427
GMAC Mortgage LLC	SS001	1,000,000	3,712,998,380	3,711,998,380			0	3,712,998,380	3,711,998,380
Executive Trustee Services LLC *	SS002	7,500	166,113,696	166,106,196			0	166,113,696	166,106,196
Ditech.com LLC	SS026	200,000	3,495,152	3,295,152			0	3,495,152	3,295,152
GMACR Mortgage Products LLC	SS084	1	31,333,668	31,333,667			0	31,333,668	31,333,667
GMAC Mortgage Serv Advanc Fund	SS088	1	295,372	295,371			0	295,372	295,371

* Entity not listed on Revolver but has licensing requirements, include in process

From: Padmanathan, Soumitra
Sent: Monday, February 01, 2010 7:01 PM
To: Westman, Barbara - Hudson
Cc: Jensen, Sharon (Contractor); Fields, Mark; Horner, Jill
Subject: RE: 1/31/10 Solvency Requirements

For UK GAAP purposes, these companies are solvent at 31 January 2010

Mithi Padmanathan
Senior Manager - Financial Reporting (US and UK)
Direct Line: +44 1344 854299
Mobile: +44 7717 475753


Please consider the environment before printing this e-mail

From: Westman, Barbara - Hudson [mailto:Barbara.Westman@gmacrescap.com]
Sent: 01 February 2010 18:55
To: Padmanathan, Soumitra
Cc: Jensen, Sharon (Contractor); Fields, Mark; Horner, Jill
Subject: 1/31/10 Solvency Requirements

Please confirm that under UK GAAP, the following entities are Solvent as of January 31, 2010 :

GMAC - RFC (UK) Limited

Conduit (No. 2) Limited

Silo No 2 Limited

Please provide this information as soon as available, and provide copies of the financial statements.

Thank you.

Barb Westman

GMAC Rescap
Financial Controls
952-857-7789
barbara.westman@gmacrescap.com

Confidential

Events of Default		
Representations, Warranties & Covenants		
GMAC Revolver and GMAC LOC		
T#	T215	T223
Agreement	Loan Agreement	Line of Credit Agreement
Dated as of	December 30, 2009	December 30, 2009
Borrower	Residential Funding Company, LLC	Residential Funding Company, LLC
Borrower	GMAC Mortgage, LLC	GMAC Mortgage, LLC
Guarantors	Residential Capital, LLC Homecomings Financial, LLC GMAC-RFC Holding Company, LLC GMAC Residential Holding Company, LLC	Residential Capital, LLC RFC Asset Holdings II, LLC Passive Asset Transactions, LLC Homecomings Financial, LLC Equity Investment I, LLC GMAC-RFC Holding Company, LLC GMAC Residential Holding Company, LLC
Obligors	Residential Capital, LLC Homecomings Financial, LLC GMAC-RFC Holding Company, LLC GMAC Residential Holding Company, LLC GMAC Mortgage, LLC Residential Funding Company, LLC Residential Mortgage Real Estate Holdings, LLC Residential Funding Real Estate Holdings, LLC Homecomings Financial Real Estate Holdings, LLC Developers of Hidden Springs, LLC DOA Holding Properties, LLC RFC Asset Holdings II, LLC Passive Asset Transactions, LLC GMAC Model Home Finance I, LLC Equity Investment IV, LLC Ameriland, LLC REG-PFH, LLC Home Connects Lending Services, LLC GMACR Mortgage Products, LLC Ditech, LLC Residential Consumer Services, LLC GMAC Mortgage USA Corporation Residential Funding Mortgage Securities I, Inc. RFC Asset Management, LLC	Residential Capital, LLC RFC Asset Holdings II, LLC Passive Asset Transactions, LLC Homecomings Financial, LLC Equity Investment I, LLC GMAC-RFC Holding Company, LLC GMAC Residential Holding Company, LLC Residential Funding Company, LLC GMAC Mortgage, LLC

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EXAM10362108

Confidential

Initial Lender	GMAC Inc.	GMAC Inc.
Lender Agent	GMAC Inc.	GMAC Inc.
Lenders	Certain Other Financial Institutions and Persons from time to time party hereto as Lenders	Certain Other Financial Institutions and Persons from time to time party hereto
Amendment History	None	None

Note: This is a consolidated checklist consisting of T215 and T223 debt agreements. Since certain sections of agreements are significantly similar, the legal terms inserted in bold are specific to T223.

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EXAM10362109

Confidential

T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
		NOTE: per Section 1.01 "Default" means an Event of Default or an Unmatured Event of Default. When answering questions below consider both and list any unmatured EODs.		
8.01	8.01	The following events shall be "Events of Default"		
8.01(a)	8.01(a)	**At any time when any Loans are outstanding hereunder,** The Borrowers shall fail to pay the principal of, or interest on, any Loan when due (whether at stated maturity, in accordance with Section 2.08(b), upon acceleration or otherwise); any Obligor shall fail to make any other payment or deposit to be made by them hereunder or under any Facility Document when due and such failure shall continue for two (2) Business Days; provided that if (i) an Obligor shall fail to deposit a Specified Amount, and (ii) such failure results from good faith administrative error in the ordinary course of business, such failure (and any related failure to apply Collateral Disposition Proceeds to the repayment of Loans by the related Mandatory Repayment Date) will not become an Event of Default if such Net Cash Proceeds/**Collections** are deposited by the earlier of (x)/**(a)** the thirteenth Business Day of the calendar month following the month in which such Collateral Disposition/**Collections were received or such Collateral Disposition** occurred **as applicable** and (y) two (2) Business Days after actual knowledge of such failure and (with respect to Collateral Disposition Proceeds) are applied to the repayment of Loans on the next Business Day/**and (b) two (2) Business Days after the date on which ResCap Treasury acquires knowledge of such failure**;	Treasury - John Malloy Scope includes all scheduled P&I as well as those related to any permanent or temporary pay down. • Were required principal and interest payments made on required dates? • If not, when did we remedy? IBG - Treasury US/UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada –P. Leonard BCG-Treasury C. Laube Business Units: Were sales proceeds deposited timely and to the appropriate accounts? Finance-Financial Controls – Revolver Only (Month-End Only)	

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Confidential

T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
8.01(b)	8.01(b)	Any representation or warranty made or deemed to be made by an Obligor or its Subsidiary (or any of such Person's officers) under or in connection with this Agreement or any other Facility Document, or any written information, certificate, or report delivered pursuant hereto or to any Facility Document shall prove to have been false or misleading in any material respect when made or repeated or deemed to have been made, furnished or repeated after the earlier of (i) such Obligor having actual knowledge thereof and (ii) written notice of such default from any Lender or the Lender Agent;	NA	
8.01(c)	8.01(c)	Any Obligor or its Subsidiary (i) shall fail to comply with the requirements of any of Section 7.01(e), 7.01(k), 7.02(a), 7.02(h) through (l), 7.02(p), 7.03(a), 7.03(c), 7.03(i) or 7.03(j) hereof or (ii) shall fail to perform or observe any term, covenant or agreement contained in this Agreement or any other Facility Document (other than with respect to the making of any payment or other breach under this Article VIII or as set forth in clause (i) of this Section 8.01(c)) on its part to be performed or observed and any such failure shall remain unremedied for ten (10) Business Days after the earlier of (x) any Obligor having actual knowledge thereof and (y) written notice of such default from the Lender Agent or any Lender to the Borrowers;	NA	
8.01(d)	8.01(d)	An Event of Bankruptcy shall have occurred with respect to any Obligor or Restricted Entity;	Legal	
8.01(e)	8.01(e)	With respect to any Indebtedness arising under (i) a Bilateral Facility or any other Indebtedness (excluding Non-Recourse Debt) of ResCap or any of its Subsidiaries in excess of $25,000,000, individually or in the aggregate, or (ii) a Related Document, such Indebtedness (x) is not paid when due or within any applicable cure period set forth in any agreement or instrument relating to such indebtedness, (y) is declared due and payable before its normal or agreed maturity by reason of default (however described) or (z) is the subject of any other "event of default" or other breach or failure to perform, in either case which remains after the expiration of any applicable grace period under such agreement;	Treasury - John Malloy Terry Farley Mike Scarseth Heather Anderson IBG - Treasury UK: C. Laube CE: J. Anderson LAG: M. Romero BCG-Treasury C. Laube Residential Funding Of Canada –P. Leonard Have all required payments been made within required timeframes	

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T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
			under a Bilateral Facility or any other Indebtedness? • Any breakage costs? • Any acceleration of principal? (whether or not paid)	
			Legal	
8.01(f)	8.01(f)	The failure by any Obligor to pay one or more final judgments for the payment of money aggregating in excess of $25,000,000 rendered against such Person which are not, within 30 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 30 days after the expiration of such stay;	Legal	
8.01(g)	8.01(g)	This Agreement, any Note, any Facility Document or any Security Document (other than the Intercreditor Agreement) shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of any Obligor or Restricted Entity party thereto, or the Lien granted under the Security Documents ceases to be in full force and effect or, in each case, any Obligor, Restricted Entity or other Person shall contest in any manner such effectiveness, validity, binding nature or enforceability;	Legal	
8.01(h)	8.01(h)	The Collateral Control Agent/**A Collateral Holder** or the First Priority Collateral Agent (for the benefit of the Lender Parties) does not, or ceases to, have a perfected first priority security interest in the Collateral or any material part thereof (other than with respect to Permitted Liens) other than as a result of a release of such security interest by the First Priority Collateral Agent/**a Collateral Holder** in accordance with the Facility Documents, and such default continues unremedied for a period of one (1) Business Day after the earlier of (i) either Borrower having actual knowledge thereof and (ii) written notice of such default from the Lender Agent, the First Priority Collateral Agent/**a Collateral Holder** or any/**a** Lender to the Borrowers;	Legal	
8.01(i)	8.01(i)	A Change of Control shall occur with respect to any Obligor, without the prior written consent of each Lender, which consent shall not be unreasonably withheld;	Legal	
8.01(j)	8.01(j)	An event of default, early amortization event, termination event or other similar event occurs under (i) Security Document, (ii) a Related Document, (iii) Hedge Document, or (iv) Underlying Document (provided that, in the case of an Underlying Document, such event could reasonably be expected to have a Material Adverse Effect), and the Lender Agent specifies such failure as an Event of Default in writing;	Treasury – Terry Farley Mike Scarseth Heather Anderson BCG-Treasury C. Laube Financial Risk Mgmt – Mike Rowan Legal	

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T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
8.01(k)	8.01(k)	(i) Any Person shall engage in any non-exempt "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Pension Plan; (ii) any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Section 302 of ERISA) applicable to such Pension Plan, that has not been waived, shall exist with respect to any Pension Plan; (iii) any Lien in favor of the PBGC or a Pension Plan shall arise on the assets of any Obligor; (iv) a reportable event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Pension Plan, which reportable event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Lender Agent, likely to result in the termination of such Pension Plan for purposes of Title IV of ERISA; (v) any Pension Plan shall terminate for purposes of Title IV of ERISA in a distress termination as defined in Section 4041 of ERISA; (vi) any Obligor shall, or in the reasonable opinion of the Lender Agent is likely to, incur any liability in connection with a withdrawal from, or the insolvency or reorganization of, a Multiemployer Plan; (vii) if the assets of any Obligor are treated as "plan assets" within the meaning of 29 C.F.R. 2510.3-101 as modified by Section 3(42) of ERISA; (viii) any other event or condition shall occur or exist with respect to a Pension Plan or Multiemployer Plan; and in each case in clauses (i) through (vii)/**(viii)** above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect or a material adverse effect on the Collateral, or any of the Lenders' rights therein; or (ix) if the PBCG demands payment from any Obligor or any of its Subsidiaries for payment of unfunded liabilities under any pension or employee benefit plan (whether or not established by ResCap or its Subsidiaries) as to which any Obligor or any of its Subsidiaries has liability or (x) the PBGC gives any Obligor written notice of its intent to impose any Lien in favor of the PBGC on the assets of any Obligor or any of its Subsidiaries.	HR	
8.01(l)	N/A	Any of the following shall occur: (i) the Intercreditor Agreement or any provision thereof shall cease to be in full force and effect, or (ii) any Lien securing or purporting to secure Second Priority Claims (as defined in the Intercreditor Agreement) or Third Priority Claims (as defined in the Intercreditor Agreement) or any other obligations of any Obligor to any party (other than a "First Priority Secured Party" as defined in the Intercreditor Agreement) subject to the Intercreditor Agreement shall, for any reason, cease to be subordinated to the Lien securing or purporting to secure the First Priority Claims (as defined in the Intercreditor Agreement) in accordance with the terms of the Intercreditor Agreement; or	Legal	

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T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
N/A	8.01(l)	[Reserved];		
8.01(m)	8.01(m)	The Lender Agent shall notify the Borrowers that an Event of Default has occurred as a result of failure by the Obligors to satisfy any of the Post-Closing Requirements in all material respects/**and the Lender Agent specifies such failure as an Even of Default in writing, or**	Treasury – Terry Farley M. Scarseth BCG-Treasury C. Laube	
N/A	8.01(n)	(i) An "Event of Default" (as defined in a Derivative Agreement) shall have occurred under any Derivative Agreement, (ii) a "Termination Event" (as defined in a Derivative Agreement) shall have occurred under any Derivative Agreement and the Lender Agent shall have notified the Borrowers that such event shall be an Event of Default hereunder, or (iii) a "Default" (as such term is defined in the Master Netting Agreement) shall have occurred under the Master Netting Agreement.	Treasury – Terry Farley M. Scarseth • Facility Document Financial Risk Mgmt – Mike Rowan • Master Netting Agreement • Derivative Agreement	
8.02	8.02	Remedies.	NA	
8.02(a)	8.02(a)	Optional Acceleration. Upon the occurrence of an Event of Default (other than an Event of Default described in Section 8.01(d)), the Lender Agent may (and shall if directed by the Required Lenders) by written notice to the Borrowers, terminate the Facility, terminate the Commitments, and declare all Loans and all other Obligations to be immediately due and payable.	NA - Remedy	
8.02(b)	8.02(b)	Automatic Acceleration. Upon the occurrence of an Event of Default described in Section 8.01(d), the Commitments shall automatically terminate and the Loans and all other Obligations shall be immediately due and payable, without demand or notice of any kind.	NA – Remedy	
8.02(c)	8.02(c)	Remedies. Upon any acceleration of the Loans pursuant to this Section 8.02, the Lender Parties, in addition to all other rights and remedies under this Agreement or otherwise, shall have all other rights and remedies provided under the UCC of each applicable jurisdiction and other applicable laws, which rights shall be cumulative. Each of the Obligors agrees, upon the occurrence of an Event of Default and notice from the Lender Agent, to assemble, at their expense, all of the Collateral that is in their possession (whether by return, repossession, or otherwise) at a place designated by the Lender Agent. All costs incurred by the Lender Parties in the collection of all Obligations, and the enforcement of their rights hereunder, including attorneys' fees and legal expenses, shall constitute Obligations and be paid out of the Collateral. Without limiting the foregoing, upon the occurrence of an Event of Default and the acceleration of the Loans pursuant to this Section 8.02, the Lender Agent, the Collateral Control Agent, the	NA - Remedy	

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T215 Section Ref	T223 Section Ref	Section 8.01. Events of Default.	Responsible Party	Comments
		First Priority Collateral Agent and any Lender may, to the fullest extent permitted by applicable law, without notice, advertisement, hearing or process of law of any kind, (i) enter upon any premises where any of the Collateral which is in the possession of any Obligor (whether by return, repossession, or otherwise) may be located and take possession of and remove such Collateral, (ii) sell any or all of such Collateral, free of all rights and claims of the Obligors therein and thereto, at any public or private sale, and (iii) bid for and purchase any or all of such Collateral at any such sale. Any such sale shall be conducted in a commercially reasonable manner and in accordance with applicable law. Each of the Obligors hereby expressly waives, to the fullest extent permitted by applicable law, any and all notices, advertisements, hearings or process of law in connection with the exercise by the Lender Parties of any of their rights and remedies upon the occurrence of an Event of Default. Each of the Lender Parties and the Obligors shall have the right (but not the obligation) to bid for and purchase any or all Collateral at any public or private sale. Each of the Obligors hereby agrees that in any sale of any of the Collateral, the Lender Parties are hereby authorized to comply with any limitation or restriction in connection with such sale as they may be advised by counsel is necessary in order to avoid any violation of applicable law (including, without limitation, compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority, and each of the Obligors further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner. The Lender Parties shall not be liable for any sale, private or public, conducted in accordance with this Section 8.02(c). If an Event of Default occurs, and upon acceleration of the Loans hereunder, the Loans and all other Obligations shall be immediately due and payable, and collections on the Collateral and proceeds of sales and securitizations of Collateral will be used to pay the Obligations. At any time after an Event of Default has occurred and is continuing, the Lender Agent may (and shall at the direction of any Lender) appoint, at its own expense, one or more third parties to service all or a portion of the Collateral by giving written notice thereof to the Obligors; provided that any such appointment shall not conflict with any existing contractual servicing arrangements with respect to the Collateral. Each Obligor agrees that it will cooperate with and assist any such third-party servicer (including providing access to, and transferring, all records and allowing the new servicer to use (to the extent legally permissible) all licenses, hardware or software necessary or desirable to service the Collateral).		

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
6.01	6.01	Each Obligor represents and warrants to each Lender Party that throughout the term of this Agreement (including but not limited to as of the date of each Collateral Disposition):	NA	
6.01(a)	6.01(a)	Organization and Good Standing. Each of such Obligor and each of its Subsidiaries has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization, and has all requisite corporate or limited liability company power and authority to own its properties and to conduct its business as such properties are presently owned and such business is presently conducted, and had at all relevant times, and now has, all necessary power, authority and legal right to own the portion of the Collateral that it owns.	Ops/Risk Compliance	
			IBG- Capital Markets	
			BCG-Treasury C. Laube	
6.01(b)	6.01(b)	Due Qualification. Each of such Obligor and each of its Subsidiaries is duly qualified to do business, and has obtained all necessary licenses and approvals, in all jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, licenses or approvals, except to the extent failure to so qualify or to obtain licenses and approvals could not reasonably be expected to have a Material Adverse Effect.	Ops/Risk Compliance	
			IBG – Capital Markets	
			BCG-Treasury C. Laube	
6.01(c)	6.01(c)	Power and Authority; Due Authorization. Each of such Obligor and each of its Subsidiaries (i) has all necessary power and authority and legal right to (A) execute and deliver each of the Facility Documents to be executed and delivered by it in connection herewith, (B) carry out the terms of the Facility Documents to which it is a party and (C) borrow the Loans or provide the Guarantee hereunder (as applicable) and grant a security interest or lien in the portion of the Collateral that it owns on the terms and conditions herein provided or as otherwise required by the Facility Documents and (ii) has taken all necessary corporate, partnership or limited liability company action to duly authorize (A) such borrowing, guarantee and/or grant, as appropriate and (B) the execution, delivery, and performance of this Agreement and all of the Facility Documents to which it is a party.	Legal	
6.01(d)	6.01(d)	Binding Obligations. Each Facility Document to which such Obligor and any of its Subsidiaries is a party constitutes, or when duly executed and delivered by such Obligor or Subsidiary will constitute, the legal, valid and binding obligations of such Obligor or such Subsidiary enforceable against it in accordance with its respective terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.	Legal	
6.01(e)	6.01(e)	No Violation. Except for those consents required in connection with the Lenders exercising their rights under Section 8.02 hereof, neither the execution and delivery of the Facility Documents, nor the consummation of the transactions contemplated hereby and thereby, will conflict with,	Legal	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
		result in any breach of any of the terms and provisions of, or constitute (with or without notice, lapse of time or both) a default under, its organizational documents or any indenture, loan agreement, mortgage, deed of trust, or other material agreement or instrument to which such Obligor or any of its Subsidiaries is a party or by which any of them or their property is otherwise bound, or result in the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, loan agreement, mortgage, deed of trust, or other agreement or instrument, other than this Agreement and the Security Documents, or violate any Requirements of Law applicable to it of any Governmental Authority having jurisdiction over it or any of its properties if such violation, individually or in the aggregate, is reasonably likely to result in a Material Adverse Effect.		
6.01(f)	6.01(f)	No Proceedings. There are no proceedings or investigations pending, or to the best of such Obligor's knowledge threatened in writing, against it before any court, regulatory body, administrative agency, or other tribunal or governmental instrumentality (i) asserting the invalidity of any Facility Document, (ii) seeking to prevent the consummation of any of the transactions contemplated by any Facility Document, or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect; provided, however, that this representation shall not apply to (x) matters that have been disclosed to the Lender Agent in writing prior to closing, or (y) matters arising from the attempts of the Obligors to enforce their rights with respect to the Collateral other than purported or certified class action law suits involving any portion of the Collateral or Supporting Assets consisting of mortgage loans which have a material impact on the enforceability or value of such mortgage loans or the Lender's security therein.	Legal	
6.01(g)	6.01(g)	Government Approvals. No authorization, consent, approval, or other action by, and no notice to or filing with, any court, governmental authority or regulatory body or other Person, domestic or foreign, is required for the due execution, delivery or performance of any Facility Document to which such Obligor is a party except for (i) consents that have been obtained in connection with transactions contemplated by the Facility Documents, it being understood that consents to the pledge of interests in BCG Joint Ventures were initially verbal consents, to be followed by written consents in accordance with the Post-Closing Requirements, (ii) filings to perfect the security interest created by the Security Documents and (iii) consents required in connection with the First Priority Collateral Agent/**Lender Agent** exercising its rights under Section 8.02 hereof.	NA	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
6.01(h)	6.01(h)	Solvent: Fraudulent Conveyance. ResCap and its Subsidiaries, on a consolidated basis, are Solvent and will not cease to be Solvent due to any Loan or any guaranty hereunder (both immediately before and after giving effect to such Loan or guaranty). The amount of consideration being received by an Obligor upon its pledge or provision of any Collateral to the First Priority Collateral Agent/**Lender Agent** for the benefit of the Lender Parties constitutes reasonably equivalent value and fair consideration for such Collateral. No Obligor is pledging or providing any Collateral with any intent to hinder, delay, or defraud any of its creditors.	CAO-Financial Reporting - Solvency Capital Markets- No Fraud and conveyance of Solvency	
6.01(i)	6.01(i)	Margin Regulations. Margin Stock (as defined in the regulations of the Board) constitutes less than 25% of the value of those assets of it that are subject to any limitation on sale, pledge, or other restriction hereunder. No Obligor is engaged in the business of extending credit for the purpose of buying or carrying Margin Stock, and no proceeds of Loans will be used to purchase or carry Margin Stock or otherwise for a purpose that violates, or would be inconsistent with, F.R.S. Board Regulations T, U or X.	Legal	
6.01(j)	6.01(j)	Accurate Reports. No written information, exhibit, financial statement, document, book, record, or report furnished or to be furnished or caused to be furnished by such Obligor to the Lender Agent or any Lender in connection with the Facility Documents was inaccurate in any material respect as of the date it was dated or (except as otherwise disclosed in writing to the Lenders or the Lender Agent at such time) as of the date so furnished, or contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided that any such inaccuracy, misstatement or omission in any Permanent Paydown Report/**Borrowing Base calculation** not included in **(including any calculations as included in any Borrowing Base Report) that is not part of** the Monthly Collateral Report, **or any calculation of the Unrestricted ResCap Liquidity derived from the ResCap Liquidity Balance Rollforward** or any daily report regularly provided to the Lender Agent in connection with this Loan Agreement shall not constitute a breach of this Section 6.01(j)/**paragraph** if **(i)** such calculation was prepared in good faith, based on the actual knowledge of ResCap Treasury **Group** available at the time and in accordance with ResCap's general accounting and business policies as in effect as of the date such information was furnished **or (ii) the Borrowing Base is reported to be lower than the actual Borrowing Base due to the use of a lower Specified Percentage than the applicable Specified Percentage with respect to an Eligible Asset included in such Borrowing Base report.**	Treasury: • Funding request (Terry Farley) • Lien releases (Terry Farley) • Affiliate sales approvals (Terry Farley) • Cash & Cash Equivalents (K Gyasi-Twum) • Repayment notices (Terry Farley) • Permanent Pay-down Report (Terry Farley) – updated for Amendment #4 Treasury Forecasting (Larry LaCombe) • ResCap Liquidity Balance Rollforward Treasury Operations • Sheila Lichty IBG-Treasury UK (S Lichty) & CE	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
			(Willems) CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube	
			CAO – Financial Reporting • Financial Statements Finance-Financial Controls (Revolver Only) • Borrowing base reports • Collateral value report • Collateral value certificate • Electronic file • Permanent Paydown Report	
6.01(k)	6.01(k)	No Default. No Default has occurred and is continuing.	NA	
6.01(l)	6.01(l)	Investment Company Act. Neither such Obligor nor any of its Subsidiaries is required to register as an "investment company" under the Investment Company Act.	Legal	
6.01(m)	6.01(m)	Taxes. Each of such Obligor and each of its Subsidiaries has filed all material United States federal tax returns and all other material returns that are required to be filed, and has paid all material taxes due pursuant to said returns or pursuant to any assessment received by it, except such taxes, if any, as are being contested in good faith by appropriate proceedings diligently conducted and as to which adequate reserves have been provided in accordance with GAAP. The charges, accruals and reserves on the books of such Obligor in respect of taxes and other governmental charges are, in the opinion of such Obligor, adequate.	Tax	
6.01(n)	6.01(n)	Approved Servicer. Except as disclosed to the Lender Agent prior to the Amendment Closing Date, (i) with respect to the Borrowers only, each/**such** Borrower is approved by Fannie Mae as an approved lender, (ii) GMAC Mortgage is approved by each of Freddie Mac and Ginnie Mae as an approved seller, HUD pursuant to Sections 203 and 211 of the National Housing Act, the FHA as an FHA Approved Mortgagee and Servicer, and the VA as a VA Approved Lender, (iii) GMAC Mortgage is approved by Freddie Mac, Fannie Mae and Ginnie Mae as an approved servicer, (iv) each Borrower is in good standing with Freddie Mac, Ginnie Mae, HUD, the FHA, and/or the VA, as applicable, (v) no circumstances exist that would either entitle Freddie Mac,	Servicing	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
		Ginnie Mae, HUD, the FHA or the VA to revoke or suspend any such approvals or entitle Freddie Mac or Ginnie Mae to terminate any Borrower as servicer for cause under any servicing arrangement, (vi) no Borrower has received from Freddie Mac, Ginnie Mae, HUD, the FHA or the VA any notice revoking or suspending, or indicating any intent to revoke or suspend or indicating any adverse fact or circumstance which could reasonably be expected to entitle Freddie Mac, Ginnie Mae, HUD, the FHA or the VA, as the case may be, to revoke or suspend any of the aforementioned approvals, and (vii) each FHA Insurance Contract and VA Guaranty Agreement applicable to the Borrowers or any other Obligor or their Subsidiaries is in full force and effect.		
6.01(o)	6.01(o)	Financial Statements. (i) ResCap has delivered to the Lender Agent a copy of (1) ResCap's audited, consolidated financial statements dated as of December 31, 2008, comprised of the consolidated statements of income or operations and cash flows for the preceding twelve (12) month period and the consolidated balance sheet as at December 31, 2008, and (2) ResCap's quarterly consolidated financial report for the period ended September 30, 2009; each was prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, subject to ordinary, good faith year-end audit adjustments; and each of (1) and (2) are correct in all material respects and fairly present the consolidated financial condition of ResCap and its consolidated Subsidiaries, as of the dates thereof and consolidated results of operations for the periods covered thereby and (ii) As of the date of this Agreement, since September 30, 2009, other than as has been previously disclosed by the Borrowers or ResCap to the Lenders or the Lender Agent prior to the date hereof, there has been no change in such financial condition or results of operation that is reasonably likely to have a Material Adverse Effect. Except as discussed in the financial statements, it is not subject to any contingent liabilities or commitments that, individually, or in the aggregate, has/**have** or could reasonably be expected to have a Material Adverse Effect.	NA	
6.01(p)	6.01(p)	Chief Executive Office. **PATI's chief executive office is located at 1100 Virginia Drive, Fort Washington, PA 19034 or at such other location as hereafter disclosed to the Lender Agent in writing. RAHI's chief executive office is located at 3993 Howard Hughes Parkway, Suite 250, Las Vegas, NV 89169 or at such other location as hereafter disclosed to the Lender Agent in writing. The chief executive office of the Borrowers are as set forth in Schedule II to the Security Agreement or at such other locations as hereafter disclosed to the Lender Agent in writing.** RFC's chief executive office is located at One Meridian Crossings, Suite 100, Minneapolis, MN 55423 or at such other location as hereafter disclosed to the Lender Agent in writing. GMAC Mortgage's chief executive office is located at 1100 Virginia Drive, Fort Washington, PA 19034 or at such other location as hereafter disclosed to the Lender Agent in writing. The/**ResCap's** chief executive office of the Guarantors are as set forth in Schedule II to the Security Agreement or at such other locations/**is located at One Meridian Crossings, Suite 100, Minneapolis, MN 55423 or such other location** as hereafter disclosed to the Lender Agent in writing.	Legal	
6.01(q)	6.01(q)	Location of Books and Records. The location where such Obligor keeps its books and records,	CAO-Financial Reporting	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
		including all electronic files and records relating to the Collateral that it owns, is its chief executive office or such other location as disclosed to the Lender Agent in writing.		
6.01(r)	6.01(r)	Compliance with Laws. It is in compliance in all material respects with all applicable Requirements of Law; provided that any such failure to comply with applicable Requirements of Law with respect to MHF Assets resulting solely from a default by a third-party customer of MHF in the performance of its obligations (including any obligation to comply with law) to MHF shall not constitute an Event of Default unless such failure to comply could reasonably be expected to give rise to liabilities payable out of Collateral other than MHF Assets.	BCG-Treasury C. Laube	
			Legal Ops/Risk Compliance- licensing	
6.01(s)	6.01(s)	Representations and Warranties under the Security Documents. Each of the representations and warranties it has made or any of its Subsidiaries **of ResCap** has made under the Security Documents are true and correct in all material respects, and to the best of its knowledge all of the representations and warranties of all other parties to such agreements are true and correct in all material respects.	Treasury –Terry Farley Treasury Structuring • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube Treasury Operations • Sheila Lichty Warehouse Lending – Treasury (Carol MacElree) IBG-Treasury UK (S Lichty) & CE (Ramon Willems)	
6.01(t)	6.01(u)	ERISA. Each Pension Plan is in compliance in all material respects with, and has been administered in all material respects in compliance with, the applicable provisions of ERISA, the Internal Revenue Code and all other applicable Federal and State laws, and no event has occurred or is reasonably expected to occur with respect to any such Pension Plan or any Multiemployer Plan that has resulted in or is reasonably expected to result in a Material Adverse Effect.	HR	
6.01(u)	6.01(v)	Servicing Advances. Each Borrower has provided to GMAC (whether pursuant to this Agreement or another Related Document), as of the date hereof, all relevant information about any circumstance, including but not limited to the servicer status under each of the Borrowers' mortgage loan servicing contracts, that may affect the timely payment of all amounts owed with respect to the Advances included in the Primary Collateral/**Collateral**, Supporting Assets or RE Assets, provided such circumstances involve an Agency, a securitization trustee or (to the extent	Treasury – Heather Anderson	

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T215 Section Ref	T223 Section Ref	Section 6.01. Representations and Warranties of the Borrowers.	Responsible Party	Comments
		such circumstance could reasonably be expected to give rise to a Material Adverse Effect) any other Person.		
6.01(v)	6.01(t)	Underlying Documents; Restricted Entities. The Obligors have provided to the Lender Agent, or made available to the Lender Agent on a website to which the Lender Agent will have access while the related Collateral is held by the Obligors, true, accurate, and complete copies of each Underlying Document, each as amended, restated, supplemented or otherwise modified as of the Amendment Closing Date, and will promptly provide the Lender Agent with written notice of modifications or terminations thereof (other than Permitted Actions); and all Indebtedness (other than Excluded Debt and Permitted Indebtedness described in clause (c) or (h) of the definition of Permitted Indebtedness) owed by Restricted Entities is reflected in the Carrying Value of Primary Collateral/**Collateral** related to such entities. **Note:** There is conflicting language surrounding the provision above regarding "Permitted Indebtedness". Permitted Indebtedness should not be excluded from carry value. ResCap will work with GMAC to clarify and revise this language in a future agreement between the parties.	Treasury – Terry Farley Mike Scarseth Heather Anderson BCG-Treasury C. Laube Finance - Financial Controls (Indebtedness)	

T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
7.01	7.01	Affirmative Covenants of the Obligors. Each Obligor covenants and agrees with the Lender Parties that, until all Loans and other Obligations have been paid in full in cash and the Commitments have terminated or expired, such Obligor will perform or cause to be performed the obligations set forth below in this Article VII:	NA	
7.01(a)	7.01(a)	Compliance with Laws, Etc. Each of such Obligor and each of its Subsidiaries shall comply in all material respects with all applicable Requirements of Law, provided that any such failure to comply with applicable Requirements of Law with respect to MHF Assets resulting solely from default by a third-party customer of MHF in the performance of its obligations (including any obligation to comply with law) to MHF shall not constitute an Event of Default unless such failure to comply could reasonably be expected to give rise to liabilities payable out of Collateral other than MHF Assets.	Ops/Risk Compliance	
			BCG-Treasury C. Laube	
			Legal	
7.01(b)	7.01(b)	Performance and Compliance with Agreements. Each Obligor and each Subsidiary thereof shall comply with all provisions, covenants and other promises required to be observed by it under each of the Facility Documents to which it is a party (subject to all applicable grace periods as provided therein).	Treasury - Terry Farley Mike Scarseth Heather Anderson IBG - Treasury	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
			UK: C. Laube CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C Laube Can you identify collateral pledged to revolver separately from other assets? Any transactions with affiliates? Was fair value of Assets received? Has any collateral subject to the Revolver been sold? Has cash been appropriately deposited and utilized? Have you entered into any new obligations requiring the pledging of cash or other collateral that are subject to permission under the Revolver? Have you entered into any new indebtedness (not including permitted indebtedness under existing bilats)?	
			CAO –Financial Reporting HR Legal- in relation to areas where Legal is the certifying party	
7.01(c)	7.01(c)	Taxes. Each of such Obligor and each of its Subsidiaries shall pay and discharge promptly	Tax	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
		when due all material taxes and governmental charges imposed upon it or upon its income or profits or in respect of its property, in each case before the same shall become delinquent or in default and before penalties accrue thereon, unless and to the extent such taxes are being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves shall, to the extent required by GAAP, have been set aside.		
7.01(d)	7.01(d)	Due Diligence. Such Obligor agrees and acknowledges that (i) the Lender Agent, at the Lender Agent's own expense except as set forth as provided herein, has the right to perform continuing due diligence reviews with respect to the Collateral, for purposes of verifying compliance with the representations, warranties, and specifications made hereunder and under the other Facility Documents, or otherwise, and (ii) the Lender Agent and its Responsible Officers will be permitted during normal business hours to examine, inspect, make copies of, and make extracts of, any and all documents, records, agreements, instruments or information relating to the Collateral in its possession. Notwithstanding anything to the contrary herein, the Borrowers shall jointly and severally reimburse the Lender Agent for any and all out-of-pocket costs and expenses reasonably incurred by such party and its respective designees and agents in connection with the ongoing due diligence and auditing activities (A) not more than once a year, if no Event of Default has occurred and is continuing and (B) at all times during any period in which an Event of Default has occurred and is continuing.	N/A – general statement	
7.01(e)	7.01(e)	Legal Existence, etc. Such Obligor shall (i) preserve and maintain its legal existence and good standing and the legal existence and good standing of its Subsidiaries, except to the extent such failure to so preserve and maintain is in connection with a Permitted Dissolution, (ii) preserve and maintain all of its rights, privileges, authorizations, approvals, licenses and franchises, except to the extent such failure to so preserve and maintain relates to a Permitted Dissolution or is not reasonably expected to have a Material Adverse Effect; and (iii) keep adequate records and books of account, in which complete entries will be made in accordance with GAAP consistently applied (or, in the case of Obligors or Subsidiaries organized outside of the United States, in accordance with GAAP and/or applicable local accounting standards, consistently applied) and local law.	IBG- Capital Markets	
			BCG-Treasury C. Laube	
			(i) (ii) Legal	
			(i)(ii) Ops/Risk Compliance	
			(iii) CAO – Financial Reporting – On behalf of US GAAP only	
7.01(f)	7.01(f)	Financial Statements. ResCap shall deliver each of the following to the Lender Agent:	ResCap Compliance	
7.01(f)(i)	7.01(f)(i)	as soon as available, but not later than forty-five (45) calendar days after the end of each fiscal quarter ending on March 31, June 30 and September 30, ResCap's unaudited consolidated balance sheet as at the end of such fiscal quarter, the related unaudited, consolidated statement of income for such quarter and the portion of the fiscal year through the end of such quarter and the related unaudited consolidated statements of retained earnings and cash flows for the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year;	CAO – Financial Reporting	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
7.01(f)(ii)	7.01(f)(ii)	as soon as available, but not later than ninety (90) days after the end of each fiscal year ResCap's audited consolidated balance sheet as at the end of such fiscal year and the related consolidated statements of income and retained earnings and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous year, and accompanied by the opinion of an independent certified public accountant of recognized national standing, which report shall state that such consolidated financial statements present fairly ResCap's consolidated financial position and the results of its operations for the periods indicated in conformity with GAAP. Such opinion shall not be qualified or limited because of a restricted or limited examination by the independent auditor of any material portion of its books and records and shall have no "going concern" qualification;	CAO – Financial Reporting	
7.01(f)(iii)	7.01(f)(iii)	as soon as available, but not later than thirty (30) days after the end of each calendar month ResCap's consolidated balance sheet as of the end of such calendar month and the related consolidated statements of income for such calendar month, setting forth in each case in comparative form the figures for the previous calendar month, fairly presenting in all material respects, in accordance with GAAP, as at the end of, and for such period, ResCap's consolidated financial position and the results of ResCap's consolidated operations; and	CAO – Financial Reporting	
7.01(f)(iv)	7.01(f)(iv)	concurrently with the delivery of the financial statements referred to in subsections 7.01(f)(i), (ii), and (iii), a duly completed Compliance Certificate executed by a Responsible Officer of ResCap.	ResCap Compliance	
7.01(g)	7.01(g)	Required Reports; Additional Information. The Borrowers will at the times specified in Schedule 7.01(g) attached hereto deliver to the Lender Agent the reports identified in such schedule, and promptly furnish to the Lender Agent all notices of all final written audits, examinations, evaluations, reviews and reports of the Obligors' origination and servicing operations by any state mortgage banking licensing agency or instrumentality (including those prepared on a contract basis for any such agency) in which there are material adverse findings, including without limitation notices of termination or impairment of approved status, and notices of probation, suspension or non-renewals, and such other information, documents, records or reports with respect to the Collateral or the conditions or the Obligors' operations, financial or otherwise, as the Lender Agent may from time to time reasonably request.	Treasury - Lender requests Terry Farley Treasury Ops – Sheila Lichty Schedule 7.01(g) GMAC Required Reports Monthly Collateral Report, to be delivered by the eleventh Business Day of each month. Comprising: 1. Collateral Value Report 2. Collateral Value Certificate 3. Electronic File 4. Permanent Paydown Report IBG - Treasury - Has required and additional information been provided? Are you comfortable that it is accurate? UK: S. Lichty CE: J. Anderson	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
			LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube	
			Finance - Financial Controls 1. Collateral Value Report 2. Collateral Value Certificate/Schedule 3. Electronic File 4. Permanent Paydown Report (Revolver only) Ops/Risk Compliance-licensing Servicing	
7.01(h)	7.01(h)	Peak Score. GMAC Mortgage shall maintain either (i)(1) at all times while Fannie Mae is utilizing the monthly Peak Score rating system, a monthly Peak Score which equates to "Excellent" or better or (2) at all times after Fannie Mae has developed and implemented a replacement rating system for the monthly Peak Score rating system, a score or rating in respect of such replacement rating system that is reasonably equivalent to a monthly Peak Score of "Excellent" or better, as agreed upon by the Lender Agent and GMAC Mortgage, or (ii) an Investor Reporting and Remitting rating from Freddie Mac which equates to "Tier 2" or better.	Servicing	
7.01(i)	7.01(i)	Quality Control. Such Obligor and each of its Subsidiaries shall conduct quality control reviews of its servicing operations in accordance with industry standards and past practice. Each Obligor shall report to the Lender Agent quality control findings that could reasonably be expected to give rise to a Material Adverse Effect as such reports are produced and upon reasonable request by the Lender Agent.	IBG- Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG - Treasury C Laube	
			Servicing	
7.01(j)	7.01(j)	Insurance. Such Obligor shall maintain such insurance with financially sound and reputable	Corporate Insurance	

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		insurance companies, and with respect to property and risks of a character usually maintained by entities engaged in the same or similar business similarly situated, against loss, damage and liability of the kinds and in the amounts customarily maintained by such entities.		
7.01(k)	7.01(k)	Use of Proceeds and Withdrawals **Collections**. The Borrowers/**Obligors** shall use the proceeds of the Loans and any funds/**Collections** withdrawn from the Concentration Accounts, the Collection Accounts and (to the extent permitted under Section 4.02) Sales Proceeds Account in accordance with Section 4.04/**4.03** for budgeted working capital and general corporate expenses in the ordinary course of business.	(i) (iii) Treasury - Kwab Gyasi-Twum IBG-Treasury UK (S Lichty) & CE (Ramon Willems) BCG-Treasury C. Laube	
			(ii) Treasury Terry Farley Sheila Lichty	
7.01(l)	7.01(l)	Accounts. (i) ResCap shall not hold in the Exempt Cash Reserve Account any amount in excess of the sum of $250,000,000 and any investment earnings on such amount accrued and retained therein, and (ii) the Obligors will (subject to the provisions of Sections 4.02/**4.01** and 4.03/**4.02** and the Account Exceptions) insure that all Collections with respect to Collateral (other than funds deposited in the Exempt Cash Reserve Account as described above) are deposited directly into the Collection Accounts.	Consolidated Liquidity	
7.01(m)	7.01(m)	Custodial Procedures. The Borrowers and Obligors have entered into and will maintain one or more custody agreements (as the same may be amended, supplemented, modified or restated from time to time, the "Custody Agreement") governing the custody of certain documentation for Collateral consisting of US Mortgage Loans, which Custody Agreement appoints Wells Fargo Bank National Association **and Ally Bank** as custodian. At the Lender Agent's request, the Borrowers hereby agree to update the Lender Agent on the applicable custodian's exception report. The Lender Agent may at any time specify that any US Mortgage Loans included in the applicable custodian's exception report shall no longer constitute Eligible Assets. It is understood and agreed that the Lender Agent may adjust the Specified Percentage of all or a portion of the US Mortgage Loans in response to the exceptions described therein.	Treasury Structuring M. Scarseth Treasury Ops • Sheila Lichty	

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7.01(n)	N/A	Collections and Net Cash Proceeds Reporting. The Borrowers will, within eleven Business Days of the end of each calendar month, provide a written statement to the Lender Agent and each Lender of (i) the aggregate Net Cash Proceeds of all Collateral Dispositions of the Obligors and their Subsidiaries, (ii) the aggregate Collections received relating to Primary Collateral, in each case during the immediately preceding calendar month, and (iii) the Carrying Value of the Primary Collateral of each Obligor at the beginning of such calendar month and at the end of such calendar month.	Finance –Financial Controls	
7.01(o)	7.01(w)	REO Property. With respect to any Primary Collateral/**Collateral** consisting of REO Property (other than REO Property held by BCG), the Obligors will obtain a broker price opinion every ninety (90) days to the extent required under the Servicing Guidelines for so long as such Primary Collateral/**Collateral** is retained.	Treasury Ops Sheila Lichty	
7.01(p)	7.01(o)	Servicing of Collateral, RE Assets, Supporting Assets. Such Obligor will ensure, and will direct its Subsidiaries to ensure, that the Collateral, Supporting Assets and RE Assets owned or serviced by it or its Subsidiaries (as applicable) is/**are** serviced and administered by it or its Subsidiaries as servicer or administered at all times in accordance with the procedures (including but not limited to collection and enforcement procedures, the maintenance of insurance, custodial arrangements, documentation retention, and the making of servicer advances, including servicer advances with respect to residential mortgage assets) that each Borrower or other Obligor (as the case may be) customarily employs and exercises (or requires to be employed or exercised by those servicing its other assets) in its good faith business judgment and which are normal and usual in the servicing of its other assets, and that such servicing and administration is conducted in the best interest of and for the benefit of the Lender Parties.	IBG – Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube Is your servicing done in accordance with standard industry practices for due care and do you do any QC work to validate that?	
			Servicing	
7.01(q)	N/A	Structuring for Eligible Collateral Acquisition, Excluded Assets, Non-UCC Assets. Such Obligor will, and will cause its Subsidiaries to, use commercially reasonable efforts to grant and perfect a Lien to secure the Obligations, directly or through the use of a Restricted Entity, with respect to (i) US Mortgage Loans repurchased or otherwise acquired by such Obligor or Subsidiary, or held by such Obligor or Subsidiary and released from the Liens supporting any other facility, (ii) Mortgage Loans denominated in other currencies, provided that, with respect to Mortgage Loans that are denominated in Pounds Sterling or Euros, the covenant contained in this clause (ii) shall not take effect until the third-party credit facility in place on the Amendment Closing Date for financing Mortgage Loans in such currency has been terminated (by prepayment, at maturity or otherwise), and (iii) each of their unencumbered assets with a Carrying Value (in the case of this clause (iii)) greater than $50,000,000. Without	(i), (ii) Treasury Terry Farley (i), (ii) IBG - Treasury UK: C. Laube CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard	

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		limiting the foregoing and unless the Lender Agent shall agree otherwise, upon the termination of the Conduit (No. 2) Facility, the Obligors will, and will cause its Subsidiaries to (i) transfer the Mortgage Loans pledged under the Conduit (No. 2) Facility and any other unencumbered repurchased Mortgage Loan denominated in Pounds Sterling or Euros to be transferred to a Restricted Entity, (ii) cause such Restricted Entity to issue notes secured by such Mortgage Loans, and (iii) pledge such notes as Collateral under the Security Agreement; provided that unless the Borrowers and the Lender Agent agree, such notes and Mortgage Loans shall not be Primary Collateral or Supporting Assets.		
			(iii) Legal	
			(iii) Finance – Financial Controls First (iii) - Sue Bode Financial Controls is certifying they will provide provide a report or notice of any assets greater than $50 million to Treasury on a month lag	
7.01(**r**)	7.01(q)	Further Assurances. Such Obligor will, and will cause each of its Subsidiaries to, at its own expenses promptly execute and deliver to the Lender Agent **or the applicable Collateral Holder**, the First Priority Collateral Agent or the Collateral Control Agent all such other documents, agreements and instruments reasonably requested by the Lender Agent, the First Priority Collateral Agent or the Collateral Control Agent **or such Collateral Holder** to comply with, cure any defects or accomplish the conditions precedent, covenants and agreements of the Borrowers and the Guarantors in the Facility Documents, if requested, or to further evidence and more fully describe the collateral intended as security for the Obligations, or to correct any omissions in this Agreement or the Facility Documents, or to state more fully the obligations secured therein, or to perfect, protect or preserve any Liens created pursuant to any of the Security Documents or the priority thereof, or to make any recordings, file any notices or obtain any consents, all as may be reasonably necessary or appropriate, in the sole discretion of the Lender Agent **or a Collateral Holder**, in connection therewith. Each Obligor hereby authorizes, without obligation, the Lender Parties to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of any Collateral or any part thereof or any other collateral without the signature of any Obligor where permitted by law. Without limiting the foregoing, each Obligor agrees that the Lender Agent and the First Priority Collateral Agent/**and each Collateral Holder** are hereby authorized to file, at such times as the Lender Agent **or a Collateral Holder** deems necessary or desirable, UCC financing statements naming it and its Subsidiaries as debtor and describing the collateral as "all personal property" or "all assets" of such debtor whether now or hereafter acquired, or words of like import.	Treasury Terry Farley Treasury Ops Sheila Lichty IBG – Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube Intent is to allow for GMAC to ask us to produce things post-close to protect their interests under docs. Have all reasonable requests made by GMAC or their attorneys have been met, whether made directly to us or	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
			through our attorneys?	
7.01(s)	7.01(p)	Additional Guarantors.		
7.01(s)(i)	7.01(p)(i)	ResCap and the Borrowers will, contemporaneously with the direct or indirect acquisition of any Person which upon such acquisition is, or of any asset which causes the Subsidiary acquiring such assets (without regard to any other assets of such Subsidiary) to be, a Significant Subsidiary (other than an Excluded Subsidiary), cause such Person or Subsidiary to execute a joinder agreement in substantially the form of Exhibit 7.01(t)/**in form and substance reasonably satisfactory to the Lender Agent** whereby such Person or Subsidiary unconditionally agrees to become a party to, and assume all obligations under, this Agreement as a Guarantor.	Legal CAO – Financial Reporting	
7.01(s)(ii)	7.01(p)(ii)	ResCap and the Borrowers will, contemporaneously with the guarantee by any Subsidiary of any Indebtedness of ResCap or any other Guarantor, cause such Subsidiary (unless such Subsidiary is already a Guarantor) to execute a joinder agreement in substantially the form of Exhibit 7.01(t)/**7.01(q)** whereby such Subsidiary unconditionally agrees to become a party to, and assume all Obligations as a Guarantor.	Legal Treasury M. Scarseth	
7.01(s)(iii)	7.01(p)(iii	ResCap and the Borrowers will, within forty-five (45) days after the end of each of the first three fiscal quarters of each year and ninety (90) days after the end of each fiscal year, cause each Person that is a Significant Subsidiary (other than an Excluded Subsidiary) as of the end of such quarter or fiscal year that is not already a Guarantor to execute a joinder agreement in substantially the form of Exhibit 7.01(t)/**in form and substance reasonable satisfactory to the Lender Agent** whereby such Person unconditionally agrees to become a party to, and assume all obligations under, this Agreement as a Guarantor.	Legal CAO – Financial Reporting	
7.01(t)	N/A	Terms of Other Debt Facilities. The Obligors shall (i) give not less than ten (10) Business Days' prior written notice to the Lender Agent of any amendment of any Bilateral Facility or the execution of any other facility under which ResCap or any of its Subsidiaries incur Indebtedness, which amendment or facility varies from this Agreement as to (v) whether Obligors other than ResCap make representations as to, or are required to be, Solvent, (w) the definition of "Solvent" or an equivalent or any representation relating to solvency, (x) the definition of "Change of Control" or the equivalent in any such facility, (y) any financial covenant (including the imposition of a new financial covenant), or (z) any of the definitions of the terms referenced in the provisions described in clauses (w), (x) or (y) above, and (ii) within five (5) Business Days after such provision(s) shall become effective, enter into such amendments hereto as may be required by the Lender Agent to conform in all material respects to the related provisions of this Agreement to such amendment(s).	Treasury Terry Farley Heather Anderson Mike Scarseth IBG – Treasury UK: C. Laube CE: J. Anderson LAG: M. Romero BCG-Treasury C. Laube	
7.01(u)	7.01(n)	Transfer of Rights or Benefits. If requested to do so by the Lender Agent, the Obligors will cooperate, to the fullest extent reasonably possible, with actions taken by a lender under the Dutch Security Documents/**Facility Documents** and the English Security Documents that enable such lender to effect a transfer of servicing, legal title or other rights or benefits in an	NA- only applicable if request is made	

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		efficient and orderly manner upon exercise of remedies pursuant to the Dutch Security Documents or the English Security Documents, as applicable, with respect to any collateral **(including Collateral hereunder)** maintained for such lender's/**Lender Agent** benefit.		
7.01(v)	7.01(r)	Underlying Documents Obligations and Contractual Exercise of Rights and Remedies. Each Obligor shall, and shall cause its Subsidiaries to, (i) perform all of its obligations under the Underlying Documents, except where failure to perform could not reasonably be expected to give rise to a Material Adverse Effect; and (ii) take such actions to exercise the rights and remedies of any ResCap Subsidiary with respect to the Underlying Documents as the Lender Agent shall direct in accordance with the terms of the applicable agreement, provided that, absent such direction, the Obligors and such Subsidiaries may take or permit to occur Permitted Actions.	Treasury – Terry Farley GSAP-Heather Anderson Treasury Ops Sheila Lichty BCG-Treasury C. Laube Treasury Structuring • Heather Anderson • Mike Scarseth Warehouse Lending-Treasury (Carol MacElree) IBG-Treasury UK (Sheila Lichty) & CE (Ramon Willems)	
N/A	7.01(v)	Unrestricted ResCap Liquidity; Balance Rollforward. The Obligors will provide to the Lender Agent, on a daily basis, the ResCap Liquidity Balance Rollforward, prepared in a manner consistent with the methods used by the management of the Borrowers prior to the Closing Date and the Obligors shall endeavor, taking into account ordinary course business expenses and receipts and acting in good faith, to maintain, at all times, (i) Unrestricted ResCap Liquidity in excess of the Unrestricted ResCap Liquidity Threshold and (ii) Consolidated Liquidity in excess of the Consolidated Liquidity Threshold.	Treasury Forecasting – Larry LaCombe	
7.01(w)	7.01(s)	Underlying Documents Reports and Notices. The Obligors shall promptly deliver to the Lender Agent (i) with respect to the English Security Documents/**European Security Documents** and the Dutch Security Documents, all reports, notices and certificates required thereunder and (ii) with respect to all other Underlying Documents, all reports, notices and certificates which describe events or circumstances that could reasonably be expected to give rise to a Material Adverse Effect.	Treasury – Terry Farley GSAP-Heather Anderson Treasury Ops Sheila Lichty	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
			BCG-Treasury C. Laube Treasury Structuring • Heather Anderson • Mike Scarseth Warehouse Lending-Treasury (Carol MacElree) IBG-Treasury UK (Sheila Lichty) & CE (Ramon Willems)	
7.01(x)	7.01(u)	Additional Collateral. The Obligors shall provide as soon as practicable prior written notice to the Lender Agent of any proposed Substitute Collateral/**Approved Additional Collateral (other than US Mortgage Loans)** which they request to be added to the Primary Collateral/**Qualifying Collateral**. The Obligors shall deliver such documents, agreements, schedules, other information and opinions as the Lender Agent shall reasonably request in connection with any such proposed additional Collateral including, without limitation, all reasonable information with respect to any equity in joint ventures or other Assets acquired by a Restricted Entity. The Lender Agent shall act in good faith to discuss any such request from the Obligors. The Obligors shall cooperate with the Lender Agent with respect to any due diligence the Lender Agent reasonably requires with respect to such proposed Substitute Collateral/**additional Approved Additional Collateral** and shall enter into any amendments to the existing Security Documents, and enter into any additional documentation or authorize any filings with respect to the Lender Agent's security interest in any such Substitute Collateral/**Approved Additional Collateral**, as the Lender Agent shall reasonably request. No proposed Substitute Collateral/**Approved Additional Collateral** shall become Substitute Collateral/**Approval Additional Collateral** without the prior written consent of the Lender Agent, as evidenced by its execution of a Collateral Addition Designation Notice, which notice may set out certain terms and conditions governing the Collateral Value of such Substitute Collateral/**approved Additional Collateral** and additional covenants, representations or eligibility requirements, which additional terms shall apply to such Substitute Collateral/**Approved Additional Collateral** as if set forth hereunder unless otherwise later	Treasury – Terry Farley Treasury Operations • Sheila Lichty • Mike Scarseth BCG-Treasury C. Laube	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
		specified by the Lender Agent in writing. In addition, with respect to the Obligors' request to add US Mortgage Loans, the Obligors shall deliver to the Lender Agent a data file identifying those loans requested to be included on the Mortgage Schedule and be included in the Primary Collateral at the time such Mortgage Schedule is delivered, which data file shall include loan data, with the same detail and in the same format, as the data file delivered to the Lender Agent on May 19, 2009 in connection with the Line of Credit Agreement (or such other data, detail or format as the Lender Agent and the Obligors shall mutually agree), and in any event sufficient data to identify each US Mortgage Loan thereon. If the Lender Agent approves such addition of US Mortgage Loans, the Obligors shall (i) deliver a Mortgage Schedule to the Lender Agent and a final data file, but containing only those loans included in the Mortgage Schedule and those loans to be included in the Primary Collateral at the time such Mortgage Schedule is delivered,/ **The Obligors may designate additional US Mortgage Loans as Approved Additional Collateral without the prior written consent of the Lender provided that the Obligors (i) deliver to the Lender Agent a notice with respect to such US Mortgage Loans and a data file identifying those loans included as Collateral and a Mortgage Schedule listing those US Mortgage Loans included in the Collateral at the time such Mortgage Schedule is delivered, which schedule shall include loan data, with the same detail and in the same format, as the data file delivered to the Lender Agent on May 19, 2009 in connection with the first groups of US Mortgage Loans included in the Collateral (or such other data, detail or format as the Lender Agent and the Obligors shall mutually agree), and in any event sufficient data to identify each Mortgage Loan thereon** (ii) prepare and file a UCC-3 financing statement adding a description of the Mortgage Schedule to the financing statements outstanding at such time, which shall be in form and substance acceptable to the Lender Agent and its counsel and (iii) deliver any lien releases and related UCC-3 financing statements required to release any outstanding liens on such US Mortgage Loans, which shall be in form and substance acceptable to the Lender Agent and its counsel. Each Obligor shall promptly mark its books and records to indicate that all US Mortgage Loans included on a Mortgage Schedule have been pledged to the Lender Agent for so long as such US Mortgage Loan constitutes Primary Collateral/**Collateral**. The Lender Agent may, in its sole discretion, require updated data files of the US Mortgage Loans included in the Collateral or the Primary Collateral at any time.	(ii) Legal	
N/A	7.01(x)	Instructions under German Class B Transaction Documents. The Obligors shall refrain from giving any consents, directions or waivers permitted to be given under the German Class B Transaction Documents without the prior written consent of the Lender Agent.	BCG-Treasury C. Laube	
7.01(y)	N/A	ResCap Liquidity Balance Rollforward. The Obligors will provide to the Lender Agent, on a daily basis, the ResCap Liquidity Balance Rollforward, prepared in a manner consistent with	Treasury Forecasting – Larry LaCombe	

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T215 Section Ref	T223 Section Ref	Section 7.01. Affirmative Covenants of the Obligors	Responsible Party	Comments
		the methods used by the management of the Guarantors prior to the Amendment Closing Date.		
N/A	7.01(y)	Notices with respect to HELOC Excluded Draw Collateral. At any time after GMAC Mortgage has been terminated, or has received notice or ResCap Treasury has knowledge that GMAC Mortgage is being terminated, as servicer with respect to Subject HELOCs, the Obligors shall deliver such notices and requests for acknowledgements of third parties, in form and substance acceptable to the Lender Agent, to any trustee or other participant in the Subject HELOC Securitizations.	Treasury – Mike Scarseth Heather Anderson	
7.01(z)	7.01(t)	Instructions Under Underlying Documents. ResCap shall, at the specific written direction of the Lender Agent, give (or refrain from giving) any instructions permitted to be given under the Underlying Documents.	Treasury – Terry Farley Mike Scarseth Heather Anderson BCG-Treasury C. Laube	
N/A	7.01(z)	Filing of FHA/VA Insurance Claims. No Obligor shall, following the occurrence and during the continuation of an Event of Default hereunder, file any claim on an FHA or VA insurance policy or take any other action with respect to a FHA/VA Loan that constitutes Collateral without ten (10) Business Days' prior notice to the Lender Agent, during which period the Lender Agent may direct it not to do so. In addition, following the occurrence and during the continuation of an Event of Default, each Obligor shall take any and all such actions that the Lender Agent shall reasonably request in order to allow the Lender Agent or its designee to file such claims, including without limitation, changing the designated servicer, subject to Section 8.02(c), or the designated owner/holder with respect to such FHA/VA Loan with the FHA and/or VA to a Person that is permitted to be a servicer or owner/holder, as applicable, in accordance with the FHA and/or VA's policies and procedures.	Treasury – Mike Scarseth	

T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
7.02	7.02	Each Obligor covenants and agrees with the Lender Parties that, until all Loans and other		

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
		Obligations have been paid in full in cash and the Commitments have terminated or expired, it shall not, and shall not permit any Subsidiary to:		
7.02(a)	7.02(a)	other than in accordance with Section 7.02(k), take any action that would directly or indirectly materially impair or adversely affect its title to, or the value of, the Collateral or Supporting Assets in a manner that could reasonably be expected to give rise to a Material Adverse Effect; provided that (i) actions in accordance with the Credit and Collection Policies, (ii) modifications implemented in a good faith attempt to increase the recovery on, or collectibility of, delinquent or distressed Collateral or Supporting Assets, or (iii) Collateral Dispositions or Permitted Actions otherwise permitted hereunder shall not constitute a violation of this Section 7.02(a);	(i)(ii) Servicing (iii) Treasury Terry Farley	
7.02(b)	7.02(b)	engage in any line of business activity other than the businesses in substantially the same fields of enterprise are conducted on the date hereof; provided, however, if an entity is substantially dormant, then such entity may engage in any line of business activity other than the businesses in substantially the same fields of enterprise as are conducted on the date hereof by any Obligor or Subsidiary of an Obligor;	Legal	
7.02(c)	7.02(c)	amend, modify or waive any term or condition of any Facility Document, or consent to any amendment, modification or waiver of any term or condition of any Facility Document, without the prior written consent of the requisite Lenders (as specified in Section 13.01);	Treasury Terry Farley Heather Anderson Mike Scarseth BCG-Treasury C. Laube	
7.02(d)	7.02(d)	change its name, organizational identification number, organizational structure or its state of incorporation, organization or formation unless it shall have given the Lender Agent at least thirty (30) days' prior written notice thereof and unless, prior to any such change, it shall have filed, or caused to be filed, such financing statements or amendments and taken such further action as any Lender or the Lender Agent determines may be reasonably necessary to continue the perfection and priority of the Lender Agent's/**applicable Collateral Holder's** interest (on behalf of the Lender Parties) in the Collateral, provided however that this Section 7.02(d) shall only apply to Obligors and issuers of notes, securities or other interests included in the Schedules to the Security Agreement;	Legal	
7.02(e)	N/A	ResCap shall not, and shall not permit the ResCap Counterparty to, (i) reduce the notional amount of any Hedge Transaction, (ii) terminate in whole or in part any Hedge Transaction, or (iii) otherwise modify any Hedge Transaction without the prior written consent of the Initial Lender unless (A) following the closing date for such Hedge Transaction, there has been a reduction in the aggregate outstanding balance of the exposure intended to be hedged by such Hedge Transaction in an amount at least equal to the Minimum Notional Reduction, and (B) such modification to the Hedge Transaction effects a reduction in the notional amount of the	Consolidated Liquidity	

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
		applicable Hedge Transaction which is approximately proportionate to the aggregate reduction in the exposure intended to be hedged by such Hedge Transactions since the closing date of such Hedge Transaction;		
7.02(f)	7.02(e)	at any time (i) create, issue, incur (by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of any Indebtedness (including Acquired Indebtedness) other than Permitted Indebtedness, or (ii) permit any Restricted Entity to create, issue, incur (by conversion or otherwise), assume, guarantee or otherwise become liable in respect of indebtedness (other than Excluded Debt and Permitted Indebtedness described in clause (c) or (h) of the definition of Permitted Indebtedness);	Treasury Terry Farley IBG – Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG -Treasury C. Laube We have not incurred any indebtedness other than permitted. • Any new loan obligations or guarantees entered into? • Any debt assumptions? • Any new debt arrangements (secured or unsecured)? • Any cash pledged to support obligations? Confirm: no un-authorized filing UCC against our assets as security Treasury Structuring • Heather Anderson • Mike Scarseth Legal	
N/A	7.02(f)	permit any Restricted Entity to at any time create, issue, incur (by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of any Indebtedness (other	Treasury – Terry Farley	

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		than Excluded Debt and Permitted Indebtedness described in clause (c) or (h) of the definition of Permitted Indebtedness);	Treasury Structuring • Terry Farley • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube Legal	
7.02(g)	7.02(g)	(1) directly or indirectly, make any Restricted Payment unless, at the time of and after giving effect to the proposed Restricted Payment either (i) (A) no Default shall have occurred and be continuing or will occur as a consequence thereof and (B) after giving effect to such Restricted Payment on a pro forma basis, the aggregate amount expended or declared for all Restricted Payments made on or after the Closing Date (excluding Restricted Payments described in clauses (b), (c), (d), (e), (f) and (g) of the definition of Permitted Restricted Payments), shall not exceed the Restricted Payment Maximum Amount or (ii) such Restricted Payment is a Permitted Restricted Payment; or (2) without the written consent of the Lender Agent, permit any Restricted Entity to (i) make any dividend or distribution of the RE Assets, except for Ordinary RE Transactions, without the written consent of the Lender Agent, (ii) repurchase any outstanding equity interest issued by a Restricted Entity or (iii) other than as contemplated by Section 7.02(f), Article XI or the Security Documents, act as guarantor or surety with respect to any Indebtedness incurred by the Borrowers, the Obligors/Guarantors or any of their Subsidiaries or Affiliates;	Treasury Terry Farley Have we made any restricted • Dividends • Equity purchases, redemptions, acquisitions or retirements • Early debt retirement, or • Investments in GMAC Parties	
			CFO Legal	
7.02(h)	7.02(h)	at any time create or suffer to exist any Lien (other than any Permitted Liens) on any of its assets or property (whether now owned or hereafter acquired) which are Collateral or Supporting Assets; or permit any Restricted Entity to at any time create or suffer to exist any Lien on any of its assets or property (whether now owned or hereafter acquired) which are Supporting Assets or RE Assets, other than Permitted Liens; provided that, in the case of a ResCap Subsidiary other than a BCG Joint Venture, such Permitted Liens shall be in favor of GMAC or described in clause (b) through (f), (i), (j), (k), (l), (m) or (o) of the definition of Permitted Lien;	Treasury – Terry Farley BCG-Treasury C. Laube Legal	
7.02(i)	7.02(i)	if, on any Business Day, the aggregate amount of Consolidated Liquidity shall be less than $750,000,000, ResCap shall within two (2) Business Days (if such Business Day is a Remittance Date) or (in all other cases) one (1) Business Day, cause the aggregate amount of Consolidated Liquidity to be not less than $750,000,000; provided that, at no time shall ResCap permit the aggregate amount of Consolidated Liquidity to be less than $450,000,000; provided	Consolidated Liquidity	

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		further that, at no time shall ResCap permit the aggregate amount of unrestricted and unencumbered (x) cash (consisting solely of United States dollars held at all times in the United States by ResCap on a consolidated basis, and (y) Cash Equivalents held by ResCap on a consolidated basis (consisting solely of (A)/**(B)** securities with maturities of 90 days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, and (B) shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clause (y)(A)/**(B)**) to be less than $250,000,000;		
7.02(j)	7.02(j)	permit, as of the last Business Day of each fiscal month of ResCap, the Consolidated Tangible Net Worth of ResCap to be less than $250,000,000;	CAO – Financial Reporting (verify CTNW above threshold at month-end)	
7.02(k)	N/A	consummate a Collateral Disposition unless (i) it (or the applicable Subsidiary, as the case may be) receives consideration in the form of Permitted Consideration, and (ii) at the time of the Collateral Disposition, the Permitted Consideration received in such Collateral Disposition by it or such Subsidiary is at least substantially equivalent to the Fair Value of the Primary Collateral or Supporting Assets issued or sold or otherwise disposed of; provided that this clause (k) will not apply to MHF Assets;	Treasury Terry Farley Treasury Ops Shelia Lichty Treasury Structuring Heather Anderson Mike Scarseth IBG - Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube Have we consummated Collateral dispositions within these terms.	
N/A	7.02(k)	consummate a Collateral Disposition unless (i) the related Collateral Disposition Proceeds are deposited as Collections in accordance with Article IV, (ii) the Lender Agent shall have consented to such Collateral Disposition unless such Collateral Disposition consists of (A) the Transfer of whole US Mortgage Loans or REO Property owned by an REO Subsidiary in the ordinary course of business and the Collateral Disposition complies with Section 12.11(b), it	Treasury • Terry Farley Treasury Operations • Sheila Lichty	

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
		being understood and agreed that any Collateral Disposition by an Obligor pursuant to this clause (A) shall be deemed to be a representation by such Obligor that, after giving effect to such Collateral Disposition, no Borrowing Base Deficiency shall exist, or (B) the Transfer of First Savings Mortgage Loans to First Savings Mortgage Corporation pursuant to the First Savings Repurchase Agreement, and (iii) except for a Collateral Disposition of whole Mortgage Loans securing Eligible Warehouse Loans, the Collateral Disposition Proceeds deposited as provided in clause (i) above represents the fair market value of the Assets Transferred.	Treasury Structuring • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube Warehouse Lending- Treasury (Carol MacElree) IBG-Treasury UK (Sheila Lichty) & CE (Ramon Willems)	
7.02(l)	7.02(l)	except for Affiliate Transactions engaged by or with any Excluded Subsidiary, directly or indirectly, engage in any Affiliate Transaction which is not a Permitted Affiliate Transaction unless (i) such Affiliate Transaction is on terms that are not materially less favorable to it or the relevant Subsidiary than those that could reasonably have been obtained in a comparable arm's length transaction by it or such Subsidiary with an unaffiliated party (provided that any transactions between Obligors shall be in compliance with the corporate governance policies of each such Obligor), (ii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $250,000,000, it delivers to the Lender Agent a resolution adopted in good faith by the majority of its Board of Directors approving such Affiliate Transaction and set forth in an officers' certificate certifying that such Affiliate Transaction complies with clause (i) above, and (iii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $500,000,000, it obtains and delivers to the Lender Agent a written opinion of a nationally recognized independent third-party investment banking, accounting or appraisal firm acceptable to the Lender Agent stating that the transaction is fair to it or such Subsidiary, as the case may be, from a financial point of view;	Treasury – Terry Farley IBG – Treasury Operations UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG-Treasury C. Laube Treasury Structuring • Heather Anderson • Mike Scarseth IBG-Treasury UK (S. Lichty) & CE (Ramon Willems) Legal	
7.02(m)	7.02(m)	amend or otherwise modify its organizational documents if the result would have a material adverse effect on the Lender Parties (including on the rights or remedies of the Lender Parties);	Legal	
7.02(n)	N/A	amend or otherwise modify the 2010 Indenture or the 2015 Indenture if the result of such amendment or modification could reasonably be expected to result in a Material Adverse Effect	Treasury Terry Farley	

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
		or materially adversely effect the Lender Parties or their rights, priority and/or remedies under the Facility Documents;	Legal	
7.02(o)	7.02(n)	enter into any agreement (other than a Facility Document) prohibiting, restricting or otherwise limiting (i) the creation or assumption of any Lien upon its properties, revenues or assets, whether now owned or hereafter acquired (other than limits arising from the 2010 Indenture or the 2015 Indenture or**/Permitted or arising under Senior Debt Documents, including** agreements governing Permitted Funding Indebtedness and Permitted Refinancing Indebtedness restricting Liens on any collateral covered by Permitted Liens arising under such agreements), (ii) the ability of any Obligor to amend or otherwise modify any Facility Document, or (iii) the ability of any Obligor or other Significant Subsidiary to make any payments, directly or indirectly, to the Borrowers or any Guarantor, including by way of dividends, distributions, advances, repayments of loans, reimbursements of management and other intercompany charges, expenses and accruals or other returns on investments (including, without limitation, entering into any agreement by any Obligor or other Significant Subsidiary that requires distributions otherwise payable to the Borrowers to be escrowed or to be subject to a sinking fund or other similar restriction or to be paid to another Person);	Legal	
7.02(p)	7.02(o)	permit ResCap, the Borrowers, any other Obligor, any Restricted Entity or any Significant Subsidiary of ResCap to merge or consolidate with any other corporation or other entity or sell, assign, transfer, lease or otherwise convey all or substantially all of its property or assets to any Person, or permit any Subsidiary of such foregoing entities to do so, unless (i) such entity is not a Restricted Entity; (ii) such entity is the survivor or such entity's successor is a person organized and existing under the laws of the United States or a state thereof and expressly assumes all of such entity's obligations under this Agreement and the other Facility Documents; (iii) immediately after giving effect to such consolidation, merger, sale or conveyance, no Default shall have occurred and be continuing; and (iv) each Obligor confirms that each of its obligations with respect to the Facility Documents shall remain in full force and effect;	Legal	
7.02(q)	7.02(p)	permit ResCap to directly own any assets other than (i) Equity Interests of the other Obligors, (ii) assets in respect of hedging arrangements, (iii) so long as no Event of Default has occurred and is continuing, cash and cash equivalents and other immaterial assets in the ordinary course of business consistent with past practice, (iv) assets which are subject to a Lien as Collateral under the Security Documents and (v) the Exempted Cash Reserve Account **(as defined in the Senior Loan Facility)**;	Legal	
N/A	7.02(q)	without the prior written consent of the Lender Agent, terminate the relevant administrator under the European Security Documents or take any other action under the European Security Documents which could reasonably be expected to adversely affect the Lender or the Lender Agent or the value of the related European Note, provided, however, that this section shall not apply to automatic termination of the administrator under the applicable agreements;	Treasury – Terry Farley BCG-Treasury C. Laube IBG-Treasury UK (Sheila Lichty) &	

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments
			CE (Ramon Willems)	
7.02(r)	7.02(r)	without the written consent of the Lender Agent, **except for Permitted Actions,** agree to amend, modify or waive any provision of **any Underlying Document (including, without limitation, any temporary increase in any facility limit with respect to the First Savings Repurchase Agreement or related documents that would result in the aggregate amounts purchased and advanced thereunder to exceed $60,000,000) or** the organizational documents of any Restricted Entity (i) relating to **(i)** the independent directors, **unless such Restricted Entity has pledged all of its assets under the Security Documents**, **(ii)** the filing of insolvency proceedings or (ii) relating to **(iii)** any other matters unless, in the case of this clause (ii)/**(iii)**, such modification could not be reasonably expected to be materially adverse to the interests of the Lenders or the Lender Agent;	Treasury – Terry Farley Treasury Structuring • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube IBG-Treasury UK (Sheila Lichty) & CE (Ramon Willems)	
7.02(s)	N/A	without the prior written consent of the Lender Agent, terminate the administrator under the English Security Documents or the Dutch Security Agreements or take any other action under the English Security Documents or the Dutch Security Agreements which could reasonably be expected to adversely affect the Lender or the Lender Agent or the value of the related English Note or the Dutch Note, provided, however, that this Section shall not apply to automatic termination of the administrator under the applicable agreements;	Treasury – Terry Farley BCG-Treasury C. Laube	
7.02(t)	N/A	except for Permitted Actions, agree to amend, modify or waive any provision of any Underlying Document without the written consent of the Lender Agent which consent shall not be unreasonably withheld; and	Treasury – Terry Farley Treasury Structuring • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube	
7.02(u)	7.02(s)	except for Permitted Actions, agree to terminate any Underlying Document without the written consent of the Lender Agent.	Treasury – Terry Farley Treasury Structuring • Heather Anderson • Mike Scarseth BCG-Treasury C. Laube	

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T215 Section Ref	T223 Section Ref	Section 7.02. Negative Covenants of the Obligors	Responsible Party	Comments

T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
Section 7.03.	Section 7.03	Notice of Certain Occurrences. Each Obligor covenants and agrees with the Lender Parties that, until all Loans and other Obligations have been paid in full in cash and the Commitments have terminated or expired:		
7.03(a)	7.03(a)	Defaults. As soon as possible, but in any event within one Business Day, after any Obligor obtains knowledge of any Default, it shall furnish or cause to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent a written statement of a Responsible Officer of the Borrowers setting forth details of such Default and the action that it proposes to take with respect thereto;	Treasury Terry Farley Heather Anderson Mike Scarseth IBG – Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard BCG -Treasury C. Laube Note – this is EOD If any defaults have occurred – has adequate notice been provided? Have they been cured or waived? Attach list of any: • EOD • Date discovered	

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T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
			• Dates of written notices	
			Legal HR	
7.03(b)	7.03(b)	Litigation. As soon as possible, but in any event within ten (10) Business Days, after any Obligor obtains knowledge thereof, it shall furnish or cause to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent notice of any material action, suit or proceeding instituted by or against it or any of its Subsidiaries in any federal or state court or before any commission, regulatory body or Governmental Authority, and of any material adverse development in any such action, suit or proceeding which either (i) arises with respect to any Indebtedness of ResCap or its Subsidiaries, or arises under any servicing contract pursuant to which a Guarantor services assets for a third party owner of such assets (including an Agency or special purpose vehicle and other securitization vehicle) and is instituted by such owner, or a trustee or administrator on such owner's behalf, or an insurer or guarantor with respect to amounts owed to or by such owner; provided that with respect to servicing contracts related to whole loan mortgage sales to an entity other than an Agency, a special purpose vehicle or any other securitization vehicle, such notice shall only be required if the applicable material adverse development could reasonably be expected to give rise to a Material Adverse Effect, or (ii) in all cases, is reasonably likely to result in a Material Adverse Effect;	Legal	
7.03(c)	7.03(c)	Material Adverse Effect. Within one Business Day of it becoming aware of any event or circumstance that could reasonably be expected to have a Material Adverse Effect, it shall furnish or caused to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent written notice of such event or circumstance;	CFO, Legal	
7.03(d)	7.03(d)	Change of Control. It shall furnish or caused to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent notice of any Change of Control upon the occurrence of such event;	Legal	
7.03(e)	7.03(e)	Event of Default. Within three Business Days after any Obligor obtains knowledge thereof, it shall furnish or cause to be furnished to the Lender Agent the First Priority Collateral Agent and the Collateral Control Agent notice of any default or event of default under any organizational or constitutive document of any Obligor;	Legal	
7.03(f)	7.03(f)	Adverse Judgment. Within three Business Days after the entry of a judgment or decree against any Obligor in an amount in excess of $25,000,000, it shall furnish or cause to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent notice thereof;	Legal	
7.03(g)	7.03(g)	Accounting Policies. It shall furnish or cause to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent within three Business Days notice of any material change in accounting policies or financial reporting practices of the Obligor,	CAO-Financial Reporting	

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T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
		except for those changes that are in conformity with new or revised GAAP;		
7.03(h)	7.03(h)	Rating. Within three Business Days after any Obligor obtains knowledge thereof, it shall furnish or cause to be furnished to the Lender Agent the First Priority Collateral Agent and the Collateral Control Agent notice of any decrease in the servicer rating of any Servicer by any Agency;	Servicing	
7.03(i)	7.03(i)	Agency Termination. Upon the receipt by any Obligor/**Guarantor** of any notice received from Freddie Mac, Fannie Mae or Ginnie Mae terminating, or indicating any intent to terminate, or indicating any adverse fact or circumstance which could reasonably be expected to entitle Freddie Mac, Fannie Mae or Ginnie Mae to terminate, such Obligor/**Guarantor** for cause from any servicing arrangement with such agency, it shall furnish or cause to be furnished to the Lender Agent **notice thereof** unless it shall have provided GMAC notice thereof pursuant to a Related Document;	Servicing	
7.03(j)	7.03(j)	Agency Suspension. Upon the receipt by any Obligor of any notice received from any Freddie Mac, Fannie Mae, Ginnie Mae, HUD, the FHA or the VA revoking or suspending, or indicating any intent to revoke or suspend, or indicating any adverse fact or circumstance which could reasonably be expected to entitle such agency to revoke or suspend any of the approvals granted to such Obligor/ **Guarantor** that are referenced in Section 6.01(n) hereof, it shall furnish or cause to be furnished to the Lender Agent **notice thereof** unless it shall have provided GMAC notice thereof pursuant to a Related Document;	Servicing	
7.03(k)	7.03(k)	Insurance Coverage. Within three Business Days after any Obligor obtains knowledge thereof, it shall furnish or cause to be furnished to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent notice of any material change in the insurance coverage maintained by such Obligor or any other person to comply with the requirements of this Agreement, with a copy of evidence of the same.	Corporate Insurance	
7.03(l)	7.03(l)	ERISA. As soon as reasonably possible, and in any event within thirty (30) days after a Responsible Officer of any Obligor knows, or with respect to any Pension Plan or Multiemployer Plan to which any Obligor or any of their respective Subsidiaries makes direct contributions, has reason to believe, that any of the events or conditions specified below with respect to any such Pension Plan or Multiemployer Plan has occurred or exists, such Obligor will deliver to the Lender Agent, the First Priority Collateral Agent and the Collateral Control Agent a statement signed by a senior financial officer of the relevant Obligor setting forth details respecting such event or condition and the action, if any, that such Obligor or one of its Subsidiaries proposes to take with respect thereto (and a copy of any report or notice required to be filed with or given to PBGC by the Obligor or such Subsidiary with respect to such event or condition): (A) any reportable event, as defined in Section 4043(b) of ERISA, with respect to a Pension Plan, as to which the PBGC has not by regulation or otherwise waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days of the occurrence of such event (provided that a failure to meet the minimum funding standard of Section 412 of the	HR	

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T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
		Internal Revenue Code or Section 302 of ERISA, such that Section 430(k) of the Internal Revenue Code would apply, shall be a reportable event regardless of the issuance of any waivers in accordance with Section 412(c) of the Internal Revenue Code) and any request for a waiver under Section 412(c) of the Internal Revenue Code for any Pension Plan; (B) the distribution under Section 4041(c) of ERISA of a notice of intent to terminate any Pension Plan or any action taken by any Obligor or one of their respective Subsidiaries to terminate any Pension Plan; (C) the institution by the PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, or the receipt by any Obligor or one of their respective Subsidiaries of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; (D) the complete or partial withdrawal from a Multiemployer Plan by any Obligor or any of their respective subsidiaries that results in liability to such Obligor or Subsidiary under Section 4201 or 4204 of ERISA (including the obligation to satisfy secondary liability as a result of a purchaser default) or the receipt by any Obligor from a Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA or that it intends to terminate or has terminated under Section 4041A of ERISA; (E) the institution of a proceeding by a fiduciary of any Multiemployer Plan against any Obligor or one of their subsidiaries to enforce Section 515 of ERISA, which proceeding is not dismissed within thirty (30) calendar days; (F) the failure of any Pension Plan to meet the requirements of Section 436 of the Internal Revenue Code, resulting in a loss of tax-exempt status of the trust of which such Pension Plan is a part under Section 401(a)(29) of the Internal Revenue Code; and (G) any written notice from the PBGC to any Obligor that it intends to place a Lien on the assets of any Obligor, whether or not in connection with a Pension Plan.		
7.03(m)	7.03(m)	Collateral Impairment. Promptly after ResCap Treasury obtains knowledge thereof, it shall furnish or cause to be furnished to the Lender Agent notice of any fact, circumstance or development could reasonably be expected to result in a material reduction in the market value of any material portion of the Primary Collateral or the ability of the Obligors or the Lender Agent to realize the market value in respect of any material portion of the Primary Collateral.	Treasury Terry Farley Heather Anderson Mike Scarseth BCG-Treasury C. Laube	
7.03(n)	7.03(n)	Underlying Documents. Promptly after ResCap Treasury obtains knowledge thereof, it shall	Treasury	

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T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
		furnish or cause to be furnished to the Lender Agent notice of any default by any Person in the performance of such Person's obligations in the Underlying Documents that could reasonably be expected to give rise to a Material Adverse Effect.	Terry Farley Mike Scarseth BCG-Treasury C. Laube Treasury Ops Sheila Lichty Warehouse Lending- Treasury (Carol MacElree) IBG-Treasury UK (Sheila Lichty) & CE (Ramon Willems)	
7.03(o)	7.03(o)	Indebtedness Restricted Entity. Promptly upon ResCap Treasury's obtaining notice thereof, it shall furnish or cause to be furnished to the Lender Agent notice of any failure of a BCG Joint Venture or any other Restricted Entity to pay any principal or interest when due (whether by acceleration or otherwise, but subject to applicable grace periods) on any Indebtedness of such Person (other than Ordinary RE Transactions) in excess of $5,000,000.	Treasury – Terry Farley BCG-Treasury C. Laube	
7.03(p)	7.03(p)	Servicing Arrangements. Upon ResCap Treasury obtaining knowledge of any notice terminating, or indicating any intent to terminate, or indicating any adverse fact or circumstance which could reasonably be expected to result in the termination of any Obligor for cause from any mortgage loan servicing arrangement with an Agency, a securitization trustee or (if termination could reasonably be expected to give rise to a Material Adverse Effect) any other Person, it shall furnish or cause to be furnished to the Lender Agent written notice thereof unless an Obligor shall have notified GMAC thereof in writing under the Related Documents.	Servicing Treasury - Heather Anderson	
N/A	7.03(q)	Subject HELOC Securitizations. As soon as possible, but in any event within two Business Days, after any Obligor becomes aware that GMAC Mortgage has received notice or has knowledge that it has been or is being terminated as servicer with respect to Subject HELOCs, it shall furnish or cause to be furnished to the Lender Agent notice of such event or circumstance.	Treasury – Mike Scarseth Heather Anderson	
7.03(q)	7.03(r)	Other. Promptly, from time to time, it will furnish to the Lender Agent, each Lender, the First Priority Collateral Agent and the Collateral Control Agent such other information, documents, records or reports with respect to the Collateral or its corporate affairs, conditions or operations, financial or otherwise, as the Lender Agent, any Lender, the First Priority Collateral Agent or the Collateral Control Agent may from time to time reasonably request.	Treasury Terry Farley Heather Anderson Mike Scarseth Treasury Ops Sheila Lichty	

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T215 Section Ref	T223 Section Ref	Section 7.03.Notice of Certain Occurrences.	Responsible Party	Comments
			BCG-Treasury C. Laube IBG – Treasury UK: S. Lichty CE: J. Anderson LAG: M. Romero Residential Funding Of Canada – P. Leonard Has GMAC been furnished with any other described materials requested?	

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Selected T215 Definitions:	Amended and Restated Revolver	Comments
Restricted Payment	"Restricted Payment" is defined to mean any of the following: (a) any dividend or other distribution declared and paid on the Equity Interests of ResCap or on the Equity Interests in any Subsidiary of ResCap that are held by, or declared and paid to, any Person other than ResCap or a Subsidiary of ResCap or any GMAC Party other than (i) dividends, distributions or payments made solely in Qualified Equity Interests of ResCap; and (ii) dividends or distributions payable to ResCap or a Subsidiary of ResCap or to other holders of Equity Interests of ResCap or a Subsidiary (other than the GMAC Parties) on a pro rata basis; (b) any payment made by ResCap or any of its Subsidiaries to purchase, redeem, acquire or retire any Equity Interests in ResCap or any of its Subsidiaries (including any issuance of Indebtedness in exchange for such Equity Interests or the conversion or exchange of such Equity Interests into or for Indebtedness) other than any such Equity Interests owned by ResCap or any Subsidiary and other than the redemption of Equity Interests of IB Finance for up to the fair market value thereof at the time of redemption (it being understood that any excess over such fair market value which is paid shall be deemed to be a Restricted Payment and shall be permitted to be paid to the extent otherwise in compliance with Section 7.02(g)); (c) any payment made by ResCap or any of its Subsidiaries (other than payments out of the proceeds of, or in exchange for, the notes issued pursuant to the Exchange Offer or Permitted Refinancing Indebtedness) to redeem, repurchase, defease (including in substance or legal defeasance) or otherwise acquire or retire for value (including pursuant to mandatory repurchase covenants), prior to any scheduled maturity, scheduled sinking fund or mandatory redemption payment, Exchange Offer Notes, unsecured Permitted Refinancing Indebtedness of Exchange Offer Notes or subordinated indebtedness of any Obligor, except, in each case, payments of principal required in order to satisfy a scheduled maturity date on the date such payment is due; and (d) any Investment by ResCap or any of its Subsidiaries in any GMAC Party.	
Material Adverse Effect	"Material Adverse Effect" means any event which has had or would reasonably be expected to have a material adverse effect on (i) the business, assets or financial condition of any Obligor or any such Obligor and its Subsidiaries taken as a whole since September 30, 2009, other than as disclosed in the Obligor's financial statements as detailed in Section 6.01(o) or as disclosed to the Lender Agent prior to the Amendment Closing Date, (ii) the validity or enforceability of any of the Facility Documents or the rights or remedies of the Lender Parties thereunder, or (iii) the value, validity, enforceability, saleability or collectibility of the Collateral or a material portion thereof, or the enforceability, perfection or priority of the First Priority Collateral Agent's security interest on behalf of the Lender Parties in the Collateral; provided, however, that a Material Adverse Effect shall not be determined to include effects arising out of, relating to or resulting from the occurrence of a ratings downgrade of GMAC Inc. or any of its Affiliates (including ResCap) or any of their outstanding debt (it being understood that the events giving rise to such downgrade shall not be excepted from the definition of Material Adverse Effect).	
Solvent	"Solvent" means, with respect to the Obligors on a particular date, that on such date (i) the most recently reported value of the assets pursuant to Section 7.01(f) of such Obligor, taking into account the fair value of assets accounted for on a fair value basis and the carrying value of other assets, is greater than the total amount of the most recently reported liabilities of such Obligor (including the fair value of liabilities reported on a fair value basis), (ii) after giving effect to each Loan, such Obligor is able to realize upon its assets and pay its debts and other liabilities as they mature, assuming an orderly disposition, and (iii) such Obligor does not have unreasonably small capital with which to conduct its business.	
Cash Equivalents	"Cash Equivalents" means (i) securities with weighted average maturities of 90 days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (ii) certificates of deposit and	

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EXAM10362148

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Selected T215 Definitions:	Amended and Restated Revolver	Comments
	eurodollar time deposits with weighted average maturities of 90 days or less from the date of acquisition and overnight bank deposits of any commercial bank having capital and surplus in excess of $500,000,000 and a rating of at least A+ and A1 from S&P and Moody's, respectively, (iii) repurchase obligations of any commercial bank satisfying the requirements of clause (ii) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (iv) securities with weighted average maturities of 90 days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (v) securities with weighted average maturities of 90 days or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (ii) of this definition or, (vi) shares of 2-a7 money market mutual funds rated AAA by Moody's and S&P that have a weighted average maturity of 90 days or less or similar funds which invest exclusively in assets satisfying the requirements of clauses (i) through (v) of this definition.	
Change of Control	"Change of Control" means the occurrence of any of the following events: (i) any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act), other than the Investors, the United States Department of the Treasury, the GM Trusts, or any purchaser of the beneficial interest of General Motors in the GM Trusts, shall acquire ownership, directly or indirectly, beneficially or of record, in the aggregate, Capital Stock representing a majority of the Voting Stock of ResCap; or (ii) at any time, ResCap shall fail to own, directly or indirectly, 100% of the aggregate issued and outstanding Capital Stock of the Obligors.	
Event of Default	"Event of Default" has the meaning set forth in Section 8.01.	
Default	"Default" means an Event of Default or an Unmatured Event of Default. "Unmatured Event of Default" means any event that, with the giving of notice or lapse of time, or both, would become an Event of Default.	
GM Trusts	"GM Trusts" means one or more trusts initially naming General Motors as beneficiary thereof that were or will be established to hold Capital Stock in GMAC held directly or indirectly by General Motors as of May 20, 2009.	
Permanent Paydown Report	"Permanent Paydown Report" has the meaning set forth in Section 2.11(a). Section 2.11 Tracking of Paydown Amounts. The Borrowers shall produce regular reports tracking on a daily basis the reductions in the Outstanding Aggregate Loan Amount pursuant to Section 2.10(c) together with necessary supporting information in spreadsheet form (including, but not limited to, information containing separate tracking of the then current Outstanding Aggregate Loan Amount) (the "Permanent Paydown Report"). The Permanent Paydown Report shall be in the form previously provided to the Lender Agent, which form may be periodically changed by the Borrowers from time to time; provided that after any such changes, the Lender Agent may request reasonable modifications to the modified form to clarify or maintain the information provided in such report prior to the Borrower's changes. The Borrowers shall provide the current Permanent Paydown Report at any time to the Lender Agent at the Lender Agent's request. A Permanent Paydown Report shall be delivered in connection with each Monthly Collateral Report, and such Permanent Paydown Report shall be included in any certifications in connection with the Monthly Collateral Report. If any Lender shall question the validity of the dates or amounts of any actual or scheduled permanent reductions in the Outstanding Aggregate Loan Amount pursuant to Section 2.10(c) reported in a Permanent Paydown Report, the Borrowers shall work with the Lender Agent in good faith to resolve such question; provided that if such question cannot be resolved in 30 days, the determination of the Lender Agent as to the disputed information shall govern and be binding on the parties hereto.	

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Selected T215 Definitions:	Amended and Restated Revolver	Comments
Permitted Dissolution	"Permitted Dissolution" means a dissolution and termination of the legal existence of (a) an Obligor with the prior written consent of the Lender Agent, which consent shall not be unreasonably withheld, and (b) a Subsidiary of an Obligor which is not itself an Obligor which (i) does not have any material assets (other than assets transferred to an Obligor or a Subsidiary of an Obligor or assets contractually required to be paid to third parties prior to dissolution) and (ii) does not own or have title to any Primary Collateral, Supporting Assets or RE Assets (other than any such assets transferred to an Obligor).	

Selected T223 Definitions:	Amended and Restated Line of Credit	Comments
Restricted Payment	"Restricted Payment" is defined to mean any of the following: (a) any dividend or other distribution declared and paid on the Equity Interests of ResCap or on the Equity Interests in any Subsidiary of ResCap that are held by, or declared and paid to, any Person other than ResCap or a Subsidiary of ResCap or any GMAC Party other than (i) dividends, distributions or payments made solely in Qualified Equity Interests of ResCap; and (ii) dividends or distributions payable to ResCap or a Subsidiary of ResCap or to other holders of Equity Interests of ResCap or a Subsidiary (other than the GMAC Parties) on a pro rata basis; (b) any payment made by ResCap or any of its Subsidiaries to purchase, redeem, acquire or retire any Equity Interests in ResCap or any of its Subsidiaries (including any issuance of Indebtedness in exchange for such Equity Interests or the conversion or exchange of such Equity Interests into or for Indebtedness) other than any such Equity Interests owned by ResCap or any Subsidiary and other than the redemption of Equity Interests of IB Finance for up to the fair market value thereof at the time of redemption (it being understood that any excess over such fair market value which is paid shall be deemed to be a Restricted Payment and shall be permitted to be paid to the extent otherwise in compliance with Section 7.02(g)); (c) any payment made by ResCap or any of its Subsidiaries (other than payments out of the proceeds of, or in exchange for, the notes issued pursuant to Permitted Refinancing Indebtedness) to redeem, repurchase, defease (including in substance or legal defeasance) or otherwise acquire or retire for value (including pursuant to mandatory repurchase covenants), prior to any scheduled maturity, scheduled sinking fund or mandatory redemption payment, unsecured Permitted Refinancing Indebtedness or subordinated indebtedness of any Obligor, except, in each case, payments of principal required in order to satisfy a scheduled maturity date on the date such payment is due; and (d) any Investment by ResCap or any of its Subsidiaries in any GMAC Party.	
Material Adverse Effect	"Material Adverse Effect" means any event which has had or would reasonably be expected to have a material adverse effect on (i) the business, assets or financial condition of any Obligor or any such Obligor and its Subsidiaries taken as a whole since September 30, 2009, other than as disclosed in the Obligor's financial statements as detailed in Section 6.01(o) or as disclosed to the Lender Agent prior to the Amendment Closing Date, (ii) the validity or enforceability of any of the Facility Documents or the rights or remedies of the Lender Parties thereunder, or (iii) the value, validity, enforceability, saleability or collectibility of the Collateral or a material portion thereof, or the enforceability, perfection or priority of the Lender Agent's security interest on behalf of the Lender Parties in the Collateral; provided, however, that a Material Adverse Effect shall not be determined to include effects arising out of, relating to or resulting from the occurrence of a ratings downgrade of GMAC Inc. or any of its Affiliates (including ResCap) or any of their outstanding debt (it being understood that the events giving rise to such downgrade shall not be excepted from the definition of Material Adverse Effect).	

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Selected T223 Definitions:	Amended and Restated Line of Credit	Comments
Cash Equivalents	"Cash Equivalents" means (i) securities with weighted average maturities of 90 days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (ii) certificates of deposit and eurodollar time deposits with weighted average maturities of 90 days or less from the date of acquisition and overnight bank deposits of any commercial bank having capital and surplus in excess of $500,000,000 and a rating of at least A+ and A1 from S&P and Moody's, respectively, (iii) repurchase obligations of any commercial bank satisfying the requirements of clause (ii) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (iv) securities with weighted average maturities of 90 days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (v) securities with weighted average maturities of 90 days or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (ii) of this definition or, (vi) shares of 2-a7 money market mutual funds rated AAA by Moody's and S&P that have a weighted average maturity of 90 days or less or similar funds which invest exclusively in assets satisfying the requirements of clauses (i) through (v) of this definition.	
Event of Default	"Event of Default" has the meaning set forth in Section 8.01.	
Default	"Default" means an Event of Default or an Unmatured Event of Default. "Unmatured Event of Default" means any event that, with the giving of notice or lapse of time, or both, would become an Event of Default.	
Change of Control	"Change of Control" means the occurrence of any of the following events: (i) any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act), other than the Investors, the United States Department of the Treasury, the GM Trusts, or any purchaser of the beneficial interest of General Motors in the GM Trusts, shall acquire ownership, directly or indirectly, beneficially or of record, in the aggregate, Capital Stock representing a majority of the Voting Stock of ResCap; or (ii) at any time, ResCap shall fail to own, directly or indirectly, 100% of the aggregate issued and outstanding Capital Stock of the Obligors.	
Collateral Addition Designation Notice	"Collateral Addition Designation Notice" means a notice in writing (which may be electronic) delivered by the Lender Agent at a Borrower's request with respect to any category or sub-category of Approved Additional Collateral, which notice shall approve or designate a Collateral Addition Date for such Approved Additional Collateral as well as any applicable advance rates, additional eligibility requirements, opinion requirements, or other restrictions, terms or conditions as the Lender Agent may specify in its discretion; it being understood that this Agreement and the other Facility Documents may refer to a category of Collateral prior to the Collateral Addition Date therefore, but that such references will not be given effect until such Collateral Addition Date.	
Collateral Disposition Proceeds	"Collateral Disposition Proceeds" means, with respect to an Asset, the net proceeds received by an Obligor from the Collateral Disposition of such Asset.	
Custody Agreement	"Custody Agreement" has the meaning specified in Section 7.01(m).	
European Security Documents	"European Security Documents" means the Flume No. 8 Security Documents or the GX II Security Documents (as applicable).	
Eligible Warehouse Loans	"Eligible Warehouse Loans" mean loans or other extensions of credit made by a Guarantor pursuant to an Eligible Warehouse Agreement to the borrower or counterparty under such agreement, provided that such loan satisfies the Eligibility Requirements; and provided further that, for the avoidance of doubt, the Eligibility Requirements shall not apply to any mortgage loans or other loans which secure an Eligible Warehouse Loan or are the subject of	

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Selected T223 Definitions:	Amended and Restated Line of Credit	Comments
	purchase pursuant to an Eligible Warehouse Agreement).	
GM Trusts	"GM Trusts" means one or more trusts initially naming General Motors as beneficiary thereof that were or will be established to hold Capital Stock in GMAC held directly or indirectly by General Motors as of May 20, 2009.	
Loan Group	"Loan Group" means any group of US Mortgage Loans designated as being part of a "Loan Group" in a Collateral Addition Designation Notice and identified in the related Mortgage Schedule by the Obligors including, without limitation, Group A Loans, Group B Loans, Group C Loans, Group D Loans, and Group E Loans identified in Collateral Addition Designation Notices delivered prior to the Amendment Closing Date; provided that, once a US Mortgage Loan has been designated as being included in a particular Loan Group in a Mortgage Schedule it may not be designated as being included in another Loan Group in a subsequent Mortgage Schedule without the prior written consent of the Lender Agent.	
Mortgage Schedule	"Mortgage Schedule" means any schedule of mortgage loans delivered by the Obligors in connection with a Collateral Addition Designation Notice relating to US Mortgage Loans in the form of a data tape, CD Rom or other tangible medium identifying for each mortgage loan: (i) the loan number, (ii) the name of the borrower, (iii) the address of the property securing such mortgage loan, and (iv) the original principal amount of such mortgage loan.	
ResCap Liquidity Balance Rollforward	"ResCap Liquidity Balance Rollforward" means the liquidity balance rollforward data delivered by the Obligors pursuant to Section 2.4 of the Consent Agreement dated as of October 17, 2008 among GMAC, as lender, as initial lender and as Lender Agent, RFC and GMAC Mortgage, as borrowers, ResCap, as guarantor and certain other parties thereto.	
Third Priority Indenture Documents	"Third Priority Indenture Documents" means, collectively, the 2015 Indenture, the 2015 Notes, each Additional Pari Passu Third Priority Agreement, the Third Priority Collateral Documents, each as defined in the Intercreditor Agreement, and any other related document or instrument executed and delivered pursuant to any of the foregoing at any time or otherwise evidencing any obligation thereunder, as the same may be amended, supplemented, amended and restated or otherwise modified from time to time.	
Underlying Documents	"Underlying Documents" means (a) the First Savings Warehouse Agreement, the Provident Warehouse Agreement and the other Warehouse Facility Documents; (b) the Flume No. 8 Note, the Flume No. 8 Security Documents and the other Flume No. 8 Facility Documents; (c) the GX II Note and the GX II Security Documents; (d) with respect to the BCG Subsidiaries whose equity is part of Collateral or Supporting Assets, each of the following agreements to which such BCG Subsidiary is a party: (i) joint venture agreement or other agreement with other equity investors, (ii) land acquisition, development, construction or similar agreement with Person or Persons primarily responsible for the development of a real estate project, including Master Sale and Rental Agreements, lot option agreements and agreements to share profits and losses, or related promissory notes, and (iii) any agreement under which such BCG Subsidiary extends credit (other than trade credit in the ordinary course of business) to another Person and the primary collateral documents securing such extension of credit; (e) after the applicable Collateral Addition Date, any document designated as an Underlying Document in any Collateral Addition Designation Notice; (f) the German Class B Transaction Documents, (g) the HELOC Securitization Documents; and (h) any other material agreement or document that relates to Collateral, Supporting Assets, RE Assets or Restricted Entities, the termination, material breach or material modification of such agreement or document could reasonably be expected to give rise to a Material Adverse Effect.	
Unrestricted ResCap Liquidity	"Unrestricted ResCap Liquidity" means, on any day, the unrestricted and unencumbered cash in Dollars held in the U.S. of ResCap and its Subsidiaries for operating and liquidity purposes, as reported by the Guarantors as the "Unrestricted ResCap Liquidity Balance" in the ResCap Liquidity Balance Rollforward.	
Unrestricted ResCap Liquidity Threshold	"Unrestricted ResCap Liquidity Threshold" means $300,000,000.	
US Mortgage Loan	"US Mortgage Loan" means a Mortgage Loan (other than a First Savings Mortgage Loan) secured by a lien on real estate located in the United States, including any Conforming Mortgage Loan, Non-Conforming Mortgage Loan and Government	

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EXAM10362152

ResCap Confidential

Selected T223 Definitions:	Amended and Restated Line of Credit	Comments
	Mortgage Loan.	
Warehouse Facility Documents	"Warehouse Facility Documents" has the meaning ascribed to it in the Security Agreement.	
Whole Loan Mortgage Facility Documents	"Whole Loan Mortgage Facility Documents" means, with respect to whole Mortgage Loans which become part of the Collateral, the agreements providing for the purchase and servicing of such whole Mortgage Loans.	

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EXAM10362153

GMAC ResCap, LLC

Net Income Letter

Submit to: Reporting@rescapholdings.com
cc: Stan.Venne@gmacrescap.com, Jacob.Bazella@gmacrescap.com

For The Month Ended: **12/31/2009**

	RFC	
	MTD	YTD
Consolidated		
Pre Tax Income (Loss)	(989,874,183)	(3,111,113,583)
Income Tax Expense (Benefit)	102,901,784	113,536,165
Income (Loss) from Discontinued Operations	(491,597,642)	(1,199,831,056)
Net income	(1,584,373,609)	(4,424,480,804)

GMAC ResCap, LLC

Equity Roll-forward

Reporting entity name:	RFC
For the period ended:	12/31/2009

Note: Increase (Deduction)	Member's Interest	Retained Earnings	Comprehensive Income	AOCI	Total Equity
Balance at Jan 1, 2009	10,828,895,634	(8,885,378,112)		26,002,857	1,969,520,379
Cumulative effect of change in accounting principle as of January 1, 2008, net of tax:					
Adoption of FAS 159		-			-
Net income		(4,424,480,804)	(4,424,480,804)		(4,424,480,804)
Capital Contribution	3,347,225,252				3,347,225,252
Dividend					-
OCI - F/X			(49,854,404)		(49,854,404)
OCI - unrealized g/l AFS					-
OCI - FAS 133 cf hedge			(468,318)		(468,318)
Pension Adjustment (FAS 158)			11,930,000		11,930,000
Subtotal OCI			(38,392,722)	(38,392,722)	-
Total comprehensive income			(4,462,873,526)		-
Balance at Current Month-end	14,176,120,886	(13,309,858,916)		(12,389,865)	853,872,105
					(0)

Details for 'Other'

Date	Amount	Member's Interest / RE	Description
Total:	-	OK	

EXAM10362154

Capital Contribution Details

Date	Amount	Cash/Non Cash	Description
1/31/2009	4,700,570	Non Cash	Excess purchase price on sale of ResMor to GMAC
3/31/2009	59,963,200	Non Cash	PCO Debt Forgiveness to Australia
5/31/2009	50,959	Cash	Broker Dealer sale to GMAC
6/30/2009	61,714,896	Non Cash	PCO Debt Forgiveness to Australia
6/30/2009	33,134,000	Non Cash	PCO Debt Forgiveness to UK
6/30/2009	442,600	Cash	Tax receivable from GM
8/31/2009	174,584,063	Non Cash	PCO Debt Forgiveness to RFC
9/30/2009	164,689,123	Non Cash	PCO Debt Forgiveness to RFC
9/30/2009	179,189,501	Non Cash	PCO Debt Forgiveness to Europe
9/30/2009	55,844,024	Non Cash	PCO Debt Forgiveness to Canada
9/30/2009	22,195,423	Non Cash	PCO Debt Forgiveness to Mexico
10/31/2009	36,251,433	Non Cash	PCO Debt Forgiveness to Europe
10/31/2009	59,327,737	Non Cash	PCO Debt Forgiveness to UK
11/30/2009	52,376,000	Non Cash	GMAC MSR Debt Forgiveness-RFC
11/30/2009	32,780,525	Non Cash	PCO Debt Forgiveness to Europe
11/30/2009	44,544,475	Non Cash	PCO Debt Forgiveness to UK
12/31/2009	1,435,562,736	Non Cash	Ally Bank Loan Sale to GMAC
12/31/2009	16,436,750	Non Cash	PCO Debt Forgiveness to Mexico
12/31/2009	95,052,602	Non Cash	PCO Debt Forgiveness to Canada
12/31/2009	195,020,905	Non Cash	Stewardship Forgiveness
12/31/2009	164,265,214	Non Cash	GMAC MSR Debt Forgiveness-RFC
12/31/2009	4,758,822	Non Cash	PCO Debt Forgiveness to Canada
12/31/2009	267,109,239	Non Cash	PCO Debt Forgiveness to UK
12/31/2009	187,230,452	Non Cash	PCO Debt Forgiveness to Europe
Total:	3,347,225,252	OK	

Dividend Details

Date	Amount	Cash/Non Cash	Description
Total:	-	OK	

EXAM10362154

Exhibit R

ResCap
Debt Forgiveness Schedule
By Legal Entity

Draft - Subject to Change

($ in millions)

Forgiven By	In Favor Of	Entity Status	Year 2008	2009	2010	2011	2012	Grand Total	BV of Assets 12/31/2012[1]		Check	Entity Status	
Residential Capital, LLC	Residential Funding Co., LLC	Debtor	$ 2,000	$ 151	$ -	$ -	$ -	$ 2,151	880		-		
	GMAC RFC Europe Limited	Non Debtor/Active	1,800	-	-	-	-	1,800	(1)		-		
	GMAC - RFC (UK) Limited	Sold 9/30/2010	725	371	80	-	-	1,176	n/a		-		
	GMAC RFC Investment B.V.	Sold 10/01/2010	154	435	-	-	-	589	n/a		-		
	Investments BV GX1	SPE/Active	-	165	285	3	-	452	-	Ask Barb	-		
	RFC UK Ltd Viaduct	SPE/Active	15	175	231	-	-	420	-	Ask Barb	-		
	GMAC Res Fund of Canada	Non Debtor/Active	154	5	-	-	-	159	-		-		
	Australia GMAC RFC	Sold 7/02/2009	23	122	-	-	-	145	n/a		-		
	Viaduct (no.7)	SPE/Active	-	-	-	-	134	134	-	Ask Barb	-		
	Financiera Auritec, S.A.	Non Debtor/Active	-	39	-	-	-	39	-		-		
	GMAC-RFC Property Finance Ltd	Non Debtor/Active	-	33	-	-	-	33	-		-		
	PREEMAC 2 NL NETH B.V.	SPE/Active	-	-	19	3	-	22	-		-		
	Subtotal		**4,871**	**1,495**	**615**	**5**	**134**	**7,120**			-		
GMAC Residential Holding Co LLC	GMAC Mortgage LLC	Debtor	**-**	**2,520**	**-**	**-**	**-**	**2,520**	3,934		-		
Residential Funding Co., LLC	RFC Asset Holdings II, LLC	Debtor	1,228	-	-	-	-	1,228			-	Same	Same
	GMAC Model Home Finance, LLC	Sold 6/2008	481	-	-	-	-	481			-	Same	Changed
	Equity Investment I, LLC	Debtor	392	-	-	-	-	392			-	Same	Same
	RC Properties I, LLC	Dissolved 12/30/2011	-	88	-	-	-	88			-	Same	Same
	CMH Holdings, LLC	Non Debtor/Active	48	-	-	-	-	48			-	Same	Changed
	DOA Properties IX, LLC	Debtor	-	-	-	45	-	45			-	Same	Same
	DOA Holding Properties, LLC	Debtor	43	0	-	-	-	43			-	Same	Same
	DOA Properties I, LLC	Dissolved 8/09/2011	31	-	-	-	-	31			-	Same	Same
	Equity Investment IV	Dissolved 8/09/2011	-	21	-	-	-	21			-	Same	Same
	KBOne, LLC	Sold 6/2008	18	-	-	1	-	18			-	Same	Changed
	DOA Properties II, LLC	Dissolved 8/09/2011	14	-	-	-	-	14			-	Same	Same
	RFC-GSAP Servicer Advance, LLC	Debtor	7	-	-	-	-	7			-	Same	Same
	DOA Properties IV, LLC	Dissolved 12/30/2011	-	-	-	7	-	7			-	Same	Same
	Developers of Hidden Springs	Dissolved 12/30/2011	6	-	-	-	-	6			-	Same	Same
	DOA Holdings NoteCo, LLC	Dissolved 4/12/2012	-	-	-	5	-	5			-	Same	Same
	REG-PFH, LLC	Dissolved 12/30/2001	5	-	-	-	-	5			-	Same	Same
	LenOne, LLC	Sold 6/2008	4	-	-	0	-	4			-	Same	Changed
	RFC Construction Funding LLC	Debtor	-	-	-	2	-	2			-	Same	Same
	Hidden Springs Sewer Company	Sold 9/23/2009	2	-	-	-	-	2			-	Same	Same
	GMAC Model Home I, LLC	Debtor	-	1	-	-	-	1			-	Same	Same
	Ameriland LLC	Dissolved 12/30/2011	1	-	-	-	-	1			-	Same	Same
	GMCMTH, LLC	Sold 6/2008	0	-	-	0	-	1			-	Same	Changed
	DOA Properties IIIB, LLC	Sold 9/30/2008	-	-	-	0	-	0			-	Same	Changed
	DOA Properties V, LLC	Dissolved 12/30/2011	0	-	-	-	-	0			-	Same	Same
	DOA Properties VIII, LLC	Cancelled 6/06/2008	-	0	-	-	-	0			-	Same	Same
	RFC Resort Funding LLC	Sold 7/23/2008	-	-	-	0	-	0			-	Same	Changed
	DOA Properties VII, LLC	Dissolved 8/09/2011	0	-	-	-	-	0			-	Same	Same
	Subtotal		**2,280**	**111**	**-**	**61**	**-**	**2,452**					
Passive Asset Transactions LLC	Flume (no.8)	SPE/Active	-	-	351	-	53	404			-	Same	Changed
	GX CE Funding II B.V.	SPE/Active	-	-	311	-	-	311			-	Same	Changed
	Subtotal		**-**	**-**	**662**	**-**	**53**	**715**					
RFC Asset Holdings II, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	**-**	**-**	**-**	**209**	**-**	**209**					
Homecomings Financial, LLC	GMAC Model Home Finance, LLC	Sold 6/2008	-	-	-	0	-	0			-	Same	Changed
	DOA Properties IIIB, LLC	Sold 9/30/2008	-	-	-	0	-	0			-	Same	Changed
	KBOne, LLC	Sold 6/2008	-	-	-	0	-	0			-	Same	Changed
	LenOne, LLC	Sold 6/2008	-	-	-	0	-	0			-	Same	Changed
	Subtotal		**-**	**-**	**-**	**0**	**-**	**0**					
	Subtotal of Top Interco Notes		**7,150**	**4,126**	**1,277**	**275**	**187**	**13,015**			(209)		
GMAC Model Home Finance, LLC	**Various**		636	-	-	503	-	1,139					
CMH Holdings, LLC	**Various**		-	-	-	457	-	457					
Flume (no.8)	**Various**		-	-	351	-	53	404					
GX CE Funding II B.V.	**Various**		-	-	311	-	-	311					
DOA Holding Properties, LLC	**Various**		-	-	-	268	-	268					
Remaining	**Various**		89	-	-	773	134	997					
	Total		**$ 7,876**	**$ 4,126**	**$ 1,938**	**$ 2,276**	**$ 374**	**$ 16,589**					

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RX ATF

ResCap
Debt Forgiveness Schedule
By Legal Entity

Draft - Subject to Change

($ in millions)

Forgiven By	In Favor Of	Entity Status	Year 2008	2009	2010	2011	2012	Grand Total	BV of Assets 12/31/2012[1]	Check	Entity Status
Residential Funding Co., LLC	RFC Asset Holdings II, LLC	Dissolved 12	$ -	$ 88	$ -	$ -	$ 88				
	GMAC Model Home Finance, LLC	Active, non c	48	-	-	-	48				
	Equity Investment I, LLC	Debtor	-	-	-	45	45				
	RC Properties I, LLC	Debtor	43	0	-	-	43				
	CMH Holdings, LLC	Dissolved 8/	31	-	-	-	31				
	DOA Properties IX, LLC	Dissolved 8/	-	21	-	-	21				
	DOA Holding Properties, LLC	Entity and it	18	-	-	1	18				
	DOA Properties I, LLC	Dissolved 8/	14	-	-	-	14				
	Equity Investment IV	Debtor	7	-	-	-	7				
	KBOne, LLC	Dissolved 12	-	-	-	7	7				
	DOA Properties II, LLC	Dissolved 12	6	-	-	-	6				
	RFC-GSAP Servicer Advance, LLC	Dissolved 4/	-	-	-	5	5				
	DOA Properties IV, LLC	Dissolved 12	5	-	-	-	5				
	Developers of Hidden Springs	Entity and it	4	-	-	0	4				
	DOA Holdings NoteCo, LLC	Debtor	-	-	-	2	2				
	REG-PFH, LLC	Sold 9/23/2	2	-	-	-	2				
	LenOne, LLC	Debtor	-	1	-	-	1				
	RFC Construction Funding LLC	Dissolved 12	1	-	-	-	1				
	Hidden Springs Sewer Company	Entity and it	0	-	-	0	1				
	GMAC Model Home I, LLC	Sold 9/30/2	-	-	-	0	0				
	Ameriland LLC	Dissolved 12	0	-	-	-	0				
	GMCMTH, LLC	Cancelled 6/	-	0	-	-	0				
	DOA Properties IIIB, LLC	Sold to Ally 7	-	-	-	0	0				
	DOA Properties V, LLC	Dissolved 8/	0	-	-	-	0				
	DOA Properties VIII, LLC	Debtor	243	-	-	-	243				
	RFC Resort Funding LLC	Active, non c	10	-	-	223	233				
	DOA Properties VII, LLC	Debtor	-	-	-	168	168				
	Subtotal		$ -	$ 432	$ 111	$ -	$ 451	$ 994			
GMAC Model Home Finance, LLC	RFC Asset Holdings II, LLC	Entity and it	$ 90	$ -	$ -	$ -	$ 90				
	CMH Holdings, LLC	Dissolved 12	30	-	-	53	83				
	Residential Funding Co., LLC	Sold 9/30/2	48	-	-	-	48				
	DOA Properties IX, LLC	Dissolved 8/	40	-	-	-	40				
	KBOne, LLC	Dissolved 12	30	-	-	2	32				
	DOA Properties III, LLC	Entity and it	25	-	-	5	30				
	DOA Properties IIIB, LLC	Unknown, di	19	-	-	-	19				
	DOA Properties VII, LLC	Dissolved 8/	12	-	-	-	12				
	DOA Properties V, LLC	Dissolved 8/	3	-	-	-	3				
	GMCMTH, LLC	Special Purp	-	-	351	-	351				
	Win-Win Beaz Pardee III, LLC	Special Purp	-	-	311	-	311				
	Win-Win Beazer Pool I, LLC	Debtor	-	-	-	230	230				
	Win-Win Spectrum, LLC	Debtor	-	-	-	227	227				
	Subtotal		$ -	$ 297	$ -	$ 662	$ 517	$ 1,476			
Passive Asset Transactions LLC	Flume (no.8)	GAAP Only e	$ -	$ -	$ 311	$ -	$ 311				
	GX CE Funding II B.V.	Debtor	-	-	-	267	267				
	Subtotal		$ -	$ -	$ -	$ 311	$ 267	$ 578			

(1) Includes only pledged and unpledged asset balances. Excludes non-economic and securitized assets and accounting entries.

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ResCap
Debt Forgiveness Schedule
By Legal Entity

Draft - Subject to Change

($ in millions)

Forgiven By	In Favor Of	Entity Status	Year 2008	2009	2010	2011	2012	Grand Total	BV of Assets 12/31/2012[1]	Check	Entity Status
CMH Holdings, LLC	Residential Funding Co., LLC	Sold to CMH	$ -	$ -	$ -	$ -	$ 209	$ 209			
	GMAC Model Home I, LLC	Debtor	-	-	-	-	141	141			
	Subtotal		$ -	$ -	$ -	$ -	$ 350	$ 350			
Flume (no.8)	RFC UK Ltd Flume	**Debtor**	$ -	$ -	$ -	$ -	$ 0	$ 0			
GX CE Funding II B.V.	Investments BV GX2	**Debtor**	$ -	$ -	$ -	$ -	$ 106	$ 106			
DOA Holding Properties, LLC	Residential Funding Co., LLC	Debtor	$ -	$ -	$ -	$ -	$ 0	$ 0			
	DOA Properties III, LLC	Debtor	-	-	-	-	141	141			
	Subtotal		$ -	$ -	$ -	$ -	$ 141	$ 141			
RFC Asset Holdings II, LLC	GMAC Model Home Finance, LLC	**GAAP Only**	$ -	$ -	$ -	$ -	$ -	$ -			
Equity Investment I, LLC	Residential Funding Co., LLC	Debtor	$ -	$ -	$ -	$ -	$ 39	$ 39			
	RC Properties I, LLC	Dissolved 12	-	-	-	-	8	8			
	DOA Properties IX, LLC	Debtor	-	-	-	-	69	69			
	DOA Holding Properties, LLC	Non Debtor,	55	-	-	-	-	55			
	Subtotal		$ -	$ 55	$ -	$ -	$ 116	$ 171			
RFC Construction Funding LLC	DOA Holding Properties, LLC	Dissolved 1/	$ 0	$ -	$ -	$ -	$ -	$ 0			
	RC Properties I, LLC	Sold to CMH	18	-	-	-	32	50			
	Homecomings Financial, LLC	Sold to CMH	-	-	-	-	16	16			
	Subtotal		$ -	$ 18	$ -	$ -	$ 48	$ 66			
RC Properties I, LLC	Residential Funding Co., LLC	Debtor	$ -	$ -	$ -	$ -	$ 9	$ 9			
	DOA Holding Properties, LLC	Debtor	-	-	-	-	6	6			
	Subtotal		$ -	$ -	$ -	$ -	$ 15	$ 15			
Viaduct (no.7)	RFC UK Ltd Viaduct	**Dissolved 1**	$ -	$ -	$ -	$ -	$ 0	$ 0			
DOA Properties IX, LLC	DOA Holding Properties, LLC	Sold to CMH	$ -	$ -	$ -	$ -	$ 15	$ 15			
	RFC Construction Funding LLC	Debtor	-	-	-	-	14	14			
	RC Properties I, LLC	Debtor	-	-	-	-	13	13			
	Subtotal		$ -	$ -	$ -	$ -	$ 41	$ 41			
Other Legal Entities (<$100M)	Residential Funding Co., LLC	Debtor	$ -	$ -	$ -	$ -	$ 7	$ 7			
	GMAC Mortgage Serv Advanc Fund	Debtor	5	-	-	-	-	5			
	Residential Consumer Serv LLC	Debtor	-	-	-	-	4	4			
	MINT I VFN Holdings, LLC	Dissolved 12	2	-	-	-	-	2			
	GMAC Model Home Finance, LLC	Sold to CMH	0	-	-	-	-	0			
	GMAC Model Home Finance, LLC	Debtor	-	-	-	-	0	0			
	Residential Funding Co., LLC	Debtor	-	-	-	-	0	0			
	RFC Construction Funding LLC	Sold 9/30/2	-	-	-	-	0	0			
	DOA Holding Properties, LLC	Entity and it	-	-	-	-	0	0			
	Residential Funding Co., LLC	Entity and it	-	-	-	-	0	0			
	RC Properties I, LLC	-	7,876	4,126	1,938	2,276	16,215				
	DOA Properties IX, LLC	-	-	-	-	-	-				
	GMAC Model Home Finance, LLC	-	-	-	-	-	-				
	DOA Holding Properties, LLC	-	-	-	-	-	-				
	Residential Funding Co., LLC	-	-	-	-	-	-				
	GMAC Model Home Finance, LLC	-	-	-	-	-	-				
	DOA Holding Properties, LLC	-	-	-	-	-	-				
	RFC Construction Funding LLC	-	-	-	-	-	-				
	Home Connects Lending Serv LLC	-	-	-	-	-	-				
	Residential Funding Co., LLC	-	-	-	-	-	-				
	Developers of Hidden Springs	-	-	-	-	-	-				
	Residential Funding Co., LLC	-	-	-	-	-	-				
	GMAC Model Home Finance, LLC	-	-	-	-	-	-				
	Homecomings Financial, LLC	-	-	-	-	-	-				
	Residential Funding Co., LLC	-	-	-	-	-	-				
	DOA Holding Properties, LLC	-	-	-	-	-	-				
	GMAC Model Home Finance, LLC	-	-	-	-	-	-				
	DOA Properties IIIB, LLC	-	-	-	-	-	-				
	KBOne, LLC	-	-	-	-	-	-				
	LenOne, LLC	-	-	-	-	-	-				
	Subtotal	$ -	$ 7,883	$ 4,126	$ 1,938	$ 2,286	$ 16,233				
	GRAND TOAL	$ 4,871	$ 12,699	$ 4,851	$ 2,916	$ 4,475	$ 29,813				

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Sum of Amount	year						
Description	2008	2009	2010	2011	2012	Grand Total
Residential Capital, LLC	4,871	1,495	615	5	134	7,120
GMAC Residential Holding Co LLC	-	2,520	-	-	-	2,520
Residential Funding Co., LLC	2,280	111	-	61	-	2,452
GMAC Model Home Finance, LLC	636	-	662	503	-	1,139
Passive Asset Transactions LLC	-	-	-	-	53	715
CMH Holdings, LLC	-	-	-	457	-	457
Flume (no.8)	-	-	351	-	53	404
GX CE Funding II B.V.	-	-	311	-	-	311
DOA Holding Properties, LLC	-	-	-	268	-	268
RFC Asset Holdings II, LLC	-	-	-	209	-	209
Equity Investment I, LLC	-	-	-	166	-	166
RFC Construction Funding LLC	-	-	-	151	-	151
RC Properties I, LLC	-	-	-	149	-	149
Viaduct (no.7)	-	-	-	-	134	134
DOA Properties IX, LLC	-	-	-	117	-	117
DOA Properties III, LLC	60	-	-	69	-	69
GMAC Mortgage LLC	18	-	-	-	-	60
KBOne, LLC	-	-	-	32	-	50
Win-Win Beaz Pardee III, LLC	-	-	-	16	-	16
DOA Properties V, LLC	-	-	-	16	-	16
DOA Properties IIIB, LLC	-	-	-	15	-	15
DOA Holdings NoteCo, LLC	-	-	-	14	-	14
GMAC Model Home I, LLC	-	-	-	13	-	13
LenOne, LLC	4	-	-	4	-	8
DOA Properties IV, LLC	-	-	-	7	-	7
GMACRH Settlement Services LLC	5	-	-	-	-	5
Developers of Hidden Springs	-	-	-	4	-	4
Hidden Springs Sewer Company	2	-	-	-	-	2
REG-PFH, LLC	-	-	-	1	-	1
GMCMTH, LLC	0	-	-	0	-	0
Amerland LLC	-	-	-	0	-	0
Homecomings Financial, LLC	-	-	-	0	-	0
Grand Total	7,876	4,126	1,938	2,276	374	16,589

Residential Capital, LLC
Debt Forgiveness

January 1, 2008 - May 13, 2012

1,000,000

	From			To						
Date	LE	Description	ntity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type	Reason	Document year
3/31/2008	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	2,000	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2008
6/30/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor	2,000	Intra-GMAC Resi debt	Debt forgiveness required to meet net worth requirement	Document 2009
7/31/2008	50000	Residential Capital, LLC	Debtor	11700	GMAC RFC Europe Limited	Non Debtor, active	1,800	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2008
12/30/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor	1,436	MLHFS contribution	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10015	RFC Asset Holdings II, LLC	Debtor	1,228	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor	751	ResCap bonds	Contribution from Ally to ResCap Parent (Ally return of portion of Re	Ally debt na 2009
3/31/2008 *		ALLY	Active	50000	Residential Capital, LLC	Debtor	750	ResCap bonds	Ally OMR - FV of bonds later converted to shares of Ally Bank	Ally debt na 2008
12/30/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor	600	Cash	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
5/31/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor	500	Intra-GMAC Resi debt	Debt forgiveness required to meet net worth requirement	Document 2009
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	481	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10022	Equity Investment I, LLC	Debtor	392	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
10/31/2008	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	377	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2008
10/31/2010	SS095	Passive Asset Transactions LLC	Debtor	50001	Flume (no.8)	Special Purpose Entity/Active	351	P&L - Loan Writedown	Debt forgiveness upon sale of Flume assets at less than CV	Due to carr 2010
10/31/2010	50001	Flume (no.8)	Special Purpos	11810	RFC UK Ltd Flume	GAAP Only entity	351	P&L - Loan Writedown	Debt forgiveness upon sale of Flume assets at less than CV	Due to carr 2010
6/30/2008	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	348	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2008
12/31/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor	316	Cash (receivable at 12/31/09)	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
10/31/2010	SS095	Passive Asset Transactions LLC	Debtor	50004	GX CE Funding II B.V.	Special Purpose Entity/Active	311	P&L - Loan Writedown	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carr 2010
10/31/2010	50004	GX CE Funding II B.V.	Special Purpos	11786	Investments BV GX2	GAAP Only entity	311	P&L - Loan Writedown	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carr 2010
11/30/2011	16220	DOA Holding Properties, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	267	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
12/31/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	267	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
11/30/2008		ALLY	Active	10010	Residential Funding Co., LLC	Debtor	264	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
3/31/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor	263	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10015	RFC Asset Holdings II, LLC	Debtor	243	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	10555	CMH Holdings, LLC	Active, non det	10010	Residential Funding Co., LLC	Debtor	230	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	10555	CMH Holdings, LLC	Active, non det	10550	GMAC Model Home I, LLC	Debtor	227	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10555	CMH Holdings, LLC	Active, non debtor, minority interest	223	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
6/3/2008 *		ALLY	Active	50000	Residential Capital, LLC	Debtor	220	ResCap bonds	Ally OMR - FV of bonds later converted to shares of Ally Bank	Ally debt na 2008
12/31/2008		ALLY	Active	50000	Residential Capital, LLC	Debtor	220	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
10/29/2010	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	GAAP Only entity	211	Intra-ResCap debt	Debt forgiveness upon sale of Viaduct assets at less than CV	Due to carr 2010
11/30/2011	10015	RFC Asset Holdings II, LLC	Debtor	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	209	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
12/31/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor	195	Stewardship	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
12/31/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	187	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
11/30/2008		ALLY	Active	SS001	GMAC Mortgage LLC	Debtor	187	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
9/30/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	179	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
10/29/2010	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	GAAP Only entity	179	Intra-ResCap debt	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carr 2010
8/31/2009	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	GAAP Only entity	175	Intra-ResCap debt	Debt forgiveness upon sale of Viaduct assets at less than CV	Due to carr 2009
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10010	Residential Funding Co., LLC	Debtor	168	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
9/30/2009	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	GAAP Only entity	165	Intra-ResCap debt	Debt forgiveness upon sale of GX1 assets at less than CV	Document 2009
12/31/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor	164	MSR	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
12/31/2008	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	154	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2008
11/30/2011	10022	Equity Investment I, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	141	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	30004	RC Properties I, LLC	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor	141	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
10/31/2008		ALLY	Active	10010	Residential Funding Co., LLC	Debtor	141	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
5/11/2012	50000	Residential Capital, LLC	Debtor	50002	Viaduct (no.7)	Special Purpose Entity/Active	134	Intra-ResCap debt	Viaduct debt forgiveness down to FV of underlying collateral	Due to carr 2012
5/11/2012	50002	Viaduct (no.7)	Special Purpos	11809	RFC UK Ltd Viaduct	GAAP Only entity	134	Intra-ResCap debt	Viaduct debt forgiveness down to FV of underlying collateral	Due to carr 2012
5/11/2012		ALLY		SS001	GMAC Mortgage LLC	Debtor	126	Rep and Warrant Release	Release on R&W to loans sold to Ally Bank as pre-Bankruptcy inital	Ally debt na 2012
1/31/2012		ALLY		SS033	GMAC Residential Holding Co LLC	Debtor	124	LOC debt	ResCap $250M net worth requirement	Ally debt na 2012
5/31/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor	113	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
11/30/2011	30003	RFC Construction Funding LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor	106	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
1/29/2010	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	GAAP Only entity	106	Intra-ResCap debt	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carr 2010
12/31/2008	50000	Residential Capital, LLC	Debtor	14000	GMAC Res Fund of Canada	Non Debtor, active	102	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2008
12/31/2009		ALLY	Active	SS033	GMAC Residential Holding Co LLC	Debtor	98	MSR	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
10/31/2008		ALLY	Active	SS001	GMAC Mortgage LLC	Debtor	98	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
12/31/2009	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	95	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10503	KBOne, LLC	Entity and its parent sold to CMH 6/2008	90	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
4/30/2009	10010	Residential Funding Co., LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011	88	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2009
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16269	DOA Properties IX, LLC	Debtor	86	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/7/2010	50000	Residential Capital, LLC	Debtor	41077	GMAC - RFC (UK) Limited	Sold 9/30/2010	80	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Need to ide 2010
1/31/2012		ALLY		10010	Residential Funding Co., LLC	Debtor	72	LOC debt	ResCap $250M net worth requirement	Ally debt na 2012
11/30/2011	16269	DOA Properties IX, LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor	70	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	16260	DOA Properties III, LLC	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor	69	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
9/30/2008		ALLY	Active	SS001	GMAC Mortgage LLC	Debtor	64	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
6/30/2009	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009	62	Intra-ResCap debt	Sale of Australian business	Could not le 2009
3/31/2009	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009	60	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
10/31/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	59	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
9/30/2009	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	56	Intra-ResCap debt	Debt forgiveness upon sale of CA (7311) assets at less than CV	Document 2009
6/30/2008	SS001	GMAC Mortgage LLC	Debtor	SS088	GMAC Mortgage Serv Advanc Fund	Non Debtor, minority interest	55	Intra-GMACM debt	Revolver obligor/joinder positive net worth	Revolver ol 2008

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RCUCCJSN11270924

Residential Capital, LLC
Debt Forgiveness

January 1, 2008 - May 13, 2012

1,000,000

From				To							
Date	LE	Description	ntity Status Toc	LE	Description	Entity Status Today	Amount		Contribution Type	Reason	Document year
9/30/2008		ALLY	Active	50000	Residential Capital, LLC	Debtor		54	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16260	DOA Properties III, LLC	Dissolved 12/30/3011		53	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
5/11/2012	SS095	Passive Asset Transactions LLC	Debtor	50001	Flume (no.8)	Special Purpose Entity/Active		53	P&L - Loan Writedown	Flume debt forgiveness down to FV of underlying collateral	Due to carr 2012
5/11/2012	50001	Flume (no.8)	Special Purpos	11810	RFC UK Ltd Flume	GAAP Only entity		53	P&L - Loan Writedown	Flume debt forgiveness down to FV of underlying collateral	Due to carr 2012
11/30/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor		52	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16269	DOA Properties IX, LLC	Debtor		52	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
12/31/2008	50000	Residential Capital, LLC	Debtor	14000	GMAC Res Fund of Canada	Non Debtor, active		52	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2008
7/31/2008	10010	Residential Funding Co., LLC	Debtor	10555	CMH Holdings, LLC	Active, non debtor, minority interest		48	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16263	DOA Properties IIIB, LLC	Sold 9/30/2008 ?		48	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16269	DOA Properties IX, LLC	Debtor		45	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	30003	RFC Construction Funding LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011		45	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010		45	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16267	DOA Properties VII, LLC	Dissolved 8/09/2011		40	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	16269	DOA Properties IX, LLC	Debtor	30003	RFC Construction Funding LLC	Debtor		39	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
9/30/2008		ALLY	Active	10010	Residential Funding Co., LLC	Debtor		38	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na 2008
10/31/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010		36	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
12/31/2011		ALLY		SS001	GMAC Mortgage LLC	Debtor		35	LOC debt	ResCap $250M net worth requirement	Ally debt na 2011
4/30/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor		35	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
6/30/2009	50000	Residential Capital, LLC	Debtor	11078	GMAC-RFC Property Finance Ltd	Non Debtor, active		33	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
12/31/2008	10010	Residential Funding Co., LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor		33	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010		33	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
11/30/2011	10503	KBOne, LLC	Entity and its pa	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		32	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
12/31/2011		ALLY		SS001	GMAC Mortgage LLC	Debtor		31	LOC debt	ResCap $250M net worth requirement	Ally debt na 2011
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16265	DOA Properties V, LLC	Dissolved 12/30/2011		30	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16260	DOA Properties III, LLC	Dissolved 12/30/3011		30	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	16230	DOA Properties I, LLC	Dissolved 8/09/2011		28	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10517	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008		25	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	10022	Equity Investment I, LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011		24	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor		24	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na 2009
12/31/2011		ALLY		10010	Residential Funding Co., LLC	Debtor		23	LOC debt	ResCap $250M net worth requirement	Ally debt na 2011
3/31/2008	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009		23	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2008
9/30/2009	50000	Residential Capital, LLC	Debtor	12100	Financiera Auritec, S.A.	Non Debtor, active		22	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Could not le 2009
6/30/2009	10010	Residential Funding Co., LLC	Debtor	16115	Equity Investment IV	Dissolved 8/09/2011		21	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2009
12/31/2011		ALLY		10010	Residential Funding Co., LLC	Debtor		20	LOC debt	ResCap $250M net worth requirement	Ally debt na 2011
1/29/2010	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	GAAP Only entity		20	Intra-ResCap debt	Debt forgiveness upon sale of Viaduct assets at less than CV	Due to carr 2010
12/31/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor		20	Intra-GMAC Resi debt	Debt forgiveness required to meet net worth requirement	Document 2009
9/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16273	Win-Win Beaz Pardee III, LLC	Unknown, dissolved ledger 12/302011		19	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
10/29/2010	50000	Residential Capital, LLC	Debtor	11785	PREEMAC 2 NL NETH B.V.	Special Purpose Entity/Active		19	Intra-ResCap debt	Debt forgiveness upon sale of Preemac assets at less than CV	Due to carr 2010
9/30/2008		ALLY	Active	SS001	GMAC Mortgage LLC	Debtor		19	Tax debt	Tax relief	Ally debt na 2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10503	KBOne, LLC	Entity and its parent sold to CMH 6/2008		18	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10503	KBOne, LLC	Entity and its pa	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		18	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
12/31/2009	50000	Residential Capital, LLC	Debtor	12100	Financiera Auritec, S.A.	Non Debtor, active		16	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
11/30/2011	16273	Win-Win Beaz Pardee III, LLC	Unknown, disso	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		16	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2008	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	GAAP Only entity		15	Intra-ResCap debt	Debt forgiveness upon sale of Viaduct assets at less than CV	Due to carr 2008
11/30/2011	16263	DOA Properties IIIB, LLC	Sold 9/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		15	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	16240	DOA Properties II, LLC	Dissolved 8/09/2011		14	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	16221	DOA Holdings NoteCo, LLC	Dissolved 4/12/	16220	DOA Holding Properties, LLC	Debtor		14	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	10550	GMAC Model Home I, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor		13	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
9/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16271	Win-Win Beazer Pool I, LLC	Dissolved 8/09/2011		12	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10555	CMH Holdings, LLC	Active, non debtor, minority interest		10	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
12/31/2008	10010	Residential Funding Co., LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor		10	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	16265	DOA Properties V, LLC	Dissolved 12/3(	30003	RFC Construction Funding LLC	Debtor		9	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	30004	RC Properties I, LLC	Dissolved 12/3(	16220	DOA Holding Properties, LLC	Debtor		8	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	16269	DOA Properties IX, LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011		8	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
6/1/2008	10010	Residential Funding Co., LLC	Debtor	10044	RFC-GSAP Servicer Advance, LLC	Debtor		7	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16264	DOA Properties IV, LLC	Dissolved 12/30/2011		7	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	16264	DOA Properties IV, LLC	Dissolved 12/3(	16220	DOA Holding Properties, LLC	Debtor		7	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	16265	DOA Properties V, LLC	Dissolved 12/3(	16220	DOA Holding Properties, LLC	Debtor		6	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10018	Developers of Hidden Springs	Dissolved 12/30/2011		6	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	SS001	GMAC Mortgage LLC	Debtor	SS007	Residential Consumer Serv LLC	Debtor		5	Intra-GMACM debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	10517	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008		5	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16221	DOA Holdings NoteCo, LLC	Dissolved 4/12/2012		5	Intra-RFC debt	BCG entity dissolutions	Entity dissc 2011
6/30/2008	SS066	GMACRH Settlement Services LLC	Debtor	SS067	Home Connects Lending Serv LLC	Debtor		5	Intra-GMACM debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
12/31/2009	50000	Residential Capital, LLC	Debtor	14000	GMAC Res Fund of Canada	Non Debtor, active		5	Intra-ResCap debt	Debt forgiveness required to meet net worth requirement	Document 2009
1/16/2009		ALLY	Active	44040	ResMor Trust Co	Sold to Ally 1/31/2009		5	Excess purchase price	ResMor sale to GMAC	Ally debt na 2009
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10501	LenOne, LLC	Entity and its parent sold to CMH 6/2008		4	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008
6/30/2008	10501	LenOne, LLC	Entity and its pa	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		4	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol 2008

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RCUCCJSN11270924

Residential Capital, LLC
Debt Forgiveness

January 1, 2008 - May 13, 2012

1,000,000

From				To							
Date	LE	Description	ntity Status Toc	LE	Description	Entity Status Today	Amount		Contribution Type	Reason	Document year	
11/30/2011	10501	LenOne, LLC	Entity and its pa	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		4	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10018	Developers of Hidden Springs	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor		4	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
9/30/2008	10010	Residential Funding Co., LLC	Debtor	16230	DOA Properties I, LLC	Dissolved 8/09/2011		3	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
7/31/2011	50000	Residential Capital, LLC	Debtor	11785	PREEMAC 2 NL NETH B.V.	Special Purpose Entity/Active		3	Intra-ResCap debt	Debt forgiveness upon sale of Preemac assets at less than CV	Due to carr	2011
9/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16270	Win-Win Spectrum, LLC	Dissolved 8/09/2011		3	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
7/31/2011	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	GAAP Only entity		3	Intra-ResCap debt	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carr	2011
11/30/2011	10010	Residential Funding Co., LLC	Debtor	30003	RFC Construction Funding LLC	Debtor		2	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10021	REG-PFH, LLC	Dissolved 12/30/2001		2	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/	16265	DOA Properties V, LLC	Dissolved 12/30/2011		2	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10019	Hidden Springs Sewer Company	Sold 9/23/2009	10018	Developers of Hidden Springs	Dissolved 12/30/2011		2	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10019	Hidden Springs Sewer Company	Sold 9/23/2009		2	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10021	REG-PFH, LLC	Dissolved 12/30/2001		1	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	10021	REG-PFH, LLC	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor		1	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
9/30/2009	10010	Residential Funding Co., LLC	Debtor	10550	GMAC Model Home I, LLC	Debtor		1	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2009
11/30/2011	16265	DOA Properties V, LLC	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor		1	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10021	REG-PFH, LLC	Dissolved 12/30/2001		1	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	10010	Residential Funding Co., LLC	Debtor	10503	KBOne, LLC	Entity and its parent sold to CMH 6/2008		1	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10021	REG-PFH, LLC	Dissolved 12/30/2001		1	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	13003	Ameriland LLC	Dissolved 12/30/2011		1	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10517	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2008	10517	GMCMTH, LLC	Entity and its pa	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
6/30/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor		0	Tax debt	Tax receivable from GM	Ally debt na	2009
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16263	DOA Properties IIIB, LLC	Sold 9/30/2008 ?		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10022	Equity Investment I, LLC	Debtor	16269	DOA Properties IX, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	16265	DOA Properties V, LLC	Dissolved 12/30/2011		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	16273	Win-Win Beaz Pardee III, LLC	Unknown, disso	10010	Residential Funding Co., LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	16265	DOA Properties V, LLC	Dissolved 12/3(	30004	RC Properties I, LLC	Dissolved 12/30/2011		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10010	Residential Funding Co., LLC	Debtor	10517	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10022	Equity Investment I, LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	16264	DOA Properties IV, LLC	Dissolved 12/3(	30003	RFC Construction Funding LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
9/30/2009	10010	Residential Funding Co., LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2009
9/30/2009	10010	Residential Funding Co., LLC	Debtor	16268	DOA Properties VIII, LLC	Cancelled 6/06/2008		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2009
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16251	RFC Resort Funding LLC	Sold to Ally 7/23/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	13003	Ameriland LLC	Dissolved 12/3(	10010	Residential Funding Co., LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
5/1/2009		ALLY	Active	10010	Residential Funding Co., LLC	Debtor		0	Excess purchase price	Broker Dealer sale to GMAC	Ally debt na	2009
11/30/2011	13003	Ameriland LLC	Dissolved 12/3(	16220	DOA Holding Properties, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	30003	RFC Construction Funding LLC	Debtor	10011	Homecomings Financial, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10517	GMCMTH, LLC	Entity and its pa	10011	Homecomings Financial, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	16220	DOA Holding Properties, LLC	Debtor	16260	DOA Properties III, LLC	Dissolved 12/30/3011		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10011	Homecomings Financial, LLC	Debtor	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10011	Homecomings Financial, LLC	Debtor	16263	DOA Properties IIIB, LLC	Sold 9/30/2008 ?		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	10010	Residential Funding Co., LLC	Debtor	16267	DOA Properties VII, LLC	Dissolved 8/09/2011		0	Intra-RFC debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	10011	Homecomings Financial, LLC	Debtor	10503	KBOne, LLC	Entity and its parent sold to CMH 6/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	10010	Residential Funding Co., LLC	Debtor	10501	LenOne, LLC	Entity and its parent sold to CMH 6/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
6/30/2008	SS001	GMAC Mortgage LLC	Debtor	SS090	MINT I VFN Holdings, LLC	Dissolved 1/13/2010		0	Intra-GMACM debt	Revolver obligor/joinder positive net worth	Revolver ol	2008
11/30/2011	10011	Homecomings Financial, LLC	Debtor	10501	LenOne, LLC	Entity and its parent sold to CMH 6/2008		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
11/30/2011	16265	DOA Properties V, LLC	Dissolved 12/3(	16269	DOA Properties IX, LLC	Debtor		0	Intra-RFC debt	BCG entity dissolutions	Entity dissc	2011
1/30/2009		ALLY	Active	50000	Residential Capital, LLC	Debtor		(4)	ResCap bonds (2008 true up)	Debt forgiveness required to meet net worth requirement	Ally debt na	2009

* **Includes $806.3 million of preferred shares issued to GMAC at the time. In Jan 2009, GMAC converted those shares and acquired our remaining shares of Ally Bank.**

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Sum of Amount			year					
Description	Description2	Entity Status Today2	2008	2009	2010	2011	2012	Grand Total
Residential Capital, LLC	Residential Funding Co., LLC	Debtor	2,000	151	-	-	-	2,151
	GMAC RFC Europe Limited	Non Debtor, active	1,800	-	-	-	-	1,800
	GMAC - RFC (UK) Limited	Sold 9/30/2010	725	371	80	-	-	1,176
	GMAC RFC Investment B.V	Sold 10/01/2010	154	435	-	-	-	589
	Investments BV GX1	GAAP Only entity	-	165	285	3	-	452
	RFC UK Ltd Viaduct	GAAP Only entity	15	175	231	-	-	420
	GMAC Res Fund of Canada	Non Debtor, active	154	5	-	-	-	159
	Australia GMAC RFC	Sold 7/02/2009	23	122	-	-	-	145
	Viaduct (no.7)	Special Purpose Entity/Active	-	-	-	-	134	134
	Financiera Auntec, S.A.	Non Debtor, active	-	39	-	-	-	39
	GMAC-RFC Property Finance Ltd	Non Debtor, active	-	33	-	-	-	33
	PREEMAC 2 NL NETH B.V.	Special Purpose Entity/Active	-	-	19	3	-	22
GMAC Residential Holding Co LLC	GMAC Mortgage LLC	Debtor	-	2,520	-	-	-	2,520
Residential Funding Co., LLC	RFC Asset Holdings II, LLC	Debtor	1,228	-	-	-	-	1,228
	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	481	-	-	-	-	481
	Equity Investment I, LLC	Debtor	392	-	-	-	-	392
	RC Properties I, LLC	Dissolved 12/30/2011	-	88	-	-	-	88
	CMH Holdings, LLC	Active, non debtor, minority interest	48	-	-	-	-	48
	DOA Properties IX, LLC	Debtor	-	-	-	45	-	45
	DOA Holding Properties, LLC	Debtor	43	0	-	-	-	43
	DOA Properties I, LLC	Dissolved 8/09/2011	31	-	-	-	-	31
	Equity Investment IV	Dissolved 8/09/2011	-	21	-	-	-	21
	KBOne, LLC	Entity and its parent sold to CMH 6/2008	18	-	-	1	-	18
	DOA Properties II, LLC	Dissolved 8/09/2011	14	-	-	-	-	14
	RFC-GSAP Servicer Advance, LLC	Debtor	7	-	-	-	-	7
	DOA Properties IV, LLC	Dissolved 12/30/2011	-	-	-	7	-	7
	Developers of Hidden Springs	Dissolved 12/30/2011	6	-	-	-	-	6
	DOA Holdings NoteCo, LLC	Dissolved 4/12/2012	-	-	-	5	-	5
	REG-PFH, LLC	Dissolved 12/30/2001	5	-	-	-	-	5
	LenOne, LLC	Entity and its parent sold to CMH 6/2008	4	-	-	0	-	4
	RFC Construction Funding LLC	Debtor	-	-	-	2	-	2
	Hidden Springs Sewer Company	Sold 9/23/2009	2	-	-	-	-	2
	GMAC Model Home I, LLC	Debtor	-	1	-	-	-	1
	Ameriland LLC	Dissolved 12/30/2011	1	-	-	-	-	1
	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008	0	-	-	0	-	1
	DOA Properties IIIB, LLC	Sold 9/30/2008 ?	-	-	-	0	-	0
	DOA Properties V, LLC	Dissolved 12/30/2011	0	-	-	-	-	0
	DOA Properties VIII, LLC	Cancelled 6/06/2008	-	0	-	-	-	0
	RFC Resort Funding LLC	Sold to Ally 7/23/2008	-	-	-	0	-	0
	DOA Properties VII, LLC	Dissolved 8/09/2011	0	-	-	-	-	0
GMAC Model Home Finance, LLC	RFC Asset Holdings II, LLC	Debtor	243	-	-	-	-	243
	CMH Holdings, LLC	Active, non debtor, minority interest	10	-	-	223	-	233
	Residential Funding Co., LLC	Debtor	-	-	-	168	-	168
	DOA Properties IX, LLC	Debtor	86	-	-	52	-	137
	KBOne, LLC	Entity and its parent sold to CMH 6/2008	90	-	-	-	-	90
	DOA Properties III, LLC	Dissolved 12/30/3011	30	-	-	53	-	83
	DOA Properties IIIB, LLC	Sold 9/30/2008 ?	48	-	-	-	-	48
	DOA Properties VII, LLC	Dissolved 8/09/2011	40	-	-	-	-	40
	DOA Properties V, LLC	Dissolved 12/30/2011	30	-	-	2	-	32
	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008	25	-	-	5	-	30
	Win-Win Beaz Pardee III, LLC	Unknown, dissolved ledger 12/302011	19	-	-	-	-	19
	Win-Win Beazer Pool I, LLC	Dissolved 8/09/2011	12	-	-	-	-	12
	Win-Win Spectrum, LLC	Dissolved 8/09/2011	3	-	-	-	-	3
Passive Asset Transactions LLC	Flume (no.8)	Special Purpose Entity/Active	-	-	351	-	53	404
	GX CE Funding II B.V.	Special Purpose Entity/Active	-	-	311	-	-	311
CMH Holdings, LLC	Residential Funding Co., LLC	Debtor	-	-	-	230	-	230
	GMAC Model Home I, LLC	Debtor	-	-	-	227	-	227
Flume (no.8)	RFC UK Ltd Flume	GAAP Only entity	-	-	351	-	53	404
GX CE Funding II B.V.	Investments BV GX2	GAAP Only entity	-	-	311	-	-	311
DOA Holding Properties, LLC	Residential Funding Co., LLC	Debtor	-	-	-	267	-	267
	DOA Properties III, LLC	Dissolved 12/30/3011	-	-	-	0	-	0
RFC Asset Holdings II, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	-	-	-	209	-	209
Equity Investment I, LLC	Residential Funding Co., LLC	Debtor	-	-	-	141	-	141
	RC Properties I, LLC	Dissolved 12/30/2011	-	-	-	24	-	24
	DOA Properties IX, LLC	Debtor	-	-	-	0	-	0
	DOA Holding Properties, LLC	Debtor	-	-	-	0	-	0
RFC Construction Funding LLC	DOA Holding Properties, LLC	Debtor	-	-	-	106	-	106
	RC Properties I, LLC	Dissolved 12/30/2011	-	-	-	45	-	45
	Homecomings Financial, LLC	Debtor	-	-	-	0	-	0
RC Properties I, LLC	Residential Funding Co., LLC	Debtor	-	-	-	141	-	141
	DOA Holding Properties, LLC	Debtor	-	-	-	8	-	8
Viaduct (no.7)	RFC UK Ltd Viaduct	GAAP Only entity	-	-	-	-	134	134
DOA Properties IX, LLC	DOA Holding Properties, LLC	Debtor	-	-	-	70	-	70
	RFC Construction Funding LLC	Debtor	-	-	-	39	-	39

Residential Capital, LLC
Residential Funding Co., LLC
Homecomings Financial, LLC
Passive Asset Transactions LLC
Executive Trustee Services LLC
Residential Funding Co., LLC
Residential Funding Co., LLC

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Sum of Amount			year					
Description	Description2	Entity Status Today2	2008	2009	2010	2011	2012	Grand Total
DOA Properties IX, LLC	RC Properties I, LLC	Dissolved 12/30/2011	-	-	-	8	-	8
DOA Properties III, LLC	Residential Funding Co., LLC	Debtor	-	-	-	69	-	69
GMAC Mortgage LLC	GMAC Mortgage Serv Advanc Fund	Non Debtor, minority interest	55	-	-	-	-	55
	Residential Consumer Serv LLC	Debtor	5	-	-	-	-	5
	MINT I VFN Holdings, LLC	Dissolved 1/13/2010	0	-	-	-	-	0
KBOne, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	18	-	-	32	-	50
Win-Win Beaz Pardee III, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	-	-	-	16	-	16
	Residential Funding Co., LLC	Debtor	-	-	-	0	-	0
DOA Properties V, LLC	RFC Construction Funding LLC	Debtor	-	-	-	9	-	9
	DOA Holding Properties, LLC	Debtor	-	-	-	6	-	6
	Residential Funding Co., LLC	Debtor	-	-	-	1	-	1
	RC Properties I, LLC	Dissolved 12/30/2011	-	-	-	0	-	0
	DOA Properties IX, LLC	Debtor	-	-	-	0	-	0
DOA Properties IIIB, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	-	-	-	15	-	15
DOA Holdings NoteCo, LLC	DOA Holding Properties, LLC	Debtor	-	-	-	14	-	14
GMAC Model Home I, LLC	Residential Funding Co., LLC	Debtor	-	-	-	13	-	13
LenOne, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	4	-	-	4	-	8
DOA Properties IV, LLC	DOA Holding Properties, LLC	Debtor	-	-	-	7	-	7
	RFC Construction Funding LLC	Debtor	-	-	-	0	-	0
GMACRH Settlement Services LLC	Home Connects Lending Serv LLC	Debtor	5	-	-	-	-	5
Developers of Hidden Springs	Residential Funding Co., LLC	Debtor	-	-	-	4	-	4
Hidden Springs Sewer Company	Developers of Hidden Springs	Dissolved 12/30/2011	2	-	-	-	-	2
REG-PFH, LLC	Residential Funding Co., LLC	Debtor	-	-	-	1	-	1
GMCMTH, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	0	-	-	-	-	0
	Homecomings Financial, LLC	Debtor	-	-	-	0	-	0
Ameriland LLC	Residential Funding Co., LLC	Debtor	-	-	-	0	-	0
	DOA Holding Properties, LLC	Debtor	-	-	-	0	-	0
Homecomings Financial, LLC	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	-	-	-	0	-	0
	DOA Properties IIIB, LLC	Sold 9/30/2008 ?	-	-	-	0	-	0
	KBOne, LLC	Entity and its parent sold to CMH 6/2008	-	-	-	0	-	0
	LenOne, LLC	Entity and its parent sold to CMH 6/2008	-	-	-	0	-	0
Grand Total			7,876	4,126	1,938	2,276	374	16,589

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Residential Capital, LLC
Debt Forgiveness
Excludes Ally and Less than $20M

January 1, 2008 - May 13, 2012

From				To				
Date	LE	Description	tity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type
3/31/2008	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	2,000,000,000	Intra-ResCap debt
3/31/2008	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009	22,986,249	Intra-ResCap debt
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10015	RFC Asset Holdings II, LLC	Debtor	1,227,828,469	Intra-RFC debt
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	480,974,086	Intra-RFC debt
6/30/2008	10010	Residential Funding Co., LLC	Debtor	10022	Equity Investment I, LLC	Debtor	392,363,714	Intra-RFC debt
6/30/2008	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	347,917,500	Intra-ResCap debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	10015	RFC Asset Holdings II, LLC	Debtor	243,000,000	Intra-RFC debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	10503	KBOne, LLC	Entity and its parent sold to CMH 6/2008	89,700,125	Intra-RFC debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16269	DOA Properties IX, LLC	Debtor	85,712,012	Intra-RFC debt
6/30/2008	SS001	GMAC Mortgage LLC	Debtor	SS088	GMAC Mortgage Serv Advanc Fund	Non Debtor, minority interest	55,000,000	Intra-GMACM debt
6/30/2008	SS001	GMAC Mortgage LLC	Debtor	SS095	PATI, LLC	Debtor	44,000,000	Intra-GMACM debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16263	DOA Properties IIIB, LLC	Sold 9/30/2008 ?	47,793,822	Intra-RFC debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16267	DOA Properties VII, LLC	Dissolved 8/09/2011	40,250,889	Intra-RFC debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16265	DOA Properties V, LLC	Dissolved 12/30/2011	30,476,038	Intra-RFC debt
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16260	DOA Properties III, LLC	Dissolved 12/30/3011	29,893,722	Intra-RFC debt
6/30/2008	10010	Residential Funding Co., LLC	Debtor	16230	DOA Properties I, LLC	Dissolved 8/09/2011	28,083,499	Intra-RFC debt

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Date	Reason	Documentation Providec	Commentary
3/31/2008	To meet debt covenants	2008-03-31 ResCap to RFC	Formal forgiveness mentions only debt covenants. Required due to large net loss for the month. No formal tracking processes from this time period to provide more specific information regarding required regulatory The attached document was from the time period of the debt forgiveness, so I am only assuming they ar related. We could not find any other specific documents.
3/31/2008	Debt forgiveness required to meet net worth requirement	2008-03-31 Australia Share Sale Agreement Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents	
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was an obligor, see 2009-10-31 Obligors Equity Listing for entities.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Memo 2009-11-12 RFC Consents 2009-10-31 Obligors Equity Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was originally listed in the Schedule VI to the Revolver security agreement as an equity pledge. It was removed but remained part of the pledged value of the equity pledge. See 2009-10-31 Obligors Equity Listing for entities
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was an obligor.
6/30/2008	Debt forgiveness required to meet net worth requirement	Could not locate any debt forgiveness documents. 1435 - Q3 2010 Fotress Sale STM Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents	This entity was sold to Fortress. See STM for information on sales price of cash within entity.
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was an obligor.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Memo 2009-11-12 RFC Consents 2009-10-31 Obligors Equity Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was original listed in the Schedule VI to the Revolver security agreement as an equity pledge. It was removed but remained part of the pledged value of the equity pledge. Therefore, entity was included in our processes to remain solvent.
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.
6/30/2008	GSAP Funding Facility positive net worth	2010-01-13 GMACM to GSAP Consent Revolver Obligor Solvency Process Mem 2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the GSAP Funding Agreement.
6/30/2008	Revolver obligor/joinder positive net worth	2009-11-12 GMACM to PATI	NOTE THIS TRANSACTION WAS ORIGINALLY MISSED FROM OUR LISTING. Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was an obligor.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Memo 2009-11-12 RFC Consents 2009-10-31 Obligors Equity Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was original listed in the Schedule VI to the Revolver security agreement as an equity pledge. It was removed but remained part of the pledged value of the equity pledge. Therefore, entity was included in our processes to remain solvent.
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents 2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents 2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.
6/30/2008	Revolver obligor/joinder positive net worth	Revolver Obligor Solvency Process Mem 2009-11-12 RFC Consents 2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.

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Residential Capital, LLC
Debt Forgiveness
Excludes Ally and Less than $20M

January 1, 2008 - May 13, 2012

From				To				
Date	LE	Description	tity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type
6/30/2008	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	10517	GMCMTH, LLC	Entity and its parent sold to CMH 6/2008	25,236,474	Intra-RFC debt
7/31/2008	50000	Residential Capital, LLC	Debtor	11700	GMAC RFC Europe Limited	Non Debtor, active	1,800,288,000	Intra-ResCap debt
7/31/2008	10010	Residential Funding Co., LLC	Debtor	10555	CMH Holdings, LLC	Active, non debtor, minority interest	47,853,762	Intra-RFC debt
10/31/2008	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	377,344,001	Intra-ResCap debt
12/31/2008	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	153,752,500	Intra-ResCap debt
12/31/2008	50000	Residential Capital, LLC	Debtor	14000	GMAC Res Fund of Canada	Non Debtor, active	102,319,673	Intra-ResCap debt
12/31/2008	50000	Residential Capital, LLC	Debtor	14000	GMAC Res Fund of Canada	Non Debtor, active	51,537,924	Intra-ResCap debt
12/31/2008	10010	Residential Funding Co., LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor	33,036,068	Intra-RFC debt
3/31/2009	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009	59,963,200	Intra-ResCap debt
4/30/2009	10010	Residential Funding Co., LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011	88,072,579	Intra-RFC debt
5/31/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor	500,000,000	Intra-GMAC Resi debt
6/30/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor	2,000,000,000	Intra-GMAC Resi debt
6/30/2009	50000	Residential Capital, LLC	Debtor	15000	Australia GMAC RFC	Sold 7/02/2009	61,714,896	Intra-ResCap debt
6/30/2009	50000	Residential Capital, LLC	Debtor	11078	GMAC-RFC Property Finance Ltd	Non Debtor, active	33,134,000	Intra-ResCap debt
6/30/2009	10010	Residential Funding Co., LLC	Debtor	16115	Equity Investment IV	Dissolved 8/09/2011	21,444,542	Intra-RFC debt
8/31/2009	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	Special Purpose Entity/Active	174,584,063	Intra-ResCap debt
9/30/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	179,189,501	Intra-ResCap debt
9/30/2009	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	Special Purpose Entity/Active	164,689,123	Intra-ResCap debt
9/30/2009	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	55,844,024	Intra-ResCap debt
9/30/2009	50000	Residential Capital, LLC	Debtor	12100	Financiera Auritec, S.A.	Non Debtor, active	22,195,423	Intra-ResCap debt

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Date	Reason	Documentation Providec	Commentary
		Revolver Obligor Solvency Process Memo	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was original
		2009-11-12 RFC Consents	listed in the Schedule VI to the Revolver security agreement as an equity pledge. It was removed but
6/30/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	remained part of the pledged value of the equity pledge. Therefore, entity was included in our processes to remain solvent.
7/31/2008	Debt forgiveness prior to pledging assets to the GMAC Loan	2008-07-31 ResCap to RFC Europe Limited	Per the email, this was performed in order to facilitate the transfer of assets to be pledged to the GMA(
		Revolver Obligor Solvency Process Mem	loan.
		2009-11-12 RFC Consents	
7/31/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via joinder to the Revolver Security Agreement.
		Could not locate any debt forgiveness document	
10/31/2008	Debt forgiveness required to meet net worth requirement	1435 - Q3 2010 Fotress Sale STM	This entity was sold to Fortress. See STM for information on sales price of cash within entity.
		Could not locate any debt forgiveness documents	
12/31/2008	Debt forgiveness required to meet net worth requirement	1435 Q3 2010 Fortress Sale STM	This entity was sold to Fortress. See STM for information on sales price of cash within entity.
			Debt to equity exchange of notes for shares. Document in Canadian dollars, but using historical conversic
12/31/2008	Debt forgiveness required to meet net worth requirement	2008-12-31 ResCap to RFOC	rates is close to dollar amount transacted. First transaction was a debt forgiveness of a portion of the note. Second transaction is to exchange remaining debt for equity.
			Debt to equity exchange of notes for shares. Document in Canadian dollars, but using historical conversic
12/31/2008	Debt forgiveness required to meet net worth requirement	2008-12-31 ResCap to RFOC	rates is close to dollar amount transacted. First transaction was a debt forgiveness of a portion of the note. Second transaction is to exchange remaining debt for equity.
		Revolver Obligor Solvency Process Mem	
		2009-11-12 RFC Consents	
12/31/2008	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was an obligor.
3/31/2009	Debt forgiveness required to meet net worth requirement	2009-03-31 ResCap to Australia	Debt forgiveness to meet local regulatory solvency requirement:
		Revolver Obligor Solvency Process Mem	
		2009-11-12 RFC Consents	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via
4/30/2009	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	joinder to the Revolver Security Agreement.
5/31/2009	Debt forgiveness required to meet net worth requirement	2009-05-31 GMAC Resi to GMACM	To meet regulatory net worth requirements under a new agreement between GMAC Mortgage and GNMA.
6/30/2009	Debt forgiveness required to meet net worth requirement	2009-06-30 GMAC Resi to GMACM	To meet regulatory net worth requirements anticipated for Fannie Mae
		2009-027-02 Australian Share Sale Agreement	Australian entity was sold, share sale agreements attached. I did not find any specific debt forgivenes documents, but approval may be within the share sale agreement. I also found journal entries showing the debt forgiveness recorded as part of the sale transactions.
6/30/2009	Sale of Australian business	2009-07-02 Australian Sale Journal Entries	
6/30/2009	Debt forgiveness required to meet net worth requirement	Could not locate any documents	
		Revolver Obligor Solvency Process Mem	
		2009-11-12 RFC Consents	Retroactive debt forgiveness to meet solvency requirements under the Revolver. This entity was listed via
6/30/2009	Revolver obligor/joinder positive net worth	2009-10-31 Obligors Equity	joinder to the Revolver Security Agreement.
		2009-09-30 ResCap to Viaduc	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets a
8/31/2009	Debt forgiveness upon sale of Viaduct assets at less than CV	2009-09-30 ResCap to Viaduct Executive Committee Consent	sold at less than carry value, as SPV would have no ability to support this note balance.
		Could not locate any debt forgiveness documents	
9/30/2009	Debt forgiveness required to meet net worth requirement	1435 Q3 2010 Fortress Sale STM	This entity was sold to Fortress. See STM for information on sales price of cash within entity.
			sold at less than carry value, as SPV would have no ability to support this note balance. Note that dollar
		2009-09-30 ResCap to GX	amount of forgiveness is slightly different than in the documents due to foreign currency translation
9/30/2009	Debt forgiveness upon sale of GX1 assets at less than CV	2009-09-30 ResCap to GXI (GMAC Lender Consent)	changes. Includes Internal memo requesting forgiveness, and Ally (GMAC) consent as lender under the
9/30/2009	Debt forgiveness upon sale of CA (7311) assets at less than CV	2009-09-30 ResCap to RFC	Debt forgiveness upon sale of CA (7311) assets at less than CV
9/30/2009	Debt forgiveness required to meet net worth requirement	Could not locate any documents	

Residential Capital, LLC
Debt Forgiveness
Excludes Ally and Less than $20M

January 1, 2008 - May 13, 2012

From				To				
Date	LE	Description	tity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type
10/31/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	59,327,737	Intra-ResCap debt
10/31/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	36,251,433	Intra-ResCap debt
11/30/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	44,544,475	Intra-ResCap debt
11/30/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	32,780,525	Intra-ResCap debt
12/31/2009	50000	Residential Capital, LLC	Debtor	11077	GMAC - RFC (UK) Limited	Sold 9/30/2010	267,109,239	Intra-ResCap debt
12/31/2009	50000	Residential Capital, LLC	Debtor	11776	GMAC RFC Investment B.V	Sold 10/01/2010	187,230,452	Intra-ResCap debt
12/31/2009	50000	Residential Capital, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	95,052,602	Intra-ResCap debt
12/31/2009	SS033	GMAC Residential Holding Co LLC	Debtor	SS001	GMAC Mortgage LLC	Debtor	20,000,000	Intra-GMAC Resi debt
1/29/2010	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	Special Purpose Entity/Active	105,804,902	Intra-ResCap debt
1/29/2010	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	Special Purpose Entity/Active	20,097,692	Intra-ResCap debt
6/7/2010	50000	Residential Capital, LLC	Debtor	41077	HIST (UK) Limited		80,121,859	Intra-ResCap debt
10/29/2010	50000	Residential Capital, LLC	Debtor	11809	RFC UK Ltd Viaduct	Special Purpose Entity/Active	210,760,194	Intra-ResCap debt
10/29/2010	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	Special Purpose Entity/Active	178,762,206	Intra-ResCap debt
10/31/2010	50001	Flume (no.8)	Special Purpos	11810	RFC UK Ltd Flume	Special Purpose Entity/Active	350,824,307	P&L - Loan Writedown
10/31/2010	SS095	Passive Asset Transactions LLC	Debtor	50001	Flume (no.8)	Special Purpose Entity/Active	350,824,307	P&L - Loan Writedown

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Date	Reason	Documentation Providec	Commentary
		2009-10-31 ResCap to RFC UK CE 2009-10-29 ResCap Consent for RFC	In order for RFC to meet its regulatory requirements, ResCap periodically forgave debt from RF(subsidiaries. The two items for 10/31-2009 total to the $95m in document. This entity was sold to Fortress
10/31/2009	Debt forgiveness required to meet RFC regulatory net worth requir	1435 - Q3 2010 Fotress Sale STM	See STM for information on sales price of cash within entity.
		2009-10-31 ResCap to RFC UK CE 2009-10-29 ResCap Consent for RFC	In order for RFC to meet its regulatory requirements, ResCap periodically forgave debt from RF(subsidiaries. After this time ResCap was required to obtain consent from Ally (GMAC) for debt forgiveness over $50m, see attached consent from GMAC. This entity was sold to Fortress. See STM for information
10/31/2009	Debt forgiveness required to meet RFC regulatory net worth requir	1435 Q3 2010 Fortress Sale STM	on sales price of cash within entity.
		2009-10-31 ResCap Consent for RFC 2009-12-11 ResCap Young Approval to RFC 2009-12-14 ResCap to RFC Consent from GMAC	In order for RFC to meet its regulatory requirements, ResCap periodically forgave debt from RFC subsidiaries. After this time ResCap was required to obtain consent from Ally (GMAC) for debt forgiveness over $50m, see attached consent from GMAC. The two items for 11/30/2009 total the $77m in the
11/30/2009	Debt forgiveness required to meet RFC regulatory net worth requir	1435 - Q3 2010 Fotress Sale STM	documents. This entity was sold to Fortress. See STM for information on sales price of cash within entity.
		2009-10-31 ResCap Consent for RFC 2009-12-11 ResCap Young Approval to RFC 2009-12-14 ResCap to RFC Consent from GMAC	In order for RFC to meet its regulatory requirements, ResCap periodically forgave debt from RFC
11/30/2009	Debt forgiveness required to meet RFC regulatory net worth requir	1435 Q3 2010 Fortress Sale STM	subsidiaries. This entity was sold to Fortress. See STM for information on sales price of cash within entity.
		2009-12-31to Multiple International Entities	In order for RFC to meet its regulatory net worth requirements for licensing and agencies. This entity was
12/31/2009	Debt forgiveness required to meet net worth requirement	1435 - Q3 2010 Fotress Sale STM	sold to Fortress. See STM for information on sales price of cash within entity.
		2009-12-31to Multiple International Entities	In order for RFC to meet its regulatory net worth requirements for licensing and agencies. This entity wa
12/31/2009	Debt forgiveness required to meet net worth requirement	1435 Q3 2010 Fortress Sale STM	sold to Fortress. See STM for information on sales price of cash within entity.
12/31/2009	Debt forgiveness required to meet net worth requirement	2009-12-31to Multiple International Entities	In order for rec to meet its regulatory net worth requirements for licensing and agencie
12/31/2009	Debt forgiveness required to meet net worth requirement	2009-12-31 GMAC Resi to GMACM	To meet GMACM Tangible Net Worth requirements for regulatory agencies
1/29/2010	Debt forgiveness upon sale of GX1 assets at less than CV	2010-01-31 ResCap to Viaduct and GXI	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance.
1/29/2010	Debt forgiveness upon sale of Viaduct assets at less than CV	2010-01-31 ResCap to Viaduct and GXI	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance.
6/7/2010	Debt forgiveness required to meet net worth requiremer	Need to identify entity, open	
10/29/2010	Debt forgiveness upon sale of Viaduct assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.
10/29/2010	Debt forgiveness upon sale of GX1 assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.
10/31/2010	Debt forgiveness upon sale of Flume assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.
10/31/2010	Debt forgiveness upon sale of Flume assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.

Residential Capital, LLC
Debt Forgiveness
Excludes Ally and Less than $20M

January 1, 2008 - May 13, 2012

From				To				
Date	LE	Description	tity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type
10/31/2010	50004	GX CE Funding II B.V.	Special Purpos	11786	Investments BV GX2	Special Purpose Entity/Active	310,937,481	P&L - Loan Writedown
10/31/2010	SS095	Passive Asset Transactions LLC	Debtor	50004	GX CE Funding II B.V.	Special Purpose Entity/Active	310,937,481	P&L - Loan Writedown
11/30/2011	16220	DOA Holding Properties, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	267,489,462	Intra-RFC debt
11/30/2011	10555	CMH Holdings, LLC	Active, non del	10010	Residential Funding Co., LLC	Debtor	230,000,000	Intra-RFC debt
11/30/2011	10555	CMH Holdings, LLC	Active, non del	10550	GMAC Model Home I, LLC	Debtor	226,755,185	Intra-RFC debt
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	10555	CMH Holdings, LLC	Active, non debtor, minority interest	222,556,793	Intra-RFC debt
11/30/2011	10015	RFC Asset Holdings II, LLC	Debtor	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	209,065,029	Intra-RFC debt
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	10010	Residential Funding Co., LLC	Debtor	167,813,048	Intra-RFC debt
11/30/2011	10022	Equity Investment I, LLC	Debtor	10010	Residential Funding Co., LLC	Debtor	141,130,890	Intra-RFC debt
11/30/2011	30004	RC Properties I, LLC	Dissolved 12/3	10010	Residential Funding Co., LLC	Debtor	141,106,550	Intra-RFC debt
11/30/2011	30003	RFC Construction Funding LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor	105,988,790	Intra-RFC debt
11/30/2011	16269	DOA Properties IX, LLC	Debtor	16220	DOA Holding Properties, LLC	Debtor	69,684,281	Intra-RFC debt
11/30/2011	16260	DOA Properties III, LLC	Dissolved 12/3	10010	Residential Funding Co., LLC	Debtor	69,228,633	Intra-RFC debt
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16260	DOA Properties III, LLC	Dissolved 12/30/3011	53,388,766	Intra-RFC debt
11/30/2011	10500	GMAC Model Home Finance, LLC	Sold to CMH 6.	16269	DOA Properties IX, LLC	Debtor	51,744,423	Intra-RFC debt

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Date	Reason	Documentation Providec	Commentary
10/31/2010	Debt forgiveness upon sale of GX1 assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.
10/31/2010	Debt forgiveness upon sale of GX1 assets at less than CV	2010-10-29 ResCap to SPV Consents (various)	Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal entities for GAAP purposes, which have offsetting note amounts.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Executive Committee Consen 2010-11-30 BCG Dissolution Ally Lender Consent 2010-11-30 BCG Dissolution Ally Board Consent	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG entities both.

Residential Capital, LLC
Debt Forgiveness
Excludes Ally and Less than $20M

January 1, 2008 - May 13, 2012

	From			To				
Date	LE	Description	tity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type
11/30/2011	10010	Residential Funding Co., LLC	Debtor	16269	DOA Properties IX, LLC	Debtor	45,486,367	Intra-RFC debt
11/30/2011	30003	RFC Construction Funding LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011	45,119,494	Intra-RFC debt
11/30/2011	16269	DOA Properties IX, LLC	Debtor	30003	RFC Construction Funding LLC	Debtor	39,464,269	Intra-RFC debt
11/30/2011	10503	KBOne, LLC	Entity and its p	10500	GMAC Model Home Finance, LLC	Sold to CMH 6/2008	32,360,177	Intra-RFC debt
11/30/2011	10022	Equity Investment I, LLC	Debtor	30004	RC Properties I, LLC	Dissolved 12/30/2011	24,000,000	Intra-RFC debt
5/11/2012	50000	Residential Capital, LLC	Debtor	50002	Viaduct (no.7)	Special Purpose Entity/Active	134,111,865	Intra-ResCap debt
5/11/2012	50002	Viaduct (no.7)	Special Purpos	11809	RFC UK Ltd Viaduct	Special Purpose Entity/Active	134,111,865	Intra-ResCap debt
5/11/2012	50001	Flume (no.8)	Special Purpos	11810	RFC UK Ltd Flume	Special Purpose Entity/Active	52,823,586	P&L - Loan Writedown
5/11/2012	SS095	Passive Asset Transactions LLC	Debtor	50001	Flume (no.8)	Special Purpose Entity/Active	52,823,586	P&L - Loan Writedown

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Date	Reason	Documentation Providec	Commentary
		2010-11-30 BCG Dissolution Executive Committee Consen	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we
		2010-11-30 BCG Dissolution Ally Lender Consent	completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Ally Board Consent	entities both.
		2010-11-30 BCG Dissolution Executive Committee Consen	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we
		2010-11-30 BCG Dissolution Ally Lender Consent	completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Ally Board Consent	entities both.
		2010-11-30 BCG Dissolution Executive Committee Consen	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we
		2010-11-30 BCG Dissolution Ally Lender Consent	completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Ally Board Consent	entities both.
		2010-11-30 BCG Dissolution Executive Committee Consen	These BCG entities ceased all operations and had no remaining assets. Debt forgiveness transactions we
		2010-11-30 BCG Dissolution Ally Lender Consent	completed to affect the dissolution of the entities. Note forgiveness is to BCG entities and from BCG
11/30/2011	BCG entity dissolutions	2010-11-30 BCG Dissolution Ally Board Consent	entities both.
			Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai
		2012-05-12 ResCap to Flume and Viaduct Executive Committee Consent	sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap
		2012-05-12 ResCap to Flume and Viaduct Ally (as lender) Consent	Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc
5/11/2012	Viaduct debt forgiveness down to FV of underlying collateral	2012-05-12 ResCap to Flume and Viaduct Ally Board Waiver	Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal
			entities for GAAP purposes, which have offsetting note amounts.
			Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai
		2012-05-12 ResCap to Flume and Viaduct Executive Committee Consent	sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap
		2012-05-12 ResCap to Flume and Viaduct Ally (as lender) Consent	Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc
5/11/2012	Viaduct debt forgiveness down to FV of underlying collateral	2012-05-12 ResCap to Flume and Viaduct Ally Board Waiver	Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal
			entities for GAAP purposes, which have offsetting note amounts.
			Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai
		2012-05-12 ResCap to Flume and Viaduct Executive Committee Consent	sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap
		2012-05-12 ResCap to Flume and Viaduct Ally (as lender) Consent	Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc
5/11/2012	Flume debt forgiveness down to FV of underlying collateral	2012-05-12 ResCap to Flume and Viaduct Ally Board Waiver	Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal
			entities for GAAP purposes, which have offsetting note amounts.
			Formal notes exist between ResCap and SPV entities. Note allows for debt forgiveness when assets ai
		2012-05-12 ResCap to Flume and Viaduct Executive Committee Consent	sold at less than carry value, as SPV would have no ability to support this note balance. Includes ResCap
		2012-05-12 ResCap to Flume and Viaduct Ally (as lender) Consent	Executive Committee approval, Ally Board approval email, Board presentation, and ResCap request memc
5/11/2012	Flume debt forgiveness down to FV of underlying collateral	2012-05-12 ResCap to Flume and Viaduct Ally Board Waiver	Note all amounts in memos are foreign currency. Note also that in certain cases, we have duplicate legal
			entities for GAAP purposes, which have offsetting note amounts.

Residential Capital, LLC
Debt Forgiveness

January 1, 2008 - May 13, 2012

From				To						
Date	LE	Description	ıtity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type	Reason	Documentation Provided
7/31/2011	50000	Residential Capital, LLC	Debtor	11784	Investments BV GX1	GAAP Only entity	2,521,796	Intra-ResCap debt	Debt forgiveness upon sale of GX1 assets at less than CV	Due to carry value differences

* **Includes $806.3 million of preferred shares issued to GMAC at the time. In Jan 2009, GMAC converted those shares and acquired our remaining shares of Ally Bank.**

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Residential Capital, LLC
Debt Forgiveness

January 1, 2008 - May 13, 2012

1,000,000

	From			To						
Date	LE	Description	ntity Status Toc	LE	Description	Entity Status Today	Amount	Contribution Type	Reason	Documentation Provided
3/31/2008 *	ALLY		Active	50000	Residential Capital, LLC	Debtor	749,852,411	ResCap bonds	Ally OMR - FV of bonds later converted to shares of Ally Bank	Ally debt na for UCC/SUN
6/3/2008 *	ALLY		Active	50000	Residential Capital, LLC	Debtor	220,497,468	ResCap bonds	Ally OMR - FV of bonds later converted to shares of Ally Bank	Ally debt na for UCC/SUN
9/30/2008	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	37,572,413	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
9/30/2008	ALLY		Active	SS001	GMAC Mortgage LLC	Debtor	63,968,587	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
9/30/2008	ALLY		Active	50000	Residential Capital, LLC	Debtor	53,532,098	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
9/30/2008	ALLY		Active	SS001	GMAC Mortgage LLC	Debtor	19,064,961	Tax debt	Tax relief	Ally debt na for UCC/SUN
10/31/2008	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	140,549,000	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
10/31/2008	ALLY		Active	SS001	GMAC Mortgage LLC	Debtor	98,325,000	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
11/30/2008	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	264,399,000	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
11/30/2008	ALLY		Active	SS001	GMAC Mortgage LLC	Debtor	187,094,000	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2008	ALLY		Active	50000	Residential Capital, LLC	Debtor	219,940,957	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
1/16/2009	ALLY		Active	44040	ResMor Trust Co	Sold to Ally 1/31/2009	4,700,570	Excess purchase price	ResMor sale to GMAC	Ally debt na for UCC/SUN
1/30/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	(4,483,559)	ResCap bonds (2008 true up)	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
3/31/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	263,112,594	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
4/30/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	34,735,655	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
5/1/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	50,958	Excess purchase price	Broker Dealer sale to GMAC	Ally debt na for UCC/SUN
5/31/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	112,567,552	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
6/30/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	442,600	Tax debt	Tax receivable from GM	Ally debt na for UCC/SUN
6/30/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	750,811,827	ResCap bonds	Contribution from Ally to ResCap Parent (Ally return of portion of Re	Ally debt na for UCC/SUN
11/30/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	52,376,000	MSR debt	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
11/30/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	23,623,421	ResCap bonds	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	164,265,214	MSR	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	195,020,905	Stewardship	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/30/2009	ALLY		Active	10010	Residential Funding Co., LLC	Debtor	1,435,562,736	MLHFS contribution	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2009	ALLY		Active	SS033	GMAC Residential Holding Co LLC	Debtor	98,472,323	MSR	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/30/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	600,000,000	Cash	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2009	ALLY		Active	50000	Residential Capital, LLC	Debtor	316,206,415	Cash (receivable at 12/31/09)	Debt forgiveness required to meet net worth requirement	Ally debt na for UCC/SUN
12/31/2011	ALLY			10010	Residential Funding Co., LLC	Debtor	23,043,282	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
12/31/2011	ALLY			SS001	GMAC Mortgage LLC	Debtor	34,941,826	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
12/31/2011	ALLY			SS001	GMAC Mortgage LLC	Debtor	30,985,387	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
12/31/2011	ALLY			10010	Residential Funding Co., LLC	Debtor	20,434,107	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
1/31/2012	ALLY			10010	Residential Funding Co., LLC	Debtor	72,253,050	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
1/31/2012	ALLY			SS033	GMAC Residential Holding Co LLC	Debtor	124,246,950	LOC debt	ResCap $250M net worth requirement	Ally debt na for UCC/SUN
5/11/2012	ALLY			SS001	GMAC Mortgage LLC	Debtor	125,686,479	Rep and Warrant Release	Release on R&W to loans sold to Ally Bank as pre-Bankruptcy inital	Ally debt na for UCC/SUN

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RCUCCJSN11270924

v2 Added debt forgivness from GMAC Residential Holding Co to GMAC Mortgage on line 78, 79 and 113

RCUCCJSN11270924

($ in millions)

	Residential Capital, LLC			GMAC Residential Holding Co LLC	
Date	Debt forgiveness required to meet net worth requirement	General sale of assets[1]	Total Residential Capital, LLC	Debt forgiveness required to meet net worth requirement	Total
3/31/2008	GMAC RFC Europe	$ 3,601	$ 3,601	$ -	$ 3,601
6/30/2008	GMAC - RFC (UK)	2,353	2,353	-	2,353
7/31/2008	GMAC RFC Investi	#REF!	#REF!	-	#REF!
10/31/2008	Investments BV G	#REF!	#REF!	-	#REF!
11/30/2008	RFC UK Ltd Viadu	#REF!	#REF!	-	#REF!
12/31/2008	GMAC Res Fund o	#REF!	#REF!	-	#REF!
3/31/2009	Australia GMAC R	#REF!	#REF!	-	#REF!
5/31/2009	Viaduct (no.7)	#REF!	#REF!	-	#REF!
6/30/2009	Financiera Auriter	#REF!	#REF!	-	#REF!
8/31/2009	GMAC-RFC Proper	#REF!	#REF!	-	#REF!
9/30/2009	PREEMAC 2 NL NI	#REF!	#REF!	-	#REF!
10/31/2009	GMAC Mortgage L	#REF!	#REF!	-	#REF!
11/30/2009	RFC Asset Holding	2,456	2,456	-	2,456
12/31/2009	GMAC Model Hom	962	962	-	962
1/29/2010	Equity Investmen	785	785	-	785
6/7/2010	RC Properties I, LI	176	176	-	176
10/29/2010	CMH Holdings, LL	96	96	-	96
7/31/2011	DOA Properties IX	91	91	-	91
5/11/2012	DOA Holding Prop	86	86	-	86
Total	$ -	#REF!	#REF!	$ -	#REF!

RCUCCJSN11270924

($ in millions)

Debt Forgiveness From (Paying Entity)	2008	2009	Year 2010	2011	2012	Grand Total
Residential Capital, LLC	Residential I	Debtor	$ 2,000	$ 151	$ -	$ 2,151
GMAC Residential Holding Co LLC	GMAC RFC E	Non Debtor,	1,800	-	-	1,800
Residential Funding Co., LLC	GMAC - RFC	Sold 9/30/2	725	371	80	1,176
GMAC Model Home Finance, LLC	GMAC RFC Ii	Sold 10/01/	154	435	-	589
Passive Asset Transactions LLC	Investments	GAAP Only e	-	165	285	449
CMH Holdings, LLC	RFC UK Ltd '	GAAP Only e	15	175	231	420
Flume (no.8)	GMAC Res Fi	Non Debtor,	154	5	-	159
GX CE Funding II B.V.	Australia GN	Sold 7/02/2	23	122	-	145
DOA Holding Properties, LLC	Viaduct (no.	Special Purp	-	-	-	-
RFC Asset Holdings II, LLC	Financiera A	Non Debtor,	-	39	-	39
Equity Investment I, LLC	GMAC-RFC F	Non Debtor,	-	33	-	33
RFC Construction Funding LLC	PREEMAC 2	Special Purp	-	-	19	19
RC Properties I, LLC	GMAC Mortg	Debtor	-	2,520	-	2,520
Viaduct (no.7)	RFC Asset Hi	Debtor	1,228	-	-	1,228
DOA Properties IX, LLC	GMAC Mode	Sold to CMH	481	-	-	481
DOA Properties IIi, LLC	Equity Inves	Debtor	392	-	-	392
GMAC Mortgage LLC	RC Properti	Dissolved 1/	-	88	-	88
KBOne, LLC	CMH Holdin	Active, non c	48	-	-	48
Win-Win Beaz Pardee III, LLC	DOA Proper	Debtor	-	-	-	-
DOA Properties V, LLC	DOA Holdin	Debtor	43	0	-	43
DOA Properties IIIB, LLC	DOA Proper	Dissolved 8/	31	-	-	31
DOA Holdings NoteCo, LLC	Equity Inves	Dissolved 8/	-	21	-	21
GMAC Model Home I, LLC	KBOne, LLC	Entity and it	18	-	-	18
LenOne, LLC	DOA Proper	Dissolved 8/	14	-	-	14
DOA Properties IV, LLC	RFC-GSAP Se	Debtor	7	-	-	7
GMACRH Settlement Services LLC	DOA Proper	Dissolved 1/	-	-	-	-
Developers of Hidden Springs	Developers (	Dissolved 1/	6	-	-	6
Hidden Springs Sewer Company	DOA Holdin	Dissolved 4/	-	-	-	-
REG-PFH, LLC	REG-PFH, LI	Dissolved 1/	5	-	-	5
GMCMTH, LLC	LenOne, LLC	Entity and it	4	-	-	4
Ameriland LLC	RFC Constru	Debtor	-	-	-	-
Homecomings Financial, LLC	Hidden Sprii	Sold 9/23/2	2	-	-	2
GRAND TOTAL	$ -	$ -	$7,149	$ 4,124	$ 615	$ 11,888

Exhibit S

DX AOK

From: Hamzehpour, Tammy
Sent: Monday, March 22, 2010 4:14 PM
To: Marano, Tom; Young, James
Subject: RE: debt forgiveness

Privileged

Tammy
****

I understand that a question has arisen over the amount of GMAC-RFC Limited's inter-company debts forgiven by Rescap and I am writing to confirm the position.

On March 3rd, ResCap's Executive Committee authorized release of £111,633,998 of the £161,633,988 outstanding to it from GMAC-RFC Limited in return for GMAC-RFC Holdings Limited receiving an appropriate number of shares in GMAC-RFC Limited. The sum released was calculated taking into account both GMAC-RFC Limited's targeted capital level and the regulatory net worth requirements of its U.S. parent, Residential Funding Company (RFC). It was never the intention of ResCap to release more than the amount of debt required to maintain the appropriate capital levels for these two entities. However, the final amount could not be known until the effects of various year-end actions on the net worth position of RFC and GMAC-RFC Limited (*e.g.,* tax impacts, asset write-downs, debt forgiveness by GMAC Inc. to ResCap) had been determined. Once internally determined, ResCap's Executive Committee authorized release of the requisite level of debt and this was communicated to you. We are now proceeding to finalize the 2009 financial statements of RFC and GMAC-RFC Limited on this basis.

It is not in ResCap's or the Group's best interests to release debt in excess of the amount needed to meet the above goals and, for this reason, the GMAC Inc. Board Resolutions authorizing debt forgiveness for certain ResCap subsidiaries referred to releases "up to" a maximum amount. I recognize that the internal Finance teams had begun working on the assumption of a higher debt forgiveness amount, however ResCap's corporate governance as to the capital allocation was yet to be finalized and our intention as lender is, and was, to only release the minimum amount of debt necessary to maintain the targeted level of capital at GMAC-RFC Limited. As you know, it is not uncommon for the numbers to move around during the process of finalizing the books.

I trust that this summary resolves any confusion. If you continue to have concerns regarding the extent of the release of GMAC-RFC's debts by ResCap, please let me know.

From: Marano, Tom
Sent: Monday, March 22, 2010 6:04 PM
To: Hamzehpour, Tammy; Young, James
Subject: debt forgiveness

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Confidential