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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
_____)	

**NOTICE OF FILING OF
FORM OF MORTGAGE LOAN PURCHASE AND INTERIM SERVICING AGREEMENT
AND AMENDED EXHIBITS TO DEBTORS' MOTION PURSUANT TO 11 U.S.C. §§ 105,
363(B), (F) AND (M) AND FED. R. BANKR. P. 2002, 6004 AND 9007 FOR ORDERS:
(A)(I) AUTHORIZING AND APPROVING SALE PROCEDURES; (II) SCHEDULING BID
DEADLINE AND SALE HEARING; (III) APPROVING FORM AND MANNER OF
NOTICE THEREOF; AND (IV) GRANTING RELATED RELIEF AND
(B)(I) AUTHORIZING THE SALE OF CERTAIN FHA LOANS FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS; (II) AUTHORIZING
AND APPROVING MORTGAGE LOAN PURCHASE AND INTERIM SERVICING
AGREEMENT; AND (III) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE THAT on January 2, 2013, the debtors and debtors in
possession in the above-captioned cases (collectively, the "**Debtors**")¹ filed the *Motion Pursuant*

¹ The names of the Debtors in these cases and their respective tax identification numbers are identified on Exhibit 1 to the Affidavit of James Whitlinger, Chief Financial Officer of Residential Capital, LLC in Support of the Chapter 11 Petitions and First Day Pleadings [Docket No. 6].



*to 11 U.S.C. §§ 105, 363(b), (f) and (m) and Fed. R. Bankr. P. 2002, 6004 and 9007 for Orders:
(A)(I) Authorizing and Approving Sale Procedures; (II) Scheduling Bid Deadline and Sale
Hearing; (III) Approving Form and Manner of Notice Thereof; and (IV) Granting Related Relief
and (B)(I) Authorizing the Sale of Certain FHA Loans Free and Clear of Liens, Claims,
Encumbrances and Other Interests; (II) Authorizing and Approving Mortgage Loan Purchase
and Interim Servicing Agreement; and (III) Granting Related Relief (the “**Motion**”) [Docket No.
2544].*

PLEASE TAKE FURTHER NOTICE THAT in connection with the Motion, the Debtors hereby submit the form of Mortgage Loan Purchase and Interim Servicing Agreement, attached hereto as Exhibit 1.

PLEASE TAKE FURTHER NOTICE THAT the Debtors hereby submit the following proposed amended orders (the “**Amended Orders**”) to the Motion:

- (i) Amended Proposed Order Under 11 U.S.C. §§ 105 and 363 (I) Authorizing and Approving Sale Procedures; (II) Scheduling Bid Deadline and Sale Hearing; and (III) Establishing Noticed Procedures and Approving Forms of Notice (the “**Amended Sale Procedures Order**”), filed in connection with the Motion and attached to the Motion as Exhibit 1 and attached hereto as Exhibit 2. A comparison of the Sale Procedures Order as attached to the Motion and the Amended Sale Procedures Order is attached hereto as Exhibit 3.
- (ii) Amended Proposed Order Under 11 U.S.C. §§ 105 and 363, and Fed. R. Bankr. P. 2002 and 6004 (I) Approving (A) Sale of Debtors’ FHA Loans Pursuant to Mortgage Loan Purchase and Interim Servicing Agreement; (B) Sale of FHA Loans Free and Clear of Liens, Claims, Encumbrances, and Other Interests; and

(II) Granting Related Relief (the “**Amended Sale Approval Order**”), filed in connection with the Motion and attached to the Motion as Exhibit 2 and attached hereto as Exhibit 4. A comparison of the Sale Approval Order as attached to the Motion and the Amended Sale Approval Order is attached hereto as Exhibit 5.

Dated: January 15, 2013
New York, New York

/s/ Gary S. Lee

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EXHIBIT 1

Form of Mortgage Loan Purchase and Interim Servicing Agreement

MORTGAGE LOAN PURCHASE
AND
INTERIM SERVICING AGREEMENT

Between

GMAC MORTGAGE, LLC
(as Seller and as Interim Servicer)

and

(Purchaser)

Dated as of _____, 2013

[FHA Residential Mortgage Loans]

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MORTGAGE LOAN PURCHASE AND INTERIM SERVICING AGREEMENT

THIS MORTGAGE LOAN PURCHASE AND INTERIM SERVICING AGREEMENT ("Agreement") dated as of _____, 2013 is by and between _____, a _____, as purchaser ("Purchaser") and GMAC Mortgage, LLC, a Delaware limited liability company, as seller (in such capacity, the "Seller") and as interim servicer (solely with respect to such rights and obligations, "Interim Servicer").

PRELIMINARY STATEMENT

WHEREAS, the Seller desires to sell to Purchaser, and Purchaser desires to purchase from the Seller, subject to the terms and conditions of this Agreement, without recourse, certain residential mortgage loans (a) some of which as of the Cut-Off Date (as hereinafter defined) will be fewer than sixty (60) days past due with respect to the related mortgagor's payment of principal and interest (a "Performing Mortgage Loan"), and (b) some of which as of the Cut-Off Date will be sixty (60) or more days past due with respect to the related mortgagor's payment of principal and interest under the terms of the related Mortgage Note or Mortgage (as such terms are hereinafter defined) (a "Non-Performing Mortgage Loan"). The Performing Mortgage Loans and the Non-Performing Mortgage Loans are referred to individually as a "Mortgage Loan" or collectively as the "Mortgage Loans";

WHEREAS, the Mortgage Loans shall be sold to Purchaser on a servicing-released basis; and

WHEREAS, Purchaser desires that Interim Servicer service the Mortgage Loans on an interim basis as described herein;

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth herein and other good and valuable consideration, Purchaser, Seller and Interim Servicer agree as follows:

ARTICLE 1.

DEFINITIONS

Whenever used herein, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

Acceptable Servicing Procedures: The procedures, including collection and loan administration procedures set forth in the FHA Guidelines (provided that, if the FHA Guidelines are silent on a particular procedure, the Interim Servicer shall utilize the procedures, including collection and loan administration procedures, for servicing mortgage loans using the same standard of care that the Interim Servicer customarily employs and exercises in servicing and administering similar mortgage loans for its own account, which shall be in material compliance with applicable federal, state and local laws). As applied to Purchaser or its designated Successor Servicer, such procedures and standard of care shall not be lower than the procedures and standard of care that Purchaser or its designated Successor Servicer customarily employs

and exercises in servicing and administering similar mortgage loans for its own account and shall be in material compliance with all applicable federal, state and local laws and the FHA Guidelines.

Account: The account or accounts maintained by Interim Servicer (or its designee) in connection with its servicing of the Mortgage Loans.

Advances: All monetary advances made by Interim Servicer or the Seller's designated servicer in connection with or related to a Mortgage Loan, including but not limited to (i) any amounts advanced by Interim Servicer or Seller's designated servicer for the purpose of effecting the payment of taxes, assessments and any insurance premiums relating to a Mortgaged Property and (ii) all customary, reasonable and necessary "out-of-pocket" costs and expenses incurred in the performance by Interim Servicer or Seller's designated servicer of its servicing obligations, including but not limited to, the cost (including reasonable attorneys' fees and disbursements), related to (a) the preservation, restoration and protection of the Mortgaged Property, (b) any enforcement or judicial proceedings, including, but not limited to, foreclosures and any expenses incurred in connection with any such proceedings that result from the Mortgage Loan being registered on the MERS system and (c) the management and liquidation of the Mortgaged Property if the Mortgaged Property is acquired in satisfaction of the Mortgage (including default management and similar services, appraisal services and real estate broker services). For the avoidance of doubt, any such cost or expense shall be deemed to include services rendered regardless of whether the related invoice has been received and paid by the Interim Servicer or Seller's designated servicer.

Agreement: This Mortgage Loan Purchase and Interim Servicing Agreement, including all exhibits, attachments and schedules hereto, and all amendments hereof and supplements hereto.

ALTA: The American Land Title Association or any successor thereto.

Assignment of Mortgage: An assignment of 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 of record the transfer of the Mortgage Loan to the assignee named therein.

Business Day: A day other than (i) a Saturday or Sunday, or (ii) a day on which banking or savings and loan institutions in the States of California, Iowa, Minnesota or Texas or the Commonwealth of Pennsylvania are authorized or obligated by law or executive order to be closed.

Claim: Any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, known or unknown; or any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured, known or unknown.

Closing Date: [____], 2013.

Collateral Exceptions Report: As defined in Section 2.2 herein.

Collection Period: The period that begins on the first day of each calendar month and ends on the last day of such month.

Credit File: With respect to any Mortgage Loan, a file pertaining to such Mortgage Loan that contains, to the extent available to the Seller, the documents described on **Exhibit A** attached hereto, together with the credit documentation relating to the origination of such Mortgage Loan and copies of the Mortgage Documents, which may be maintained on microfilm, optical storage or any other comparable medium.

Cut-Off Date: [____], 2013.

Cut-Off Date Principal Balance: As to each Mortgage Loan, the unpaid principal balance of such Mortgage Loan as of the close of business on the Cut-Off Date, after deduction and application of all payments of principal received by the Cut-Off Date, as specified on the Mortgage Loan Schedule.

Debenture Rate: With respect to each Mortgage Loan, the rate set forth under the column "Debenture Rate" for such Mortgage Loan on the Mortgage Loan Schedule.

Due Date: With respect to any Mortgage Loan, the day of the month on which Monthly Payments on such Mortgage Loan are due, exclusive of any days of grace, which day shall be the first day of the month unless otherwise specified on the Mortgage Loan Schedule.

Escrow Account: An account maintained by Interim Servicer or Seller's designated servicer for the deposit of Escrow Payments received in respect of one or more Mortgage Loans.

Escrow Payments: The aggregate amount of the escrows for real estate taxes, insurance, private mortgage insurance, and other payments required to be escrowed by the Mortgagor with the mortgagee pursuant to any Mortgage Loan.

Fannie Mae: The Federal National Mortgage Association, a federally chartered corporation, or any successor thereto.

FHA: The Federal Housing Administration, an administrative unit within the United States Department of Housing and Urban Development.

FHA Guidelines: Any statute, law or regulation currently in effect relating to mortgage loans issued pursuant to Title 42 of the United States Code (the Fair Housing Act) as well as any requirements under the FHA connect program.

FHA Mortgage Loan: Each of the Mortgage Loans identified on the Mortgage Loan Schedule as a FHA Mortgage Loan which has the benefit of a FHA Policy.

FHA Policy: A certificate of insurance issued by the FHA for the benefit of the mortgagee.

HAMP: The Home Affordable Modification Program administered by Fannie Mae as a program under the Making Home Affordable Program pursuant to section 101 and 109 of the Emergency Economic Stabilization Act of 2008, as section 109 of such Act has been amended by section 7002 of the American Recovery and Reinvestment Act of 2009.

HAMP Loan: Each Mortgage Loan as to which a modification pursuant to HAMP has commenced prior to the Cut-Off Date, as designated on the Mortgage Loan Schedule.

HUD: The United States Department of Housing and Urban Development.

Interim Servicer: GMAC Mortgage, LLC, in its capacity as Interim Servicer under this Agreement and all successors in interest pursuant to Section 7.7 hereof.

Interim Servicing Period: The period from the Closing Date to the Servicing Transfer Date.

Lien: Any lien, charge, pledge, deed of trust, right of first refusal, security interest, conditional sale agreement or other title retention agreement, lease, mortgage, option, proxy, hypothecation, voting trust agreement, transfer restriction, easement, servitude, encroachment, or other encumbrance (including the filing of, or agreement to give, any financing statement under the Uniform Commercial Code of any jurisdiction)

Litigation Proceeding: As defined in Section 6.7 herein.

MERS: Mortgage Electronic Registration Systems, Inc., a Delaware corporation, and any successor thereto.

MERS Loan: Any Mortgage Loan registered on the MERS® System and for which MERS is listed as the record mortgagee or beneficiary on the related Mortgage or assignment thereof.

MERS® System: The system of electronically recording transfers of mortgages maintained by MERS.

MIN: The mortgage identification number issued to each MERS Loan.

MOM Loan: A Mortgage Loan that was registered on the MERS® System at the time of origination thereof and for which MERS appears as the record mortgagee or beneficiary on the related Mortgage.

Monthly Payment: The scheduled monthly payment of principal and interest (or, in the case of an interest-only Mortgage Loan, interest) on a Mortgage Loan that is payable by a Mortgagor from time to time under the related Mortgage Note.

Mortgage: The mortgage, deed of trust, or other instrument creating a lien on real property, in each case, including any riders, addenda, assumption agreements, or modification relating thereto.

Mortgage Documents: With respect to any Mortgage Loan, the mortgage loan documents pertaining to such Mortgage Loan that are specified in Section 2.2.

Mortgage File: With respect to any Mortgage Loan, a file pertaining to such Mortgage Loan that contains each of the Mortgage Documents except as specified in any applicable Collateral Exceptions Report.

Mortgage Interest Rate: With respect to each Mortgage Loan, the annual rate at which interest accrues on such Mortgage Loan.

Mortgage Loan: An individual mortgage loan that is sold pursuant and subject to this Agreement, each such Mortgage Loan being identified on the Mortgage Loan Schedule.

Mortgage Loan Schedule: With respect to the Mortgage Loans to be sold pursuant to this Agreement and set forth on **Schedule I** to this Agreement, such schedule shall set forth the following information, as of the Cut-Off Date unless otherwise stated, with respect to each Mortgage Loan to the extent such information is readily available to Seller: (a) the Mortgage Loan identifying number; (b) the Mortgage Interest Rate; (c) the amount of the Monthly Payment; (d) the Cut-Off Date Principal Balance of the Mortgage Loan; (e) the last Due Date on which a Monthly Payment was actually applied to the Unpaid Principal Balance; (f) the original principal amount of the Mortgage Loan; (g) a code indicating if the Mortgage Loan is a MERS Loan and if so, the MIN; (h) the street address, city, state and zip code of the Mortgaged Property; (i) unreimbursed amount of Advances, if applicable; (j) a code indicating if the Mortgage Loan is in foreclosure, bankruptcy or litigation; (k) the lien position; (l) the Debenture Rate; (m) the FHA case number; (n) whether such Mortgage Loan is a HAMP Loan and (o) whether such Mortgage Loan has been modified.

Mortgage Note: The note or other evidence of the indebtedness of a Mortgagor secured by a Mortgage.

Mortgaged Property: The property securing a Mortgage Note pursuant to the related Mortgage.

Mortgagor: The obligor(s) on a Mortgage Note.

Non-Performing Mortgage Loan: As defined in the Preliminary Statement.

Pending Proceeding: As defined in Section 6.6 herein.

Performing Mortgage Loan: As defined in the Preliminary Statement.

Permitted Liens: With respect to each Mortgage Loan, (i) the lien of current real property taxes and assessments not yet due and payable and (ii) covenants, conditions, and restrictions, rights-of-way, easements, mineral right reservations and other matters of public

record as of the date of recording of such Mortgage, such exceptions generally being (a) acceptable to mortgage lending institutions making mortgage loans of the quality of the Mortgage Loan in the area where the Mortgage Property is located, (b) specifically referred to in the mortgagee's policy of title insurance or (c) other matters that do not materially interfere with the benefits of the security intended to be provided by the Mortgage.

Purchase Price: For each Mortgage Loan purchased hereunder, an amount equal to the sum of (i) the product of the Purchase Price Percentage and the Cut-Off Date Principal Balance of such Mortgage Loan and (ii) with respect to any Performing Mortgage Loans only, the accrued and unpaid interest at the Mortgage Interest Rate for the period from the latest interest paid to date to the day prior to the Closing Date and (iii) with respect to any Non-Performing Mortgage Loans only, the accrued and unpaid interest at the Debenture Rate for the period from the latest interest paid to date to the day prior to sixty (60) days prior to the Closing Date.

Purchase Price Adjustment: As defined in Section 3.3(a) hereof.

Purchase Price Percentage: For each Mortgage Loan, the percentage set forth in **Schedule II** to this Agreement that is used to calculate the Purchase Price of such Mortgage Loan.

Purchaser: _____, and all successors in interest pursuant to Section 7.7 hereof.

Remittance Date: Ten (10) Business Days following the last day of each Collection Period.

Repurchase Price: With respect to any Mortgage Loan, an amount equal to (a) the Purchase Price for such Mortgage Loan, plus (b) Purchaser's reasonable and customary out-of-pocket expenses incurred by Purchaser in transferring such Mortgage Loan back to Seller, minus (c) any amounts received by Purchaser with respect to such Mortgage Loan on or prior to the date of repurchase, minus (d) any unreimbursed Advances payable to Interim Servicer pursuant to this Agreement.

Sale Approval Order: An order of the Bankruptcy Court issued pursuant to sections 105 and 363 of the Bankruptcy Code, in substantially the form set forth in **Exhibit B** hereto, authorizing and approving, among other things, (i) the sale, transfer and assignment of the Mortgage Loans to Purchaser in accordance with the terms and conditions of this Agreement, free and clear of all Claims and Liens and (ii) that Purchaser is a good faith purchaser entitled to the protections of Section 363(m) of the Bankruptcy Code.

Seller: GMAC Mortgage, LLC and its respective successors in interest pursuant to Section 7.7 hereof.

Servicer Participation Agreement: As defined in Section 3.4(f) herein.

Servicing File: For each Mortgage Loan, the loan documents and information (including any servicing tapes, images and conversion reports) received or obtained through the efforts of

servicing the Mortgage Loan, which may be maintained on microfilm, optical storage or any other comparable medium. To the extent available to the Seller, each Servicing File may contain: (a) the tax service contract, (b) documentation relating to any releases of collateral, (c) any correspondence between the Interim Servicer or the Seller's designated servicer, as applicable, and the Mortgagor, (d) payment history, (e) collection letters or form notices, (f) foreclosure correspondence and legal notification, and (g) copy of deed with respect to any REO property.

Servicing Transfer Date: May 15, 2013, which is the date on which Interim Servicer shall discontinue servicing the Mortgage Loans pursuant to Section 6.1.

Successor Servicer: The servicer selected by Purchaser to assume all of Interim Servicer's responsibilities, rights, duties and obligations to service the Mortgage Loans on the Servicing Transfer Date.

Unpaid Principal Balance: With respect to each Mortgage Loan, as of any date of determination, (i) the Cut-Off Date Principal Balance, minus (ii) the principal portion of all payments made by or on behalf of the Mortgagor after the Cut-Off Date and received by Interim Servicer or Successor Servicer, as applicable.

ARTICLE 2.

SALE AND CONVEYANCE OF MORTGAGE LOANS; POSSESSION OF FILES; PAYMENT OF PURCHASE PRICE; DELIVERY OF MORTGAGE DOCUMENTS

Section 2.1. Sale and Conveyance of Mortgage Loans; Possession of Files

(a) On the Closing Date and upon the receipt of the Purchase Price set forth in this Agreement, the Seller shall sell, transfer, assign, set over, and convey to Purchaser, without recourse, but subject to the representations, warranties, terms and provisions of this Agreement all the right, title, and interest of the Seller in and to the Mortgage Loans, servicing released.

(b) The documents comprising each Credit File shall, subject to payment for the related Mortgage Loan pursuant to Section 2.1(c) below, be held in trust by Interim Servicer until the Servicing Transfer Date, for the benefit of Purchaser as the owner thereof. Interim Servicer's possession of such documents so held is at the will of Purchaser, and such holding and possession is in trust for Purchaser as the owner thereof and only for the purpose of servicing the Mortgage Loans until the Servicing Transfer Date. Upon payment for the related Mortgage Loan pursuant to Section 2.1(c) below, the legal and beneficial ownership of each Mortgage Note, each Mortgage, and each of the other documents comprising the Mortgage File and the Credit File with respect to such Mortgage Loan shall be vested in Purchaser, and the ownership of all records and documents with respect to such Mortgage Loan prepared by or which come into the possession of Seller or any agent or designee thereof shall immediately vest in Purchaser and shall be delivered to Purchaser in the case of the Mortgage Files on the Closing Date.

(c) In full consideration for the sale of each of the Mortgage Loans pursuant to Section 2.1(a), and upon the terms and conditions of this Agreement, on the Closing Date Purchaser shall pay to Seller by wire transfer of immediately available funds (i) the Purchase Price as set forth in this Agreement for the Mortgage Loans purchased on the Closing Date and (ii) any unreimbursed Advances made by the Seller or Interim Servicer up to and including the Cut-Off Date as set forth in Section 6.2(a) of this Agreement. Purchaser shall also be required to reimburse Interim Servicer for any unreimbursed Advances made by the Interim Servicer as set forth in Sections 6.2(b) and 6.2(c) of this Agreement.

(d) As of the Closing Date, Purchaser shall own and be entitled to receive with respect to each Mortgage Loan purchased on the Closing Date all Monthly Payments and all other collections of principal and interest and all proceeds on the Mortgage Loans received on and after the Cut-Off Date, subject to the rights of Interim Servicer under Section 6.2 to reimbursement for certain costs, expenses, Advances, any ancillary fees incurred or made pursuant thereto and interim servicing fees. All such amounts that are collected after the Cut-Off Date through and including the Servicing Transfer Date shall be held and remitted by Interim Servicer on each related Remittance Date.

(e) Notwithstanding anything to the contrary in this Agreement, the Purchaser will be required to purchase all of the Mortgage Loans on the Mortgage Loan Schedule unless a Mortgage Loan was liquidated or otherwise paid-in-full between the date of this Agreement and the Closing Date.

Section 2.2. Delivery of Mortgage Documents and Credit Files

(a) Not later than two (2) Business Days prior to the Closing Date, the Seller shall deliver to Purchaser or Purchaser's designee, to the extent in the Seller's possession, the following documents for each Mortgage Loan (the "Mortgage Documents"):

(i) Either:

(A) the original Mortgage Note, endorsed (on the Mortgage Note or an allonge attached thereto) "Pay to the order of _____ without recourse," and signed by original or facsimile signature in the name of the last holder of record by an authorized officer; or

(B) a copy of the Mortgage Note (endorsed as provided above) together with a lost note affidavit.

(ii) the original recorded Mortgage or copy with recording information (and, in the case of a MOM Loan, with evidence of the MIN); provided that if such mortgage is not available or if such public recording office retains or otherwise has not returned the original recorded mortgage, the Seller may deliver or cause to be delivered to Purchaser a photocopy of such Mortgage certified by such Seller to be a copy of the original mortgage sent for recording;

(iii) unless such Mortgage Loan is a MERS Loan, the original Assignment of Mortgage, from the applicable seller signed by an authorized officer, to Purchaser's designee, which assignment shall be in form and substance acceptable for recording;

(iv) unless such Mortgage Loan is a MOM Loan, all intervening Assignments of Mortgage with evidence of recordation provided that if such Assignment of Mortgage is not available or if such public recording office retains or otherwise has not returned the original Assignment of Mortgage, the Seller may deliver or cause to be delivered to Purchaser a photocopy of such Assignment of Mortgage certified by such Seller to be a copy of the original Assignment of Mortgage sent for recording;

(v) originals or copies of all assumption, extension or modification agreements, if any; and

(vi) original or copy of the title policy or, in the event such title policy is unavailable, an imaged copy of the related policy binder or commitment for title.

(b) Set forth on **Schedule III** to this Agreement is the collateral exceptions report (the "Collateral Exceptions Report") generated by Purchaser or Purchaser's custodian, with respect to each Mortgage Loan sold by Seller hereunder, identifying which of the Mortgage Documents are not in its possession, to the extent applicable, or have document deficiencies. The Seller shall not have any obligation to deliver any documents included in a Collateral Exceptions Report or cure any document deficiencies identified in a Collateral Exceptions Report.

(c) In connection with the transfer of any MERS Loan pursuant to Section 2.1 hereof, Interim Servicer shall request that the MERS® System indicate that such MERS Loan has been assigned to Purchaser. Purchaser may, at its cost and in its discretion, direct the Interim Servicer to deliver for recording to the appropriate public recording office of the jurisdiction in which the Mortgaged Property is located, and cause to be duly recorded, any of the original Assignments of Mortgage referred to in Section 2.2(a)(iii). Purchaser shall pay all recording fees relating to the recordation of the Assignments of Mortgage from Seller to Purchaser and any intervening assignments.

(d) Unless otherwise provided herein, the Seller or its designee shall deliver the Credit Files with respect to all Mortgage Loans to Purchaser or its designee on or before the Servicing Transfer Date. The Seller or its designee shall deliver the Servicing Files with respect to all Mortgage Loans to Purchaser or its designee within five (5) Business Days of the Servicing Transfer Date.

Section 2.3. Purchaser's Due Diligence Review

Purchaser agrees and acknowledges that Purchaser or its custodian has conducted a due diligence review on (i) the Mortgage Loans and (ii) a sample of twenty percent (20%) of the related Credit Files, and that any document defects in the Mortgage Files and the Credit Files

have been resolved to its satisfaction and taken into account in determining the Purchase Price Percentage specified in this Agreement.

ARTICLE 3.

REPRESENTATIONS AND WARRANTIES OF THE SELLER CONCERNING MORTGAGE LOANS; REPURCHASE OF MORTGAGE LOANS; REPRESENTATIONS AND WARRANTIES OF PURCHASER

Section 3.1. Individual Mortgage Loans

The Seller hereby represents and warrants to Purchaser that, as to each Mortgage Loan sold by the Seller hereunder, as of the Closing Date (except as otherwise indicated below):

(a) The information with respect to such Mortgage Loan set forth on the Mortgage Loan Schedule is true and correct in all material respects, as of the dates specified therein or, if no such date is indicated therein, as of the Cut-Off Date.

(b) Upon both (a) the entry of the Sale Approval Order and (b) the transfer of the Mortgage Loans to the Purchaser, the Purchaser will have good and valid title to the Mortgage Loans, free and clear of any liens, claims, encumbrances, participation interests, equities, pledges, charges, or security interests of any nature, and the Seller had full right and authority to sell and assign such Mortgage Loan pursuant to this Agreement.

(c) With respect to each Mortgage Loan, the Mortgage is a valid, subsisting and enforceable first-lien, as indicated on the Mortgage Loan Schedule, on the Mortgaged Property. The lien of the Mortgage is subject only to Permitted Liens.

(d) Other than as indicated in the Mortgage Loan Schedule, the terms of the Mortgage and the Mortgage Note have not been waived, altered, or modified in any material respect, except by a written instrument that has been recorded, if necessary, and that is a part of the Mortgage File; provided, however, that under certain circumstances where the modification, waiver or alteration of the terms of such Mortgage or Mortgage Note has been effected pursuant to a written instrument that is favorable to the Mortgagor, such written instrument may or may not have been executed by the related Mortgagor.

(e) No Mortgagor has been released, in whole or in part, except as indicated in the Mortgage Loan Schedule.

(f) With respect to each Mortgage Loan, the applicable FHA Policy is in full force and effect, and there exists no defense or impairment to full recovery thereunder to the maximum extent provided thereby, without, in the case of any FHA Mortgage Loan, indemnity to HUD or FHA. Each FHA Policy is the valid, binding and enforceable obligation of FHA, to the full extent provided thereby, without surcharge, set-off or defense, and all actions that are necessary to ensure that each FHA Policy remains so valid, binding and enforceable have been taken. As of the Cut-Off Date, the guaranty amount with respect to each FHA Mortgage Loan

will be an amount that is payable in accordance with the FHA Guidelines and such amount will be at least equal to the unpaid principal balance of the related Mortgage Loan. All provisions of such FHA Policy have been and are being complied with and all premiums due thereunder have been paid. The Mortgage Loan obligates the Mortgagor thereunder to maintain the FHA Policy and to pay all premiums and charges in connection therewith.

(g) All improvements upon the Mortgaged Property are insured against loss by fire and such other hazards as are customary in the area where the Mortgaged Property is located, pursuant to insurance policies maintained by the Mortgagor or a blanket insurance policy maintained by Seller or Interim Servicer. All such insurance premiums that previously became due and owing prior to or on the Cut-Off Date in respect thereof have been paid. If the Mortgaged Property is in an area that, at the time of origination of the related Mortgage Loan, was identified on a flood hazard boundary map or flood insurance rate map issued by the Federal Emergency Management Agency as having special flood hazards and such flood insurance is available, a flood insurance policy was obtained meeting the requirements of the guidelines of the Federal Insurance Administration with an insurance carrier acceptable to Seller.

(h) The Mortgage Note and the Mortgage are genuine, and each is the legal, valid and binding obligation of the maker thereof enforceable in accordance with its terms in all material respects, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditors' rights generally and except that the equitable remedy of specific performance and other equitable remedies are subject to the discretion of the courts. To Seller's knowledge, all parties to the Mortgage Note and the Mortgage had legal capacity to execute the Mortgage Note and the Mortgage and convey the estate therein purported to be conveyed, and the Mortgage Note and the Mortgage have been duly and properly executed by such parties or pursuant to a valid power-of-attorney that has been recorded with the Mortgage.

(i) The Mortgage has been duly assigned and the Mortgage Note has been duly endorsed as provided in Section 2.2(a). Any Assignment of Mortgage delivered to Purchaser pursuant to Section 2.2 above is in recordable form except for the insertion of the name of the assignee and recording information and is acceptable for recording under the laws of the applicable jurisdiction.

(j) Each Mortgage Loan as of the time of its origination complied in all material respects with all applicable local, state and federal laws, rules and regulations including, but not limited to, usury, consumer credit protection, equal credit opportunity, or disclosure laws applicable to such Mortgage Loan at the time of origination.

(k) Each Mortgage is covered by either an ALTA mortgage title insurance policy acceptable to Seller, or such other generally used and acceptable form of policy and applicable endorsements acceptable to prudent mortgage lending institutions making loans in the area where the Mortgaged Property is located.

(l) The Mortgage Loan is not subject to any right of rescission, setoff, counterclaim or defense, and no such claim has been asserted with respect to any Mortgage

Loan, except as such rights, counterclaims, defenses and claims may be asserted in connection with the litigation and bankruptcy proceedings disclosed under the column [_____] on the Mortgage Loan Schedule.

(m) The Mortgage contains customary and enforceable provisions that render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security, including (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale and (ii) otherwise by judicial foreclosure. The Mortgage or Mortgage Note contains a provision that is, to the extent not prohibited by federal or state law, enforceable and that provides for the acceleration of the payment of the Unpaid Principal Balance of the Mortgage Loan in the event that the Mortgaged Property is sold or transferred without the prior written consent of the mortgagee thereunder.

(n) If the Mortgage constitutes a deed of trust, a trustee, duly qualified under applicable law to serve as such, has been properly designated and currently so serves and is named in such Mortgage, and no fees or expenses are or shall become payable to the trustee under the deed of trust except in connection with a trustee's sale after default by the Mortgagor.

(o) Each Mortgage Loan has been serviced by Interim Servicer (or Seller's sub-servicer) in all material respects in accordance with Acceptable Servicing Procedures.

(p) To Seller's knowledge, the Mortgaged Property is in material compliance with applicable environmental laws pertaining to environmental hazards and Seller has not received any notice of any violation of such law.

(q) There is no litigation or bankruptcy proceeding pending or, to Seller's knowledge, threatened with respect to a Mortgage Loan that will adversely affect Purchaser's right, title or interest thereon or the priority of the Mortgage other than litigation and bankruptcy proceedings and their related claims as disclosed under the column [_____] on the Mortgage Loan Schedule.

Section 3.2. Seller and Interim Servicer Representations

The Seller and the Interim Servicer, severally and not jointly, hereby represents and warrants to Purchaser that, with respect to itself only, and subject to Bankruptcy Court approval of this Agreement as set forth in Section 5.4 hereof, on the Closing Date:

(a) Seller is a Delaware limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Seller has the power and authority to hold each Mortgage Loan, to sell each Mortgage Loan, to enter into, execute and deliver this Agreement and all documents and instruments executed and delivered pursuant hereto and to perform its obligations in accordance therewith. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated hereby have been duly and validly authorized. This Agreement and all other documents and instruments contemplated hereby, in each case assuming due authorization, execution and delivery by Purchaser, if applicable, evidence the

valid, binding and enforceable obligations of Seller, subject as to enforcement, (i) to bankruptcy, insolvency, receivership, conservatorship, reorganization, arrangement, moratorium, and other laws of general applicability relating to or affecting creditor's rights and (ii) to general principles of equity, whether such enforcement is sought in a proceeding in equity or at law. All requisite limited liability company action has been taken by Seller to make this Agreement and all documents and instruments executed and delivered pursuant hereto, valid and binding upon Seller in accordance with its terms.

(c) No consent, approval, authorization, or order of any court or governmental agency or body relating to the transactions contemplated by this Agreement and the transfer of title to the Mortgage Loans to Purchaser, is required as to Seller or, if required, such consent, approval, authorization, or order has been or shall, prior to the Closing Date, be obtained, except for any recordation of Assignments of the Mortgages to or for the benefit of Purchaser pursuant to this Agreement.

(d) The consummation of the transactions contemplated by this Agreement, including without limitation the transfer and assignment of the Mortgage Loans to or for the benefit of Purchaser pursuant to this Agreement and the fulfillment of or compliance with the terms and conditions of this Agreement, are in the ordinary course of business of Seller and shall not (i) result in the breach of any term or provision of the certificate of formation or limited liability company agreement of Seller, (ii) result in the breach of any term or provision of, or conflict with or constitute a default under, or result in the acceleration of any obligation under, any material agreement, indenture, loan or credit agreement or other instrument to which Seller or its property is subject, or (iii) result in the violation of any law, rule, regulation, order, judgment, or decree to which Seller or its property is subject.

(e) There is no action, suit, proceeding or investigation pending or, to the best of Seller's knowledge, threatened against Seller that is likely (in Seller's judgment) to materially and adversely affect the sale of the Mortgage Loans, or that would be likely to materially impair the ability of Seller to perform its obligations under the terms of this Agreement.

Section 3.3. Remedies for Breach of Representations and Warranties

(a) Upon discovery by Purchaser prior to the date which is one year following the Closing Date of a breach of any of the representations and warranties set forth in Sections 3.1 or 3.2 made by the Seller (either as Seller or Interim Servicer) that materially and adversely affects the value of any Mortgage Loan, Purchaser shall give written notice to the Seller within ten (10) Business Days of such discovery. The Seller shall cure in all material respects any such breach within 90 days of receipt of such notice of said breach, and, if such breach cannot be or is not cured within such 90-day period, the Seller shall, in its sole discretion, either (i) repurchase the affected Mortgage Loan(s) at the Repurchase Price or (ii) reimburse Purchaser an amount (the "Purchase Price Adjustment") equal to the reduction in value (as reasonably determined by the Purchaser and Seller) of the affected Mortgage Loans based upon the breach; provided that if the Seller and Purchaser are unable to agree upon the Purchase Price Adjustment, the Seller shall repurchase such Mortgage Loan. Any such repurchase shall be at a price equal to the applicable Repurchase Price and shall be accomplished by prompt payment to

Purchaser of the amount of the Repurchase Price. Notwithstanding anything to the contrary in this Agreement, the Seller is under no obligation to repurchase any Mortgage Loan or pay any Purchase Price Adjustment if Purchaser or its designee has renewed, renegotiated, modified, compromised, settled or released the Mortgage Loan, Mortgaged Property, or Mortgagor in whole or in part in any material respect or impaired such Mortgage Loan or the related FHA Policy in any material respect.

(b) It is understood and agreed that all representation, warranties and covenants made by the Seller (either as Seller or Interim Servicer) as set forth in this Agreement shall survive for a period of one year following the Closing Date and shall inure to the benefit of Purchaser.

(c) Upon receipt of the Repurchase Price, Purchaser shall immediately take all steps necessary to effect the transfer of any repurchased Mortgage Loan, including all documentation with respect thereto, to the Seller. In connection with any repurchase by the Seller of a Mortgage Loan pursuant to this Section 3.3 of this Agreement, Purchaser shall be deemed to have represented and warranted that (i) such Mortgage Loan has been serviced in accordance with Acceptable Servicing Procedures from the Servicing Transfer Date to the date of repurchase and (ii) if such Mortgage Loan is also a HAMP Loan, that such HAMP Loan has been serviced in accordance with HAMP. In the event Purchaser breaches the representation or warranty deemed to have been made by it in this clause (c), depending on the severity of such breach, the Seller may not be obligated to repurchase the affected Mortgage Loan, and in addition, Purchaser shall be responsible for indemnifying the Seller pursuant to the terms of this Agreement. If, in accordance with this Section 3.3, the Seller repurchases any MERS Loan, Purchaser shall promptly (i) cause the MERS® System to reflect such repurchase, as the case may be, or (ii) cause MERS to remove the repurchased Mortgage Loan from registration on the MERS® System and execute and deliver an Assignment of Mortgage to reflect the transfer of such Mortgage Loan to the Seller or its designee.

(d) It is understood and agreed that the obligations of the Seller set forth in this Section 3.3 constitute the sole remedies available to Purchaser respecting a breach of the representations and warranties by the Seller set forth in Sections 3.1 and 3.2. In no event shall the Seller be liable for any additional damages, including without limitation, consequential, punitive, or exemplary damages, with respect to any breach.

(e) Any cause of action against the Seller relating to or arising out of the breach of any representation and warranty made by the Seller in Sections 3.1 and 3.2 shall accrue as to any Mortgage Loan only upon (i) discovery of such breach by Purchaser, (ii) failure by the Seller to cure such breach or repurchase or pay any Purchase Price Adjustment with respect to such Mortgage Loan as specified above, (iii) demand upon the Seller by Purchaser for all amounts payable in respect of such Mortgage Loan and (iv) certification by the Purchaser that the breach alleged by Purchaser was not discovered by it or its representatives during the due diligence review performed by it or its representatives.

Section 3.4. Purchaser Representations

Purchaser hereby represents and warrants, as of the Closing Date, that:

(a) Purchaser is a _____ duly [incorporated/organized], validly existing, and in good standing under the laws of the state in which it is [incorporated/organized].

(b) Purchaser has the [corporate] power and authority to purchase each Mortgage Loan, to enter into, execute and deliver this Agreement and all documents and instruments executed and delivered pursuant hereto and to perform its obligations in accordance therewith. The execution, delivery and performance of this Agreement by Purchaser and the consummation of the transactions contemplated hereby, including without limitation, repurchase obligations, have been duly and validly authorized. This Agreement and all other documents and instruments contemplated hereby, in each case assuming due authorization, execution and delivery by Seller, evidence the valid, binding and enforceable obligations of Purchaser, subject as to enforcement, (i) to bankruptcy, insolvency, receivership, conservatorship, reorganization, arrangement, moratorium, and other laws of general applicability relating to or affecting creditor's rights and (ii) to general principles of equity, whether such enforcement is sought in a proceeding in equity or at law. All requisite [corporate] action has been taken by Purchaser to make this Agreement valid and binding upon Purchaser in accordance with its terms.

(c) No consent, approval, authorization or order of any court or governmental agency or body relating to the transactions contemplated by this Agreement is required as to Purchaser, or, if required, such consent, approval, authorization or order has been or will, prior to the Closing Date, be obtained.

(d) The consummation of the transactions contemplated by this Agreement and the fulfillment of or compliance with the terms and conditions of this Agreement, are in the ordinary course of business of Purchaser, will not (i) result in the breach of any term or provision of the [certificate of incorporation or bylaws/certificate of formation or partnership agreement] of Purchaser, (ii) result in the breach of any term or provision of, or conflict with or constitute a default under, or result in the acceleration of any obligation under, any material agreement, indenture, loan or credit agreement or other instrument to which Purchaser or its property is subject, or (iii) result in the violation of any law, rule, regulation, order, judgment, or decree to which Purchaser or its property is subject.

(e) There is no action, suit, proceeding or investigation pending or, to the best of Purchaser's knowledge, threatened against Purchaser that is likely (in Purchaser's judgment) to materially and adversely affect the consummation of the transactions contemplated hereby, or that would be likely to materially impair the ability of Purchaser to perform its obligations under the terms of this Agreement.

(f) Purchaser has entered into a servicer participation agreement (the "Servicer Participation Agreement") with Fannie Mae that will enable the Purchaser to service the Mortgage Loans in accordance with the FHA Guidelines and HAMP, as applicable, and such Servicer Participation Agreement is in full force and effect.

(g) The Purchaser is a HUD-approved mortgagee.

(h) The Purchaser (or its Successor Servicer) holds all licenses, approvals, permits, and other authorizations, or exemptions therefrom, required under FHA Guidelines to own and service the Mortgage Loans and is approved to service 1-4 family and multifamily mortgage loans under the FHA Title II of Lenders Profile.

(i) The Purchaser is a sophisticated investor and the Purchaser's offer and decision to purchase the Mortgage Loans is based upon its own independent expert evaluations of its due diligence and other materials deemed relevant by the Purchaser and its agents together with such records as are generally available to the public from local, county, state and federal authorities, record-keeping offices and courts (including, without limitation, any bankruptcy courts in which any mortgagors, guarantor or surety, if any, may be subject to any pending bankruptcy proceedings), as Purchaser deemed necessary, proper or appropriate in order to make a complete informed decision with respect to the purchase and acquisition of the Mortgage Loans. Purchaser acknowledges that it has had the opportunity to conduct legal, environmental, on-site and other appropriate due diligence as to each Mortgage Loan. The Purchaser has not relied in entering into this Agreement upon any oral or written information from the Seller, or any of its employees, affiliates, agents, legal counsel or other representatives. Purchaser is aware of the level of and form of documentation with respect to each Mortgage Loan and takes each Mortgage Loan and the Mortgage File, respectively, with the knowledge that such documentation may be incomplete.

(j) Purchaser acknowledges that the Mortgage Loans (including the loan documents) may have limited or no liquidity and Purchaser has the financial wherewithal to own the Mortgage Loans and the loan documents for an indefinite period of time and to bear the economic risk of an outright purchase of the Mortgage Loans and the loan documents and a total loss of the Purchase Price for the Mortgage Loans.

ARTICLE 4.

COVENANTS

Section 4.1. Continued Cooperation

The Seller, Interim Servicer and Purchaser shall cooperate fully with each other and their respective counsel and other representatives and advisors in connection with the steps required to be taken as part of their respective obligations under this Agreement. At any time, and from time to time after the Closing Date, upon the reasonable request of either party hereto, and at the expense of the requesting party, the non-requesting party shall do, execute, acknowledge and deliver, and shall cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, and assurances as may be reasonably required in order to accomplish any provision herein; provided that neither the Seller nor the Interim Servicer will be obligated to execute any agreement or provide any consent, disclosures, reports or any other information in connection with any assignment, transfer or reconstitution of the Mortgage Loans by the Purchaser as set forth in Section 7.7 hereto. In addition, in the event the Seller or Interim Servicer determines

subsequent to the Closing Date that it needs reasonable access to any documents relating to any Mortgage Loan for accounting, tax or litigation purposes, Purchaser shall, upon reasonable notice by the Seller or Interim Servicer, as the case may be, at said party's reasonable expense promptly provide, or cause to be provided, copies of such documents to the extent reasonably necessary to satisfy such purposes, subject to appropriate confidentiality requirements. Notwithstanding the foregoing, the Seller and Interim Servicer shall not be required to take any action that it reasonably concludes would violate the United States Bankruptcy Code or any order entered in its bankruptcy case, and neither the Seller nor the Interim Servicer shall be required to take any action to the extent that it no longer has staff that perform such action.

Section 4.2. Delivery of Documents

On the dates specified herein, each party shall deliver to the appropriate persons specified herein all documents and instruments provided for hereunder.

Section 4.3. Reserved.

Section 4.4. Compliance with HAMP; Existing Modifications

With respect to each HAMP Loan and each Mortgage Loan that becomes subject to a HAMP modification agreement after the Cut-Off Date, Purchaser shall, or shall cause its servicer to, comply with the terms of each modification agreement applicable to such Mortgage Loan and all guidelines, procedures and directives issued by the United States Treasury, Fannie Mae or Freddie Mac applicable to the servicing of such Mortgage Loan. With respect to any Mortgage Loan that is the subject of an application for modification or is in its trial period pursuant to the terms of the related modification, and is not a HAMP Loan, the Purchaser shall, or shall cause its servicer to, accept and continue processing the pending loan modification requests and shall honor trial and permanent loan modifications entered into by the prior servicer. The parties hereto acknowledge and agree that any such Mortgagor shall be deemed a third party beneficiary of this Section 4.4.

Section 4.5. Regulatory Compliance

From and after the Closing Date, the Purchaser agrees to use its commercially reasonable efforts to cooperate with and assist the Seller and its counsel and other advisors with respect to the Seller's compliance with any of its regulatory obligations.

ARTICLE 5.

CLOSING CONDITIONS

The closing for the purchase and sale of the Mortgage Loans identified on the Mortgage Loan Schedule shall take place on the Closing Date. The obligation of the Seller to sell each Mortgage Loan and the obligation of Purchaser to purchase each Mortgage Loan shall be subject to the conditions set forth in this Article 5.

Section 5.1. Closing Date Documents

On the Closing Date, if the Mortgage Files are in the possession of a custodian, Purchaser shall have received a trust receipt or similar document from such custodian acknowledging that such custodian holds the Mortgage Files for the benefit of Purchaser. Such custodian shall provide a copy of such trust receipt or similar document to Seller.

Section 5.2. Correctness of Representations and Warranties

All of the representations and warranties of the Seller and Purchaser under this Agreement shall be true and correct in all material respects as of the Closing Date (except as otherwise expressly provided for herein).

Section 5.3. HAMP Assignment and Assumption Agreement

Seller and Purchaser shall have entered into an Assignment and Assumption Agreement in the form of Exhibit C to the Amended and Restated Servicer Participation Agreement dated as of September 30, 2010 between Seller and Fannie Mae with respect to the HAMP Loans and any Mortgage Loans that become subject to a HAMP modification agreement after the Cut-Off Date.

Section 5.4. Bankruptcy Court Approval

The United States Bankruptcy Court for the Southern District of New York shall have entered an order in the bankruptcy case of the Seller and Interim Servicer approving this Agreement substantially in the form of the Sale Approval Order and such Sale Approval Order shall not be subject to any stay of effectiveness.

Section 5.5. Compliance With Conditions

All other terms and conditions of this Agreement shall have been complied with in all material respects.

Subject to the foregoing conditions, Purchaser shall pay to the Seller on the Closing Date (i) the Purchase Price for the Mortgage Loans and (i) any unreimbursed Advances made by the Seller or Interim Servicer up to the Cut-Off Date as set forth in Section 6.2(a) of this Agreement by wire transfer of immediately available funds to the account designated by the Seller.

ARTICLE 6.

INTERIM SERVICING

Section 6.1. General

The Mortgage Loans will be purchased by Purchaser and sold by Seller on a servicing-released basis. As of the Servicing Transfer Date, all servicing responsibilities with respect to the Mortgage Loans shall pass to Purchaser and its designated Successor Servicer, if

any, and Interim Servicer shall cease all servicing responsibilities with respect to the Mortgage Loans and shall be discharged from all liability therefor with respect to any servicing following such Servicing Transfer Date. Without limiting its other obligations herein, neither Seller nor Interim Servicer shall have any obligation to perform any servicing activities with respect to the Mortgage Loans from and after the Servicing Transfer Date.

Purchaser shall pay a servicing fee to the Interim Servicer of \$12.50 per month or portion thereof from the Cut-Off Date until the Servicing Transfer Date for each Mortgage Loan subject to this Agreement that is 29 days or less delinquent as of the Cut-Off Date. Purchaser shall pay a servicing fee to the Interim Servicer of \$40.00 per month or portion thereof from the Cut-Off Date until the Servicing Transfer Date for each Mortgage Loan subject to this Agreement that is 30 to 59 days delinquent as of the Cut-Off Date. Purchaser shall pay a servicing fee to the Interim Servicer of \$65.00 per month or portion thereof from the Cut-Off Date until the Servicing Transfer Date for each Mortgage Loan subject to this Agreement that is 60 to 89 days delinquent as of the Cut-Off Date. Purchaser shall pay a servicing fee to the Interim Servicer of \$90.00 per month or portion thereof from the Cut-Off Date until the Servicing Transfer Date for each Mortgage Loan subject to this Agreement that is 90 or more days delinquent as of the Cut-Off Date.

Section 6.2. Advances; Reimbursement of Advances

On the Servicing Transfer Date, Purchaser shall pay or cause its designated Successor Servicer to pay Interim Servicer the following amounts:

(a) with respect to the Mortgage Loans, all unreimbursed Advances incurred by Interim Servicer on or prior to the Cut-Off Date (to the extent not already paid to Seller as of the Closing Date); and

(b) with respect to the Mortgage Loans, all Advances incurred by Seller between the Cut-Off Date and Closing Date (to the extent not already paid to Seller as of the Closing Date) and all Advances incurred by Interim Servicer during the Interim Servicing Period; and

(c) any other reasonable and customary expenses incurred by the Interim Servicer in connection with the Mortgage Loans during the Interim Servicing Period and not previously reimbursed;

provided, however, that to the extent Interim Servicer is billed for any expenses in connection with the performance of its servicing obligations after the Servicing Transfer Date, the Interim Servicer shall forward such invoices to Purchaser as soon as practicable after receipt and Purchaser shall be responsible for processing and paying all such invoices. In the event, however, any such invoice is processed and paid by Interim Servicer following the Servicing Transfer Date, Purchaser shall reimburse Interim Servicer for the same within ten (10) Business Days of request.

Interim Servicer may set-off all Advances and expenses owed to it pursuant to this Agreement as of the Servicing Transfer Date against any funds due to Purchaser on the Servicing Transfer Date; provided that Interim Servicer shall deliver an electronic report or reports relating

to such Advances and expenses to Purchaser. A form of such electronic report is attached hereto as **Exhibit C**.

Notwithstanding the foregoing, nothing in this Agreement or related transfer instructions shall be construed to require Interim Servicer to make any Advances (other than Advances required to be made in accordance with Acceptable Servicing Procedures). Interim Servicer shall be entitled to additional servicing compensation in the form of interest realized from any investment of funds in an Account, non-sufficient funds check fees, assumption fees, conversion fees, other related administrative fees, late payment charges, prepayment charges and fees, HAMP modification fees and other similar types of ancillary fees and charges that are actually received by Interim Servicer. All such amounts may be retained by Interim Servicer.

Section 6.3. Insured Mortgaged Properties

Purchaser is responsible for having itself substituted, as of the Servicing Transfer Date, as loss payee on, and obtaining any additional or substitute coverage for any risk insurance on any Mortgaged Property in which the Seller is currently listed as a loss payee. Nothing in this Agreement shall prevent Purchaser from obtaining, at its own expense, such risk insurance as Purchaser deems necessary or appropriate to insure its interest hereunder or in any Mortgaged Property.

Section 6.4. Transfer of Servicing

During the Interim Servicing Period, Interim Servicer shall service the Mortgage Loans in accordance with Acceptable Servicing Procedures and the terms of this Agreement. On and after the Closing Date, Purchaser shall have the sole responsibility for the direction and strategy of any enforcement actions, at Purchaser's expense.

Section 6.5. [Reserved]

Section 6.6. Pending Legal Proceedings

Certain of the Mortgage Loans may be the subject of foreclosure or bankruptcy proceedings (and related claims), the outcome of which may affect the status of the Mortgage Loan, including the collectability thereof ("Pending Proceedings"). The provisions below apply to Pending Proceedings:

(a) Purchaser shall, at its cost, within thirty (30) days after the Closing Date, (i) notify the appropriate court officer and all counsel of record with respect to each Mortgage Loan that is in foreclosure or bankruptcy, of the transfer of the Mortgage Loan from the Seller to Purchaser, (ii) file pleadings to substitute counsel (unless said counsel has agreed to represent Purchaser in the proceedings at Purchaser's expense), and (iii) where possible, remove the Seller as a party in the proceedings and substitute Purchaser as the real party in interest, and change the caption thereof accordingly. Notwithstanding the preceding sentence, Purchaser may continue any proceeding in the Seller's name with respect to any Mortgage Loan if

necessary to prevent a material adverse effect on Purchaser's interest with respect thereto or a delay in the proceeding, it being understood that Purchaser shall indemnify and hold harmless the Seller from all costs and fees arising after the Closing Date and relating to any such proceeding and shall further indemnify and hold harmless the Seller for any loss, damages, penalties, fines, forfeitures, legal fees and related costs, judgments, and other costs and expenses resulting from any claim, investigation, inquiry, demand, defense or assertion relating to, based upon or otherwise pertaining to the proceeding continuing in the name of the Seller after the Closing Date. If Purchaser fails to use commercially reasonable efforts to comply with the above requirements, the Seller may, upon prior written notice to Purchaser, complete any of the actions specified in clauses (i), (ii) and (iii) above on Purchaser's behalf. In such event, Purchaser hereby appoints the Seller as its attorney-in-fact to complete any of the actions specified in clauses (i), (ii) and (iii) above. Purchaser acknowledges that its failure to comply with the provisions of this paragraph may affect Purchaser's rights in any such proceeding including, without limitation, a dismissal with prejudice or the running of any statute of limitations if any such proceeding is dismissed.

(b) On and after the Closing Date, Purchaser shall have the sole responsibility for the direction and strategy of the related Pending Proceedings, at Purchaser's expense.

(c) Reimbursement for the Seller's expenses shall be made in accordance with the following procedure:

(i) Purchaser shall reimburse and indemnify the Seller for any expenses, including reasonable legal fees, incurred by the Seller in connection with Pending Proceedings from and after the Cut-Off Date for services rendered after the Cut-Off Date, including without limitation, any such expenses incurred by the Seller in connection with Purchaser's failure to comply with the requirements of subparagraph (c)(i)-(iii). Purchaser shall reimburse such expenses no later than five (5) days after receipt of a request from the Seller for reimbursement;

(ii) Within ninety (90) days after the Servicing Transfer Date, the Seller shall deliver an electronic report to Purchaser of any expenses billed to the Seller incurred in connection with Pending Proceedings from and after the Cut-Off Date for services rendered after the Cut-Off Date, whereupon Purchaser shall reimburse the Seller for amounts so incurred; and

(iii) The Seller shall be responsible for any expenses, including legal fees, incurred by the Seller in connection with Pending Proceedings prior to the Cut-Off Date.

Section 6.7. Mortgage Loans in Litigation

If any Mortgage Loan becomes subject to litigation ("Litigation Proceedings") commenced by a Mortgagor or other third party or commenced by Interim Servicer at the direction of Purchaser following the Closing Date (but before the Servicing Transfer Date), the provisions below apply to such Litigation Proceedings:

(a) Purchaser shall, at its cost, within thirty (30) days after the Servicing Transfer Date, (i) notify the appropriate court officer and all counsel of record in each Litigation Proceeding of the transfer of the Mortgage Loan from the Seller to Purchaser, (ii) file pleadings to substitute counsel (unless said counsel has agreed to represent Purchaser in the proceedings at Purchaser's expense), and (iii) where possible, remove the Seller as a party in Litigation Proceedings and substitute Purchaser as the real party in interest, and change the caption thereof accordingly. Notwithstanding the preceding sentence, Purchaser shall not be under an obligation to take the actions set forth in this subsection (c)(i), (ii) or (iii) if the allegations raised in the Litigation Proceedings pertain or otherwise relate to the Seller and/or Interim Servicer's breach of any of the representations and warranties set forth in this Agreement; provided, that such breach of any representations and warranties was not due to the Seller and/or Interim Servicer taking action or refraining from taking action at the express written direction or consent of Purchaser during the Interim Servicing Period ("Seller Litigation Proceeding"). Purchaser may continue any Litigation Proceeding (other than any Seller Litigation Proceeding) in the Seller's name with respect to any Mortgage Loan if necessary to prevent a material adverse effect on Purchaser's interest with respect thereto or a delay in the Litigation Proceeding, it being understood that Purchaser shall indemnify and hold harmless the Seller from all costs and fees arising after the Closing Date and relating to any such Litigation Proceeding, other than any Seller Litigation Proceeding) and shall further indemnify and hold harmless the Seller for any loss, damages, penalties, fines, forfeitures, legal fees and related costs, judgments, and other costs and expenses resulting from any claim, investigation, inquiry, demand, defense or assertion relating to, based upon or otherwise pertaining to the proceeding continuing in the name of the Seller after the Closing Date. If Purchaser fails to use commercially reasonable efforts to comply with the above requirements, the Seller may, upon prior written notice to Purchaser, complete any of the actions specified in clauses (i), (ii) and (iii) above on Purchaser's behalf. In such event, Purchaser hereby appoints the Seller its attorney-in-fact to complete any of the actions specified in clauses (i), (ii) and (iii) above. Purchaser acknowledges that its failure to comply with the provisions of this paragraph may affect Purchaser's rights in any such proceeding including, without limitation, dismissal with prejudice or the running of any statute of limitations if any such proceeding is dismissed.

(b) On and after the Closing Date, Purchaser shall have the sole responsibility for the direction and strategy of the related Litigation Proceedings (other than Seller Litigation Proceedings), at Purchaser's expense.

(c) Reimbursement for the Seller's expenses shall be made in accordance with the following procedure:

(i) Purchaser shall reimburse and indemnify the Seller for any expenses, including reasonable legal fees, incurred by the Seller in connection with Litigation Proceedings (other than Seller Litigation Proceedings) from and after the Closing Date for services rendered after the Closing Date, including without limitation, any such expenses incurred by the Seller in connection with Purchaser's failure to comply with the requirements of subparagraph (c)(i)-(iii) above. Purchaser shall reimburse such expenses no later than five (5) days after receipt of a request from the Seller for reimbursement;

(ii) Within ninety (90) days after the Servicing Transfer Date, the Seller shall deliver an electronic report to Purchaser of any expenses billed to the Seller incurred in connection with Litigation Proceedings (other than Seller Litigation Proceedings) from and after the Closing Date for services rendered after the Closing Date, whereupon Purchaser shall reimburse the Seller for amounts so incurred; and

(iii) The Seller shall be responsible for any expenses, including legal fees, incurred by the Seller in connection with (A) Litigation Proceedings prior to the Cut-Off Date and (B) any Seller Litigation Proceedings.

Section 6.8. Mortgage Loans Subject to HAMP

If a Mortgage Loan becomes subject to a modification agreement pursuant to HAMP during the Interim Servicing Period, Seller may, at its sole option, elect to repurchase such Mortgage Loan by paying the applicable Repurchase Price to Purchaser, and upon receipt of such Repurchase Price Purchaser shall release its interest in such Mortgage Loan as set forth in Section 3.3. If Seller does not elect to repurchase such Mortgage Loan, Seller and Purchaser shall enter into an Assignment and Assumption Agreement in the form of Exhibit C to the Amended and Restated Servicer Participation Agreement dated as of September 30, 2010 between Seller and Fannie Mae with respect to such Mortgage Loan.

Section 6.9. Subservicing Agreements Between the Interim Servicer and Subservicers

The Interim Servicer may arrange for the subservicing of any or all of the Mortgage Loans by a subservicer pursuant to a sub-servicing agreement; provided, that such sub-servicing arrangement and the terms of the related sub-servicing agreement must provide for the servicing of such Mortgage Loans in a manner consistent with the servicing arrangements contemplated hereunder; provided, further, that any fees or expenses of such subservicer shall be payable solely by the Interim Servicer. Each subservicer shall be authorized to transact business in the state or states where the related Mortgaged Properties it is to service are situated, if and to the extent required by law applicable to the subservicer to enable the subservicer to perform its obligations hereunder and under the sub-servicing agreement. Notwithstanding the provisions of any sub-servicing agreement, any of the provisions of this Agreement relating to agreements or arrangements between the Interim Servicer or a subservicer or reference to actions taken through the Interim Servicer or otherwise, the Interim Servicer shall remain obligated and liable to the Purchaser for the servicing and administration of the Mortgage Loans in accordance with the provisions of this Agreement without diminution of such obligation or liability by virtue of such sub-servicing agreements or arrangements or by virtue of indemnification from the subservicer and to the same extent and under the same terms and conditions as if the Interim Servicer alone were servicing and administering the Mortgage Loans. Every sub-servicing agreement entered into by the Interim Servicer shall contain a provision that such sub-servicing agreement shall terminate with respect to any Mortgage Loans that are sold and transferred to a successor servicer. All actions of each subservicer performed pursuant to the related sub-servicing

agreement shall be performed as an agent of the Interim Servicer with the same force and effect as if performed directly by the Interim Servicer.

For purposes of this Agreement, the Interim Servicer shall be deemed to have received any collections, recoveries or payments with respect to the Mortgage Loans that are received by a subservicer regardless of whether such payments are remitted by the subservicer to the Interim Servicer.

ARTICLE 7.

MISCELLANEOUS PROVISIONS

Section 7.1. Amendment

This Agreement may be amended from time to time by Seller, Interim Servicer and Purchaser solely by written agreement signed by Seller, Interim Servicer and Purchaser.

Section 7.2. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws without giving effect to conflict of laws principles thereof.

Section 7.3. General Interpretive Principles

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;

(c) references herein to “Articles,” “Sections,” “Subsections,” “Paragraphs,” and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, Paragraphs, and other subdivisions of this Agreement;

(d) a reference to a subsection without further reference to a Section is a reference to such subsection as contained in the same Section in which the reference appears, and this Rule shall also apply to Paragraphs and other subdivisions;

(e) the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Agreement as a whole and not to any particular provision; and

(f) the term “include” or “including” shall mean without limitation by reason of enumeration.

Section 7.4. Reproduction of Documents

This Agreement and all schedules, exhibits and documents relating hereto may be reproduced by any photographic, photostatic, microfilm, microcard, miniature photographic, or other similar process. The parties agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile, or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 7.5. Notices

All demands, notices, consents, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given upon receipt if personally delivered, sent by facsimile, mailed by registered mail, postage prepaid or delivered by a nationally recognized overnight courier, to

(i) in the case of the Seller:

GMAC Mortgage, LLC
8400 Normandale Lake Blvd., Suite 350
Minneapolis, Minnesota 55437
Attention: General Counsel

and

GMAC Mortgage, LLC
1100 Virginia Drive
Fort Washington, Pennsylvania 19034
Attention: Capital Markets

(ii) in the case of Interim Servicer:

GMAC Mortgage, LLC
3451 Hammond Avenue
Waterloo, Iowa 50702

or such other address as may hereafter be furnished to Purchaser in writing by Seller or Interim Servicer, and

(iii) in the case of Purchaser:

Attention: _____

or such other address as may hereafter be furnished to Seller and Interim Servicer in writing by Purchaser.

Notwithstanding the foregoing, any demand, notice, consent, waiver or communication may be given by any other means if the parties hereto agree to such alternative means in writing.

Section 7.6. Severability of Provisions

If any one or more of the covenants, agreements, provisions, or terms of this Agreement shall be held invalid for any reason whatsoever, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions, or terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions, or terms of this Agreement or the rights of the parties hereunder. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate in good faith to develop a structure the economic effect of which is as nearly as possible the same as the economic effect of this Agreement without regard to such invalidity.

Section 7.7. Counterparts; Successors and Assigns

This Agreement may be executed in one or more counterparts, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. This Agreement shall inure to the benefit of and be binding upon Seller, Interim Servicer and Purchaser. The Purchaser shall not (i) transfer any Mortgage Loan during the Interim Servicing Period or (ii) assign its rights, duties or any of its obligations under this Agreement. None of the Seller nor the Interim Servicer will be obligated to execute any agreement or provide any consent, disclosures, reports or any other information in connection with any assignment, transfer or reconstitution of the Mortgage Loans by the Purchaser (or any successor-in-interest to the Purchaser) or otherwise. This Agreement and all rights, obligations and responsibilities under the Agreement may not be assigned by the Seller without the prior written consent of the Purchaser except for an assignment to any entity for which the Seller controls more than 50% of the voting rights.

Section 7.8. Effect of Headings

The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

Section 7.9. Other Agreements Superseded; Entire Agreement

This Agreement supersedes all prior agreements and understandings relating to the subject matter hereof. This Agreement delivered or entered into pursuant hereto constitutes the entire agreement of the parties with respect to the subject matter hereof.

Section 7.10. Survival

Except as provided in Section 3.3, the representations, warranties, indemnities, covenants and agreements of the parties provided in this Agreement and the parties' obligations hereunder shall survive the execution and delivery and the termination or expiration of this Agreement.

Section 7.11. Intention of the Parties

It is the express intention of the Seller and the Purchaser that the transactions contemplated by this Agreement 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. 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.

Section 7.12. Costs

Each party will pay all of its own costs, fees, and expenses incurred (including the fees of its attorneys) in connection with the negotiations for, documenting of and closing of the transactions contemplated by this Agreement.

Section 7.13. Limitation on Liability of Interim Servicer

Interim Servicer and the directors, officers, employees or agents of Interim Servicer shall not be under any liability to Purchaser (i) for any action taken, or for refraining from the taking of any action, in good faith pursuant to this Agreement, (ii) for errors in judgment made in good faith, or (iii) for any action or inaction in accordance with the written direction or consent of Purchaser, provided, however, this provision shall not protect Interim Servicer against any failure to perform its obligations in accordance with any standard of care set forth in this Agreement (unless in accordance with the written direction or consent of Purchaser) or any liability that would otherwise be imposed by reason of willful misconduct, bad faith or negligence in the performance of its duties. Interim Servicer and any of its directors, officers, employees or agents, may rely in good faith on any document of any kind that appears, on its face, to be properly executed and submitted by any person or entity respecting any matters arising hereunder.

Section 7.14. Third Party Beneficiary

Interim Servicer shall be a third party beneficiary of all of the covenants and representations and warranties made to Seller by Purchaser, and Interim Servicer shall be entitled to enforce the provisions hereof.

Section 7.15. Waiver of Jury Trial

Each party hereby knowingly, voluntarily and intentionally, waives (to the extent permitted by applicable law) any right it may have to a trial by jury of any dispute arising under or relating to this Agreement and agrees that any such dispute shall be tried before a judge sitting without a jury.

Section 7.16. Exhibits and Schedules

The exhibits and schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 7.17. No Special Damages.

Except to the extent necessary to reimburse an indemnified party for judgments actually awarded to third parties, in no event shall any party hereto be liable for any indirect damages, including consequential, incidental, exemplary or special damages, or any punitive damages.

[Signature page follows]

TO WITNESS THIS, the Seller, Interim Servicer and Purchaser have caused their names to be signed to this Mortgage Loan Purchase and Interim Servicing Agreement by their duly authorized respective officers as of the day and year first above written.

GMAC MORTGAGE, LLC, as Seller and Interim
Servicer

By: _____

Name: _____

Title: _____

_____, as Purchaser

By: _____

Name: _____

Title: _____

EXHIBIT A

CONTENTS OF CREDIT FILE

With respect to each Mortgage Loan, the Credit File may include each of the following items if in Seller's possession:

1. Copy of survey of the Mortgaged Property.
2. Copy of each instrument necessary to complete identification of any exception set forth in the exception schedule in the title policy (i.e., map or plat, restrictions, easements, sewer agreements, home association declarations, etc.).
3. Evidence of a hazard insurance policy and, if required by law, a flood insurance policy, with extended coverage of the hazard insurance policy. (Note: Evidence shall be maintained by Seller in electronic form. Seller shall produce a paper copy of such evidence upon request by Purchaser.)
4. Mortgage Loan closing statement (Form HUD-1) and any other truth-in-lending or real estate settlement procedure forms required by law.
5. Residential loan application.
6. Verification of employment and income (if required pursuant to the originator's underwriting criteria at the time of origination).
7. Verification of acceptable evidence of source and amount of down payment (to the extent required under the originator's underwriting guidelines at the time of origination).
8. Credit report on the Mortgagor.
9. Residential appraisal report.
10. Photograph of the property.
11. Executed disclosure statement.
12. Insurance premium receipts, tax receipts, ledger sheets, payment records, insurance claim files and correspondence, correspondence, current and historical computerized data files, underwriting standards used for origination, and all other papers and records developed or originated by Seller or others required to document the Mortgage Loan or to service the Mortgage Loan, as available.

13. A copy or an imaged copy on CD-ROM of the policy of title insurance, including any endorsements thereto or marked commitment (or if such policy has not yet been issued by the insurer, the preliminary title report).
14. A copy or an imaged copy on CD-ROM of the executed Power of Attorney, if any.

EXHIBIT B

FORM OF SALE APPROVAL ORDER

EXHIBIT C
REPORT OF ADVANCES

SCHEDULE I
MORTGAGE LOAN SCHEDULE

[SEE ATTACHED]

SCHEDULE II

PURCHASE PRICE PERCENTAGES

[SEE ATTACHED]

SCHEDULE III
COLLATERAL EXCEPTIONS REPORT

[SEE ATTACHED]

EXHIBIT 2

FHA Sale Procedures Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

**PROPOSED ORDER UNDER 11 U.S.C. §§ 105 and 363 AUTHORIZING AND
APPROVING SALE PROCEDURES; (II) SCHEDULING BID DEADLINE AND SALE
HEARING; AND (III) ESTABLISHING NOTICE PROCEDURES AND APPROVING
FORMS OF NOTICE**

Upon the motion, dated January 2, 2013 (the “Motion”),¹ of Residential Capital, LLC (“ResCap”) and certain of its affiliates, as debtors in possession (collectively, the “Debtors”) for entry of an order, under Bankruptcy Code sections 105 and 363 of Title 11, United States Code (the “Bankruptcy Code”) and the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) 2002, 6004, and 9007 for, among other things: (i) authorization and approval of the proposed sale procedures annexed hereto as Exhibit 1 (the “Sale Procedures”), and (ii) establishing notice procedures and approving the Sale Notice; and upon (i) the Whitlinger Affidavit [Docket No. 6], (ii) the Puntus Declaration [Docket No. 2545], and (iii) the Giamporcaro Declaration [Docket No. 187]; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409;

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion, the Sale Procedures, or the MLPISA (as defined in the Motion). Creditors and parties-in-interest with questions or concerns regarding the Debtors’ chapter 11 cases or the relief granted herein may refer to <http://www.kccllc.net/rescap> for additional information.

and it appearing that the proceeding on the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b); and sufficient notice of the Motion having been given under the particular circumstances and it appearing that no further notice need be provided; and a hearing having been held on January 16, 2013, to consider the relief requested in the Motion (the “Sale Procedures Hearing”); and upon the record of the Sale Procedures Hearing, and all of the proceedings before this Court; and this Court having reviewed the Motion and found and determined that the relief sought in the Motion with respect to the Sale Procedures is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefore, it is FOUND AND DETERMINED THAT:²

A. The statutory and legal predicates for the relief requested in the Motion are sections 105 and 363 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, and 9007, and Rule 6004-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”).

B. The Motion and this Order comply with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Guidelines for the Conduct of Asset Sales established by the Bankruptcy Court on November 18, 2009 pursuant to General Order M-383.

C. The Sale Procedures comply with the requirements of Local Rule 6004-1.

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

D. The Debtors have articulated compelling and sound business justifications for this Court to grant the Sale Procedures, including this Court's (i) approval of the Sale Procedures; and (ii) scheduling of the Bid Deadline and Sale Hearing.

E. The Debtors have set a Sale Hearing (as described below), where they will seek authorization of the sale of FHA Loans, in accordance with the MLPISA, free and clear of all liens, encumbrances, and interests to the Purchaser (as defined in the MLPISA), except for Permitted Liens (as defined in the MLPISA).

F. The Sale Procedures, a copy of which is annexed hereto as Exhibit 1, are fair, reasonable, and appropriate and are designed to maximize recovery with respect to the sale of the FHA Loans that are the subject of the MLPISA.

G. The Sale Notice, a copy of which is annexed hereto as Exhibit 2, is reasonably calculated to provide parties in interest with proper notice of the proposed sale of the FHA Loans that are the subject of the MLPISA, the Sale Procedures, the Bid Deadline, and the Sale Hearing, and no other or further notice is required.

H. Due, sufficient, and adequate notice of the relief requested in the Motion and granted herein has been given to parties in interest and no further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties entitled to notice pursuant to Bankruptcy Rule 6004.

I. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
DECREED THAT:

1. The Sale Procedures relief requested in the Motion is granted.
2. [The Objections that have not been adjourned, withdrawn, or resolved are overruled.]

Sale Procedures

3. The Sale Procedures, attached hereto as Exhibit 1, which are incorporated herein by reference, are approved and shall govern all bids and sale procedures relating to the FHA Loans. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Sale Procedures.

4. This Order and the Sale Procedures shall govern the sale of the FHA Loans.

5. The deadline for submitting a Bid Package shall be February 6, 2013 at 5:00 p.m. (Prevailing Eastern Time) (the “Bid Deadline”), as further described in the Sale Procedures.

Notice Procedures

6. The Sale Notice is sufficient to provide effective notice to all interested parties of the Sale Procedures and the Sale, pursuant to Bankruptcy Rules 2002(a)(2) and 6004, and is hereby approved.

7. The notice procedures described in subparagraphs (a)-(b) below are approved and shall be good and sufficient, and no other or further notice shall be required if given as follows:

- (a) The Debtors (or their agent) serve, within five days after entry of this Order, by first-class mail, postage prepaid, or other method reasonably calculated to provide notice, a copy of this Order and the Sale Notice upon: (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the U.S. Treasury, (iii) the attorneys for the Debtors' prepetition secured credit facilities, (iv) the attorneys for the agent under the Debtors' prepetition amended and restated secured revolving credit agreement, (v) the attorneys for the Committee, (vi) the attorneys for the JSBs, (vii) counsel to UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes, (viii) the attorneys for AFI, (ix) the attorneys for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, (x) any party who, in the past year, expressed in writing to the Debtors an interest in the FHA Loans and who the Debtors and their representatives reasonably and in good faith determine potentially have the financial wherewithal to effectuate the transaction contemplated by the proposed sale, (xi) all parties who are known to have asserted or believed by Debtors to hold any lien, claim, encumbrance, or interest in or on the FHA Loans, (xii) the Securities and Exchange Commission, (xiii) the Internal Revenue Service, (xiv) all applicable state attorneys' general, and local authorities, (xv) all applicable state and local taxing authorities, (xvi) the Federal Trade Commission, (xvii) the United States Department of Justice, (xviii) the United States Attorney's Office, (xix) the office of the New York Attorney General; and (xx) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002.
- (b) Within one day of entry of this order, the Debtors shall cause the Sale Procedures Order and Sale Notice, to be published on the website of the Debtors' claims and noticing agent, Kurtzman Carson Consultants, LLC, at <http://www.kccllc.net/rescap>.
- (c) The Debtors and the Purchaser, subject to the Sale Procedures, will agree upon a revised form of MLPISA that will be filed not later than 14 days before the Sale Hearing.

Objection Deadline

8. Any party that seeks to object to the relief requested in the Motion pertaining to approval of the Sale shall file a formal objection that complies with the objection

procedures in accordance with the terms hereof. Each objection shall state the legal and factual basis of such objection.

9. Any and all objections as contemplated by this Order must be: (i) in writing; (ii) signed by counsel or attested to by the objecting party; (iii) in conformity with the Bankruptcy Rules, the Local Rules, and the *Order Under Bankruptcy Code Sections 102(2), 105(a) and 105(d), Bankruptcy Rules 1015(c), 2002(m) and 9007 and Local Bankruptcy Rule 2002-2 Establishing Certain Notice, Case Management and Administrative Procedures* [Docket No. 141] (the “CMO”); (iv) filed with the Bankruptcy Court; and (v) served on (a) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc Puntus and Karn Chopra); (b) the Committee, c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, N Y 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal), and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan); (c) the JSBs, c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi); (d) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors’ prepetition junior secured notes, c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 (Attn: James S. Carr, Eric R. Wilson, and Jason Adams), (d) AFI, c/o Kirkland & Ellis LLP, 601 Lexington Ave, New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler); and (e) the Notice Parties in accordance with the CMO (the “Objection Notice Parties”) so as to be received on or before the appropriate deadline as set forth below.

10. The deadline for objecting to approval of the Sale of the FHA Loans, including that such Sale shall be free and clear of liens, claims, encumbrances, and interests (including rights or claims based on any successor or transferee liability) shall be **April 4, 2013, at 5:00 p.m.** (Prevailing Eastern Time).

11. Failure to object to the relief requested in the Motion shall be deemed to be “consent” for purposes of section 363(f) of the Bankruptcy Code and shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion, and to the consummation and performance of the Sale as contemplated by the MLPISA (including the transfer free and clear of all liens, claims, encumbrances, and interests, including rights or claims based on any successor or transferee liability, of each of the FHA Loans transferred as part of the Sale).

12. The Court shall conduct the Sale Hearing on **April 11, 2013 at 10:00 a.m.** (Prevailing Eastern Time), at which time the Court will consider approval of the Sale to the Successful Bidder.

13. The Sale Hearing may be adjourned or rescheduled without further notice by an announcement of the adjourned date at the Sale Hearing or by the filing of a hearing agenda.

Other Relief Granted

14. The Debtors will segregate cash generated from the Sale in accordance with the *Final 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 and Use of Certain Bank Accounts Established in Connection with Use of Pre-And Post-Petition Lenders Financing Facilities and Cash Collateral, (IV) Waiver of the Investment and Deposit Requirements of Bankruptcy Code Section 345, (V) Debtors to Honor Specified Outstanding Prepetition Payment Obligations, and (VI) Continuation of Intercompany Transactions and Granting Administrative Expense Status to Intercompany Claims [Docket No. 393], including segregating cash generated from the Sale of collateral securing any of the Debtors' financing facilities into the specific bank accounts established for the benefit of the lenders under such financing facilities.

15. Notwithstanding anything to the contrary in this Order, any action to be taken pursuant to the relief authorized in this Order is subject to the terms of any cash collateral order and debtor in possession financing order entered in these chapter 11 cases. To the extent there is any inconsistency between the terms of this Order and the terms of any order relating to postpetition financing, cash collateral, or cash management, the terms of the orders relating to postpetition financing, cash collateral, or cash management shall govern.

16. For the avoidance of doubt, absent further order of the Court, no proceeds of the Sale shall be used to pay down any of the Debtors' prepetition credit facilities.

17. Notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (i) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (ii) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012,

(iii) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (iv) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates (excluding ResCap and its subsidiaries).

18. The Debtors are authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

19. In the event there is a conflict between this Order and the Motion, this Order shall control and govern.

20. Notwithstanding any possible applicability of Bankruptcy Rule 6004, or otherwise, the terms and provisions of this Order shall be immediately effective and enforceable upon its entry.

21. The Sale does not alter the provisions of section 363(o) of the Bankruptcy Code.

22. The requirements set forth in Local Rule 9013-1(b) are satisfied.

23. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.

24. The Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: New York, York
_____, 2012

THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

PROPOSED SALE PROCEDURES

SALE PROCEDURES

By the motion dated January 2, 2013 (the “Sale Motion”), Residential Capital LLC (“ResCap”) and its debtor subsidiaries, as debtors in possession (collectively, the “Debtors”), requested, among other things, approval of the process and procedures through which the Debtors will determine the highest or otherwise best price for the purchase of certain whole loans insured by the Federal Housing Administration (collectively, the “FHA Loans”) pursuant to a mortgage loan purchase and interim servicing agreement that was filed with the Court on [January 15], 2013 [Docket No. __] (the “MLPISA”). On [January __], 2013, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered an order (the “Sale Procedures Order”),¹ which, among other things, authorized the Debtors to determine the highest or otherwise best price for the FHA Loans through the bidding process and procedures set forth below (the “Sale Procedures”).

On April 11, 2013, as further described below, in the Motion, and in the Sale Procedures Order, the Bankruptcy Court shall conduct a hearing (the “Sale Hearing”), at which the Debtors shall seek entry of an order (the “Sale Order”) authorizing and approving the sale of the FHA Loans (the “FHA Loan Sale”) pursuant to the MLPISA between the Seller (as defined in the MLPISA) and the Purchaser (as defined in the MLPISA).

Participation Requirements

The Debtors will distribute an offering memorandum not later than two business days after entry of the Sale Procedures Order. In order to participate in the bidding process, a person or entity interested in purchasing the FHA Loans must first deliver an executed confidentiality agreement in form and substance reasonably satisfactory to the Debtors, to the following parties:

- (i) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc D. Puntus and Karn Chopra);
- (ii) the Official Committee of Unsecured Creditors (the “Committee”), c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal), and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan);
- (iii) the Ad Hoc Group of Junior Secured Noteholders (the “JSBs”), c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi);

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Sale Motion and the Sale Procedures Order, as applicable.

- (iv) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes ("UMB Bank"), c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 (Attn: James S. Carr, Eric R. Wilson, and Jason Adams); and
- (v) Ally Financial Inc. ("AFI"), c/o Kirkland & Ellis LLP, 601 Lexington Ave New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler).

Preliminary Due Diligence Access

Bidders executing a confidentiality agreement shall be afforded the opportunity to conduct preliminary due diligence, including receiving the offering memorandum and the ability to review loan data tapes for the FHA Loans.

The Debtors shall coordinate all reasonable requests from bidders for additional information and due diligence access. If the Debtors determine that the due diligence materials requested by such bidder is reasonable and appropriate under the circumstances, but such material has not previously been provided to any other bidder, the Debtors shall provide such materials to all bidders.

Due Diligence From Bidders

The Debtors and their advisors shall be entitled to due diligence from a bidder upon execution of a confidentiality agreement that is reasonably satisfactory to the Debtors. Each bidder shall comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors. The Debtors shall promptly provide copies of any information received from a bidder to the Committee, the JSBs, UMB Bank, and AFI (collectively the "Interested Parties").

Bid Deadline and Bid Package

The deadline for submitting Bid Packages (as defined below) by a bidder shall be February 6, 2013, at 5:00 p.m. (Eastern Time) (the "Bid Deadline").

On or prior to the Bid Deadline, a bidder that desires to make a bid shall deliver to the Debtors and the Interested Parties the following (collectively, a "Bid Package"):

- (i) one written copy of its bid (a "Bid Proposal");
- (ii) a copy of such bidder's proposed MLPISA that has been marked to show amendments and modifications to the form MLPISA filed with the Court, including price and terms, with respect to which the bidder agrees to be bound (the "Marked Agreement");
- (iii) a copy of such bidder's proposed sale order that has been marked to show amendments and modifications to the Proposed Sale Order (the "Marked Proposed Sale Order");

- (iv) evidence of corporate authority to commit to the FHA Loan Sale, including the most current audited and latest unaudited financial statements (collectively, the “Financials”) of such person or entity, or, if the bidder is an entity formed for the purpose of the Sale, Financials of the equity holder(s) of the entity or such other form of financial disclosure as is acceptable to the Debtors, and (b) a written commitment acceptable to the Debtors of the equity holder(s) of the entity to be responsible for the entity’s obligations in connection with the Sale;
- (v) evidence that such bidder is a HUD-approved mortgagee with all licenses and regulatory approvals necessary to own and service (either itself or through a sub-servicer) the FHA Loans; and
- (vi) evidence that such bidder (either itself or through a sub-servicer) has entered into a Servicer Participation Agreement (as defined in the MLPISA) with Fannie Mae (or, if applicable another government entity), that will enable such bidder to service the FHA Loans in accordance with the guidelines for HUD and HAMP, and such agreement is in full force and effect.

Bid Proposal Requirements

A Bid Proposal must be a written irrevocable offer, subject only to the Post-Bid Due Diligence, (i) stating that the bidder offers to consummate the Sale pursuant to the Marked Agreement, and (ii) confirming that the offer shall remain open until the selection of the Successful Bid (as defined below).

In addition to the foregoing requirements, a Bid Proposal must fully disclose the identity of each entity that will be bidding for the Purchased Assets or otherwise participating in connection with such bid, and the complete terms of any such participation.

Review of Bids

A timely Bid Package received from a bidder that meets the requirements set forth above shall be reviewed by the Debtors, in consultation with the Interested Parties, to determine which Bid Package, if any, offers the highest and best bid for the FHA Loans. If the Debtors, in consultation with the Interested Parties, determine that no Bid Package offers sufficient value for the FHA Loans, the Debtors reserve their right to terminate the Sale without prejudice to the Debtors’ right, upon consultation with the Interested Parties, to monetize the FHA Loans in the ordinary course or to seek Court approval of a sale of the FHA Loans at a later date.

Acceptance of Highest and Best Bid(s)

If the Debtors, in consultation with the Interested Parties, determine that a Bid Package offers sufficient value for the FHA Loans and is the highest and best bid, such bid shall be deemed the “Successful Bid” and such bidder shall be deemed the “Successful Bidder,” and the Debtors shall promptly notify all bidders of such determination. The Debtors and the

Successful Bidder shall execute a trade confirmation and the Successful Bidder shall provide loan level prices within one business day of designation of the Successful Bid.

The Debtors reserve their right in their sole and absolute discretion, in consultation with the Interested Parties, to (i) reject any and all bids and to accept any bid prior to the execution of a definitive MLPISA, and (ii) to withdraw any FHA Loan from the Sale at any time on or prior to the closing of the Sale. The Debtors may also, in their sole discretion, exclude any FHA Loans that do not satisfy certain servicing and/or documentation criteria.

Post-Bid Due Diligence Access

The Successful Bidder shall be afforded the opportunity to conduct further due diligence of the FHA Loans (the “Post-Bid Due Diligence”) for a period of 4 weeks (the “Post-Bid Diligence Period”).

The Post-Bid Diligence Period will allow the Successful Bidder the opportunity to perform due diligence, at its own expense, on 100% of the FHA Loans, provided that compliance review to HUD Guidelines will be limited to a sample size of 20% of the FHA Loans. The Successful Bidder will be provided access to a secure web site of the origination files and compact discs with pay histories and servicing comments with respect to all of the FHA Loans. The Debtors will use “best efforts” to clear any missing documents prior to the closing of the Sale. Any FHA Loan for which missing document exceptions cannot be cleared will be sold on an “as-is” basis.

The Successful Bidder will be permitted to reduce the bid on individual loans as a result of the Post-Bid Diligence, but will not be permitted to cancel the Sale entirely. No adjustments to the total bid will be permitted for any reason other than those that can be documented by the Purchaser as a result of the Post-Bid Diligence. After the Post-Bid Diligence is complete, the Successful Bidder will distribute a revised purchase price schedule on a loan-by-loan basis to the Debtors. The Debtors will determine, in consultation with the Interested Parties, whether any individual FHA Loan should be removed from the Sale.

For the avoidance of doubt, other than with respect to the final population and value of the FHA Loans to be sold, the MLPISA shall not materially differ from the Marked Agreement.

Preservation of Rights

For the avoidance of doubt, all of the Interested Parties’ rights are preserved to object to the Sale notwithstanding the consultation rights provided in these procedures.

Presentation of Successful Bid at Sale Hearing

The Debtors shall present the Successful Bid to the Bankruptcy Court at the Sale Hearing. At the Sale Hearing, certain findings shall be sought from the Bankruptcy Court, including that (i) the Successful Bidder was selected in accordance with the Sale Procedures, and (ii) consummation of the Sale as contemplated by the Successful Bid will provide the highest or otherwise best result and is in the best interests of the Seller and their estates in these chapter 11 cases.

Modification of Sale Procedures

The Debtors, with the consent of the Interested Parties, which consent shall not be unreasonably withheld, or by order of the Court, may modify any provision in the Sale Procedures, for any reason the Debtors, in their reasonable business judgment, determine will be in the best interests of their estates.

EXHIBIT 2

PROPOSED NOTICE OF BID DEADLINE AND SALE HEARING

MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900
Gary S. Lee
Todd M. Goren
Jennifer L. Marines
Melissa M. Crespo

**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
)

**NOTICE OF BID DEADLINE AND SALE HEARING
TO SELL FHA LOANS PURSUANT TO
MORTGAGE LOAN PURCHASE AND INTERIM SERVICING AGREEMENT**

PLEASE TAKE NOTICE THAT upon the motion (the “Motion”) of Residential Capital LLC (“ResCap”) and its debtor subsidiaries, as debtors in possession (collectively, the “Debtors”), dated January 2, 2013, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) has issued an order dated [], 2013 (the “Sale Procedures Order”), among other things, (i) authorizing and approving certain procedures for the submission and acceptance of competing bids (the “Sale Procedures”); (ii) scheduling a bid deadline and sale hearing (the “Sale Hearing”) to approve the sale by certain of the Debtors of the FHA Loans (as such term is defined in the Mortgage Loan Purchase and Interim Servicing Agreement (the “MLPISA”) free and clear of all liens, claims, encumbrances, and other interests (the “Sale”); and (v) granting related relief.

A. BID DEADLINE

PLEASE TAKE FURTHER NOTICE that the evaluation of bids and sale of the FHA Loans by the Debtors will occur in accordance with procedures established by the Sale Procedures Order, entered on [], attached hereto as Exhibit 1.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, any party wishing to submit a bid for the FHA Loans must do so in accordance with the Sale Procedures Order, such that it is actually **received not later than February 6, 2013, at 5:00 p.m. (ET)** by the parties identified in the Sale Procedures Order.

B. SALE HEARING

PLEASE TAKE FURTHER NOTICE that the Sale Hearing will be held before the Honorable Martin Glenn, United States Bankruptcy Judge, in Courtroom 501 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408, on **April 11, 2013, at 10:00 a.m. (ET)**. The Sale Hearing may be adjourned without notice by an announcement of the adjourned date at the Sale Hearing.

C. SALE FREE AND CLEAR

PLEASE TAKE FURTHER NOTICE that the order approving the Sale will provide that the FHA Loans shall be transferred to the Purchaser (as defined in the MLPISA), and such transfer shall be free and clear of all claims, liabilities, interests, liens, obligations, and encumbrances of any person or entity, other than Permitted Liens (as defined in the MLPISA) and any and all rights and claims under any bulk transfer statutes and similar laws, whether arising by agreement, by statute or otherwise and whether occurring or arising before, on or after the date on which the chapter 11 cases were commenced, whether known, unknown, contingent or unliquidated, arising prior to the Closing Date (as defined in the MLPISA). Any person or entity holding any such claims, liabilities, interests, liens, obligations, or encumbrances, other than Permitted Liens, shall be enjoined and forever barred from asserting such claims, liabilities, interests, liens, obligations, or encumbrances against the Purchaser of any of its affiliates, as more particularly described and provided for in the proposed order approving the Sale.

D. OBJECTIONS

PLEASE TAKE FURTHER NOTICE THAT RESPONSES OR OBJECTIONS, IF ANY, TO THE RELIEF SOUGHT IN THE MOTION SHALL BE FILED with the Clerk of the Bankruptcy Court and served upon: (i) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc Puntus and Karn Chopra); (ii) the Committee, c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, N Y 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal, and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan); (iii) the JSBs, c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi); (iv) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes ("UMB Bank"), c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 (Attn: James S. Carr, Eric R. Wilson, and Jason Adams); (v) AFI, c/o Kirkland & Ellis LLP, 601

Lexington Ave New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler); (vi) the Office of the United States Trustee for the Southern District of New York (Attn: Brian Masumoto), 33 Whitehall Street, 21st Floor, New York, New York 10004, **SO AS TO BE RECEIVED NO LATER THAN April 4, 2013 AT 5:00 p.m. (ET) (the “Objection Deadline”)**.

PLEASE TAKE FURTHER NOTICE that the failure of any person or entity to file a response or objection on or before the Objection Deadline shall be deemed a consent to the Sale and the other relief requested in the Motion, and shall bar the assertion, at the Sale Hearing or thereafter, of any objection to the Sale Procedures, the Motion, the Sale, the approval of related agreements, and the Debtors’ consummation of the Sale.

E. COPIES OF THE MOTION AND RELATED SALE DOCUMENTS

PLEASE TAKE FURTHER NOTICE that this Notice provides only a partial summary of the relief sought in the Motion, the terms of the Sale Procedures Order, and the Sale Approval Order. Copies of such documents are available for inspection (i) by accessing (a) the website of the Bankruptcy Court at <http://www.nysb.uscourts.gov>, or (b) the website of the Debtors’ claims and noticing agent, Kurtzman Carson Consultants, at www.kccllc.net/rescap or (ii) by visiting the Office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, NY 10004-1408. Copies also may be obtained by faxing a written request to the attorneys for the Debtors, Morrison & Foerster LLP (Attn: Gary S. Lee, Esq. and Todd M. Goren at (212) 468-7900)). The terms of such documents shall control in the event of any conflict with this Notice.

Dated: [], 2013
New York, New York

DRAFT

Gary S. Lee
Todd M. Goren
Jennifer L. Marines
Melissa M. Crespo

MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900

*Counsel for the Debtors and
Debtors in Possession*

EXHIBIT 3

Blackline of FHA Sale Procedures Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
Debtors.)	Jointly Administered

**PROPOSED ORDER UNDER 11 U.S.C. §§ 105 and 363 AUTHORIZING AND
APPROVING SALE PROCEDURES; (II) SCHEDULING BID DEADLINE AND SALE
HEARING; AND (III) ESTABLISHING NOTICE PROCEDURES AND APPROVING
FORMS OF NOTICE**

Upon the motion, dated January 2, 2013 (the “Motion”),¹ of Residential Capital, LLC (“ResCap”) and certain of its affiliates, as debtors in possession (collectively, the “Debtors”) for entry of an order, under Bankruptcy Code sections 105 and 363 of Title 11, United States Code (the “Bankruptcy Code”) and the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) 2002, 6004, and 9007 for, among other things: (i) authorization and approval of the proposed sale procedures annexed hereto as Exhibit 1 (the “Sale Procedures”), and (ii) establishing notice procedures and approving the Sale Notice; and upon (i) the Whitlinger Affidavit [Docket No. 6], (ii) the Puntus Declaration [Docket No. —2545], and (iii) the Giamporcaro Declaration [Docket No. 187]; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the proceeding on the Motion is a core proceeding pursuant to 28

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion, the Sale Procedures, or the MLPISA (as defined in the Motion). Creditors and parties-in-interest with questions or concerns regarding the Debtors’ chapter 11 cases or the relief granted herein may refer to <http://www.kccllc.net/rescap> for additional information. [⊥]

U.S.C. § 157(b); and sufficient notice of the Motion having been given under the particular circumstances and it appearing that no further notice need be provided; and a hearing having been held on January 16, 2013, to consider the relief requested in the Motion (the “Sale Procedures Hearing”); and upon the record of the Sale Procedures Hearing, and all of the proceedings before this Court; and this Court having reviewed the Motion and found and determined that the relief sought in the Motion with respect to the Sale Procedures is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefore, it is FOUND AND DETERMINED THAT:²

A. The statutory and legal predicates for the relief requested in the Motion are sections 105 and 363 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, and 9007, and Rule 6004-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”).

B. The Motion and this Order comply with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Guidelines for the Conduct of Asset Sales established by the Bankruptcy Court on November 18, 2009 pursuant to General Order M-383.

C. The Sale Procedures comply with the requirements of Local Rule 6004-1.

D. The Debtors have articulated compelling and sound business justifications for this Court to grant the Sale Procedures, including this Court’s (i) approval of the Sale Procedures; and (ii) scheduling of the Bid Deadline and Sale Hearing.

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

E. The Debtors have set a Sale Hearing (as described below), where they will seek authorization of the sale of FHA Loans, in accordance with the MLPISA, free and clear of all liens, encumbrances, and interests to the Purchaser (as defined in the MLPISA), except for Permitted Liens (as defined in the MLPISA).

F. The Sale Procedures, a copy of which is annexed hereto as Exhibit 1, are fair, reasonable, and appropriate and are designed to maximize recovery with respect to the sale of the FHA Loans that are the subject of the MLPISA.

G. The Sale Notice, a copy of which is annexed hereto as Exhibit 2, is reasonably calculated to provide parties in interest with proper notice of the proposed sale of the FHA Loans that are the subject of the MLPISA, the Sale Procedures, the Bid Deadline, and the Sale Hearing, and no other or further notice is required.

H. Due, sufficient, and adequate notice of the relief requested in the Motion and granted herein has been given to parties in interest and no further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties entitled to notice pursuant to Bankruptcy Rule 6004.

I. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Sale Procedures relief requested in the Motion is granted.
2. [The Objections that have not been adjourned, withdrawn, or resolved are overruled.]

Sale Procedures

3. The Sale Procedures, attached hereto as Exhibit 1, which are incorporated herein by reference, are approved and shall govern all bids and sale procedures relating to the FHA Loans. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Sale Procedures.

4. This Order and the Sale Procedures shall govern the sale of the FHA Loans.

5. The deadline for submitting a Bid Package shall be February 6, 2013 at 5:00 p.m. (Prevailing Eastern Time) (the “Bid Deadline”), as further described in the Sale Procedures.

Notice Procedures

6. The Sale Notice is sufficient to provide effective notice to all interested parties of the Sale Procedures and the Sale, pursuant to Bankruptcy Rules 2002(a)(2) and 6004, and is hereby approved.

7. The notice procedures described in subparagraphs (a)-(b) below are approved and shall be good and sufficient, and no other or further notice shall be required if given as follows:

- (a) The Debtors (or their agent) serve, within five days after entry of this Order, by first-class mail, postage prepaid, or other method reasonably calculated to provide notice, a copy of this Order and the Sale Notice upon: (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the U.S. Treasury, (iii) the attorneys for the Debtors’ prepetition secured credit facilities, (iv) the attorneys for the agent under the Debtors’ prepetition amended and restated secured revolving credit agreement, (v) the attorneys for the Committee, (vi) the attorneys for the JSBs, (vii) [counsel to UMB Bank, N.A., as Successor](#)

Indenture Trustee to the Debtors' prepetition junior secured notes, (viii) the attorneys for AFI, (~~viii~~x) the attorneys for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, (~~ix~~x) any party who, in the past year, expressed in writing to the Debtors an interest in the FHA Loans and who the Debtors and their representatives reasonably and in good faith determine potentially have the financial wherewithal to effectuate the transaction contemplated by the proposed sale, (~~x~~xi) all parties who are known to have asserted or believed by Debtors to hold any lien, claim, encumbrance, or interest in or on the FHA Loans, (~~xi~~xii) the Securities and Exchange Commission, (~~xii~~xiii) the Internal Revenue Service, (~~xiii~~xiv) all applicable state attorneys' general, and local authorities, (~~xiv~~xv) all applicable state and local taxing authorities, (~~xv~~xvi) the Federal Trade Commission, (~~xvi~~xvii) the United States Department of Justice, (~~xvii~~xviii) the United States Attorney's Office, (~~xviii~~xix) the office of the New York Attorney General; and (~~xix~~xx) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002.

- (b) Within one day of entry of this order, the Debtors shall cause the Sale Procedures Order and Sale Notice, to be published on the website of the Debtors' claims and noticing agent, Kurtzman Carson Consultants, LLC, at <http://www.kccllc.net/rescap>.
- (c) The Debtors and the Purchaser, subject to the Sale Procedures, will agree upon a revised form of MLPISA that will be filed not later than 14 days before the Sale Hearing.

Objection Deadline

8. Any party that seeks to object to the relief requested in the Motion pertaining to approval of the Sale shall file a formal objection that complies with the objection procedures in accordance with the terms hereof. Each objection shall state the legal and factual basis of such objection.

9. Any and all objections as contemplated by this Order must be: (i) in writing; (ii) signed by counsel or attested to by the objecting party; (iii) in conformity with the Bankruptcy Rules, the Local Rules, and the *Order Under Bankruptcy Code Sections 102(2)*,

105(a) and 105(d), Bankruptcy Rules 1015(c), 2002(m) and 9007 and Local Bankruptcy Rule 2002-2 Establishing Certain Notice, Case Management and Administrative Procedures [Docket No. 141] (the “CMO”); (iv) filed with the Bankruptcy Court; and (v) served on (a) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc Puntus and Karn Chopra); (b) the Committee, c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, N Y 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal), and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan); (c) the JSBs, c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi); [\(d\) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors’ prepetition junior secured notes, c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 \(Attn: James S. Carr, Eric R. Wilson, and Jason Adams\).](#) (d) AFI, c/o Kirkland & Ellis LLP, 601 Lexington Ave, New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler); and (e) the Notice Parties in accordance with the CMO (the “Objection Notice Parties”) so as to be received on or before the appropriate deadline as set forth below.

10. The deadline for objecting to approval of the Sale of the FHA Loans, including that such Sale shall be free and clear of liens, claims, encumbrances, and interests (including rights or claims based on any successor or transferee liability) shall be **April 4, 2013, at 5:00 p.m.** (Prevailing Eastern Time).

11. Failure to object to the relief requested in the Motion shall be deemed to be “consent” for purposes of section 363(f) of the Bankruptcy Code and shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion, and to the consummation and performance of the Sale as contemplated by the MLPISA (including the transfer free and clear of all liens, claims, encumbrances, and interests, including rights or claims based on any successor or transferee liability, of each of the FHA Loans transferred as part of the Sale).

12. The Court shall conduct the Sale Hearing on **April 11, 2013 at 10:00 a.m.** (Prevailing Eastern Time), at which time the Court will consider approval of the Sale to the Successful Bidder.

13. The Sale Hearing may be adjourned or rescheduled without further notice by an announcement of the adjourned date at the Sale Hearing or by the filing of a hearing agenda.

Other Relief Granted

14. The Debtors will segregate cash generated from the Sale in accordance with the *Final 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 and Use of Certain Bank Accounts Established in Connection with Use of Pre-And Post-Petition Lenders Financing Facilities and Cash Collateral, (IV) Waiver of the Investment and Deposit Requirements of Bankruptcy Code Section 345, (V) Debtors to Honor Specified Outstanding Prepetition Payment Obligations, and*

(VI) Continuation of Intercompany Transactions and Granting Administrative Expense Status to Intercompany Claims [Docket No. 393], including segregating cash generated from the Sale of collateral securing any of the Debtors' financing facilities into the specific bank accounts established for the benefit of the lenders under such financing facilities.

15. Notwithstanding anything to the contrary in this Order, any action to be taken pursuant to the relief authorized in this Order is subject to the terms of any cash collateral order and debtor in possession financing order entered in these chapter 11 cases. To the extent there is any inconsistency between the terms of this Order and the terms of any order relating to postpetition financing, cash collateral, or cash management, the terms of the orders relating to postpetition financing, cash collateral, or cash management shall govern.

16. ~~Subject to paragraph 15, absent further order of the Court, the proceeds of the Sale shall be used only for the payment of operating expenses in the ordinary course of business that are (i) afforded administrative expense status, or (ii) otherwise authorized by the Court; provided, however, that for~~ For the avoidance of doubt, absent further order of the Court, no proceeds of the Sale shall be used to pay down any of the Debtors' prepetition credit facilities.

17. Notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (i) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (ii) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (iii) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit

Insurance Act, as amended, dated February 10, 2012, and (iv) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates (excluding ResCap and its subsidiaries).

18. The Debtors are authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

19. In the event there is a conflict between this Order and the Motion, this Order shall control and govern.

20. Notwithstanding any possible applicability of Bankruptcy Rule 6004, or otherwise, the terms and provisions of this Order shall be immediately effective and enforceable upon its entry.

21. The Sale does not alter the provisions of section 363(o) of the Bankruptcy Code.

22. The requirements set forth in Local Rule 9013-1(b) are satisfied.

23. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.

24. The Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: New York, York
_____, 2012

THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

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EXHIBIT 1

PROPOSED SALE PROCEDURES

SALE PROCEDURES

By the motion dated January 2, 2013 (the “Sale Motion”), Residential Capital LLC (“ResCap”) and its debtor subsidiaries, as debtors in possession (collectively, the “Debtors”), requested, among other things, approval of the process and procedures through which the Debtors will determine the highest or otherwise best price for the purchase of certain whole loans insured by the Federal Housing Administration (collectively, the “FHA Loans”) pursuant to a mortgage loan purchase and interim servicing agreement that was filed with the Court on [January ~~—~~15], 2013 [Docket No.] (the “MLPISA”). On [January], 2013, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) entered an order (the “Sale Procedures Order”),¹ which, among other things, authorized the Debtors to determine the highest or otherwise best price for the FHA Loans through the bidding process and procedures set forth below (the “Sale Procedures”).

On April 11, 2013, as further described below, in the Motion, and in the Sale Procedures Order, the Bankruptcy Court shall conduct a hearing (the “Sale Hearing”), at which the Debtors shall seek entry of an order (the “Sale Order”) authorizing and approving the sale of the FHA Loans (the “FHA Loan Sale”) pursuant to the MLPISA between the Seller (as defined in the MLPISA) and the Purchaser (as defined in the MLPISA).

Participation Requirements

The Debtors will distribute an offering memorandum not later than two business days after entry of the Sale Procedures Order. In order to participate in the bidding process, a person or entity interested in purchasing the FHA Loans must first deliver an executed confidentiality agreement in form and substance reasonably satisfactory to the Debtors, to the following parties:

- (i) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc D. Puntus and Karn Chopra);
- (ii) the Official Committee of Unsecured Creditors (the “Committee”), c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal), and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan);
- (iii) the Ad Hoc Group of Junior Secured Noteholders (the “JSBs”), c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi);

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Sale Motion and the Sale Procedures Order, as applicable.

(iv) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes ("UMB Bank"), c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 (Attn: James S. Carr, Eric R. Wilson, and Jason Adams); and

(v) ~~(iv)~~ Ally Financial Inc. ("AFI"), c/o Kirkland & Ellis LLP, 601 Lexington Ave New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler).

Preliminary Due Diligence Access

Bidders executing a confidentiality agreement shall be afforded the opportunity to conduct preliminary due diligence, including receiving the offering memorandum and the ability to review loan data tapes for the FHA Loans.

The Debtors shall coordinate all reasonable requests from bidders for additional information and due diligence access. If the Debtors determine that the due diligence materials requested by such bidder is reasonable and appropriate under the circumstances, but such material has not previously been provided to any other bidder, the Debtors shall provide such materials to all bidders.

Due Diligence From Bidders

The Debtors and their advisors shall be entitled to due diligence from a bidder upon execution of a confidentiality agreement that is reasonably satisfactory to the Debtors. Each bidder shall comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors. The Debtors shall promptly provide copies of any information received from a bidder to the Committee, the JSBs, UMB Bank, and AFI (collectively the "Interested Parties").

Bid Deadline and Bid Package

The deadline for submitting Bid Packages (as defined below) by a bidder shall be February 6, 2013, at 5:00 p.m. (Eastern Time) (the "Bid Deadline").

On or prior to the Bid Deadline, a bidder that desires to make a bid shall deliver to the Debtors and the Interested Parties the following (collectively, a "Bid Package"):

- (i) one written copy of its bid (a "Bid Proposal");
- (ii) a copy of such bidder's proposed MLPISA that has been marked to show amendments and modifications to the form MLPISA filed with the Court, including price and terms, with respect to which the bidder agrees to be bound (the "Marked Agreement");
- (iii) a copy of such bidder's proposed sale order that has been marked to show amendments and modifications to the Proposed Sale Order (the "Marked Proposed Sale Order");

- (iv) evidence of corporate authority to commit to the FHA Loan Sale, including the most current audited and latest unaudited financial statements (collectively, the “Financials”) of such person or entity, or, if the bidder is an entity formed for the purpose of the Sale, Financials of the equity holder(s) of the entity or such other form of financial disclosure as is acceptable to the Debtors, and (b) a written commitment acceptable to the Debtors of the equity holder(s) of the entity to be responsible for the entity’s obligations in connection with the Sale;
- (v) evidence that such bidder is a HUD-approved mortgagee with all licenses and regulatory approvals necessary to own and service (either itself or through a sub-servicer) the FHA Loans; and
- (vi) evidence that such bidder (either itself or through a sub-servicer) has entered into a Servicer Participation Agreement (as defined in the MLPISA) with Fannie Mae (or, if applicable another government entity), that will enable such bidder to service the FHA Loans in accordance with the guidelines for HUD and HAMP, and such agreement is in full force and effect.

Bid Proposal Requirements

A Bid Proposal must be a written irrevocable offer, subject only to the Post-Bid Due Diligence, (i) stating that the bidder offers to consummate the Sale pursuant to the Marked Agreement, and (ii) confirming that the offer shall remain open until the selection of the Successful Bid (as defined below).

In addition to the foregoing requirements, a Bid Proposal must fully disclose the identity of each entity that will be bidding for the Purchased Assets or otherwise participating in connection with such bid, and the complete terms of any such participation.

Review of Bids

A timely Bid Package received from a bidder that meets the requirements set forth above shall be reviewed by the Debtors, in consultation with the Interested Parties, to determine which Bid Package, if any, offers the highest and best bid for the FHA Loans. If the Debtors, in consultation with the Interested Parties, determine that no Bid Package offers sufficient value for the FHA Loans, the Debtors reserve their right to terminate the Sale without prejudice to the Debtors’ right, upon consultation with the Interested Parties, to monetize the FHA Loans in the ordinary course or to seek Court approval of a sale of the FHA Loans at a later date.

Acceptance of Highest and Best Bid(s)

If the Debtors, in consultation with the Interested Parties, determine that a Bid Package offers sufficient value for the FHA Loans and is the highest and best bid, such bid shall be deemed the “Successful Bid” and such bidder shall be deemed the “Successful Bidder,” and the Debtors shall promptly notify all bidders of such determination. The Debtors and the

Successful Bidder shall execute a trade confirmation and the Successful Bidder shall provide loan level prices within one business day of designation of the Successful Bid.

The Debtors reserve their right in their sole and absolute discretion, in consultation with the Interested Parties, to (i) reject any and all bids and to accept any bid prior to the execution of a definitive MLPISA, and (ii) to withdraw any FHA Loan from the Sale at any time on or prior to the closing of the Sale. The Debtors may also, in their sole discretion, exclude any FHA Loans that do not satisfy certain servicing and/or documentation criteria.

Post-Bid Due Diligence Access

The Successful Bidder shall be afforded the opportunity to conduct further due diligence of the FHA Loans (the “Post-Bid Due Diligence”) for a period of 4 weeks (the “Post-Bid Diligence Period”).

The Post-Bid Diligence Period will allow the Successful Bidder the opportunity to perform due diligence, at its own expense, on 100% of the FHA Loans, provided that compliance review to HUD Guidelines will be limited to a sample size of 20% of the FHA Loans. The Successful Bidder will be provided access to a secure web site of the origination files and compact discs with pay histories and servicing comments with respect to all of the FHA Loans. The Debtors will use “best efforts” to clear any missing documents prior to the closing of the Sale. Any FHA Loan for which missing document exceptions cannot be cleared will be sold on an “as-is” basis.

The Successful Bidder will be permitted to reduce the bid on individual loans as a result of the Post-Bid Diligence, but will not be permitted to cancel the Sale entirely. No adjustments to the total bid will be permitted for any reason other than those that can be documented by the Purchaser as a result of the Post-Bid Diligence. After the Post-Bid Diligence is complete, the Successful Bidder will distribute a revised purchase price schedule on a loan-by-loan basis to the Debtors. The Debtors will determine, in consultation with the Interested Parties, whether any individual FHA Loan should be removed from the Sale.

For the avoidance of doubt, other than with respect to the final population and value of the FHA Loans to be sold, the MLPISA shall not materially differ from the Marked Agreement.

Preservation of Rights

For the avoidance of doubt, all of the Interested Parties’ rights are preserved to object to the Sale notwithstanding the consultation rights provided in these procedures.

Presentation of Successful Bid at Sale Hearing

The Debtors shall present the Successful Bid to the Bankruptcy Court at the Sale Hearing. At the Sale Hearing, certain findings shall be sought from the Bankruptcy Court, including that (i) the Successful Bidder was selected in accordance with the Sale Procedures, and (ii) consummation of the Sale as contemplated by the Successful Bid will provide the highest or otherwise best result and is in the best interests of the Seller and their estates in these chapter 11 cases.

Modification of Sale Procedures

The Debtors, with the consent of the Interested Parties, which consent shall not be unreasonably withheld, or by order of the Court, may modify any provision in the Sale Procedures, for any reason the Debtors, in their reasonable business judgment, determine will be in the best interests of their estates.

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EXHIBIT 2

PROPOSED NOTICE OF BID DEADLINE AND SALE HEARING

MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900
Gary S. Lee
Todd M. Goren
Jennifer L. Marines
Melissa M. Crespo

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
_____)	

**NOTICE OF BID DEADLINE AND SALE HEARING
TO SELL FHA LOANS PURSUANT TO
MORTGAGE LOAN PURCHASE AND INTERIM SERVICING AGREEMENT**

PLEASE TAKE NOTICE THAT upon the motion (the “Motion”) of Residential Capital LLC (“ResCap”) and its debtor subsidiaries, as debtors in possession (collectively, the “Debtors”), dated January 2, 2013, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) has issued an order dated [], 2013 (the “Sale Procedures Order”), among other things, (i) authorizing and approving certain procedures for the submission and acceptance of competing bids (the “Sale Procedures”); (ii) scheduling a bid deadline and sale hearing (the “Sale Hearing”) to approve the sale by certain of the Debtors of the FHA Loans (as such term is defined in the Mortgage Loan Purchase and Interim Servicing Agreement (the “MLPISA”) free and clear of all liens, claims, encumbrances, and other interests (the “Sale”); and (v) granting related relief.

A. BID DEADLINE

PLEASE TAKE FURTHER NOTICE that the evaluation of bids and sale of the FHA Loans by the Debtors will occur in accordance with procedures established by the Sale Procedures Order, entered on [], attached hereto as Exhibit 1.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, any party wishing to submit a bid for the FHA Loans must do so in accordance with the Sale Procedures Order, such that it is actually **received not later than February 6, 2013, at 5:00 p.m. (ET)** by the parties identified in the Sale Procedures Order.

B. SALE HEARING

PLEASE TAKE FURTHER NOTICE that the Sale Hearing will be held before the Honorable Martin Glenn, United States Bankruptcy Judge, in Courtroom 501 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408, on **April 11, 2013, at 10:00 a.m. (ET)**. The Sale Hearing may be adjourned without notice by an announcement of the adjourned date at the Sale Hearing.

C. SALE FREE AND CLEAR

PLEASE TAKE FURTHER NOTICE that the order approving the Sale will provide that the FHA Loans shall be transferred to the Purchaser (as defined in the MLPISA), and such transfer shall be free and clear of all claims, liabilities, interests, liens, obligations, and encumbrances of any person or entity, other than Permitted Liens (as defined in the MLPISA) and any and all rights and claims under any bulk transfer statutes and similar laws, whether arising by agreement, by statute or otherwise and whether occurring or arising before, on or after the date on which the chapter 11 cases were commenced, whether known, unknown, contingent or unliquidated, arising prior to the Closing Date (as defined in the MLPISA). Any person or entity holding any such claims, liabilities, interests, liens, obligations, or encumbrances, other than Permitted Liens, shall be enjoined and forever barred from asserting such claims, liabilities, interests, liens, obligations, or encumbrances against the Purchaser of any of its affiliates, as more particularly described and provided for in the proposed order approving the Sale.

D. OBJECTIONS

PLEASE TAKE FURTHER NOTICE THAT RESPONSES OR OBJECTIONS, IF ANY, TO THE RELIEF SOUGHT IN THE MOTION SHALL BE FILED with the Clerk of the Bankruptcy Court and served upon: (i) the Debtors, c/o Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attn: Gary S. Lee and Todd M. Goren) and Centerview Partners, 31 West 52nd Street, New York, NY 10019 (Attn: Marc Puntus and Karn Chopra); (ii) the Committee, c/o Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, N Y 10036 (Attn: Kenneth H. Eckstein and Douglas H. Mannal, and Moelis & Company, 399 Park Ave, 5th Floor, New York, NY 10022 (Attn: Jared Dermont and Syed Hasan); (iii) the JSBs, c/o White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: J. Christopher Shore, and Harrison L. Denman) and Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, NY 10005 (Attn: Gerard Uzzi); ~~and (iv)(iv) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes~~ ("UMB Bank"), c/o Kelley Drye & Warren LLP 101 Park Ave, New York, NY 10178 (Attn: James S. Carr, Eric R. Wilson, and Jason Adams); (v) AFI, c/o Kirkland & Ellis LLP, 601

Lexington Ave New York, NY 10022 (Attn: Richard M. Cieri, Ray C. Schrock, and Stephen E. Hessler); (vvi) the Office of the United States Trustee for the Southern District of New York (Attn: Brian Masumoto), 33 Whitehall Street, 21st Floor, New York, New York 10004, **SO AS TO BE RECEIVED NO LATER THAN April 4, 2013 AT 5:00 p.m. (ET) (the “Objection Deadline”)**.

PLEASE TAKE FURTHER NOTICE that the failure of any person or entity to file a response or objection on or before the Objection Deadline shall be deemed a consent to the Sale and the other relief requested in the Motion, and shall bar the assertion, at the Sale Hearing or thereafter, of any objection to the Sale Procedures, the Motion, the Sale, the approval of related agreements, and the Debtors’ consummation of the Sale.

E. COPIES OF THE MOTION AND RELATED SALE DOCUMENTS

PLEASE TAKE FURTHER NOTICE that this Notice provides only a partial summary of the relief sought in the Motion, the terms of the Sale Procedures Order, and the Sale Approval Order. Copies of such documents are available for inspection (i) by accessing (a) the website of the Bankruptcy Court at <http://www.nysb.uscourts.gov>, or (b) the website of the Debtors’ claims and noticing agent, Kurtzman Carson Consultants, at www.kccllc.net/rescap or (ii) by visiting the Office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, NY 10004-1408. Copies also may be obtained by faxing a written request to the attorneys for the Debtors, Morrison & Foerster LLP (Attn: Gary S. Lee, Esq. and Todd M. Goren at (212) 468-7900). The terms of such documents shall control in the event of any conflict with this Notice.

DRAFT

Gary S. Lee
Todd M. Goren
Jennifer L. Marines
Melissa M. Crespo

MORRISON & FOERSTER LLP
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900

*Counsel for the Debtors and
Debtors in Possession*

Dated: [], 2013
New York, New York

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EXHIBIT 4

FHA Sale Approval Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
)	

**PROPOSED ORDER UNDER 11 U.S.C. §§ 105 AND 363, AND
FED. R. BANKR. P. 2002 AND 6004, (I) APPROVING (A) SALE OF DEBTORS'
FHA LOANS PURSUANT TO MORTGAGE LOAN PURCHASE AND INTERIM
SERVICING AGREEMENT; (B) SALE OF FHA LOANS FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS;
AND (II) GRANTING RELATED RELIEF**

Upon the motion, dated January 2, 2013 (the "Motion"), of Residential Capital, LLC ("ResCap") and certain of its affiliates, as debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"),¹ for entry of an order, under Bankruptcy Code sections 105 and 363, and Bankruptcy Rules 2002 and 6004 authorizing and approving (i) that certain mortgage loan purchase and sale agreement dated as of [] (the "MLPISA"), entered into by and among the Seller (as defined in the MLPISA) and the Purchaser (as defined in the MLPISA); (ii) the sale and all related transactions, in accordance with the MLPISA of all of the Debtors' right, title, and interest in, to and under the FHA Loans and (iii) granting related relief; and upon the Whitlinger Affidavit [Docket No. 6] and the Puntus Declaration [Docket No. ____]; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court

¹ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Motion, the Sale Procedures Order, or the MLPISA (as defined herein). Creditors and parties-in-interest with questions or concerns regarding the Debtors' Chapter 11 cases or the relief granted herein may refer to <http://www.kcellc.net/rescap> for additional information.

having entered an order, dated January [], 2013 (the “Sale Procedures Order”),

(i) providing for the sale and all related transactions, in accordance with the MLPISA and this Order (the “Sale”), of all of the Debtors’ right, title, and interest in, to and under the FHA Loans to the Purchaser free and clear of all claims, liens, encumbrances, or other interests (including, any and all “claims” as defined in section 101(5) of the Bankruptcy Code and any rights or claims based on any successor or transferee liability) other than Permitted Liens (as defined in the MLPISA); and (ii) authorizing and approving the Sale Procedures, notice of the Sale and the hearing to consider approval of the Sale (the “Sale Hearing”)³; and Bid Packages having been evaluated in accordance with the Sale Procedures Order; and at the conclusion of the evaluation, [] was chosen as the Successful Bidder (as defined in the Sale Procedures) in accordance with the Sales Procedures Order; and the Sale Hearing having been held on [March 26], 2013 to consider the relief requested in the Motion; and upon the record of the Sale Hearing, and all of the proceedings before the Court; and the Court having reviewed the Motion [and any objections thereto (the “Objections”)]; and all parties in interest having been afforded an opportunity to be heard with respect to the Motion and all of the relief related thereto; and it appearing that the relief requested by the Motion with respect to the Sale as provided in this Order is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefore, it is

³ For the purposes of this Order, the term “Sale Hearing” shall be any hearing at which the approval of the Sale is considered.

FOUND AND DETERMINED THAT:⁴

A. Jurisdiction and Venue. This Court has jurisdiction over the Motion and the Sale pursuant to 28 U. S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U. S.C. § 157(b)(2)(A) and (N). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory predicates for the relief sought in the Motion are sections 105(a) and 363 of the Bankruptcy Code, as supplemented by Bankruptcy Rules 2002, 6004, and 9007. The consummation of the Sale contemplated by the MLPISA and this Order is legal, valid, and properly authorized under all such provisions of the Bankruptcy Code and Bankruptcy Rules, and all of the applicable requirements of such sections and rules have been complied with in respect of the Sale.

C. Notice. As evidenced by the affidavits and certificates of service and Sale Notice previously filed with the Court and based on the representations of counsel at the Sale Procedures Hearing and the Sale Hearing, proper, timely, adequate, and sufficient notice of the Motion, the Sale Procedures, the Sale, and the Sale Hearing have been provided in accordance with sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a), 6004(a) and 9007, and in compliance with the Sale Procedures Order to all interested persons and entities, including: (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the U.S. Treasury, (iii) the attorneys for the Debtors' prepetition secured credit facilities, (iv) the attorneys for the agent under the Debtors' prepetition amended and restated secured revolving credit agreement, (v) the

⁴ The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

attorneys for the Committee, (vi) the attorneys for the JSBs, (vii) UMB Bank, N.A., as Successor Indenture Trustee to the Debtors' prepetition junior secured notes (viii) the attorneys for AFI, (ix) the attorneys for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, (x) any party who, in the past year, expressed in writing to the Debtors an interest in the FHA Loans and who the Debtors and their representatives reasonably and in good faith determine potentially have the financial wherewithal to effectuate the transaction contemplated by the proposed sale, (xi) all parties who are known to have asserted or believed by Debtors to hold any lien, claim, encumbrance, or interest in or on the FHA Loans, (xii) the Securities and Exchange Commission, (xiii) the Internal Revenue Service, (xiv) all applicable state attorneys' general, and local authorities, (xv) all applicable state and local taxing authorities, (xvi) the Federal Trade Commission, (xvii) the United States Department of Justice, (xviii) the United States Attorney's Office, (xix) the office of the New York Attorney General; and (xx) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002 (collectively, the "Notice Parties"). The notice described in this Paragraph C is good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Sale Procedures, the Sale Hearing, the MLPISA, the Sale, and this Order is or shall be required. With respect to parties who may have claims against the Debtors, but whose identities are not reasonably ascertainable by the Debtors, the Sale Notice described above was sufficient and reasonably calculated under the circumstances to reach such parties.

D. Extensive Efforts by Debtors. The Sale is the result of the Debtors' extensive efforts in seeking to maximize recoveries to the Debtors' estates for the benefit of creditors.

E. Business Justification. For the reasons set forth in the Motion and the Puntus Declaration, the Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the sale of the FHA Loans.

F. Sale Procedures Order. On January [], 2013, this Court entered the Sale Procedures Order approving Sale Procedures for the FHA Loans. The Sale Procedures provided a full, fair, and reasonable opportunity for an entity to make an offer to purchase the FHA Loans.

G. Adequate Marketing; Highest or Best Offer. The Debtors have adequately marketed the FHA Loans and conducted the sale process in compliance with the Sale Procedures Order; (b) a reasonable opportunity has been given to any interested party to make an offer for the FHA Loans; (c) the consideration provided for in the MLPISA constitutes the highest or otherwise best offer for the FHA Loans; (d) the consideration provides fair and reasonable consideration for the FHA Loans and constitutes reasonably equivalent value under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia; (e) taking into consideration all relevant factors and circumstances, no other entity has offered to purchase the FHA Loans for greater economic value to the Debtors or their estates; and (f) the Debtors' determination that the MLPISA constitutes the highest and best offer for the FHA Loans constitutes a valid and sound exercise of the Debtors' business judgment.

H. Opportunity to Object. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons, including the Notice Parties.

I. Sale in Best Interests. The actions represented to be taken by the Seller and the Purchaser are appropriate under the circumstances of these chapter 11 cases and are in the best interests of the Debtors, their estates and creditors, and other parties in interest. Approval of the MLPISA and circumstances of the Sale at this time is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest.

J. Arm's-Length Sale. The MLPISA was negotiated, proposed, and entered into by the Seller and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Seller nor the Purchaser, nor any of their respective insiders and affiliates, have engaged in any conduct that would cause or permit the MLPISA or any part of the Sale to be avoided under section 363(n) of the Bankruptcy Code.

L. Good Faith Purchaser. The Purchaser is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby.

M. Corporate Authority. Each Debtor (i) has full corporate power and authority to execute the MLPISA and all other documents contemplated thereby, and the sale of the FHA Loans has been duly and validly authorized by all necessary corporate action of each of the Debtors, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the MLPISA, (iii) has taken all corporate action necessary to authorize and approve the MLPISA and the consummation by the Debtors of the transactions contemplated thereby, and (iv) needs no consents or approvals, other than those expressly provided for in the MLPISA, which may be waived by the Purchaser, to consummate such transactions.

N. Binding and Valid Transfer. The transfer of the FHA Loans to the Purchaser will be a legal, valid, and effective transfer of the FHA Loans and will vest the Purchaser with all right, title, and interest of the Seller to the FHA Loans free and clear of all interests, including (i) rights or claims based on any successor or transferee liability, (ii) those that purport to give to any party a right or option to effect any setoff, forfeiture, modification, right of first refusal, or termination of the Seller's or the Purchaser's interest in the FHA Loans, or any similar rights, (iii) those relating to taxes arising under or out of, in connection with, or in any way relating to the operation of the FHA Loans prior to the closing, and (iv) (a) those arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal, or charges of any kind or nature, if any, including, any restriction on the use, voting, transfer, receipt of income, or other exercise of any attributes of ownership and (b) all debts arising in any way in connection with any agreements, acts, or failures to act, of any of the Seller or any of the Seller's predecessors or affiliates, claims (as that term is defined in the Bankruptcy Code), obligations, liabilities, demands, guaranties, options, rights, contractual or other commitments, restrictions, interests and matters of any kind and nature, whether known or unknown, contingent or otherwise, whether arising prior to or subsequent to the commencement of these chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including, but not limited to, claims otherwise arising under doctrines of successor or transferee liability. The MLPISA and the related documents and agreements contemplated thereby, and the consummation of the transactions contained therein shall not be subject to avoidance by the Debtors, any affiliate of the Debtors, any of their respective successor trustees appointed

with respect thereto, or any other person or entity, including, without limitation, any claims with respect to any transfers made in accordance with the MLPISA.

O. Satisfaction of 363(f) Standards. The Seller may sell, and, upon closing of the Sale, shall be deemed to have sold the FHA Loans free and clear of all interests of any kind or nature whatsoever, including all rights or claims based upon any successor or transferee liability, because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of interests, including all rights or claims based on any successor or transferee liability are (a) deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code and (b) adequately protected by having their interests, if any, including all rights or claims based on any successor or transferee liability, attach to the cash proceeds of the Sale ultimately attributable to the property against or in which they claim an interest, including all rights or claims based on any successor or transferee liability. In all cases, each such person with interests in the FHA Loans are enjoined from taking any action against the Purchaser, the Purchaser's affiliates or any agent of the foregoing to recover any such interest.

P. Necessity of Order. The Purchaser would not have entered into the MLPISA and would not have consummated the Sale without the relief provided for in this Order (including that the transfer of the FHA Loans to Purchaser be free and clear of all interests and including rights or claims based upon successor or transferee liability).

Q. Personally Identifiable Information. The Debtors have provided certain privacy policies to consumers that govern the disclosure of "personally identifiable information" (as defined in Bankruptcy Code section 101(41A)) to unaffiliated third parties. The Debtors have proposed to sell certain assets, which may require the disclosure of personally identifiable

information to third parties. The Debtors' disclosure of personally identifiable information pursuant to the Sale is in compliance with the Gramm-Leach-Bliley Act and is consistent with the privacy notices delivered by the Debtors to mortgage borrowers. For these reasons, no consumer privacy ombudsman has been appointed under section 363(b)(1) of the Bankruptcy Code.

R. Final Order. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rule 6004(h), the Court expressly finds that there is no just reason for delay in the implementation of this Order and expressly directs entry of judgment as set forth herein.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. **Motion is Granted.** The Motion is granted and the relief requested therein with respect to the Sale of the FHA Loans to the Purchaser pursuant to the MLPISA is granted and approved, as further described below.

2. **[Objections Overruled.** Any objections to the entry of this Order or the relief granted herein and requested in the Motion that have not been withdrawn, waived, or settled, or not otherwise resolved pursuant to the terms hereof, if any, hereby are denied and overruled on the merits with prejudice.]

3. **Approval.** The MLPISA, and all the terms and conditions thereof, is approved. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors are authorized and directed to perform their obligations under, and comply with the terms of, the MLPISA and consummate the Sale pursuant to, and in accordance with, the terms and conditions of the MLPISA and this Order. The Debtors are authorized and directed to execute and deliver, and empowered to perform under, consummate, and implement, the

MLPISA, together with all additional instruments and documents that the Seller or the Purchaser deem necessary or appropriate to implement the MLPISA and effectuate the Sale, and to take all further actions as may reasonably be required by the Purchaser for the purpose of assigning, transferring, granting, conveying, and conferring to the Purchaser or reducing to Purchaser's possession the FHA Loans or as may be necessary or appropriate to the performance of the obligations as contemplated by the MLPISA.

4. **Binding Effect of Order.** This Order and the MLPISA shall be binding in all respects upon all known and unknown creditors of, and equity security interests in, any Debtor, including any holders of interests (including holders of rights or claims based on any successor or transferee liability), all successors and assigns of the Purchaser, each Seller and their affiliates and subsidiaries, the FHA Loans, and any trustees appointed in the Debtors' chapter 11 cases or upon a conversion to cases under chapter 7 of the Bankruptcy Code, and this Order shall not be subject to amendment or modification and the MLPISA shall not be subject to rejection. The terms of this Order shall apply in any sale pursuant to a chapter 11 plan and may be incorporated into any confirmation order. Nothing contained in any chapter 11 plan confirmed in the Debtors' chapter 11 cases or the order confirming any such chapter 11 plan shall conflict with or derogate from the provisions of the MLPISA or this Order.

5. **Injunction.** All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the FHA Loans to the Purchaser in accordance with the MLPISA and this Order. Following the Closing Date, except for Persons entitled to enforce Permitted Liens, all persons or entities (including, but not limited to, the Debtors and/or their respective successors (including any

trustee), creditors, investors, certificate holders, securitization trustees, borrowers, current and former employees and shareholders, administrative agencies, governmental units, secretaries of state, federal, state, and local officials, including those maintaining any authority relating to any environmental, health and safety laws, and the successors and assigns of each of the foregoing) holding interests in the FHA Loans or against the Debtors in respect of the FHA Loans of any kind or nature whatsoever shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing any interests of any kind or nature whatsoever against the Purchaser or any affiliate of the Purchaser or any of their respective property, successors, and assigns, or the FHA Loans, as an alleged successor or on any other grounds, it being understood that nothing herein shall affect assets of the Debtors that are not FHA Loans.

6. No person or entity shall assert, and the Purchaser and the FHA Loans shall not be subject to, any defaults, breaches, counterclaims, offsets, defenses (whether contractual or otherwise, including any right of recoupment), liabilities, claims and interests, or basis of any kind or nature whatsoever to delay, defer, or impair any right of the Purchaser or the Debtors.

7. **General Assignment.** Upon the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Seller's interests in the FHA Loans and a bill of sale transferring good and marketable title in the FHA Loans to the Purchaser. Each and every federal, state, and local governmental agency, quasi-agency, or department is hereby directed to accept this Order, or any and all other documents and instruments necessary and appropriate to consummate the Sale.

9. **Transfer Free and Clear.** Except as otherwise provided by section 363(o) of the Bankruptcy Code, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the FHA Loans shall be transferred to the Purchaser as required under the MLPISA, and such transfer shall be free and clear of all interests of any person, other than Permitted Liens, and any and all rights and claims under any bulk transfer statutes and similar laws, whether arising by agreement, by statute or otherwise and whether occurring or arising before, on or after the date on which these chapter 11 cases were commenced, whether known or unknown, occurring or arising prior to such transfer, with all such interests to attach to the proceeds of the Sale ultimately attributable to the property against or in which the holder of a claim or interest claims or may claim a claim or interest, in the order of their priority, with the same validity, force, and effect which they now have, subject to any claims and defenses the Seller may possess with respect thereto.

10. **Valid Transfer.** The transfer of the FHA Loans to the Purchaser pursuant to the MLPISA constitutes a legal, valid, and effective transfer of the FHA Loans and shall vest the Purchaser with all right, title, and interest of the Seller in and to the FHA Loans free and clear of all interests of any kind or nature whatsoever, including all rights or claims based on any successor or transferee liability. The transfers of FHA Loans shall not be subject to avoidance for any reason by the Debtors, any affiliate of the Debtors, their respective successors, or any creditor thereof including, without limitation, with respect to any transfers pursuant to the MLPISA.

11. **Direction to Release Interests.** Upon the Closing Date, each of the Seller's creditors and any other holder of an interest, including rights or claims based on any successor or transferee liability, is authorized and directed to execute such documents and

take all other actions as may be necessary to release its interest in the FHA Loans, if any, as such interest may have been recorded or may otherwise exist. If any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing an interest in the Seller or the FHA Loans shall not have delivered to the Seller prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all interests, which the person or entity has with respect to the Seller or the FHA Loans or otherwise, then (i) the Seller is authorized and directed to execute and file such statements, instruments, releases, and other documents on behalf of the person or entity with respect to the Seller or the FHA Loans, and (ii) the Purchaser is authorized to file, register, or otherwise record a certified copy of this Order, which shall constitute conclusive evidence of the release of all liens, claims, encumbrances, and other interests, other than Permitted Liens, of any kind or nature whatsoever in the Seller or the FHA Loans. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the MLPISA, including, without limitation, recordation of this Order. This Order shall be binding upon and shall govern the acts of all persons or entities including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or

instruments, or who may be required to report or insure any title or state of title in or to any of such assets or other property interests.

11. **No Interference.** Following the Closing Date of the Sale, no holder of any interest shall interfere with the Purchaser's title to, or use and enjoyment of, the FHA Loans based on, or related to, any such interest, or based on any actions the Debtors may take in their chapter 11 cases.

13. **No Discriminatory Treatment.** To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may deny, revoke, suspend, or refuse to renew any permit, license, or similar grant relating to the operation of the FHA Loans sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these chapter 11 cases or the consummation of the Sale contemplated by the MLPISA.

14. **No Successor Liability.** Neither the Purchaser, nor any of its successors or assigns, or any of their respective affiliates shall have any liability for any interest that arose prior to the Closing Date, or otherwise is assertable against the Debtors or is related to the FHA Loans prior to the Closing Date. The Purchaser shall not be deemed, as a result of any action taken in connection with the MLPISA or any of the transactions or documents ancillary thereto or contemplated thereby or in connection with the acquisition of the FHA Loans, to: (i) be legal successors, or otherwise be deemed successors to the Debtors; (ii) have, de facto or otherwise, merged with or into the Debtors; or (iii) be a mere continuation or substantial continuation of the Debtors or the enterprise of the Debtors. Without limiting the foregoing, the Purchaser shall not have any successor, transferee, derivative, or vicarious liabilities of any kind or character for any interests, including under any theory of successor or transferee liability, de facto merger or continuity, environmental, labor and employment,

and products or antitrust liability, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, asserted or unasserted, liquidated or unliquidated.

15. **Fair Consideration.** The consideration provided by the Purchaser for the FHA Loans under the MLPISA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia. The Sales may not be avoided under section 363(n) of the Bankruptcy Code. The Purchaser was not party to any agreements to control the sale price, and is not subject to any claims for damages under section 363(n) of the Bankruptcy Code.

16. **Retention of Jurisdiction.** This Court retains jurisdiction, pursuant to its statutory powers under 28 U.S.C. § 157(b)(2), to, among other things, interpret, implement, and enforce the terms and provisions of this Order, all amendments thereto, and any waivers and consents thereunder, including, but not limited to, retaining jurisdiction to (i) compel delivery of the FHA Loans to the Purchaser; (ii) interpret, implement, and enforce the provisions of this Order; (iii) protect the Purchaser against any interests, claims or liabilities against or related to the Seller or the FHA Loans of any kind or nature whatsoever, and (iv) enter any order under section 363 of the Bankruptcy Code.

17. **Good Faith.** The transactions contemplated by the MLPISA are undertaken by the Purchaser without collusion and in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of the authorization provided in this Order to consummate the Sale shall not affect the validity of the Sale, unless such authorization is duly stayed pending such appeal. The Purchaser is a

purchaser in good faith of the FHA Loans and is entitled to all the protections afforded by section 363(m) of the Bankruptcy Code. There has been no collusion by the Purchaser.

18. **No Bulk Law Application.** No law of any state or other jurisdiction, including any bulk sales law or similar law, shall apply in any way to the transactions contemplated by the Sale, the MLPISA, the Motion, and this Order.

19. **Subsequent Plan Provisions.** Nothing contained in any chapter 11 plan confirmed in any Debtor's bankruptcy case or any order confirming any such plan or in any other order in these chapter 11 cases shall alter, conflict with, or derogate from, the provisions of the MLPISA or this Order.

20. **Failure to Specify Provisions.** The failure to specifically include any particular provisions of the MLPISA in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the MLPISA be authorized and approved in its entirety.

21. **Non-Material Modifications.** The MLPISA and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment, or supplement does not have any material adverse effect on the Debtors' estates.

22. **Appointment of Trustee.** The provisions of the MLPISA and this Order may be specifically enforced in accordance with the MLPISA notwithstanding the appointment of any chapter 7 or chapter 11 trustee after the Closing Date.

23. **Amounts Payable By Seller Is Administrative Expenses.** Any amounts due to Purchaser from the Seller under the MLPISA shall constitute allowed administrative expenses and shall be paid without the need for further application or motion by Purchaser.

24. **Segregation of Cash.** The Debtors will segregate cash generated from the Sale in accordance with the *Final 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 and Use of Certain Bank Accounts Established in Connection with Use of Pre-And Post-Petition Lenders Financing Facilities and Cash Collateral, (IV) Waiver of the Investment and Deposit Requirements of Bankruptcy Code Section 345, (V) Debtors to Honor Specified Outstanding Prepetition Payment Obligations, and (VI) Continuation of Intercompany Transactions and Granting Administrative Expense Status to Intercompany Claims* [Docket No. 393], including segregating cash generated from the Sale of collateral securing any of the Debtors' financing facilities into the specific bank accounts established for the benefit of the lenders under such financing facilities.

25. Notwithstanding anything to the contrary in this Order, any action to be taken pursuant to the relief authorized in this Order is subject to the terms of any cash collateral order and debtor in possession financing order entered in these chapter 11 cases. To the extent there is any inconsistency between the terms of this Order and the terms of any order relating to postpetition financing, cash collateral, or cash management, the terms of the orders relating to postpetition financing, cash collateral, or cash management shall govern.

26. For the avoidance of doubt, absent further order of the Court, no proceeds of the Sale shall be used to pay down any of the Debtors' prepetition credit facilities.

13. Notwithstanding anything herein to the contrary, including, without limitation, any findings and any assertion, agreement, pleading, or other document made or filed in connection with the Sale, the Sale Motion, the Sale Procedures Order, the Sale Hearing, or this Sale Order, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012; and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

14. **Document Preservation.** The Debtors shall take all appropriate steps to preserve, protect, maintain, and ensure the availability of all of the Debtors' books, records, documents and electronically stored information, in whatever format, including native format that are potentially relevant to the claims asserted by the Plaintiffs (collectively the "Relevant Books and Records") in the following actions (the "Actions"):

- *New Jersey Carpenters Health Fund, et als., on Behalf of Themselves and All Others Similarly Situated v. Residential Capital, LLC, et als.*, No. 08-CV-8781 (HB) (S.D.N.Y. 2008)
- *Union Cent. Life Ins. Co. et al. v. Credit Suisse First Boston Mortg. Sec. Corp. et al.*, No. 11-CV-2890 (GBD) (S.D.N.Y. 2011)

- *Donna Moore, Frenchola Holden and Keith McMillon, individually and on behalf of all others similarly situated v. GMAC Mortgage, LLC, GMAC Bank and CapRe of Vermont, Inc.*, No. 07-CV-04296-PD (E.D. Pa. 2007)
- *Cambridge Place Inv. Mgmt. Inc. v. Morgan Stanley & Co., Inc., et al.*, Nos. 10-2741-BLS1, 11-0555-BLS1 (Mass. Sup. Ct. 2010, 2011).

15. The Debtors (i) shall retain the originals or true copies of the Relevant Books and Records included in the Sale (the “Retained Relevant Books and Records”) and, as to any of the Actions that have not been fully and finally resolved by a final, non-appealable judgment (ii) shall provide at least thirty (30) days’ written notice to lead and bankruptcy counsel for the Plaintiffs in each of the Actions with an opportunity to be heard of any abandonment, destruction, or transfer of the Retained Relevant Books and Records that may render the Relevant Books and Records unavailable to the Plaintiffs. In the event Plaintiffs file an objection to the abandonment, destruction, or transfer described above within such thirty (30) day period after receiving written notice, the Debtors shall not abandon, destroy, or transfer the Retained Relevant Books and Records absent a final and non-appealable order of this Court or any court of competent jurisdiction if the Debtors’ bankruptcy cases are closed. Purchaser shall not have any obligation to preserve, protect, maintain, or ensure the availability of any Relevant Books and Records.

16. **No Stay or Order.** Notwithstanding the provisions of Bankruptcy Rules 6004(h), this Order shall not be stayed for fourteen (14) days after its entry and shall be effective immediately upon entry, and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Order. Time is of the essence in closing the transactions referenced herein, and the Debtors and the Purchaser intend to close the Sale as soon as practicable. Any party objecting to this Order must exercise due diligence in filing an appeal and pursuing a stay, or risk its appeal being foreclosed as moot.

17. The Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: [], 2012
New York, York

THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

MLPISA

EXHIBIT 5

Blackline of FHA Sale Approval Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
_____)	

**PROPOSED ORDER UNDER 11 U.S.C. §§ 105 AND 363, AND
FED. R. BANKR. P. 2002 AND 6004, (I) APPROVING (A) SALE OF DEBTORS' FHA
LOANS PURSUANT TO MORTGAGE LOAN PURCHASE AND INTERIM
SERVICING AGREEMENT; (B) SALE OF FHA LOANS FREE AND CLEAR OF
LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS;
AND (II) GRANTING RELATED RELIEF**

Upon the motion, dated January 2, 2013 (the "Motion"), of Residential Capital, LLC ("ResCap") and certain of its affiliates, as debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"),¹ for entry of an order, under Bankruptcy Code sections 105 and 363, and Bankruptcy Rules 2002 and 6004 authorizing and approving (i) that certain mortgage loan purchase and sale agreement dated as of [] (the "MLPISA"), entered into by and among the Seller (as defined in the MLPISA) and the Purchaser (as defined in the MLPISA); (ii) the sale and all related transactions, in accordance with the MLPISA of all of the Debtors' right, title, and interest in, to and under the FHA Loans and (iii) granting related relief; and upon the Whitlinger Affidavit [Docket No. 6] and the Puntus Declaration [Docket No. ____]; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having entered an order, dated January [], 2013 (the "Sale Procedures Order"), (i) providing for the sale and all related transactions, in

¹ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Motion, the Sale Procedures Order, or the MLPISA (as defined herein). Creditors and parties-in-interest with questions or concerns regarding the Debtors' Chapter 11 cases or the relief granted herein may refer to <http://www.kccllc.net/rescap> for additional information.

accordance with the MLPISA and this Order (the “Sale”), of all of the Debtors’ right, title, and interest in, to and under the FHA Loans to the Purchaser free and clear of all claims, liens, encumbrances, or other interests (including, any and all “claims” as defined in section 101(5) of the Bankruptcy Code and any rights or claims based on any successor or transferee liability). other than Permitted Liens (as defined in the MLPISA); and (ii) authorizing and approving the Sale Procedures, notice of the Sale and the hearing to consider approval of the Sale (the “Sale Hearing”)³; and Bid Packages having been evaluated in accordance with the Sale Procedures Order; and at the conclusion of the evaluation, [] was chosen as the Successful Bidder (as defined in the Sale Procedures) in accordance with the Sales Procedures Order; and the Sale Hearing having been held on [March 26], 2013 to consider the relief requested in the Motion; and upon the record of the Sale Hearing, and all of the proceedings before the Court; and the Court having reviewed the Motion [and any objections thereto (the “Objections”)]; and all parties in interest having been afforded an opportunity to be heard with respect to the Motion and all of the relief related thereto; and it appearing that the relief requested by the Motion with respect to the Sale as provided in this Order is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefore, it is

³ For the purposes of this Order, the term “Sale Hearing” shall be any hearing at which the approval of the Sale is considered.

FOUND AND DETERMINED THAT:⁴

A. Jurisdiction and Venue. This Court has jurisdiction over the Motion and the Sale pursuant to 28 U. S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U. S.C. § 157(b)(2)(A) and (N). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory predicates for the relief sought in the Motion are sections 105(a) and 363 of the Bankruptcy Code, as supplemented by Bankruptcy Rules 2002, 6004, and 9007. The consummation of the Sale contemplated by the MLPISA and this Order is legal, valid, and properly authorized under all such provisions of the Bankruptcy Code and Bankruptcy Rules, and all of the applicable requirements of such sections and rules have been complied with in respect of the Sale.

C. Notice. As evidenced by the affidavits and certificates of service and Sale Notice previously filed with the Court and based on the representations of counsel at the Sale Procedures Hearing and the Sale Hearing, proper, timely, adequate, and sufficient notice of the Motion, the Sale Procedures, the Sale, and the Sale Hearing have been provided in accordance with sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002(a), 6004(a) and 9007, and in compliance with the Sale Procedures Order to all interested persons and entities, including: (i) the Office of the United States Trustee for the Southern District of New York, (ii) the attorneys for the U.S. Treasury, (iii) the attorneys for the Debtors' prepetition secured credit facilities, (iv) the attorneys for the agent under the Debtors' prepetition amended and restated secured revolving credit agreement, (v) the attorneys for the Committee, (vi) the attorneys for the JSBs, (vii) [UMB Bank, N.A., as Successor Indenture Trustee to the Debtors'](#)

⁴ The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

prepetition junior secured notes (viii) the attorneys for AFI, (~~viii~~ix) the attorneys for the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, (~~ix~~x) any party who, in the past year, expressed in writing to the Debtors an interest in the FHA Loans and who the Debtors and their representatives reasonably and in good faith determine potentially have the financial wherewithal to effectuate the transaction contemplated by the proposed sale, (~~x~~xi) all parties who are known to have asserted or believed by Debtors to hold any lien, claim, encumbrance, or interest in or on the FHA Loans, (~~xi~~xii) the Securities and Exchange Commission, (~~xii~~xiii) the Internal Revenue Service, (~~xiii~~xiv) all applicable state attorneys' general, and local authorities, (~~xiv~~xv) all applicable state and local taxing authorities, (~~xv~~xvi) the Federal Trade Commission, (~~xvi~~xvii) the United States Department of Justice, (~~xvii~~xviii) the United States Attorney's Office, (~~xviii~~xix) the office of the New York Attorney General; and (~~xix~~xx) all entities that requested notice in these chapter 11 cases under Bankruptcy Rule 2002 (collectively, the "Notice Parties"). The notice described in this Paragraph C is good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Sale Procedures, the Sale Hearing, the MLPISA, the Sale, and this Order is or shall be required. With respect to parties who may have claims against the Debtors, but whose identities are not reasonably ascertainable by the Debtors, the Sale Notice described above was sufficient and reasonably calculated under the circumstances to reach such parties.

D. Extensive Efforts by Debtors. The Sale is the result of the Debtors' extensive efforts in seeking to maximize recoveries to the Debtors' estates for the benefit of creditors.

E. Business Justification. For the reasons set forth in the Motion and the Puntus Declaration, the Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the sale of the FHA Loans.

F. Sale Procedures Order. On January [], 2013, this Court entered the Sale Procedures Order approving Sale Procedures for the FHA Loans. The Sale Procedures provided a full, fair, and reasonable opportunity for an entity to make an offer to purchase the FHA Loans.

G. Adequate Marketing; Highest or Best Offer. The Debtors have adequately marketed the FHA Loans and conducted the sale process in compliance with the Sale Procedures Order; (b) a reasonable opportunity has been given to any interested party to make an offer for the FHA Loans; (c) the consideration provided for in the MLPISA constitutes the highest or otherwise best offer for the FHA Loans; (d) the consideration provides fair and reasonable consideration for the FHA Loans and constitutes reasonably equivalent value under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia; (e) taking into consideration all relevant factors and circumstances, no other entity has offered to purchase the FHA Loans for greater economic value to the Debtors or their estates; and (f) the Debtors' determination that the MLPISA constitutes the highest and best offer for the FHA Loans constitutes a valid and sound exercise of the Debtors' business judgment.

H. Opportunity to Object. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons, including the Notice Parties.

I. Sale in Best Interests. The actions represented to be taken by the Seller and the Purchaser are appropriate under the circumstances of these chapter 11 cases and are in the best interests of the Debtors, their estates and creditors, and other parties in interest. Approval of the MLPISA and circumstances of the Sale at this time is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest.

J. Arm's-Length Sale. The MLPISA was negotiated, proposed, and entered into by the Seller and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Seller nor the Purchaser, nor any of their respective insiders and affiliates, have engaged in any conduct that would cause or permit the MLPISA or any part of the Sale to be avoided under section 363(n) of the Bankruptcy Code.

L. Good Faith Purchaser. The Purchaser is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby.

M. Corporate Authority. Each Debtor (i) has full corporate power and authority to execute the MLPISA and all other documents contemplated thereby, and the sale of the FHA Loans has been duly and validly authorized by all necessary corporate action of each of the Debtors, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the MLPISA, (iii) has taken all corporate action necessary to authorize and approve the MLPISA and the consummation by the Debtors of the transactions contemplated thereby, and (iv) needs no consents or approvals, other than those expressly provided for in the MLPISA, which may be waived by the Purchaser, to consummate such transactions.

N. Binding and Valid Transfer. The transfer of the FHA Loans to the Purchaser will be a legal, valid, and effective transfer of the FHA Loans and will vest the Purchaser with

all right, title, and interest of the Seller to the FHA Loans free and clear of all interests, including (i) rights or claims based on any successor or transferee liability, (ii) those that purport to give to any party a right or option to effect any setoff, forfeiture, modification, right of first refusal, or termination of the Seller's or the Purchaser's interest in the FHA Loans, or any similar rights, (iii) those relating to taxes arising under or out of, in connection with, or in any way relating to the operation of the FHA Loans prior to the closing, and (iv) (a) those arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal, or charges of any kind or nature, if any, including, any restriction on the use, voting, transfer, receipt of income, or other exercise of any attributes of ownership and (b) all debts arising in any way in connection with any agreements, acts, or failures to act, of any of the Seller or any of the Seller's predecessors or affiliates, claims (as that term is defined in the Bankruptcy Code), obligations, liabilities, demands, guaranties, options, rights, contractual or other commitments, restrictions, interests and matters of any kind and nature, whether known or unknown, contingent or otherwise, whether arising prior to or subsequent to the commencement of these chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including, but not limited to, claims otherwise arising under doctrines of successor or transferee liability. The MLPISA and the related documents and agreements contemplated thereby, and the consummation of the transactions contained therein shall not be subject to avoidance by the Debtors, any affiliate of the Debtors, any of their respective successor trustees appointed with respect thereto, or any other person or entity, including, without limitation, any claims with respect to any transfers made in accordance with the MLPISA.

O. Satisfaction of 363(f) Standards. The Seller may sell, and, upon closing of the Sale, shall be deemed to have sold the FHA Loans free and clear of all interests of any kind or nature whatsoever, including all rights or claims based upon any successor or transferee liability, because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of interests, including all rights or claims based on any successor or transferee liability are (a) deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code and (b) adequately protected by having their interests, if any, including all rights or claims based on any successor or transferee liability, attach to the cash proceeds of the Sale ultimately attributable to the property against or in which they claim an interest, including all rights or claims based on any successor or transferee liability. In all cases, each such person with interests in the FHA Loans are enjoined from taking any action against the Purchaser, the Purchaser's affiliates or any agent of the foregoing to recover any such interest.

P. Necessity of Order. The Purchaser would not have entered into the MLPISA and would not have consummated the Sale without the relief provided for in this Order (including that the transfer of the FHA Loans to Purchaser be free and clear of all interests and including rights or claims based upon successor or transferee liability).

Q. Personally Identifiable Information. The Debtors have provided certain privacy policies to consumers that govern the disclosure of "personally identifiable information" (as defined in Bankruptcy Code section 101(41A)) to unaffiliated third parties. The Debtors have proposed to sell certain assets, which may require the disclosure of personally identifiable information to third parties. The Debtors' disclosure of personally identifiable information pursuant to the Sale is in compliance with the Gramm-Leach-Bliley Act and is consistent with the privacy notices

delivered by the Debtors to mortgage borrowers. For these reasons, no consumer privacy ombudsman has been appointed under section 363(b)(1) of the Bankruptcy Code.

R. Final Order. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rule 6004(h), the Court expressly finds that there is no just reason for delay in the implementation of this Order and expressly directs entry of judgment as set forth herein.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. **Motion is Granted.** The Motion is granted and the relief requested therein with respect to the Sale of the FHA Loans to the Purchaser pursuant to the MLPISA is granted and approved, as further described below.

2. **[Objections Overruled.** Any objections to the entry of this Order or the relief granted herein and requested in the Motion that have not been withdrawn, waived, or settled, or not otherwise resolved pursuant to the terms hereof, if any, hereby are denied and overruled on the merits with prejudice.]

3. **Approval.** The MLPISA, and all the terms and conditions thereof, is approved. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors are authorized and directed to perform their obligations under, and comply with the terms of, the MLPISA and consummate the Sale pursuant to, and in accordance with, the terms and conditions of the MLPISA and this Order. The Debtors are authorized and directed to execute and deliver, and empowered to perform under, consummate, and implement, the MLPISA, together with all additional instruments and documents that the Seller or the Purchaser deem necessary or appropriate to implement the MLPISA and effectuate the Sale, and to take all further actions as may reasonably be required by the Purchaser for the purpose of assigning, transferring, granting,

conveying, and conferring to the Purchaser or reducing to Purchaser's possession the FHA Loans or as may be necessary or appropriate to the performance of the obligations as contemplated by the MLPISA.

4. **Binding Effect of Order.** This Order and the MLPISA shall be binding in all respects upon all known and unknown creditors of, and equity security interests in, any Debtor, including any holders of interests (including holders of rights or claims based on any successor or transferee liability), all successors and assigns of the Purchaser, each Seller and their affiliates and subsidiaries, the FHA Loans, and any trustees appointed in the Debtors' chapter 11 cases or upon a conversion to cases under chapter 7 of the Bankruptcy Code, and this Order shall not be subject to amendment or modification and the MLPISA shall not be subject to rejection. The terms of this Order shall apply in any sale pursuant to a chapter 11 plan and may be incorporated into any confirmation order. Nothing contained in any chapter 11 plan confirmed in the Debtors' chapter 11 cases or the order confirming any such chapter 11 plan shall conflict with or derogate from the provisions of the MLPISA or this Order.

5. **Injunction.** All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the FHA Loans to the Purchaser in accordance with the MLPISA and this Order. Following the Closing Date, except for Persons entitled to enforce Permitted Liens, all persons or entities (including, but not limited to, the Debtors and/or their respective successors (including any trustee), creditors, investors, certificate holders, securitization trustees, borrowers, current and former employees and shareholders, administrative agencies, governmental units, secretaries of state, federal, state, and local officials, including those maintaining any authority relating to any environmental, health and safety laws, and the successors and assigns of each of the foregoing) holding interests

in the FHA Loans or against the Debtors in respect of the FHA Loans of any kind or nature whatsoever shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing any interests of any kind or nature whatsoever against the Purchaser or any affiliate of the Purchaser or any of their respective property, successors, and assigns, or the FHA Loans, as an alleged successor or on any other grounds, it being understood that nothing herein shall affect assets of the Debtors that are not FHA Loans.

6. No person or entity shall assert, and the Purchaser and the FHA Loans shall not be subject to, any defaults, breaches, counterclaims, offsets, defenses (whether contractual or otherwise, including any right of recoupment), liabilities, claims and interests, or basis of any kind or nature whatsoever to delay, defer, or impair any right of the Purchaser or the Debtors.

7. **General Assignment.** Upon the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Seller's interests in the FHA Loans and a bill of sale transferring good and marketable title in the FHA Loans to the Purchaser. Each and every federal, state, and local governmental agency, quasi-agency, or department is hereby directed to accept this Order, or any and all other documents and instruments necessary and appropriate to consummate the Sale.

9. **Transfer Free and Clear.** Except as otherwise provided by section 363(o) of the Bankruptcy Code, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the FHA Loans shall be transferred to the Purchaser as required under the MLPISA, and such transfer shall be free and clear of all interests of any person, other than Permitted Liens, and any and all rights and claims under any bulk transfer statutes and similar laws, whether arising by agreement, by statute or otherwise and whether occurring or arising before, on or after the date on which these chapter 11 cases were commenced, whether known or unknown, occurring or

arising prior to such transfer, with all such interests to attach to the proceeds of the Sale ultimately attributable to the property against or in which the holder of a claim or interest claims or may claim a claim or interest, in the order of their priority, with the same validity, force, and effect which they now have, subject to any claims and defenses the Seller may possess with respect thereto.

10. **Valid Transfer.** The transfer of the FHA Loans to the Purchaser pursuant to the MLPISA constitutes a legal, valid, and effective transfer of the FHA Loans and shall vest the Purchaser with all right, title, and interest of the Seller in and to the FHA Loans free and clear of all interests of any kind or nature whatsoever, including all rights or claims based on any successor or transferee liability. The transfers of FHA Loans shall not be subject to avoidance for any reason by the Debtors, any affiliate of the Debtors, their respective successors, or any creditor thereof including, without limitation, with respect to any transfers pursuant to the MLPISA.

11. **Direction to Release Interests.** Upon the Closing Date, each of the Seller's creditors and any other holder of an interest, including rights or claims based on any successor or transferee liability, is authorized and directed to execute such documents and take all other actions as may be necessary to release its interest in the FHA Loans, if any, as such interest may have been recorded or may otherwise exist. If any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing an interest in the Seller or the FHA Loans shall not have delivered to the Seller prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all interests, which the person or entity has with respect to the Seller or the FHA Loans or otherwise, then (i) the Seller is authorized and

directed to execute and file such statements, instruments, releases, and other documents on behalf of the person or entity with respect to the Seller or the FHA Loans, and (ii) the Purchaser is authorized to file, register, or otherwise record a certified copy of this Order, which shall constitute conclusive evidence of the release of all liens, claims, encumbrances, and other interests, other than Permitted Liens, of any kind or nature whatsoever in the Seller or the FHA Loans. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the MLPISA, including, without limitation, recordation of this Order. This Order shall be binding upon and shall govern the acts of all persons or entities including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of such assets or other property interests.

11. **No Interference.** Following the Closing Date of the Sale, no holder of any interest shall interfere with the Purchaser's title to, or use and enjoyment of, the FHA Loans based on, or related to, any such interest, or based on any actions the Debtors may take in their chapter 11 cases.

13. **No Discriminatory Treatment.** To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may deny, revoke, suspend, or refuse to renew any permit, license, or similar grant relating to the operation of the FHA Loans sold, transferred, or

conveyed to the Purchaser on account of the filing or pendency of these chapter 11 cases or the consummation of the Sale contemplated by the MLPISA.

14. **No Successor Liability.** Neither the Purchaser, nor any of its successors or assigns, or any of their respective affiliates shall have any liability for any interest that arose prior to the Closing Date, or otherwise is assertable against the Debtors or is related to the FHA Loans prior to the Closing Date. The Purchaser shall not be deemed, as a result of any action taken in connection with the MLPISA or any of the transactions or documents ancillary thereto or contemplated thereby or in connection with the acquisition of the FHA Loans, to: (i) be legal successors, or otherwise be deemed successors to the Debtors; (ii) have, de facto or otherwise, merged with or into the Debtors; or (iii) be a mere continuation or substantial continuation of the Debtors or the enterprise of the Debtors. Without limiting the foregoing, the Purchaser shall not have any successor, transferee, derivative, or vicarious liabilities of any kind or character for any interests, including under any theory of successor or transferee liability, de facto merger or continuity, environmental, labor and employment, and products or antitrust liability, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, asserted or unasserted, liquidated or unliquidated.

15. **Fair Consideration.** The consideration provided by the Purchaser for the FHA Loans under the MLPISA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia. The Sales may not be avoided under section 363(n) of the Bankruptcy Code. The Purchaser was not party to any agreements to control the sale price, and is not subject to any claims for damages under section 363(n) of the Bankruptcy Code.

16. **Retention of Jurisdiction.** This Court retains jurisdiction, pursuant to its statutory powers under 28 U.S.C. § 157(b)(2), to, among other things, interpret, implement, and enforce the terms and provisions of this Order, all amendments thereto, and any waivers and consents thereunder, including, but not limited to, retaining jurisdiction to (i) compel delivery of the FHA Loans to the Purchaser; (ii) interpret, implement, and enforce the provisions of this Order; (iii) protect the Purchaser against any interests, claims or liabilities against or related to the Seller or the FHA Loans of any kind or nature whatsoever, and (iv) enter any order under section 363 of the Bankruptcy Code.

17. **Good Faith.** The transactions contemplated by the MLPISA are undertaken by the Purchaser without collusion and in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of the authorization provided in this Order to consummate the Sale shall not affect the validity of the Sale, unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the FHA Loans and is entitled to all the protections afforded by section 363(m) of the Bankruptcy Code. There has been no collusion by the Purchaser.

18. **No Bulk Law Application.** No law of any state or other jurisdiction, including any bulk sales law or similar law, shall apply in any way to the transactions contemplated by the Sale, the MLPISA, the Motion, and this Order.

19. **Subsequent Plan Provisions.** Nothing contained in any chapter 11 plan confirmed in any Debtor's bankruptcy case or any order confirming any such plan or in any other order in these chapter 11 cases shall alter, conflict with, or derogate from, the provisions of the MLPISA or this Order.

20. **Failure to Specify Provisions.** The failure to specifically include any particular provisions of the MLPISA in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the MLPISA be authorized and approved in its entirety.

21. **Non-Material Modifications.** The MLPISA and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment, or supplement does not have any material adverse effect on the Debtors' estates.

22. **Appointment of Trustee.** The provisions of the MLPISA and this Order may be specifically enforced in accordance with the MLPISA notwithstanding the appointment of any chapter 7 or chapter 11 trustee after the Closing Date.

23. **Amounts Payable By Seller Is Administrative Expenses.** Any amounts due to Purchaser from the Seller under the MLPISA shall constitute allowed administrative expenses and shall be paid without the need for further application or motion by Purchaser.

24. **Segregation of Cash.** The Debtors will segregate cash generated from the Sale in accordance with the *Final 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 and Use of Certain Bank Accounts Established in Connection with Use of Pre-And Post-Petition Lenders Financing Facilities and Cash Collateral, (IV) Waiver of the Investment and Deposit Requirements of Bankruptcy Code Section 345, (V) Debtors to Honor Specified Outstanding*

Prepetition Payment Obligations, and (VI) Continuation of Intercompany Transactions and Granting Administrative Expense Status to Intercompany Claims [Docket No. 393], including segregating cash generated from the Sale of collateral securing any of the Debtors' financing facilities into the specific bank accounts established for the benefit of the lenders under such financing facilities.

25. Notwithstanding anything to the contrary in this Order, any action to be taken pursuant to the relief authorized in this Order is subject to the terms of any cash collateral order and debtor in possession financing order entered in these chapter 11 cases. To the extent there is any inconsistency between the terms of this Order and the terms of any order relating to postpetition financing, cash collateral, or cash management, the terms of the orders relating to postpetition financing, cash collateral, or cash management shall govern.

26. ~~25. Subject to paragraph 24, absent further order of the Court, the proceeds of the Sale shall be used only for the payment of operating expenses in the ordinary course of business that are (i) afforded administrative expense status, or (ii) otherwise authorized by the Court; provided, however, that for~~ For the avoidance of doubt, absent further order of the Court, no proceeds of the Sale shall be used to pay down any of the Debtors' prepetition credit facilities.

13. Notwithstanding anything herein to the contrary, including, without limitation, any findings and any assertion, agreement, pleading, or other document made or filed in connection with the Sale, the Sale Motion, the Sale Procedures Order, the Sale Hearing, or this Sale Order, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the

consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012; and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

14. **Document Preservation.** The Debtors shall take all appropriate steps to preserve, protect, maintain, and ensure the availability of all of the Debtors' books, records, documents and electronically stored information, in whatever format, including native format that are potentially relevant to the claims asserted by the Plaintiffs (collectively the "Relevant Books and Records") in the following actions (the "Actions"):

- *New Jersey Carpenters Health Fund, et als., on Behalf of Themselves and All Others Similarly Situated v. Residential Capital, LLC, et als.*, No. 08-CV-8781 (HB) (S.D.N.Y. 2008)
- *Union Cent. Life Ins. Co. et al. v. Credit Suisse First Boston Mortg. Sec. Corp. et al.*, No. 11-CV-2890 (GBD) (S.D.N.Y. 2011)
- *Donna Moore, Frenchola Holden and Keith McMillon, individually and on behalf of all others similarly situated v. GMAC Mortgage, LLC, GMAC Bank and CapRe of Vermont, Inc.*, No. 07-CV-04296-PD (E.D. Pa. 2007)
- *Cambridge Place Inv. Mgmt. Inc. v. Morgan Stanley & Co., Inc., et al.*, Nos. 10-2741-BLS1, 11-0555-BLS1 (Mass. Sup. Ct. 2010, 2011).

15. The Debtors (i) shall retain the originals or true copies of the Relevant Books and Records included in the Sale (the "Retained Relevant Books and Records") and, as to any of the Actions that have not been fully and finally resolved by a final, non-appealable judgment (ii) shall provide at least thirty (30) days' written notice to lead and bankruptcy counsel for the Plaintiffs in each of the Actions with an opportunity to be heard of any abandonment, destruction, or transfer of the Retained Relevant Books and Records that may render the Relevant Books and Records unavailable to the Plaintiffs. In the event Plaintiffs file an objection to the

abandonment, destruction, or transfer described above within such thirty (30) day period after receiving written notice, the Debtors shall not abandon, destroy, or transfer the Retained Relevant Books and Records absent a final and non-appealable order of this Court or any court of competent jurisdiction if the Debtors' bankruptcy cases are closed. Purchaser shall not have any obligation to preserve, protect, maintain, or ensure the availability of any Relevant Books and Records.

16. **No Stay or Order.** Notwithstanding the provisions of Bankruptcy Rules 6004(h), this Order shall not be stayed for fourteen (14) days after its entry and shall be effective immediately upon entry, and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Order. Time is of the essence in closing the transactions referenced herein, and the Debtors and the Purchaser intend to close the Sale as soon as practicable. Any party objecting to this Order must exercise due diligence in filing an appeal and pursuing a stay, or risk its appeal being foreclosed as moot.

17. The Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: [], 2012
New York, York

THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

MLPISA

Document comparison by Workshare Professional on Tuesday, January 15,
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Input:	
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Rendering set	standard

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