

SUPERIOR COURT OF N.J.
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January 5, 2011

VIA HAND DELIVERY

Honorable Mary C. Jacobson, P.J. Ch.
Superior Court of New Jersey
Mercer County Court House
General Equity Division
210 South Broad Street, Fifth Floor
Trenton, New Jersey 08650

**Re: *In The Matter Of Residential Mortgage Foreclosure
Pleading and Document Irregularities***
Docket No. F-059553-10

Dear Judge Jacobson:

We are the attorneys in this matter for GMAC Mortgage, LLC¹, on whose behalf we respectfully enclose an original and two copies of the Response of GMAC Mortgage, LLC to December 20, 2010 Show Cause Order, together with its appended Exhibits A through E, which include the Affidavit of David Cunningham and the Affidavit of Dana Dillard.

We would appreciate if a member of the Court's staff would file the original and an extra copy stamped "filed", in the enclosed return envelope.

Please charge any filing fee to our Superior Court Account No. 141185. Your cooperation and courtesies are, as always, greatly appreciated.

Respectfully submitted,



IAN S. MARX

ISM/bap
Enclosures

¹ The Order names GMAC Mortgage, LLC as "Ally Financial (f/k/a GMAC Mortgage LLC)." However, Ally Financial is actually a parent company to GMAC Mortgage LLC. GMAC Mortgage LLC is part of the Residential Capital (ResCap) mortgage arm of Ally Financial. Accordingly, GMAC Mortgage, LLC hereby offers its response to the Court's Order.

- ALBANY
- AMSTERDAM
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- NEW YORK
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- ORLANDO
- PALM BEACH COUNTY
- PHILADELPHIA
- PHOENIX
- ROME*
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- SHANGHAI
- SILICON VALLEY
- TALLAHASSEE
- TAMPA
- TOKYO
- TYSONS CORNER
- WASHINGTON DC
- WHITE PLAINS
- ZURICH

*STRATEGIC ALLIANCE

Mercer County Courthouse

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cc: Office of Foreclosure (by Hand Delivery) (w/Encl.)
Hon. Walter Barisonek (by Hand Delivery) (w/Encl.)
Edward Dauber, Esq. (by Hand Delivery) (w/Encl.)

**IN THE SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION-GENERAL EQUITY PART
MERCER COUNTY**

**IN THE MATTER OF RESIDENTIAL)
MORTGAGE FORECLOSURE)
PLEADING AND DOCUMENT) DOCKET NO. F-059553-10
IRREGULARITIES)**

**RESPONSE OF GMAC MORTGAGE, LLC TO
THE DECEMBER 20, 2010 SHOW CAUSE ORDER**

GMAC Mortgage, LLC¹ (“GMACM”) respectfully submits the following response to the Court’s *sua sponte* Order of December 20, 2010, directing GMACM and certain other named foreclosure plaintiffs “to show cause why the Court should not suspend the ministerial duties of the Office of Foreclosure and the Superior Court Clerk’s Office regarding the processing of certain uncontested residential mortgage foreclosure actions, stay sheriffs’ sales in those foreclosure actions, appoint a special master pursuant to Rule 4:41-1 to investigate questionable foreclosure practices, and appointing an attorney to appear in support of the proposed relief.”

As stated in its Order, the focus of this Court’s concern is to ensure that foreclosure proceedings in New Jersey are initiated and properly completed with the support of reliable evidence. Of course, this is a concern GMACM shares. Indeed, upon discovering potential irregularities with the review and execution of certain affidavits, GMACM developed a comprehensive strategy of remedial action beginning in July 2010 to effectively address the issues giving rise to these concerns and to restore the confidence of the courts and the public in GMACM’s foreclosure process. GMACM’s new policies and procedures, coupled with its

¹ The Order names GMAC Mortgage, LLC as “Ally Financial (f/k/a GMAC Mortgage LLC).” However, Ally Financial is actually a parent company to GMAC Mortgage LLC. GMAC Mortgage LLC is part of the Residential Capital (ResCap) mortgage arm of Ally Financial. Accordingly, GMAC Mortgage, LLC hereby offers its response to the Court’s Order.

existing plans for remediation of pending matters before the courts in New Jersey, are created to ensure the integrity of the foreclosure process while allowing the system to continue to move forward in the interest of both GMACM and the public.² In light of these substantial remedial efforts, and with new procedures mandated by the New Jersey Acting Administrative Director of the Courts applicable to all foreclosure actions, GMACM respectfully contends this Court should forego taking the extraordinary and unprecedented steps suggested in its December 20, 2010 Order and permit GMACM to proceed with remediation of its pending foreclosure matters as well as permit GMACM to initiate new foreclosure matters pursuant to its expanded policies and procedures and under the recently implemented Rules of Court.

I. GMAC Is Committed To Assisting Distressed Borrowers In New Jersey.

Although not expressly requested in the Court's Order, GMACM believes that no examination of foreclosure processes can be performed without also reviewing loss mitigation. Loss mitigation takes place immediately upon the delinquency of the borrower and many months before the initiation of the foreclosure process. If the initial stage of loss mitigation is unsuccessful in resolving the borrower's delinquency loss mitigation does not end, but continues throughout the foreclosure process. Accordingly, loss mitigation and foreclosure are intertwined and a thorough review of the foreclosure process cannot be done without understanding its direct relationship with loss mitigation.

GMACM does not undertake foreclosures lightly and is a leader in the industry in loss mitigation. As Ally Financial's chief executive officer of mortgage operations, Thomas Marano, explained in his written Congressional testimony, "In foreclosures, everybody loses – the

² Wholesale suspension of foreclosures in New Jersey would drastically strain the judicial system due to the resultant back-log of such cases, and would foster the further deterioration of (often abandoned) properties and the surrounding neighborhoods. Suspension of pending or future actions is not in the interest of the courts or the public.

homeowner, the servicer, the investor, and the community. We therefore do everything that we can to avoid foreclosures.”³ Preserving home ownership is in the best interest of all parties.⁴ When a homeowner faces financial challenges, GMACM strives to find a solution that is affordable and sustainable for the homeowner, while balancing the contractual rights of the investor on whose behalf GMACM services the loan.

Indeed, it has always been GMACM’s first option to resolve delinquency through loss mitigation avenues such as loan modifications, forbearance, and repayment plans.⁵ (See generally Dillard Aff., Ex. A). These loss mitigation tools, in one way or another, make the loan a performing loan, which is the goal for both the borrower and GMACM. Since 2008, GMACM has achieved approximately 596,000 workout solutions for its customers nationwide. GMACM’s commitment to resolution first, and foreclosure last, is further evidenced by its rate of conversion from HAMP⁶-trial to HAMP-permanent loan modifications, which is 72%, well above industry standards. Moreover, for the last ten months, 83% of GMACM customers in permanent HAMP loan modifications nationwide remain current on their accounts six months after receiving the permanent modification. Therefore, GMACM’s results clearly indicate that it is a mortgage servicer that is committed to home preservation rather than to foreclosure.

³ The official transcript of the November 18, 2010, hearing is not yet available. However, Mr. Marano’s prepared statement and the webcast of the hearing are available on the House Financial Services Committee’s website at <http://financialservices.house.gov/Media/file/hearings/111/Marano111810.pdf> (prepared statement), and <http://financialservices.house.gov/Hearings/hearingDetails.aspx?NewsID=1376> (webcast).

⁴In contrast, a judicial foreclosure is the last option that is pursued because foreclosure is time-consuming, generally results in a sizable loss, and in many instances the servicer on behalf of the investor is required to purchase the property at the foreclosure sale, which results in additional carrying costs such as taxes, insurance, property preservation, marketing, and real estate fees.

⁵ In each of the last two years, GMACM has resolved delinquencies through loss mitigation strategies more than through foreclosure sales. Statistics for this year are current as of November 30, 2010. Moreover, GMACM also resolves delinquencies with borrowers through deeds-in-lieu of foreclosure and short sales.

⁶ Home Affordable Modification Program.

Focusing specifically on New Jersey, GMACM serviced 81,145 loans as of November 30, 2010. Of these, 4,354 were in foreclosure, which is only 5% of the total New Jersey portfolio.⁷ As detailed in Exhibit A-1, a GMAC borrower in New Jersey is, on average, 118 days delinquent before the matter is referred to foreclosure. By the time a foreclosure sale is completed, a New Jersey borrower is, on average, 737 days delinquent, as opposed to the national average of 350 days delinquent. Accordingly, foreclosure in New Jersey does not begin swiftly or end swiftly and the borrower has nearly two years from their last payment to resolve the default.

As detailed on page 7 of Exhibit A-1, loss mitigation efforts in New Jersey begin early in a loan's delinquency and steadily continue through foreclosure. GMACM's commitment to finding workable solutions for its distressed borrowers is evidenced by the fact that it has executed over 16,000 workout solutions for its New Jersey customers since 2008. In 2010 alone, over 6,800 workout resolutions were offered to customers, more than the total number of properties in foreclosure by 2,500.⁸ Of the 6,800 workout solutions offered, 973 were HAMP modifications, 1,867 were non-HAMP modifications, 3,503 were repayment plans, and 461 were other foreclosure alternatives such as deeds-in-lieu of foreclosure and short sale acceptances. These statistics clearly illustrate that GMACM is dedicated to going beyond what is required by HAMP, having entered into more than double the number of non-HAMP modifications and almost triple the number of repayment plans.

⁷ Additionally, 2,834 loans were 30+ days delinquent and 2,269 loans were 60+ days delinquent.

⁸ These figures are good through November 30, 2010.

Since the inception of HAMP, GMACM has mailed out 16,392 financial packages to its New Jersey customers.⁹ Of those, 60% were completed and returned by the customers—with 44% of those customers receiving an approved trial or permanent modification. GMACM has also achieved very low re-default rates for its HAMP customers in the state. For the last nine months, an average of 81.73% of GMACM’s HAMP customers in New Jersey succeeded in staying current on their loan six months after modification and only 18.27% failed to stay current in the same time period.

Furthermore, the GMAC HOPE (Home Ownership Preservation Enterprise) has been in place since 2003 as an outward facing team focused on the local support of our non-profit partners in and meeting with our customers face to face in their communities. The HOPE team has representatives assigned to 17 cities across the country with our chief focus on being a liaison to third party housing counseling organizations and to represent GMAC at customer facing events where we look for sustainable payment solutions for our struggling homeowners. In 2009 and 2010, the HOPE team has attended 353 face to face events with over 12,000 customers receiving face to face assistance regarding their mortgage payment. On April 3, 2009, and again on May 21, 2010, GMACM attended face-to-face foreclosure events where it invited 514 GMAC New Jersey families and 136 families actually attended.¹⁰

GMACM asks the Court to review these figures and Exhibit B and to recognize that GMACM’s primary goal is to sustain home ownership whenever possible. GMACM will continue to focus on its loss mitigation efforts in 2011 and beyond, no matter the outcome of this

⁹ According to the November 2010 Treasury Report, New Jersey borrowers had 4,948 active trial HAMP modifications in place for all lenders. (Treasury Report, Ex. B). It could also boast 16,253 permanent modifications for all lenders. Collectively, New Jersey had 3.2% of all HAMP modifications in the country in 2010. (*Id.*).

¹⁰ The April 2009 “HOPENOW” event was in Newark, New Jersey, and the May 2010 “Save the Dream” NACA event was in Atlantic City, New Jersey.

Court's inquiry. But it is important to recognize that foreclosure is the last and final option and that GMACM is committed to working with its borrowers in any number of ways to help facilitate a mutual and agreeable resolution to default.

II. GMAC Has Already Recognized the Concerns Addressed in the Court's Show Cause Order, and Has Already Instituted Successful Remedial Actions Ensuring Accuracy and Propriety In Foreclosure Proceedings.

As indicated by the Court's own language in its Order, the *sua sponte* institution of this action and the actions being considered through it are extraordinary. As referenced above, GMACM fully recognizes the Court's concerns "about the accuracy and reliability of documents submitted to the Office of Foreclosure" as evidenced by its own remedial actions instituted to date. (Order at 2). Indeed, if GMACM were ignoring those concerns in a specific foreclosure matter, rather than addressing these issues head-on, some of the actions being considered by this Court might be warranted and justifiable in such individual case under Rule 1:1-2. However, this case is not a specific foreclosure matter and, more importantly at least with respect to GMACM, the Court's concerns have been and are currently being addressed in an exhaustive and comprehensive fashion as shown herein. Accordingly, GMACM submits that the extraordinary actions being considered by the Court are not needed as GMACM has already taken affirmative remedial action.

A. A summary of GMACM's successful remedial actions, which began in July 2010.

GMACM acknowledged months ago that certain errors may have occurred in some of its foreclosure matters which required it to take both prospective and retrospective remedial action. Specifically, certain foreclosure-related affidavits may have been signed outside the immediate physical presence of a notary and by individuals without direct personal knowledge of the information contained in the affidavit. GMACM discovered these potential errors itself in July

2010, and has been working diligently ever since to remedy the potential errors and restore integrity to its foreclosure processes. Indeed, since July 2010, GMACM has voluntarily implemented sweeping, comprehensive remedial efforts to ensure that its foreclosure actions are pursued based upon the submission of proper evidence in every case. (*See generally* Cunningham Aff., Ex. C). These efforts include:

- ***Reformation of internal documentation procedures.*** Beginning in early July 2010, GMACM began reviewing and subsequently revised its policies and procedures surrounding affidavits and notarization of documents. It has strengthened its internal affidavit signing policies by revising its affidavit review and execution procedures and implemented new training of its employees who are responsible for reviewing and signing foreclosure documents. Additionally, GMACM has substantially increased the number of employees handling foreclosure documentation to ensure adequate staffing for this important function. At this same time, GMACM developed a remediation process designed to address possibly defective affidavits that may have been filed in active foreclosure actions. GMACM's specific actions include:
 - GMACM hired several new employees and trained dozens of existing employees to review and execute affidavits and other similar documents in furtherance of foreclosure actions. Through this increased staffing, GMACM can ensure that a full review of affidavits and accompanying business records occurs as part of its foreclosure process in every instance.
 - GMACM has also launched an extensive training program for its employees charged with reviewing affidavits as part of their employment. This program includes specific training for each employee as to how to access GMACM business records and individual borrower account documents. In addition, GMACM employees are trained to compare affidavits submitted to them by counsel against GMACM's records and loan documents to ensure the accuracy of the facts and data contained in the proposed document, as well as all exhibits attached to the affidavit. Finally, the affiants are trained to execute verified affidavits in the presence of a notary and in compliance with applicable law.
 - In addition to the training above, GMACM has expressly advised its employees to identify any issues they may discover in reviewing a given affidavit with their supervisors or in-house counsel as well as with GMACM's outside foreclosure counsel to ensure the accuracy of the affidavits. Indeed, GMACM's affiants are trained to look for potential problem areas and to enter into communications with GMACM's foreclosure counsel to foster communications related to its pending foreclosure matters.

- Additionally, GMACM and its counsel have worked extensively to review and analyze the affidavits to be executed and submitted to the courts to ensure that all information contained in such documents can be accurately confirmed by a review of GMACM's records and is not subject to confusion or likely error.
 - Finally, GMACM has directed its employees to focus their efforts on a review of affidavits submitted to courts in pending matters or matters that have not yet gone to sale. Outside counsel has been present to review execution of corrective affidavits since the remediation process was implemented so that GMACM can ensure its employees' review of affidavits and related records is both thorough and appropriate as part of its remediation process.
 - By instituting these express remedial measures earlier last year, GMACM believes it has led the industry in terms of its review and remediation process. Indeed, GMACM's robust quality control procedures and specially trained affidavit teams located in GMACM's main servicing offices in Fort Washington, Pennsylvania and Dallas, Texas have created a trustworthy review process for both new and remedial affidavits going forward. Those efforts should ensure accuracy and integrity of documents submitted to the Court.
- ***Suspension of judicial foreclosure sales during GMACM's review procedures.*** On September 17, 2010, GMACM issued a memorandum to its real estate agents and outsource vendors that they should halt evictions and real estate owned ("REO") sales tied to foreclosures on homeowners in twenty-three (23) judicial foreclosure states. Subsequently, additional lenders and mortgage servicers such as Bank of America, JPMorgan Chase, and Wells Fargo announced that they were investigating their own document signing procedures. Since the suspension in September 2010, GMACM has resumed each foreclosure sale or eviction only after an individualized review of the case.
 - ***Filing of new affidavits.*** In on-going cases where no judgment has yet been obtained, GMACM has been withdrawing previously-filed affidavits and filing new, properly verified affidavits with the court as appropriate. Where no prior affidavit existed, GMACM is submitting all necessary affidavits to review under its new, expanded procedures prior to filing. Once remedial pleadings have been filed with the court, foreclosure counsel will proceed with the foreclosure and foreclosure sale subject to an additional quality control review discussed below. GMACM has also undertaken significant remedial action in matters in which a judgment has been entered by a court but the property has not yet been sold at foreclosure sale. These actions generally include seeking court ratification of the previously-entered judgment, or amendment to that judgment if necessary (with notice to all parties to the underlying action), following submission of a new, properly-verified affidavit. All such remedial efforts are specifically tailored to meet the requirements of the state in which the action was commenced or is pending.
 - ***Additional quality control review measures of imminent foreclosure sales by independent personnel.*** For its foreclosures across the United States, GMACM has

implemented a new process through which a quality control review is performed in all pending foreclosure sales going forward within seven (7) days of the scheduled sale by an internal quality control team. That internal quality control team is independent of GMACM's foreclosure department. GMACM's quality control team examines each individual file to confirm that the loan was properly referred for foreclosure, and that no reasonable opportunity to resolve the borrower's default was missed.

- **Engagement of national professionals to review foreclosure policies and procedures.** GMACM has engaged outside counsel and PricewaterhouseCoopers to conduct a comprehensive review of its foreclosure policies and procedures across the United States.
- **Current Status of GMACM's Remedial Efforts:** GMACM has commenced remediation of substantially all impacted foreclosures across the country, having reviewed and executed over 10,000 new affidavits as of the time of this response.¹¹ **We note that, to the best of our current understanding, GMACM has found no evidence of any loans referred to foreclosure where borrowers were not in default.** Further, as evidenced by the examples in the composite Exhibit D, GMACM has obtained numerous orders in judicial foreclosure states accepting the remedial affidavits and thereby displaying approval of GMACM's remedial efforts.
 - GMACM has approximately 1,800 New Jersey foreclosures, which remain to be remediated. Given the New Jersey judiciary's expressed desire to consider the type of remediation process it would find acceptable, GMACM agreed to stay all foreclosures and remediation efforts in this state until it had further guidance from the judiciary, though it has continued all loss mitigation efforts. GMACM stands ready and willing to remediate its files in New Jersey as soon as it has the direction from the Court that its efforts will be acceptable, as they have been in other states.

To provide even further comfort and confidence to the New Jersey Judiciary that GMACM's foreclosure remediation practice is sound, Federal Housing Finance Agency (FHFA)¹² sent a nationwide directive on October 13, 2010, which substantially parallels the GMACM foreclosure remediation practice that had already been developed and implemented. (FHFA Memorandum, Ex. E).

¹¹ GMAC has not commenced remediation in the State of New Jersey as it has awaited direction from the judiciary.

¹² The Federal Housing Finance Agency regulates Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and the 12 Federal Home Loan Banks.

These sweeping and comprehensive internal changes in GMACM's foreclosure-related policies and procedures are intended to give both the courts and GMACM's customers assurance that the shortcomings which gave rise to these concerns are being remedied and that its policies and procedures are adequate to ensure the integrity of the process in the courts where its matters are pending. GMACM's remediation practice is reinforced when this Court considers the additional procedural protections recently instituted by the New Jersey Supreme Court in its amendments to Rule 1:5-6, 4:64-1 and 4:64-2, which include, among other things, detailed attorney certifications supporting the accuracy of the supporting foreclosure documentation. *See* NJ Supreme Court Order dated Dec. 20, 2010. All of these new remedial efforts should provide the highest degree of confidence in the process, so that foreclosures can proceed without the need for the potentially problematic oversight or extra-judicial role of a special master.

Again, GMACM is fully prepared, stands ready, and desires to remediate its New Jersey files based upon the affidavit review and remediation as detailed above. Furthermore, GMACM respectfully requests that it be allowed to immediately proceed with its affidavit remediation through the individual courts and without the need of a special master.

III. Allowing GMACM to Proceed Under the Comprehensive Remedial Efforts that it Has Already Undertaken Avoids Legal Difficulties Raised By The Court's Proposed Actions.

As shown above, the Court's stated concern with ensuring the accuracy of foreclosure documents is shared by GMACM and has been and is being fully addressed in New Jersey and other states. Accordingly, there is no need for the following extraordinary steps under consideration by this Court:

- "suspen[sion of] the ministerial duties of the Office of Foreclosure and the Superior Court Clerk's Office regarding the processing of certain uncontested residential mortgage foreclosure actions";

- “stay[ing] sheriffs’ sales in those foreclosure actions”
- “appoint[ing] a special master pursuant to Rule 4:41-1 to investigate questionable foreclosure practices”;
- “appointing an attorney to appear in support of the proposed relief”; and
- consideration of sanctions.

In addition, such extraordinary steps – which stem from this *sua sponte* action, extraordinary in its own right – risk conflicting with various legal principles that might force prolonged challenges beneficial to no one. Any doubt about the legality of this proceeding or the steps being considered only bolsters the notion that this Court should not risk stepping into a legal morass, especially where the Court’s concerns are already being addressed.

A. **This action itself and the proposed steps in the Court’s Order may contravene the Rules of Court.**

Although GMACM shares the Court’s concerns regarding previous defective foreclosure proceedings, the Court’s *sua sponte* effort to rectify these problems is precluded by the New Jersey Rules of Court and threatens to supplant prior procedural improprieties with new ones.

For example, in issuing the Show Cause Order, the Court relies on Rule 1:34-6, which establishes the Office of Foreclosure. As the Court Order states, “[t]his matter is opened *sua sponte* by the court in furtherance of its role under R. 1:34-6, which authorizes the Office of Foreclosure in the Administrative Office of the Courts to recommend the entry of orders or judgments in uncontested foreclosure matters ‘subject to the approval of a Superior Court Judge designated by the Chief Justice.’” (Order at 2). The comments to this Rule make clear, however, that the purpose of this rule was to make the administration of foreclosures more efficient, by permitting professional personnel — *rather than the courts* — the authority to recommend the entry of orders in *uncontested actions only*. (See Comment to Rule 1:34-6). In the instant matter, however, no underlying action exists, contested or otherwise, which would give rise to action

under the rule. Furthermore, this rule was designed to relieve the Court of responsibility for certain matters, not to serve as the basis for the Court's unilateral insertion into the judicial process. The Court's reliance on Rule 1:34-6 inverts the very premise for the rule.

The Court's reliance on Rule 4:52 (Injunctions) is equally misplaced since this rule, too, is predicated upon the existence of a case or controversy. Rule 4:52-1, which sets forth the requirements for show cause orders issued by courts in New Jersey, states that for a plaintiff to attempt to enjoin a defendant, the *plaintiff may apply, along with the filing of its complaint*, for an order requiring the defendant to show cause as to why an interlocutory injunction should not be granted pending the disposition of the action. Where the action is already pending, Rule 4:52-2 states that an order to show cause must be "*applied for*" by motion or order to show cause in accordance with the provisions of Rule 4:52-1. Thus, in each instance *a moving party* must seek the relief of an order to show cause *in the context of an action* — either instituted expressly to seek injunctive relief or pre-existing. In addition, as Rule 4:52-4 states, any order granting an injunction "is binding only upon such *parties to the action*" and persons acting in concert *with the parties* so long as they receive actual notice of the order." (Emphasis added). *See also Slater v. Slater*, 223 N.J. Super. 511, 519 (App. Div.), *certif. den.* 113 N.J. 338 (1988) (where a court refused to enjoin Mr. Block, plaintiff's friend, from interfering with defendant's court-ordered child visitation since Mr. Block was not a party to the action). So, under Rule 4:52, a party to an action may seek to have the Court enjoin another party, but nowhere does Rule 4:52 state that the Court may, *sua sponte*, issue an order to show cause where there is no underlying action and, consequently, no moving party or party to enjoin.

The Court appears to recognize this conundrum, stating that "the exigencies of the circumstances, especially the immediate need to restore integrity to foreclosure processing,

require the *relaxation* of R. 4:52-1 to the extent that the procedure outlined in this Order deviates from the requirements of that Rule.” (emphasis added). The procedures set forth in the Show Cause Order plainly deviate from the Rule — there is no moving party in any pending action seeking to enjoin GMACM (or any of the other five mortgage servicing entities named in the Order) from proceeding with foreclosures in New Jersey. And while the court may seek to “relax” the Rule 4:52 requirement that a complaint be filed for injunctive relief to be sought, the very rule that gives the Court such latitude does so *only in the context of a pending action*. Rule 1:1-2 states, “Unless otherwise stated, any rule may be relaxed or dispensed with by the court *in which the action is pending* if adherence to it would result in an injustice.” (emphasis added). In short, unless acting within the framework of a pending action, the Court cannot relax a rule of court — particularly a rule requiring the existence of an action before the Court can act. In New Jersey, “[a] civil action is commenced by filing a complaint with the court.” Rule 4:2-2. No complaint has been filed permitting the Court even arguable grounds to proceed *sua sponte*.

Nor can the Court maintain that its actions would benefit litigants in other existing foreclosure actions. Rule 4:52-6 provides that “[n]o injunction or restraint shall be granted in one action to stay proceedings in another pending action in the Superior Court, but such relief may be sought on counterclaim or otherwise in the pending action.” A blanket injunction stemming from this single *sua sponte* action covering or purporting to cover a host of other proceedings — some of which have yet to be filed — is in direct conflict with this rule.¹³

In *Banach v. Cannon*, 356 N.J. Super. 342, 812 A.2d 435 (N.J. Super. 2002), the court considered the application of Rule 4:52-6 on an action that had not yet been filed. In *Banach*, an

¹³ Similarly, in the absence of a pending complaint, there is no jurisdictional basis proffered by the court for reopening foreclosure matters already closed. See *N.J. Div. of Youth & Fam. Ser. v JD.*, A-1163-09T4 (N.J. Super. 11/22/10) (“[P]ublic policy favors repose, particularly when the matter is closed to direct review, that is, trial has concluded, a judgment was rendered, and no party filed an appeal.”).

unwed father sued to enjoin the pregnant mother from commencing an adoption proceeding wherein she would relinquish parental rights and put the child up for adoption. The court accepted, without query, that Rule 4:52-6 prohibited the issuance in one action of a stay in another:

The rule obviously pertains only to the granting of relief in one action inhibiting the proceedings in another pending action. No other action is presently pending anywhere. The question, then, to which R. 4:52-6 does not speak, is whether a court of equity may restrain the commencement of a lawsuit.

Id. at 436-37. The Court concluded that,

while the power exists, it should be exercised only upon the "gravest" of circumstances and,...care should be taken to insure that the order does not extend beyond what is required to prevent irreparable injury. The court also must be careful that in protecting a plaintiff's rights by issuing such relief it does not unnecessarily limit any affected parties' free access to courts.

Id. at 437. Even if the Court could unilaterally issue a blanket Order to Show Cause enjoining not only pending actions but the commencement of actions, the Court has not established that it can meet even the basic standard for a grant of a preliminary injunction -- let alone justify such a broad-based injunction.

In *Crowe v. De Gioia*, 90 N.J. 126, 133-134 (1982), the Court set out the standard for the grant of a preliminary injunction:

One principle is that a preliminary injunction should not issue except when necessary to prevent irreparable harm... [citation omitted] Harm is generally considered irreparable in equity if it cannot be redressed adequately by monetary damages. . . . A second principle is that temporary relief should be withheld when the legal right underlying plaintiff's claim is unsettled. . . . A third rule is that a preliminary injunction should not issue where all material facts are controverted. . . . [citation omitted] Thus, to prevail on an application for temporary relief, a plaintiff must make a preliminary showing of a reasonable probability of ultimate success on the merits. . . . The final test in considering the

granting of a preliminary injunction is the relative hardship to the parties in granting or denying relief.

See also B & S Ltd. v. Elephant & Castle, 388 N.J. Super. 160, 167-168 (Ch. Div. 2006) (plaintiff must show by clear and convincing evidence that an injunction is necessary to prevent irreparable harm, that plaintiff asserts a settled legal right, that the material facts are uncontroverted, and that plaintiff's harm weighs more heavily); *Ispahani v. Allied Domecq Retail*, 320 N.J. Super. 494 (App. Div. 1999) (applicant for preliminary injunction must show that irreparable injury would ensue if the relief were denied, that the claim is based on a settled legal right, that the material facts are substantially undisputed and that he will suffer greater harm if the relief is denied than the opposing party will if it is granted). Here, there would be no "irreparable injury" because (1) GMACM has already acted to remedy the problem, (2) there have been no identified incidents of foreclosures occurring without an initial homeowner default, and (3) any such issue can be resolved in the individual foreclosure proceeding.

Furthermore, even if irreparable injury could be demonstrated, courts withhold injunctive relief where such relief would detrimentally affect the public interest. *See Waste Mgmt. v. Union County Utils.*, 399 N.J. Super 508, 519-520 (App. Div. 2008); *see also Maldonado v. Houstoun*, 157 F.3d 179, 184 (3d Cir. 1998); *Lysaght v. State Of New Jersey*, 837 F. Supp. 646, 647 (D.N.J. 1993). Such would be the case here. As stated above, wholesale suspension of foreclosures in New Jersey would drastically strain the judicial system due to the resultant back-log of such cases, and would foster the further deterioration of (often abandoned) properties and the surrounding neighborhoods.

B. Implementation of the Court's Order may violate principles limiting the authority of the judiciary.

Furthermore, because the Court's Order does not stem from a particular "case or controversy," implementation of the Order could raise significant constitutional difficulties, including conflicts with the doctrine of the separation of powers.

The New Jersey Constitution provides that "[t]he powers of the government shall be divided among three distinct branches, the legislative, executive, and judicial. No person or persons belonging to or constituting one branch shall exercise any of the powers properly belonging to either of the others, except as expressly provided in this Constitution." N.J.S.A. Const. Art. 3, ¶ 1. Significant separation of powers issues are implicated to the extent that the Court, by judicial declaration, takes what is in fact a *regulatory* step; *i.e.*, creates new prerequisites that GMACM must satisfy before it will be allowed to utilize the New Jersey system of justice in order to pursue foreclosures. Such a step would be regulatory because it would not be a "judgment" in the judicial sense: the end result of a proceeding brought to the Court by GMACM and some true adversary wherein the legal positions of the parties would be evaluated under the particular facts and circumstances between those parties. *See, e.g., Winberry v. Salisbury*, 5 N.J. 240, 251, 74 A.2d 406, 412 (1950) (noting that "the primary function of the courts is to decide cases and controversies properly brought before them"). Instead, it would be a Court-initiated blanket regulatory requirement; a policy decision based on the Court's own evaluation of and desire to remedy what it perceives as a public policy issue based on generalized reported problems (albeit acknowledged, now remedied problems). Such powers are the province of legislators and regulators.

On the other hand, the role of the judiciary is, in this context, to adjudicate claims arising from individual foreclosure proceedings based on the facts and the law relevant to the parties

invoking the jurisdiction of the Court. *Accord, e.g., Lower Main St. Assocs. v. N.J. Hous. & Mortgage*, 114 N.J. 226, 236, 553 A.2d 798 (1989) (stating that “coordinate branches of government should not encroach upon each other's responsibilities”).

Further, it is well-settled that New Jersey courts will not render advisory opinions or function in the abstract. *See, e.g., Wachovia Cust. for Plymouth Park Tax Service, LLC v. Pitts*, 2010 WL 4103688, at *5 (N.J. Super. Ct. App. Div. June 24, 2010). “To the contrary, our courts have appropriately confined litigation to those situations where the litigant’s concern with the subject matter evidenced a sufficient stake and real adverseness.” *See id. See also Ciallella v. Ciallella*, 2007 WL 2214950, at *1 (N.J. Super. Ct. App. Div. Aug. 3, 2007) (“[R]eviewing courts usually will not exercise its jurisdiction or render abstract advisory opinions.”) (internal citations and quotation marks omitted). While the court may not be technically issuing an advisory opinion here, *see In re Determination by Dir. of Div. of Alcoholic Beverage Control*, 921 A. 2d 1159, 1161 (N.J. Super. Ct. App. Div. 2007) (“An advisory opinion is a nonbinding statement by a court or an administrator interpreting the law on a matter submitted for that purpose.”), to the extent that the Court is attempting to resolve legal issues in the abstract by issuing injunctive relief, the result would be advisory in substance because no truly adverse party has requested such relief.

Finally, the implementation of the Court’s Order may detrimentally impact GMACM’s right of access to the courts. The New Jersey Constitution provides that “persons are by nature free and independent, and have certain natural and inalienable rights, among which are those of enjoying and defending life and liberty, of acquiring, possessing and protecting property, and of pursuing and obtaining safety and happiness.” N.J.S.A. Const. Art. I, part 1. New Jersey courts have interpreted Article 1 to grant the right of access to courts. *See, e.g., State in Interest of D.*

H., 353 A.2d 570, 572 (N.J. Juv. & Dom. Rel. 1976) (“It would appear that even though the right of access to the courts is not specifically guaranteed by the New Jersey Constitution, it is a natural and inalienable right derived from Article I . . . “). *See also Rosenblum v. Borough of Closter*, 666 A.2d 1006, 1010 (N.J. Super. Ct. App. Div. 1995) (“Citizens should have ready access to all branches of government, including the judiciary.”).

The Order to Show Cause suggests that the Court might effectively deprive the GMACM’s access to the courts without due process by suspending the processing of orders and judgments in uncontested foreclosure actions. Specifically, the Order to Show Cause contemplates that the Court will issue an order directing (1) the Office of Foreclosure to “suspend the processing of orders and judgments in uncontested residential foreclosure actions” brought by GMACM and other foreclosure plaintiffs; (2) the Superior Court Clerk not to issue writs of execution or possession; and (3) that all pending Sheriffs’ sales based on existing judgments be stayed. These measures effectively deny GMACM (and the other foreclosure plaintiffs) access to the Courts to protect their rights under legitimate loan agreements, or to take post-judgment actions to enforce those rights, without the opportunity for judicial review of the merits of the claims. *See Rosenblum v. Borough of Closter*, 333 N.J. Super. 385, 390, 755 A.2d 1184, 1187 (App. Div. 2000) (“[T]he complete denial of the filing of a claim without judicial review of its merits would violate the constitutional right to access of the courts . . .”).

New Jersey courts are rightfully wary of sweeping measures that deny plaintiffs their right to seek redress or their access to post-judgment enforcement procedures, as demonstrated by decisions involving injunctions to prevent allegedly frivolous or harassing litigation. While New Jersey courts have the power to enjoin “prospective harassing litigation,” that power “must be exercised consistently with the fundamental right of the public to access to the courts,” and

“[a] nonspecific and nondiscrete injunction against prospective litigation generally is patently unsustainable.” *D’Amore v. D’Amore*, 186 N.J. Super. 525, 530, 453 A.2d. 251, 253 (App. Div. 1982); accord *Parish v. Parish*, 412 N.J. Super. 39, 50, 988 A.2d 1180, 1186 (App. Div. 2010).

In *D’Amore*, the Court reversed a post-judgment order that prohibited the plaintiff from filing “any further harassing motions against defendant in the future,” finding that it was “too broad and too ambiguous.” 186 N.J. Super. at 531. Similarly, in *Parish*, the court reversed an order that barred the plaintiff from filing any post-judgment motions without first participating in multi-party discussions to settle the dispute. 412 N.J. Super. at 49. The Court found that this restraint, although limited, “burden[s] the parties’ access to judicial consideration of post-judgment enforcement or modification motions and requires review of its due process implications.” *Id* Upon review, the Court in *Parish* found that the restraint was not justified by any need to curb the misuse of judicial process, and that the parties “were unnecessarily burdened with additional procedural hurdles to secure enforcement of the terms of a judgment.” *Id.* at 57. In this case, the proposed bar on *all* uncontested foreclosure proceedings brought by GMACM is just as overbroad and fatally flawed (if not more so) than the restrictions that were overturned in *D’Amore* and *Parish*.

In sum, while GMACM greatly desires to implement its remedial strategy and procedures in the State of New Jersey, the ultimate adequacy of GMACM’s internal foreclosure policies – as a matter of public policy – is a legislative or regulatory matter. However, whether any individual foreclosure-related document is properly executed or supported so that foreclosure can proceed is a matter for resolution by the judiciary in an individual foreclosure proceeding.

C. **Sanctions are not warranted, especially in light of GMACM's substantial, voluntary remedial actions.**

Although the Order to Show Cause contemplates the appointment of a Special Master to consider (among other things) “whether sanctions should be imposed on the Foreclosure Plaintiffs,” there is no basis here for imposition of sanctions on the Court’s own initiative pursuant to Rule 1:4-8(c), or pursuant to New Jersey’s Frivolous Litigation Act, N.J.S.A. 2A:15-59.1.

Any imposition of sanctions under Rule 1:4-8 or N.J.S.A. 2A:15-59.1 requires a finding that the party bringing a frivolous action acted in bad faith or knew that the action was baseless. *See* N.J.S.A. 2A:15-59.1b (sanctions available if the “complaint, counterclaim, cross-claim or defense was commenced, used or continued in bad faith, solely for the purpose of harassment, delay or malicious injury,” or “was without any reasonable basis in law or equity.”); R. 1:4-8(a); *Port-O-San Corp. v. Teamsters Local Union No. 863 Welfare & Pension Funds*, 363 N.J. Super. 431, 437-38, 833 A.2d 633, 637-38 (App. Div. 2003). For example, in *Port-O-San* the court found that sanctions were warranted where the complaint against the defendant attorney “lacked both factual and legal bases - deficiencies known to litigation counsel . . . at the outset,” and where counsel “admitted that she had instituted suit against [defendant] as a means of pressuring his client.” *Id.* at 438-39. Sanctions are generally reserved for similarly egregious conduct. *See, e.g., Gooch v. Choice Enter. Corp.*, 355 N.J. Super. 14, 20, 809 A.2d 154 (App. Div. 2002) (no legal basis for pro se attorney’s defamation claim based on statements made in course of litigation); *Deutch & Shur, P.C. v. Roth*, 284 N.J. Super. 133, 139 663 A.2d 1373 (Sup. Ct. 1995) (counterclaim for malpractice in collection action was brought in bad faith where client “could not have sincerely believed that he had a legitimate claim against his former counsel”); *Khoudary v. Salem County Bd. of Soc. Svcs.*, 260 N.J. Super. 79, 615 A.2d 281 (App. Div. 1992)

(Landlord’s claim against county welfare agency for unpaid rent and damages to apartment was nuisance suit based on frivolous claim that was without reasonable basis in law or equity). In this case, there is no evidence that GMACM has pursued any baseless claims or sought foreclosure against any party that was not in default. Notwithstanding any issues with affidavits, which GMACM has already moved to correct, its foreclosure actions have had solid bases in law and fact.

The imposition of sanctions against GMACM is also unwarranted because it would not serve the basic purpose of the applicable rules. The essential purpose behind imposition of sanctions under Rule 1:4-8 is to “deter the filing or pursuit of frivolous litigation,” *LoBiondo v. Schwartz*, 199 N.J. 62, 98 (2009), and to compensate the party forced to defend a frivolous suit. *Toll Bros., Inc. v. Twp. of W. Windsor*, 90 N.J. 61, 71 (2007). Furthermore, where there is an issue regarding whether a paper has been properly submitted and conforms to the requirements of Rule 1:4-8(a), the Rule contains a “safe harbor” provision, which requires that the basis for the claim that the paper violates the Rule must be stated with specificity, and allows the attorney or pro se party who submitted the paper to withdraw it within 28 days. *See* Rule 1:4-8(b)(1). In this case, there is no basis for sanctions to deter repetition of any issues with foreclosure affidavits, because GMACM has already taken steps to fix any problems in currently-pending cases and to avoid, to the greatest extent possible, any future issues. *See* Rule 1:4-8(d) (sanctions are “limited to a sum sufficient to deter repetition of such conduct”). Beginning in July 2010 — well before this Court’s consideration of the conduct at issue — GMACM had recognized its affidavit issues and began to voluntarily implement sweeping, exhaustive changes to its foreclosure policies and procedures. These steps have been taken even though, to date, there is no evidence that GMACM

foreclosed on anyone who was not actually in default.¹⁴ Furthermore, GMACM has been withdrawing previously-filed affidavits and filing new and properly verified affidavits with the court, as appropriate. This conduct puts GMACM squarely within the “safe harbor” provision of Rule 1:4-8(b)(1), and obviates the need for sanctions.¹⁵

* * *

In sum, when extraordinary steps are taken, they should be taken only when absolutely necessary and only where such steps help *avoid* – not *create* – legal problems and complexities. Here, there is very strong reason to believe that GMACM’s record on loss mitigation and home preservation coupled with its comprehensive affidavit remediation practice, especially when combined with the new foreclosure-related rules promulgated by the New Jersey Supreme Court, are more than enough to create a very high level of assurance that foreclosures will not proceed without proper and accurate documentation. Accordingly, the Court should forego ordering any of the extraordinary, unprecedented – and legally problematic – steps currently under consideration. Any issues that arise can and will, of course, be addressed in a case-by-case fashion in each particular proceeding. GMACM, therefore, respectfully requests that it be permitted to proceed with remediation of its pending foreclosure matters as well as permit

¹⁴ As stated above, GMACM has individually reviewed and remediated over 10,000 loans across the country to date. Through the remediation review process, GMACM found that none of these loans were referred to foreclosure unless the borrower was in default. GMACM fully expects the same to hold true for its New Jersey loans in foreclosure and, therefore, there can be no finding that GMACM’s borrowers were harmed by the document execution errors, as their own delinquency caused the foreclosure to be initiated.

¹⁵ New Jersey courts have also been mindful that “both the frivolous claims statute and the signature rule [*i.e.*, Rule 1:4-8] must be interpreted restrictively so as not to discourage...access to the courts.” *Port-O-San*, 363 N.J. Super. at 440, *citing McKeown-Brand v. Trump Castle Hotel & Casino*, 132 N.J. 546, 560-62, A.2d 425 (1993). In this case, the Order to Show Cause contemplates a broad interpretation of the statute and the rule that would effectively prevent GMACM from accessing the courts to assert its rights under valid loan and mortgage agreements.

GMACM to initiate new foreclosure matters pursuant to its expanded policies and procedures and under the recently implemented Rules of Court.

Respectfully submitted,



One of the Attorneys for GMAC Mortgage, LLC

Dated: January 5, 2011

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Pro hac applications forthcoming

Exhibit A

**IN THE SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION-GENERAL EQUITY PART
MERCER COUNTY**

**IN THE MATTER OF RESIDENTIAL)
MORTGAGE FORECLOSURE)
PLEADING AND DOCUMENT) DOCKET NO. F-059553-10
IRREGULARITIES)**

AFFIDAVIT OF DANA DILLARD

1. My name is Dana Dillard. I am over 21 years of age, am of sound mind, and am competent to make this declaration. This affidavit is based upon my personal knowledge.

2. I am currently a Senior Vice President with GMAC Mortgage, LLC ("GMACM"). I have worked with GMACM since May 2009.

3. I have worked in various mortgage servicing functions since 1987 including Lomas Mortgage USA, Bank of America Mortgage, EMC Mortgage and now GMACM. Additionally, I have held leadership roles in all areas of loan administration including customer care, cash, escrow, acquisitions, imminent default, collections, community outreach and industry relations.

4. I have assisted GMACM's outside counsel in preparing the response to the Court's Show Cause Order. Specifically, I reviewed and compiled the information contained within Exhibit A-1, attached hereto. I attest that I have reviewed the statistical information which comprises the exhibit and this affidavit and that the resulting information contained therein were compiled from GMACM's business records.

5. It has always been GMACM's first option to resolve delinquency through loss mitigation avenues such as loan modifications, forbearance, and repayment plans. These loss

mitigation tools, in one way or another, make the loan a performing loan, which is the goal for both the borrower and GMACM.

6. In 2009 and 2010, GMACM has resolved more delinquencies through loss mitigation strategies than through foreclosure sales.¹ Moreover, GMACM also works with borrowers through deeds-in-lieu of foreclosure and short sales

7. Since 2008, GMACM has achieved approximately 596,000 workout solutions for its customers nationwide. GMACM's conversion from HAMP-trial to HAMP-permanent loan modifications is 72%, well above industry standards. Moreover, for the last ten months, 83% of GMACM customers in permanent HAMP loan modifications nationwide remain current on their accounts six months after receiving the permanent modification.

8. GMACM serviced 81,145 loans in New Jersey as of November 30, 2010. Of these, 4,354 were in foreclosure, which is only 5% of the total state portfolio. Additionally, 2,834 loans were 30+ days delinquent and 2,269 loans were 60+ days delinquent.

9. A GMAC borrower in New Jersey is, on average, 118 days delinquent before referral to a law firm to initiate the foreclosure process. By the time a foreclosure sale is completed, a New Jersey borrower is, on average, 737 days delinquent, as opposed to the national average of 350 days delinquent.

10. Loss mitigation efforts in New Jersey begin early in a loan's delinquency and steadily continue until foreclosure is complete. GMACM has executed over 16,000 workout solutions for its New Jersey customers since 2008. In 2010 alone, over 6,800 workout resolutions were offered to customers, more than the total number of properties in foreclosure by 2,500. (Figures are good through November 30, 2010). Of 6,800 workout resolutions offered, 973 were

¹ Statistics for 2010 are as of November 30, 2010.

HAMP modifications, 1,867 were non-HAMP modifications, 3,503 were repayment plans, and 461 were other foreclosure alternatives such as deeds-in-lieu of foreclosure and short sale acceptances.

11. Since the inception of HAMP, GMACM has mailed out 16,392 financial packages to its New Jersey customers. Of those, 60% were completed and returned by the customers, with 44% of those customers receiving an approved trial or permanent modification. GMACM has also achieved very low re-default rates for its HAMP customers in the state. For the last nine months, an average of 81.73% of GMACM's HAMP customers in New Jersey succeeded in staying current on their loan six months after modification and only 18.27% failed to stay current in the same time period.

12. The GMAC HOPE (Home Ownership Preservation Enterprise) has been in place since 2003 as an outward facing team focused on the local support of our non-profit partners in and meeting with our customers face to face in their communities. The HOPE team has representatives assigned to 17 cities across the country with our chief focus on being a liaison to third party housing counseling organizations and to represent GMAC at customer facing events where we look for sustainable payment solutions for our struggling homeowners. In 2009 and 2010, the HOPE team has attended 353 face to face events with over 12,000 customers receiving face to face assistance regarding their mortgage payment.

13 On April 3, 2009, and again on May 21, 2010, GMACM attended face-to-face foreclosure events where it invited 514 GMAC families and 136 families actually attended. The April 2009 "HOPENOW" event was in Newark, New Jersey, and the May 2010 "Save the Dream" NACA event was in Atlantic City, New Jersey.

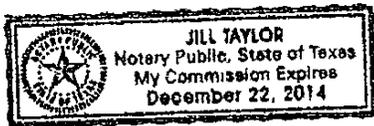
I declare under penalty of perjury the foregoing is true and correct. Executed on January 5, 2010.

Dana Dillard
Dana Dillard

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public, in and for said County in said State, personally appeared Dana Dillard who being duly sworn, deposes and says under oath, that she has knowledge of the facts stated in the above Affidavit and that same are true and correct.

Sworn to and subscribed before me on this the 5th day of January, 2011.



Jill Taylor
Notary Public
My Commission Expires: 12/22/2014

CERTIFICATION REGARDING FACSIMILE SIGNATURE

Pursuant to R. 1:4-4(c), I hereby certify that the affiant of the accompanying Affidavit acknowledged the genuineness of the signature on that document sent to me via facsimile. The original Certification containing the original signature will be filed if requested by the Court or a party.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.



IAN S. MARX

Dated: January 5, 2011

1



New Jersey Foreclosure Prevention Efforts



For the state of New Jersey, we service 90,000 loans. Of those loans, 10.44% are behind in their payments. We currently have 4,354 loans in foreclosure in the state.

GMAC – New Jersey Portfolio Snapshot

	2008	2009	2010*
Current	96,098	82,753	81,145
30 Days Delinquent	3,239	2,721	2,834
60+ Days Delinquent	3,034	3,218	2,269
Foreclosure	2,369	3,817	4,354
Total (excl REO)	104,740	92,509	90,602
30+ Units (excl REO)	8,642	9,756	9,457
30+ FCL Delinquency %	8.25%	10.55%	10.44%

* 2010 Data is as of November, 30, 2010

GMAC Mortgage

Since 2008, GMAC has executed over 16,000 workout solutions for its customers in New Jersey. In 2010, over 6,800 solutions have been offered year to date.

New Jersey – Foreclosure Alternatives Snapshot

	2008	2009	2010*
HAMP Modifications	-	405	973
Non-HAMP Modifications	1545	2000	1867
Repayment Plans	2066	3030	3503
**Other Foreclosure Alternatives	363	657	461
Total Default Workouts	3,974	6,092	6,804

*2010 Data is as of November 30, 2010

**Deed-In-Lieu & Short Sales

GMAC Mortgage

[REDACTED]

16,392 financial packages were mailed to our New Jersey customers since the inception of HAMP. Of those, 60% were returned by the customers with 44% of those customers receiving an approved trial or permanent modification.

- 16,392 financial packages mailed to GMAC New Jersey customers
- 9,457 loans are 30+ days delinquent in New Jersey
- 9,835 or 60% of the packages were returned.
- Of those who returned a package, 49% have received a trial, modification or have paid their loan in full.
- 42% did not qualify or chose not to participate in a workout solution
- 8% of these returned packages are tied to loans that have moved to a liquidation status
- 23% of the New Jersey customers who did not return a financial package ended up in foreclosure.

In addition to conversion rate and aging, GMAC has also achieved very low re-default rates for our HAMP customers. For the last nine months, an average of 81.73% of our HAMP customers in New Jersey have remained current on their loan six months after modification.

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	2010 Monthly AVG
6 Month Re- default Rate (NJ HAMP)	N/A	15.79%	20.97%	12.96%	14.44%	10.66%	21.43%	17.89%	10.69%	20.39%	19.17%	18.27%
9 Month Re- default Rate (NJ HAMP)	N/A	N/A	N/A	N/A	10.53%	26.23%	18.35%	18.89%	18.85%	30.61%	17.89%	20.19%
12 Month Re- default Rate (NJ Non- HAMP)	62.50%	59.70%	60.27%	46.07%	47.33%	27.41%	27.78%	32.90%	37.19%	40.00%	40.00%	40.10%

Since the implementation of HAMP, even the Non-HAMP re-default rates have improved.

Re-default rate is measured six, nine and 12 months after the permanent modification. A loan is considered delinquent if it is more than 30 days past due.

GMAC Mortgage

Customers who are referred to foreclosure in New Jersey are typically four to five months delinquent at the time of referral. By the time a New Jersey loan goes to foreclosure sale, the typical loan is more than 24 months behind in payments.

National Portfolio

	2008 Avg	2009 Avg	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10
Average Days Delinquent at Foreclosure Referral	126	140	143	144	146	149	151	154	162	163	173	170	167
Average Days Delinquent at Foreclosure Sale	306	362	384	385	407	424	431	428	425	427	399	361	350

New Jersey

	2008 Avg	2009 Avg	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10
Average Days Delinquent at Foreclosure Referral	112	114	126	136	139	147	133	111	186	153	138	124	118
Average Days Delinquent at Foreclosure Sale	482	625	778	714	699	741	733	703	775	735	1052	737	737

GMAC Mortgage



For GMAC New Jersey customers, loss mitigation on loans can begin as early as day two of delinquency and continue until the foreclosure sale is held.

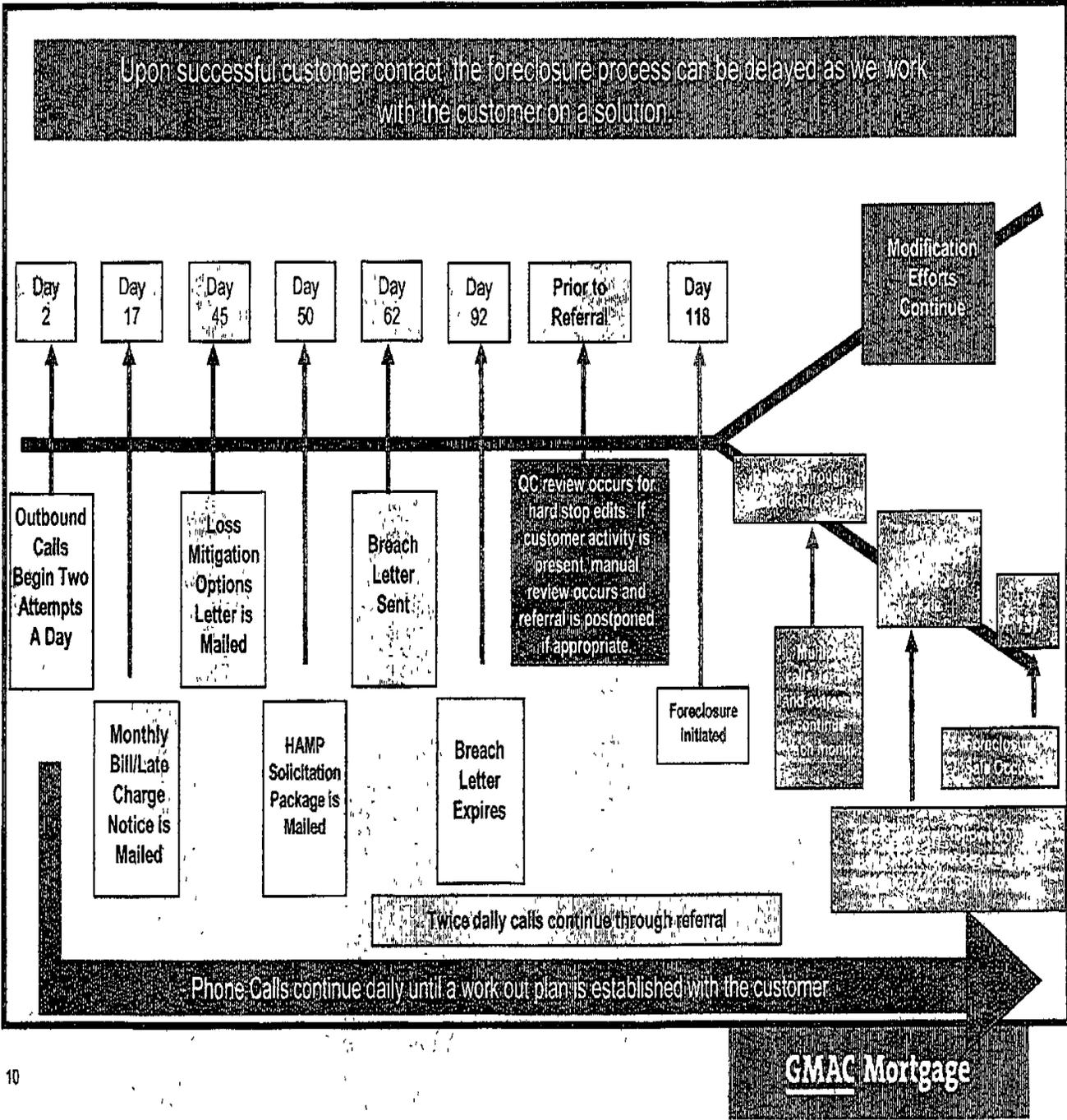


Exhibit B

Making Home Affordable Program

Servicer Performance Report Through November 2010

Report Highlights

Nearly 550,000 Homeowners Granted Permanent Modifications

- Nearly 30,000 new permanent modifications reported in November.
- More than 650,000 homeowners are realizing payment relief through active HAMP trial modifications and permanent modifications.
- For homeowners in permanent modifications, their median first-lien housing expense fell from 45% of their monthly income to 31%.
- As servicers continue to work through the backlog of trials lasting six months or more, the number of these aged trials has fallen below 50,000.

This Month: Quarterly Results of Compliance Second-Look Reviews

- Making Home Affordable-Compliance (MHA-C) conducts Second Look reviews of homeowner loan files that were not in HAMP modifications to ensure that the servicer's actions were appropriate.
- MHA-C disagreed with servicer-actions an average of 2.4% of the time in the 2nd quarter, lowering the year-to-date average to 2.9%.
- During this quarter, MHA-C was unable to determine whether the loan was properly evaluated for HAMP on average 15% of the time. As a result of this significant increase from the year-to-date average of 10%, MHA-C will be conducting targeted follow-up activities to understand the cause of this increase so that Treasury may determine appropriate remedial actions.
- MHA-C performs follow-up activities on loans where MHA-C disagrees with servicer decisions or is unable to determine the appropriateness of the disposition of the loan. Historically, these follow-up activities have resulted in 41% of loans in the *Disagree* category being re-classified as *Agrees* after the servicer provided additional documentation.

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Making Home Affordable Program

Servicer Performance Report Through November 2010

HAMP Activity: All Servicers

		Total
HAMP Eligibility (As of Oct. 31, 2010)	Eligible Delinquent Loans ¹	2,911,106
	Eligible Delinquent Borrowers ²	1,463,254
	Trial Plan Offers Extended (Cumulative) ³	1,684,136
Trial Modifications	All Trials Started ⁴	1,426,833
	Trials Reported Since Oct. 2010 Report ⁵	31,290
	Trial Modifications Canceled (Cumulative)	729,109
	Active Trials	148,104
	All Permanent Modifications Started	549,620
Permanent Modifications	Permanent Modifications Reported Since Oct. 2010 Report	29,972
	Permanent Modifications Canceled (Cumulative) ⁶	44,972
	Active Permanent Modifications	504,648
FHA-HAMP	FHA-HAMP Trial Modifications Started	1,602
	FHA-HAMP Permanent Modifications Started	576

¹ Estimated eligible 60+ day delinquent loans as reported by servicers as of Oct. 31, 2010, include conventional loans

- in foreclosure and bankruptcy
- with a current unpaid principal balance less than \$728,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,408,400 on a four-unit property
- on a property that was owner-occupied at origination.
- originated on or before January 1, 2009

Estimated eligible 60+ day delinquent loans exclude:

- FHA and VA loans.
- loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.

For servicers enrolling after September 1, 2010 that did not participate in the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

² The estimated eligible 60+ day delinquent borrowers are those in HAMP-eligible loans, minus estimated exclusions of loans on vacant properties, loans with borrower debt-to-income ratio below 31%, loans that fail the NPV test, properties no longer owner-occupied, manufactured housing loans with title/chatel issues that exclude them from HAMP, and loans where the investor pooling and servicing agreements preclude modification. Exclusions for DTI and NPV results are estimated using market analytics.

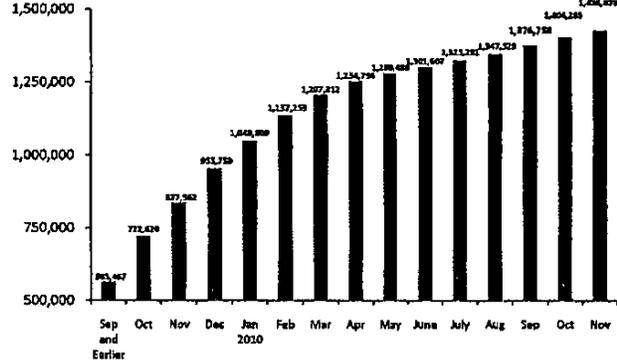
³ As reported in the weekly servicer survey of large SPA servicers through December 2, 2010.

⁴ Data includes HAMP modifications only. Except for the two lines in the above table, FHA-HAMP modifications are excluded from exhibits in this report.

⁵ Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification.

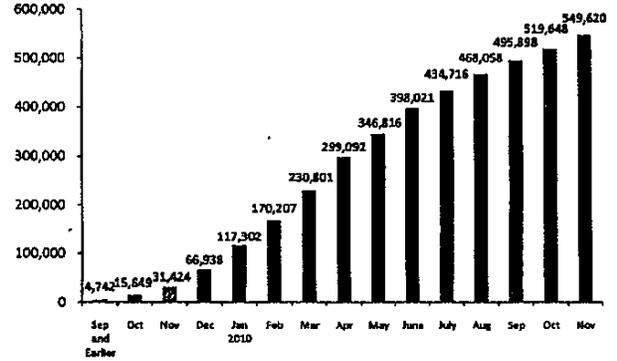
⁶ A permanent modification is canceled when the borrower has missed three consecutive monthly payments. Includes 590 loans paid off.

HAMP Trials Started (Cumulative)



Source: HAMP system of record. Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification. For example, 31,290 trials have entered the HAMP system of record since the prior report; of those, 22,648 were trials with a first payment recorded in November.

Permanent Modifications Started (Cumulative)



Source: HAMP system of record.

Making Home Affordable Program

Servicer Performance Report Through November 2010

Modification Characteristics

- Aggregate reductions in monthly mortgage payments for borrowers who received permanent modifications are estimated to total \$4.1 billion
- The median savings for borrowers in active permanent modifications is \$524.41, or 37% of the median payment before modification.

Active Permanent Modifications by Modification Step

Interest Rate Reduction	100%
Term Extension	57.8%
Principal Forbearance	30.1%

Select Median Characteristics of Active Permanent Modifications

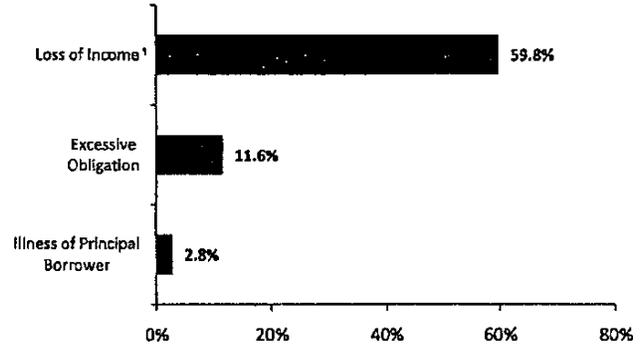
Loan Characteristic	Before Modification	After Modification	Median Decrease
Front-End Debt-to-Income Ratio ¹	45.2%	31.0%	-14.2 pct pts
Back-End Debt-to-Income Ratio ²	79.2%	62.4%	-14.8 pct pts
Median Monthly Housing Payment ³	\$1,434.98	\$838.00	-\$524.41

¹ Ratio of housing expenses (principal, interest, taxes, insurance and homeowners association and/or condo fees) to monthly gross income

² Ratio of total monthly debt payments (including mortgage principal and interest, taxes, insurance, homeowners association and/or condo fees, plus payments on installment debts, junior liens, alimony, car lease payments and investment property payments) to monthly gross income. Borrowers who have a back-end debt-to-income ratio of greater than 55% are required to seek housing counseling under program guidelines

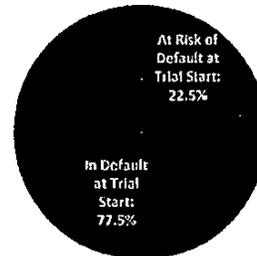
³ Principal and interest payment

Predominant Hardship Reasons for Active Permanent Modifications



¹ Includes borrowers who are employed but have faced a reduction in hours and/or wages as well as those who have lost their jobs.
Note: Does not include 17.5% of permanent modifications reported as Other.

Loan Status Upon Entering Trial



Note: For all trial modifications started

"At Risk of Default" includes borrowers up to 59 days delinquent at trial entry as well as those in imminent default. "In Default" refers to borrowers 60 or more days late at trial entry

Note: Data on the performance of permanent modifications is reported quarterly.

Making Home Affordable Program

Servicer Performance Report Through November 2010

HAMP Modification Activity by Servicer

Servicer	As of Oct. 31, 2010	Cumulative			As of Nov. 30, 2010	
	Estimated Eligible 60+ Day Delinquent Borrowers ¹	Trial Plan Offers Extended ²	All HAMP Trials Started ³	All HAMP Permanent Modifications Started ⁴	Active Trial Modifications ⁵	Active Permanent Modifications ⁶
American Home Mortgage Servicing Inc	53,042	31,536	28,270	17,204	8,437	16,187
Aurora Loan Services, LLC	31,442	49,177	38,458	13,992	1,478	12,830
Bank of America, NA ⁴	425,308	455,730	342,802	93,499	46,749	83,758
Chili Mortgage, Inc.	113,843	187,868	163,178	65,333	8,580	62,858
GMAC Mortgage, LLC	18,442	66,721	53,771	36,718	4,071	34,118
J.P. Morgan Chase Bank, NA ⁵	203,694	278,554	222,988	76,140	17,601	67,722
Litton Loan Servicing LP	46,871	38,977	38,031	9,831	1,429	8,983
Nationstar Mortgage LLC	18,480	28,399	25,800	13,020	2,367	11,937
Ocwen Financial Corp Inc	48,880	42,428	38,077	27,813	5,576	24,454
OneWest Bank	41,584	64,184	47,710	22,844	4,468	21,393
PNC Mortgage ⁶	16,155	23,496	18,758	4,889	989	4,350
Saxon Mortgage Services, Inc	25,432	41,992	38,485	13,292	1,946	12,583
Select Portfolio Servicing	19,088	84,858	39,428	18,440	2,063	16,807
US Bank NA	18,059	16,258	14,019	8,675	2,750	8,132
Wells Fargo Bank, NA ⁷	175,382	287,197	207,793	72,794	16,812	65,449
Other SPA Servicers ⁸	28,407	30,899	29,141	17,908	4,253	16,493
Other GSE Servicers ⁹	188,307	NA	94,348	47,428	18,837	43,837
Total	1,463,254	1,684,138	1,426,833	549,620	148,104	504,648

¹ Estimated eligible 60+ day delinquent borrowers as reported by servicers as of October 31, 2010. Includes those in conventional loans:

- In foreclosure and bankruptcy.
- With a current unpaid principal balance less than \$720,760 on a one-unit property, \$424,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,400,400 on a four-unit property
- On a property that was owner-occupied at origination.
- Originated prior to January 1, 2009.

Estimated eligible 60+ day delinquent borrowers exclude:

- Those in FHA and VA loans.
- Those in loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.
- Those borrowers with debt-to-income ratios less than 31% or a negative NPV test.
- Owners of vacant properties or properties otherwise excluded.

Exclusions for DTI and NPV are estimated using raw list analysis.

For servicers enrolling after September 1, 2010 that did not participate in

the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

² As reported in the weekly servicer survey of large SPA servicers through December 2, 2010.

³ As reported into the HAMP system of record by servicers. Excludes FHA-HAMP modifications. Subject to adjustment based on servicer reconciliation of historical loan files.

⁴ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wholesale Credit Corporation.

⁵ J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

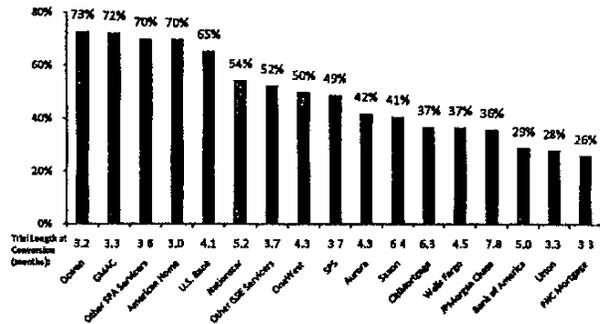
⁶ Formerly National City Bank.

⁷ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FEE.

⁸ Other SPA servicers are entities with less than 6,000 estimated eligible 60+ day delinquent borrowers as of October 31, 2010, that have signed participation agreements with Treasury and Freddie Mac. A full list of participating servicers is in Appendix A.

⁹ Includes servicers of loans owned or guaranteed by Freddie Mac and Freddie Mac, includes GSE loans transferred from SPA servicers.

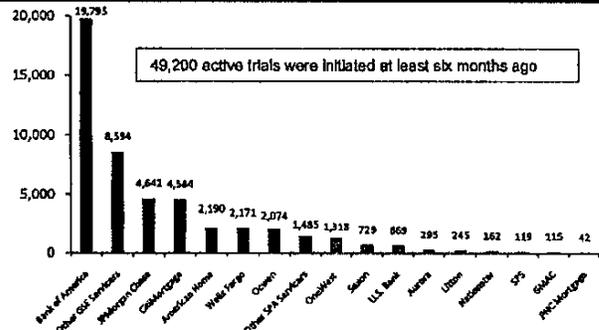
Conversion Rate¹



Note: Per program guidelines, effective June 1, 2010 all trials must be started using verified income. Prior to June 1, some servicers initiated trials using stated income information.

¹ An unconverted trial that eligible to convert - (those three months in trial, or four months if the borrower was at risk of default). Percentages are modified as referred among servicers are credit to the originating servicer.

Aged Trials¹



¹ As of November 30, 2010. Active trials initiated at least six months ago.

Making Home Affordable Program Servicer Performance Report Through November 2010

Disposition Path Homeowners in Canceled HAMP Trial Modifications Survey Data Through October 2010 (8 Largest Servicers)¹

Homeowners Whose HAMP Trial Modification Was Canceled Who Are in the Process of:

Servicer	Action Pending ²	Action Not Allowed – Bankruptcy In Process	Borrower Current	Alternative Modification	Payment Plan ³	Loan Payoff	Short Sale/Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of October 2010)
American Home Mortgage Servicing Inc.	210	25	199	787	33	43	90	192	22	1,601
Bank of America, NA ⁴	52,790	4,409	18,135	63,627	1,794	2,227	20,313	17,021	3,603	183,919
CitiMortgage Inc.	21,165	3,912	7,876	36,237	1,079	1,224	2,473	11,267	2,743	87,976
GMAC Mortgage, LLC	1,764	347	1,072	5,904	177	271	592	1,779	824	12,730
JP Morgan Chase Bank NA ⁵	12,320	844	2,814	61,527	321	2,606	4,918	20,900	7,059	113,309
Litton Loan Servicing LP	3,387	668	1,856	13,615	363	118	1,107	2,476	671	24,261
OneWest Bank	1,279	718	470	10,501	231	15	726	3,658	1,962	19,560
Wells Fargo Bank NA ⁶	4,690	737	13,252	63,071	1,024	4,221	4,448	19,333	8,090	118,866
TOTAL (These 8 Servicers)	97,605	11,660	45,674	255,269	5,022	10,725	34,667	76,626	24,974	562,222
	17.4%	2.1%	8.1%	45.4%	0.9%	1.9%	6.2%	13.6%	4.4%	100.0%

The most common causes of trial cancellations are:

- Insufficient documentation
- Trial plan payment default
- Ineligible borrower. first-lien housing expense is already below 31% of household income

Note: Data is as reported by servicers for actions completed through October 31, 2010.

¹ As defined by cap amount.

² Trial loans that have been canceled, but no further action has yet been taken.

³ An arrangement with the borrower and servicer that does not involve a formal loan modification.

⁴ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wholesale Credit Corporation.

⁵ J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

⁶ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSR.

Note: Excludes cancellations pending data corrections and loans otherwise removed from servicing portfolio.

Making Home Affordable Program

Servicer Performance Report Through November 2010

Disposition Path Homeowners Not Accepted for HAMP Trial Modifications Survey Data Through October 2010 (8 Largest Servicers)¹

Homeowners Not Accepted for a HAMP Trial Modification Who Are in the Process of:

Servicer	Action Pending ²	Action Not Allowed – Bankruptcy In Process	Borrower Current	Alternative Modification	Payment Plan ³	Loan Payoff	Short Sale/Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of October 2010)
American Home Mortgage Servicing Inc.	1,494	497	4,590	18,524	454	87	858	3,562	343	30,409
Bank of America, NA ⁴	20,395	3,629	5,331	13,921	1,217	1,331	19,405	33,750	12,867	111,846
CIUMortgage Inc.	39,366	7,736	34,762	34,290	6,603	2,450	3,664	8,862	4,081	141,824
GMAC Mortgage, LLC	25,421	4,868	27,902	34,312	2,744	1,639	4,418	19,373	7,263	127,940
JP Morgan Chase Bank NA ⁵	48,292	3,365	91,441	89,961	853	21,650	7,768	27,744	7,808	298,882
Litton Loan Servicing LP	9,685	3,673	7,815	12,697	1,104	444	4,118	9,973	3,118	52,627
OneWest Bank	5,103	2,107	17,220	6,351	1,124	470	1,833	9,945	3,499	47,652
Wells Fargo Bank NA ⁶	18,775	3,678	48,362	53,472	1,289	5,880	10,273	19,163	10,394	171,286
TOTAL (These 8 Servicers)	168,531	29,553	237,423	263,528	15,388	33,961	52,337	132,372	49,373	982,466
	17.2%	3.0%	24.2%	26.8%	1.6%	3.5%	5.3%	13.5%	5.0%	100.0%

The most common causes of trials not accepted are:

- Insufficient documentation
- Ineligible borrower: first-lien housing expense is already below 31% of household income
- Ineligible mortgage

Note: Data is as reported by servicers for actions completed through October 31, 2010

¹ As defined by cap amount.

² Homeowners who were not approved for a HAMP trial modification, but no further action has yet been taken.

³ An arrangement with the borrower and servicer that does not involve a formal loan modification.

⁴ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

⁵ J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

⁶ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSB

Note: Excludes loans removed from servicing portfolio

Making Home Affordable Program

Servicer Performance Report Through November 2010

Selected Homeowner Outreach Measures

Homeowner Outreach Events Hosted Nationally by Treasury and Partners (cumulative)	49
Homeowners Attending Treasury-Sponsored Events (cumulative)	49,506
Servicer Solicitation of Borrowers (cumulative) ¹	6,638,016
Page views on MakingHomeAffordable.gov (November 2010)	2,560,921
Page views on MakingHomeAffordable.gov (cumulative)	104,440,505
Percentage to Goal of 3-4 Million Modification Offers	42-56%

¹ Source: survey data provided by SPA servicers. Servicers are encouraged by HAMP to solicit information from borrowers 60+ days delinquent, regardless of eligibility for a HAMP modification.

² In 2009, Treasury set a goal of offering help to 3-4 million borrowers through the end of 2012.

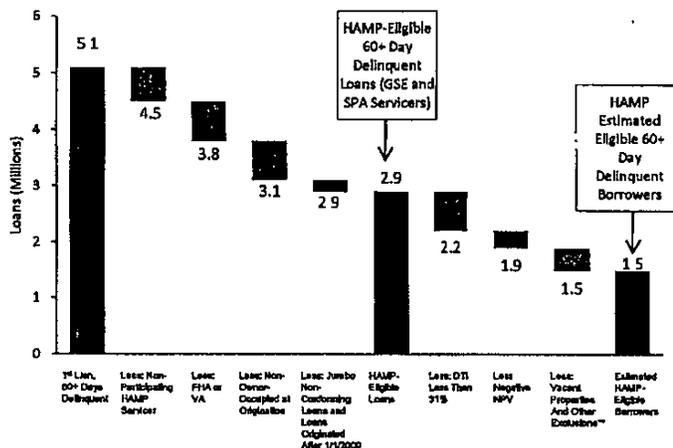
Call Center Volume

	Cumulative	November
Total Number of Calls Taken at 1-888-995-HOPE (since program inception)	1,812,035	89,240
Borrowers Receiving Free Housing Assistance Through the Homeowner's HOPE™ Hotline	870,958	40,292

Source: Homeowner's HOPE™ Hotline

Waterfall of Estimated Eligible Borrowers

Not all 60-day delinquent loans are eligible for HAMP. Other characteristics may preclude homeowner eligibility. Based on the estimates, of the 5.1 million homeowners who are currently 60+ days delinquent, 1.5 million homeowners are eligible for HAMP. As this represents a point-in-time snapshot of the delinquency population and estimated HAMP eligibility, we expect that more homeowners will become seriously delinquent between now and the end of 2012, and some of those homeowners will be eligible for HAMP.



** Other exclusions include: no longer owner-occupied, investor's pooling and servicing agreement precludes modification, and manufactured housing loans with title/chain issues that exclude them from HAMP.

Note: Chart refers only to borrowers eligible for the first lien modification program.

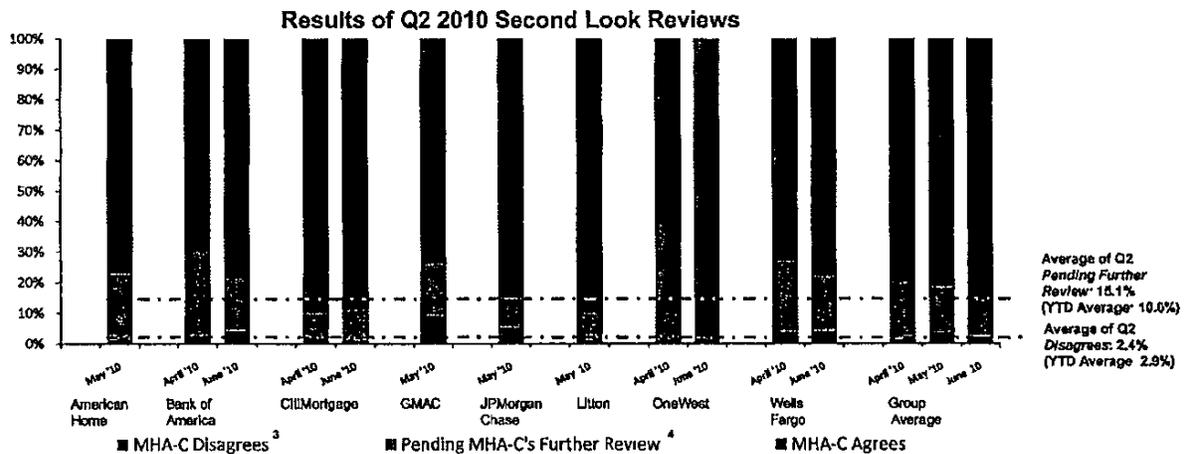
Sources: Fannie Mae; monthly survey of participating servicers for October 31, 2010. Total 60+ day delinquency figure derived from 3rd Quarter 2010 MBA National Delinquency Survey. Excluded loans are as reported by large servicers by survey who have signed a servicer participation agreement for HAMP.

Making Home Affordable Program

Servicer Performance Report Through November 2010

Results of Compliance Second-Look Reviews (Q2 2010)

Making Home Affordable-Compliance (MHA-C) conducts Second Look^{1,2} reviews of homeowner loan files that were not in HAMP modifications to ensure that the servicer's actions were appropriate



- MHA-C disagreed with servicer actions an average of 2.4% in the 2nd quarter (2.9% YTD). MHA-C conducts targeted follow-up on servicers with above-average *Disagree* rates
- An average of 15.1% of loan file reviews are *Pending Further Review* in the 2nd quarter, above the YTD average of 10.0%. MHA-C will conduct targeted reviews to understand this increase
- For *Disagree* or *Pending Further Review* results, actions typically required of servicers are: reevaluating loans not offered HAMP modifications; submitting additional documentation; clarifying loan status; engaging in process remediation or other actions as directed by Treasury. For such results, servicers are reminded of their obligation to forestall foreclosure of the loan until the items are resolved.
- Historically, follow-up activities have resulted in re-classifying 41% of loans in the *Disagrees* category as *Agrees* after the servicer provided additional documentation. For an additional 19% of *Disagrees*, MHA-C confirmed that appropriate remedial actions had been taken by the servicers.
- The results of Second Look reviews help determine the types of other compliance activities and the frequency with which those activities will be conducted. Please see Appendix B for a detailed description of compliance activities.

¹ Second Look Results are derived from a statistical sample of loan files for borrowers not in a HAMP modification (typically 100 loan files). Chart shows results for largest servicers, an additional 9 servicers were evaluated in the 2nd quarter

² Starting with this report, loans where borrowers were in process of consideration for HAMP are included in the calculation of results, which allows for a more comprehensive picture of servicers' HAMP compliance.

³ Cases where the borrower was not appropriately solicited or evaluated for HAMP.

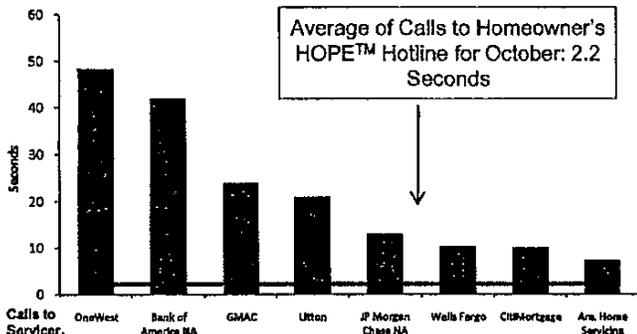
⁴ Cases where MHA-C was unable to determine if the servicer's actions were appropriate without further information from the servicer.

Making Home Affordable Program

Servicer Performance Report Through November 2010

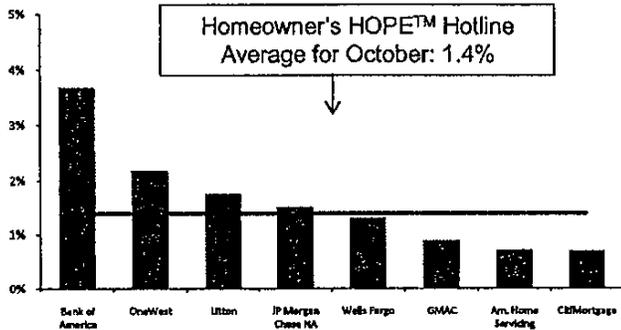
Homeowner Experience (8 Largest Servicers)*

Average Speed to Answer Homeowner Calls (October)



Source: Survey data through October 31, 2010, from servicers on call volume to loss mitigation lines

Call Abandon Rate (October)

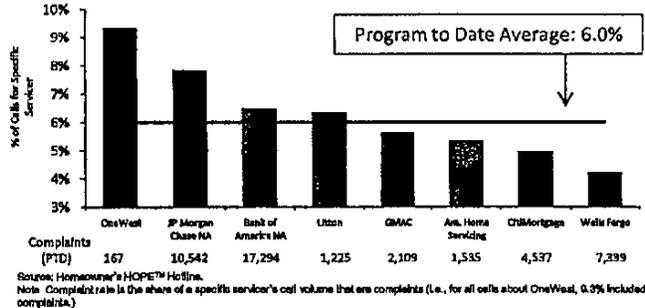


Source: Survey data through October 31, 2010, from servicers on call volume to loss mitigation lines.

*As defined by cap amount.

Servicer Complaint Rate to Homeowner's HOPE™ Hotline (Program to Date, Through November)

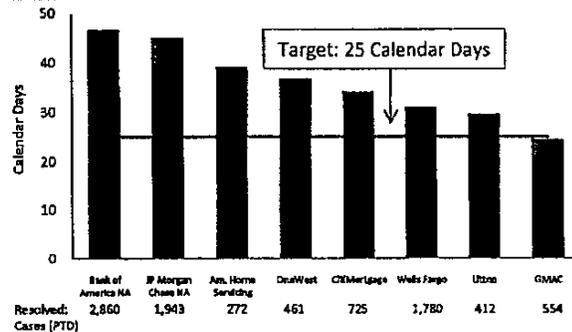
Program to date, there have been 882,644 calls to the Homeowner's HOPE™ Hotline regarding a specific SPA servicer, of which 6.0% included complaints. Below shows specific complaint rates.



Complaints (PTD): OneWest (167), JP Morgan Chase NA (10,542), Bank of America NA (17,294), Uttan (1,225), GMAC (2,109), Am. Home Servicing (1,535), CitiMortgage (4,537), Wells Fargo (7,299)

Note: Complaint rate is the share of a specific servicer's call volume that are complaints (i.e., for all calls about OneWest, 0.3% included complaints).

Servicer Time to Resolve Third-Party Escalations (Program to Date, Through November)



Resolved Cases (PTD): Bank of America NA (2,860), JP Morgan Chase NA (1,943), Am. Home Servicing (272), OneWest (461), CitiMortgage (725), Wells Fargo (1,780), Uttan (412), GMAC (554)

Source: HAMP Solutions Center. Target of 25 calendar days includes an estimated 6 days processing by HAMP Solutions Center.

Making Home Affordable Program

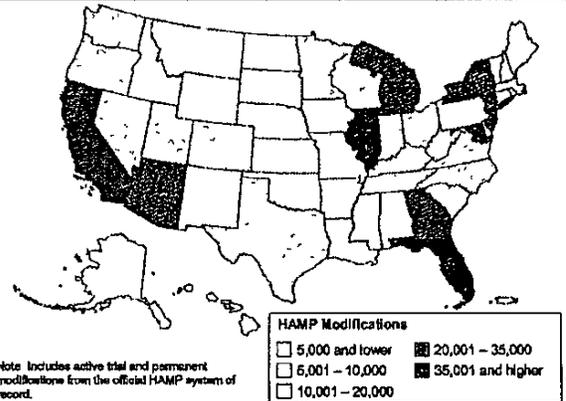
Service Performance Report Through November 2010

HAMP Activity by State

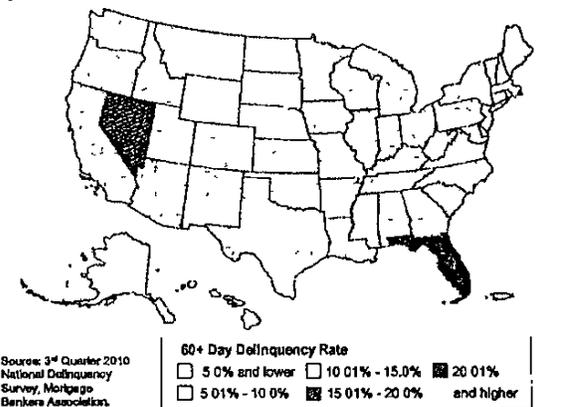
State	Active Trials	Permanent Modifications	Total	% of Total	State	Active Trials	Permanent Modifications	Total	% of Total
AK	77	201	278	0.0%	MT	195	538	733	0.1%
AL	998	2,905	3,903	0.6%	NC	2,719	9,468	12,185	1.9%
AR	336	1,160	1,496	0.2%	ND	23	85	108	0.0%
AZ	6,151	25,288	31,439	4.8%	NE	198	675	871	0.1%
CA	33,287	118,598	151,883	23.3%	NH	701	2,377	3,078	0.5%
CO	1,853	7,134	8,987	1.4%	NJ	4,948	16,253	21,201	3.2%
CT	1,819	6,429	8,248	1.3%	NM	548	1,580	2,128	0.3%
DC	248	844	1,092	0.2%	NV	3,324	13,225	17,149	2.6%
DE	463	1,581	2,044	0.3%	NY	7,087	22,082	29,169	4.5%
FL	17,880	60,117	77,997	11.9%	OH	3,488	11,374	14,860	2.3%
GA	5,541	18,250	23,791	3.6%	OK	412	1,181	1,573	0.2%
HI	628	1,883	2,511	0.4%	OR	1,588	5,478	7,064	1.1%
IA	363	1,296	1,659	0.3%	PA	3,253	10,524	13,777	2.1%
ID	657	1,883	2,540	0.4%	RI	748	2,616	3,362	0.5%
IL	7,884	27,130	35,014	5.4%	SC	1,388	4,882	6,270	1.0%
IN	1,508	4,988	6,496	1.0%	SD	62	192	254	0.0%
KS	389	1,176	1,565	0.2%	TN	1,668	5,214	6,882	1.1%
KY	558	1,962	2,520	0.4%	TX	4,441	12,784	17,225	2.6%
LA	988	2,573	3,561	0.5%	UT	1,436	4,888	6,122	0.9%
MA	3,669	12,686	16,355	2.5%	VA	3,553	12,492	16,045	2.5%
MD	4,852	16,503	21,155	3.2%	VT	124	415	539	0.1%
ME	477	1,377	1,854	0.3%	WA	2,948	9,658	12,606	1.9%
MI	4,878	17,082	21,960	3.4%	WI	1,550	4,999	6,549	1.0%
MN	2,360	9,404	11,764	1.8%	WV	228	761	989	0.2%
MO	1,632	5,482	7,114	1.1%	WY	74	251	325	0.0%
MS	814	1,931	2,545	0.4%	Other*	898	1,018	1,917	0.3%

* Includes Guam, Puerto Rico and the U.S. Virgin Islands

Modification Activity by State



Mortgage Delinquency Rates by State



Making Home Affordable Program

Servicer Performance Report Through November 2010

15 Metropolitan Areas With Highest HAMP Activity

Metropolitan Statistical Area	Active Trials	Permanent Modifications	Total HAMP Activity	% of All HAMP Activity
Los Angeles-Long Beach-Santa Ana, CA	9,663	33,960	43,623	6.7%
New York-Northern New Jersey-Long Island, NY-NJ-PA	9,390	30,277	39,667	6.1%
Riverside-San Bernardino-Ontario, CA	6,934	27,178	34,110	5.2%
Chicago-Joliet-Naperville, IL-IN-WI	7,623	26,183	33,806	5.2%
Miami-Fort Lauderdale-Pompano Beach, FL	7,184	23,348	30,532	4.7%
Phoenix-Mesa-Glendale, AZ	4,990	20,945	25,935	4.0%
Washington-Arlington-Alexandria, DC-VA-MD-WV	4,809	17,701	22,510	3.4%
Atlanta-Sandy Springs-Marietta, GA	4,411	14,796	19,207	2.9%
Las Vegas-Paradise, NV	3,248	10,849	14,097	2.2%
Detroit-Warren-Livonia, MI	2,984	10,337	13,321	2.0%
Orlando-Kissimmee-Sanford, FL	2,830	9,803	12,633	1.9%
Boston-Cambridge-Quincy, MA-NH	2,598	9,062	11,660	1.8%
San Francisco-Oakland-Fremont, CA	2,755	8,825	11,580	1.8%
Sacramento-Arden-Arcade-Roseville, CA	2,324	8,646	10,970	1.7%
San Diego-Carlsbad-San Marcos, CA	2,383	8,337	10,720	1.6%

A complete list of HAMP activity for all MSAs is available at <http://www.makinghomeaffordable.gov/docs/MSA%20Data%20Nov%202010.pdf>

Modifications by Investor Type (Large Servicers)

Servicer	GSE	Private	Portfolio	Total
Bank of America, NA ¹	81,336	42,845	6,327	130,508
JP Morgan Chase NA ²	39,266	31,996	13,961	85,223
Wells Fargo Bank, NA ³	45,859	12,933	26,269	85,061
CitiMortgage, Inc.	40,793	4,407	16,236	61,436
GMAC Mortgage, LLC	22,213	5,682	10,292	38,187
Ocwen Financial Corporation, Inc.	6,841	22,912	277	30,030
OneWest Bank	12,681	11,288	1,892	25,861
American Home Mortgage Servicing Inc	1,270	23,334	0	24,604
Select Portfolio Servicing	487	16,338	1,845	18,670
Saxon Mortgage Services Inc.	1,508	11,862	1,139	14,509
Aurora Loan Services, LLC	7,230	6,865	211	14,306
Nationstar Mortgage LLC	9,311	4,977	16	14,304
US Bank NA	7,346	19	3,617	10,882
Litton Loan Servicing LP	1,075	9,337	0	10,412
PNC Mortgage ⁴	4,655	243	441	5,339
Remainder of HAMP Servicers	70,067	6,436	6,897	83,420
Total	351,958	211,474	89,320	652,752

¹ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loans Services and Wilshire Credit Corporation.
² J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.
³ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSB.
⁴ Formerly National City Bank.

Note: Figures reflect active trials and permanent modifications.

Making Home Affordable Program

Servicer Performance Report Through November 2010

Appendix A1: Non-GSE Participants in HAMP

Servicers participating in the HAMP First-Lien Modification Program may also offer additional homeowner Incentives, including Home Affordable Foreclosure Alternatives (HAFA), at least three months' forbearance for unemployed borrowers, and Principal Reduction Alternative (PRA).

AgFirst Farm Credit Bank	First Bank	Lake National Bank	Roebling Bank
Allstate Mortgage Loans & Investments, Inc.	First Financial Bank, N A	Liberty Bank and Trust Co.	RoundPoint Mortgage Servicing Corporation
American Eagle Federal Credit Union	First Keystone Bank	Litton Loan Servicing	Saxon Mortgage Services, Inc.
American Finance House LARIBA	First National Bank of Grant Park	Los Alamos National Bank	Schools Financial Credit Union
American Home Mortgage Servicing, Inc	First Safety Bank	Magna Bank	SEFCU
AMS Servicing, LLC	Franklin Credit Management Corporation	Mainstreet Credit Union	Select Portfolio Servicing
Aurora Loan Services, LLC	Franklin Savings	Marlx Servicing, LLC	Servis One Inc , dba BSI Financial Services, Inc.
Bank of America, N.A. ¹	Fresno County Federal Credit Union	Metropolitan National Bank	ShoreBank
Bank United	GFA Federal Credit Union	Midland Mortgage Company	Silver State Schools Credit Union
Bay Federal Credit Union	Glass City Federal Credit Union	Midwest Bank & Trust Co.	Specialized Loan Servicing, LLC
Bayview Loan Servicing, LLC	GMAC Mortgage, LLC	Mission Federal Credit Union	Spirit of Alaska Federal Credit Union
Bramble Savings Bank	Golden Plains Credit Union	MorEquity, Inc.	Stanford Federal Credit Union
Carrington Mortgage Services, LLC	Grafton Suburban Credit Union	Mortgage Center, LLC	Sterling Savings Bank
CCO Mortgage	Great Lakes Credit Union	Nationstar Mortgage LLC	Suburban Mortgage Company of New Mexico
Central Florida Educators Federal Credit Union	Greater Nevada Mortgage Services	Navy Federal Credit Union	Technology Credit Union
Centrue Bank	Green Tree Servicing LLC	Oakland Municipal Credit Union	Tempe Schools Credit Union
CitiMortgage, Inc.	Hartford Savings Bank	Ocwen Financial Corporation, Inc.	The Golden 1 Credit Union
Citizens 1st National Bank	Hillisdale County National Bank	OneWest Bank	U S Bank National Association
Citizens Community Bank	HomeEq Servicing	ORNL Federal Credit Union	United Bank
Citizens First Wholesale Mortgage Company	HomeStar Bank & Financial Services	Park View Federal Savings Bank	United Bank Mortgage Corporation
Community Bank & Trust Company	Horicon Bank	Pathfinder Bank	University First Federal Credit Union
Community Credit Union of Florida	Horizon Bank, NA	PennyMac Loan Services, LLC	Vantium Capital, Inc.
CUC Mortgage Corporation	iberlabank	PNC Bank, National Association	Verity Credit Union
DuPage Credit Union	IBM Southeast Employees' Federal Credit Union	PNC Mortgage ³	Vist Financial Corp
Eaton National Bank & Trust Co	IC Federal Credit Union	Purdue Employees Federal Credit Union	Wealthbridge Mortgage Corp.
Farmers State Bank	Idaho Housing and Finance Association	QLending, Inc	Wells Fargo Bank, NA ⁴
Fay Servicing, LLC	iServe Residential Lending LLC	Quantum Servicing Corporation	Wescam Central Credit Union
Fidelity Homestead Savings Bank	iServe Servicing Inc.	Residential Credit Solutions	Yadkin Valley Bank
	J.P.Morgan Chase Bank, NA ²	RG Mortgage Corporation	
	Lake City Bank		

¹ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Washiro Credit Corporation.

² J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

³ Formerly National City Bank

⁴ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSB

Making Home Affordable Program

Servicer Performance Report Through November 2010

Appendix A2: Participants in Additional Making Home Affordable Programs

Second-Lien Modification Program (2MP)

Bank of America, NA¹
 Bayview Loan Servicing, LLC
 CitiMortgage, Inc.
 Community Credit Union of Florida
 GMAC Mortgage, LLC
 Green Tree Servicing LLC
 iServe Residential Lending, LLC
 iServe Servicing, Inc.
 J.P. Morgan Chase Bank, NA²
 Nationstar Mortgage LLC
 OneWest Bank
 PennyMac Loan Services, LLC
 PNC Bank, National Association
 PNC Mortgage³
 Residential Credit Solutions
 Servis One Inc., dba BSI Financial Services, Inc.
 Wells Fargo Bank, NA⁴

FHA First-Lien Program (FHA-HAMP)

Amarillo National Bank
 American Financial Resources Inc
 Aurora Financial Group, Inc
 Aurora Loan Services, LLC
 Banco Popular de Puerto Rico
 Bank of America, NA¹
 Capital International Financial, Inc.
 CitiMortgage, Inc
 CU Mortgage Services, Inc.
 First Federal Bank of Florida
 First Mortgage Corporation

Franklin Savings
 Gateway Mortgage Group, LLC
 GMAC Mortgage, LLC
 Green Tree Servicing LLC
 Guaranty Bank
 iServe Residential Lending, LLC
 iServe Servicing, Inc
 James B. Nutter & Company
 J.P. Morgan Chase Bank, NA²
 M&T Bank
 Marx Servicing, LLC
 Marsh Associates, Inc.
 Midland Mortgage Company
 Nationstar Mortgage LLC
 Ocwen Financial Corporation, Inc.
 PennyMac Loan Services, LLC
 PNC Mortgage³
 RBC Bank (USA)
 Residential Credit Solutions
 Saxon Mortgage Services, Inc
 Schmidt Mortgage Company
 Select Portfolio Servicing
 Servis One Inc., dba BSI Financial Services, Inc.
 Spirit of Alaska Federal Credit Union
 Stockman Bank of Montana
 Wells Fargo Bank, NA⁴
 Weststar Mortgage, Inc

FHA Second-Lien Program (FHA 2LP)

Bank of America, NA¹
 Bayview Loan Servicing, LLC
 CitiMortgage, Inc.
 Flagstar Capital Markets Corporation
 GMAC Mortgage, LLC.
 Green Tree Servicing LLC
 J.P. Morgan Chase Bank, NA²
 Nationstar Mortgage LLC
 PNC Bank, National Association
 PNC Mortgage³
 Residential Credit Solutions
 Saxon Mortgage Services, Inc.
 Select Portfolio Servicing
 Wells Fargo Bank, NA⁴

Rural Housing Service Modification Program (RD-HAMP)

Banco Popular de Puerto Rico
 Bank of America, N.A.¹
 Horizon Bank
 J.P. Morgan Chase Bank, NA²
 Magna Bank
 Marx Servicing, LLC
 Midland Mortgage Company
 Nationstar Mortgage LLC
 Wells Fargo Bank, NA⁴

¹ Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation

² J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

³ Formerly National City Bank.

⁴ Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage FSB

Making Home Affordable Program

Servicer Performance Report Through November 2010

Appendix B1: Description of Compliance Activities

Note: Areas of compliance emphasis and servicer-specific compliance data will be updated quarterly.

Description of Compliance Activities

Freddie Mac, serving as Compliance Agent for Treasury's Home Affordable Modification Program (HAMP), has created a separate division known as Making Home Affordable - Compliance (MHA-C). Using a risk-based approach, MHA-C conducts a number of different types of compliance activities to assess servicer compliance with HAMP guidelines for those servicers that have signed a servicer participation agreement with Treasury and for those loans for which Treasury pays incentives (non-GSE loans), as described below.

On Site Reviews: Implementation – Reviews to assess the servicer's overall execution of the HAMP program. Areas covered include, among other things, solicitation, eligibility, underwriting, document management, payment processing, reporting, and governance. MHA-C performs reviews of larger servicers on not less than a semi-annual schedule and reviews smaller servicers on at least an annual schedule.

On Site Reviews: Readiness & Governance – Reviews to assess the servicer's preparedness for complying with new/future HAMP requirements or to research a trend or

potential implementation risk. MHA-C performs such reviews as needed, determined by frequency of new program additions.

NPV Reviews – Reviews to assess the servicer's adherence to the HAMP NPV guidelines. For those servicers that have elected to recode the NPV model into their own systems (recoders), MHA-C assesses whether the servicer's recoded NPV model is accurately calculating NPV and whether the servicer's model usage is consistent with HAMP guidelines. Recoders are subject to off-site testing at least quarterly and to on-site reviews at least semi-annually. For servicers using the Treasury NPV Web Portal, MHA-C reviews data submissions to the Portal on a monthly basis.

Loan File Reviews – Reviews of samples of the servicer's non-performing loan portfolio primarily to assess whether required steps in the modification process have been documented in the loan files and whether loan modification decisions were appropriate. This includes reviews of loans that have successfully converted to a permanent modification, to ensure they meet the HAMP guidelines. It also includes reviews of loans that have not been offered HAMP modifications, to ensure that their exclusion was appropriate ("Second Look" reviews).

MHA-C conducts these Loan File reviews on a statistical sample for each servicer (typically 100 loan files per larger servicer). Larger servicers' non-performing loan portfolios are sampled and reviewed on a monthly cycle. MHA-C statistically samples and reviews smaller servicers' non-performing loan portfolios on a quarterly or semi-annual cycle.

Incentive Payment Reviews – Reviews to assess the accuracy and validity of Treasury incentive payments to borrowers and investors, including whether borrower payments are appropriately allocated to borrowers' loan principal in accordance with HAMP guidelines. MHA-C performs such reviews at least annually on the largest servicers.

As stated in the August report, beginning in the 3rd quarter of the 2010 sampling period, MHA-C revised its sampling strategy to sample monthly from all servicers to provide more consistent trending by servicer and greater comparability of results across servicers. Results from this new sampling strategy will be included in the next publication of Compliance results.

(See next page for Areas of Compliance Emphasis)

Making Home Affordable Program

Servicer Performance Report Through November 2010

Appendix B2: Areas of Compliance Emphasis

In the coming months MHA-C will focus on the following areas of emphasis, to ensure ongoing compliance.

Cancellations

Servicers are required to comply with HAMP guidance when cancelling loans in HAMP trials. The Second Look review process conducted by MHA-C will continue to include an evaluation of servicers' cancellation activities, especially those around servicers' timely and appropriate decisioning and borrower communications.

MHA-C will conduct targeted reviews of the cancellations of aged trials over the course of the next several months. MHA-C will evaluate whether servicers are making appropriate cancellation decisions, with a specific focus on those loans where the cancellation reason indicates that the borrower had not made timely payments. MHA-C expects servicers to provide documentation supporting cancellation decisions and evidence that borrower notifications are timely and include all necessary information.

Pre-Foreclosure Certification

Due to recent concerns around foreclosures and the issuance of new HAMP guidance effective in June, MHA-C will specifically focus on pre-foreclosure activities and certification

requirements. Servicers may not refer any loan to foreclosure or conduct a scheduled foreclosure sale without first satisfying the "reasonable effort" solicitation standard and borrower communication requirements described in HAMP guidelines. In addition, within seven business days of a scheduled foreclosure sale, servicers must provide the foreclosure attorney or trustee with a written certification that the servicer has satisfied the requirements to solicit and evaluate eligible borrowers as defined by HAMP guidelines, and that all other available loss mitigation alternatives have been exhausted and a non-foreclosure outcome could not be reached.

These reviews will include:

- Processes for satisfying the "reasonable effort" standard and for ensuring that consideration of HAMP and borrower notifications are executed and appropriately documented, and
- Processes for completing consideration of HAMP and other foreclosure alternatives, as appropriate, prior to any foreclosure referral or foreclosure sale; and
- Processes for providing foreclosure attorneys or trustees with accurate and timely certifications prior to a scheduled foreclosure sale.

IR2 Reporting and Data Integrity

Servicers are required to submit HAMP loan-level data to the Program Administrator's system of record (IR2), and that data is required to be accurate and consistent with source documentation. IR2 data is used to monitor and report on HAMP activity levels and to calculate servicer, borrower, and investor incentive payments. As stated in prior reports, reporting and data integrity controls will continue to be a focus. MHA-C has recently conducted preliminary data mapping exercises with the Program Administrator and will be assessing servicers' information technology (IT) controls over IR2 reporting over the coming months, with an emphasis on system interfaces and reconciliations of data between systems.

MHA-C will continue testing IR2 data against source documentation, including loan files, with particular attention on the data elements used in the establishment of borrower payments and the calculation of incentives. MHA-C will also review servicers' calculations for accuracy and consistency with HAMP guidelines.

Exhibit C

Exhibit C

IN THE SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION-GENERAL EQUITY PART
MERCER COUNTY

IN THE MATTER OF RESIDENTIAL)
MORTGAGE FORECLOSURE)
PLEADING AND DOCUMENT) DOCKET NO. F-059553-10
IRREGULARITIES)

AFFIDAVIT OF DAVID CUNNINGHAM

1. My name is David Cunningham. I am over 21 years of age, am of sound mind, and am competent to make this declaration. This affidavit is based upon my personal knowledge.

2. I am currently the Default Director-Foreclosure of GMAC Mortgage, LLC ("GMACM"). I have worked with GMACM for 9 years and have been in my current position since June 2007. In my role as Default Director-Foreclosure, I supervise a team of 92 individuals, who are dedicated to GMACM's foreclosures.

3. Since July 2010, GMACM has voluntarily implemented comprehensive remedial efforts to ensure that its foreclosure actions are pursued based upon the submission of proper evidence in every case.

4. Beginning in early July 2010, GMACM began reviewing and subsequently revised its policy and procedures surrounding affidavits and notarization of documents. At this same time, GMACM developed a remediation process designed to address possibly defective affidavits that may have been filed in active foreclosure actions.

5. The company has revised its affidavit review and execution procedures and implemented new training of its employees who are responsible for reviewing and signing foreclosure documents. Additionally, GMACM has substantially increased the number of

employees handling foreclosure documentation to ensure adequate staffing for this important function.

6. GMACM hired several new employees and trained dozens of existing employees to review and execute affidavits and other similar documents in furtherance of foreclosure actions.

7. GMACM has also launched an extensive training program for its employees charged with reviewing affidavits as part of their employment. This program includes specific training for each employee as to how to access GMACM business records and individual borrower account documents. In addition, GMACM employees are trained to compare affidavits submitted to them by counsel against GMACM's records and loan documents to ensure the accuracy of the facts and data contained in the proposed document, as well as all exhibits attached to the affidavit. The affiants are also trained to execute verified affidavits in the presence of a notary and in compliance with applicable law.

8. GMACM has expressly advised its employees to identify any issues they may discover in reviewing a given affidavit with their supervisors or in-house counsel as well as with GMACM's outside foreclosure counsel to ensure the accuracy of the affidavits. GMACM's affiants are trained to look for potential problem areas and to enter into communications with GMACM's foreclosure counsel to foster communications related to its pending foreclosure matters.

9. Additionally, GMACM and its outside counsel have worked extensively to review and analyze the affidavits to be executed and submitted to the courts to ensure that all information contained in such documents can be accurately confirmed by a review of GMACM's records and is not subject to confusion or likely error.

10. Finally, GMACM has directed its employees to focus their efforts on a review of affidavits submitted to courts in pending matters or matters that have not yet gone to sale. Outside counsel has been present to review execution of corrective affidavits since the remediation process was implemented so that GMACM can ensure its employees' review of affidavits and related records is both thorough and appropriate as part of its remediation process.

11. GMACM's robust quality control procedures and specially trained affidavit teams located in GMACM's main servicing offices in Fort Washington, Pennsylvania and Dallas, Texas have created a trustworthy review process to both new and remedial affidavits going forward.

12. On September 17, 2010, GMACM issued a memorandum to its real estate agents and outsource vendors that they should halt evictions and real estate owned ("REO") sales tied to foreclosures on homeowners in twenty-three (23) judicial foreclosure states. Since the suspension in September 2010, GMACM has resumed each foreclosure sale or eviction only after an individualized review of the case.

13. In on-going cases where no judgment has yet been obtained, GMACM has been withdrawing previously-filed affidavits and filing new, properly verified affidavits with the court as appropriate. Where no prior affidavit existed, GMACM is submitting all necessary affidavits to review under its new, expanded procedures prior to filing. Once remedial pleadings have been filed with the court, foreclosure counsel will proceed with the foreclosure and foreclosure sale subject to an additional quality control review discussed below. GMACM has also undertaken significant remedial action in matters in which a judgment has been entered by a court but the property has not yet been sold at foreclosure sale. These actions generally include seeking court ratification of the previously-entered judgment, or amendment to that judgment if necessary

(with notice to all parties to the underlying action), following submission of a new, properly-verified affidavit. All such remedial efforts are specifically tailored to meet the requirements of the state in which the action was commenced or is pending.

14. GMACM has implemented a new process through which a quality control review is performed in all pending foreclosure sales going forward within seven (7) days of the scheduled sale by an internal quality control team. That internal quality control team is independent of GMACM's foreclosure department. GMACM's quality control team examines each individual file to confirm that the loan was properly referred for foreclosure, and that no reasonable opportunity to resolve the borrower's default was missed.

15. GMACM has engaged outside counsel and PricewaterhouseCoopers to conduct a comprehensive review of its foreclosure policies and procedures across the United States.

16. GMACM has commenced remediation of substantially all impacted foreclosures across the country, having reviewed and executed over 10,000 new affidavits as of the time of this response.¹ To the best of our current understanding, GMACM has found no evidence of any loans referred to foreclosure where borrowers were not in default.

17. GMACM has approximately 1,800 New Jersey foreclosures, which remain to be remediated. GMACM agreed to stay all foreclosures and remediation efforts in this state until it had further guidance from the judiciary, though it has continued all loss mitigation efforts. GMACM stands ready and willing to remediate its files in New Jersey as soon as it has the direction from the Court that its efforts will be acceptable, as they have been in other states.

¹ GMAC has not commenced remediation in the State of New Jersey as it has awaited direction from the judiciary.

CERTIFICATION REGARDING FACSIMILE SIGNATURE

Pursuant to R. 1:4-4(c), I hereby certify that the affiant of the accompanying Affidavit acknowledged the genuineness of the signature on that document sent to me via facsimile. The original Certification containing the original signature will be filed if requested by the Court or a party.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.



IAN S. MARX

Dated: January 5, 2011

Exhibit D

DOCKET NO: FSTCV106003271S

DEUTSCHE BANK NATION
V.
TORRES, RAFAEL ET AL

SUPERIOR COURT

JUDICIAL DISTRICT OF STAMFORD
AT STAMFORD

ORDER 407901

12/20/2010

ORDER

ORDER REGARDING:
12/09/10 130.00 MOTION TO OPEN JUDGMENT

Judicial Notice (JDNO) was sent regarding this order.

The foregoing, having been heard by the Court, is hereby:

ORDER: GRANTED

Notice of Judgment of Strict Foreclosure (as opened and modified)

Property Address: 37 Grant Avenue, Stamford, Connecticut 06902

Judgment of Strict Foreclosure is hereby entered as follows:

Debt: \$539,993.63
Attorney Fees: \$1,250.00
Total: \$541,243.63
Appraisal Fee: \$320.00
Title Search Fee: \$225.00
Fair Market Value: \$350,000.00

LAW DAY SET FOR Tuesday, January 04, 2011, for the owner of the equity of redemption, and subsequent days for subsequent encumbrancers in the inverse order of their priorities.

407901

Judge: DOUGLAS C MINTZ
Processed by: Karen Lucien

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT
IN AND FOR ORANGE COUNTY, FLORIDA
CIVIL ACTION

LASALLE BANK NATIONAL ASSOCIATION AS
TRUSTEE FOR 2007SP1 RAMP,
Plaintiff,

vs.

MARLENE L. PETERSON, et al,
Defendant(s).

CASE NO.: 48 2008 CA 024878 O
DIVISION: 33

ORDER RATIFYING FINAL SUMMARY JUDGMENT OF MORTGAGE FORECLOSURE AND
JUDICIAL SALE NUNC PRO TUNC

THIS CAUSE came on for consideration pursuant Plaintiff's Motion to Ratify Final Summary Judgment of Mortgage Foreclosure and to Judicial Sale Nunc Pro Tunc, and being otherwise fully advised in the premises,

ORDERS AND ADJUDGES as follows:

1. That the Final Summary Judgment is ratified nunc pro tunc.
2. That the Judicial sale is hereby ratified nunc pro tunc.

DONE AND ORDERED in Chambers in ORANGE County, Florida, this 30 day of September, 2010.

/s/ Emerson R. Thompson, Jr.
CIRCUIT JUDGE

I hereby certify that a true and correct copy of the foregoing has been furnished to all parties on the service list this 30 day of September, 2010.

Laura Ballard
ATTORNEY
Laura Ballard

Service List

Erik DeL'Etoile, Esquire
Florida Default Law Group, P.L.
P.O. Box 25018
Tampa, Florida 33622-5018

FILE_NUMBER: F08079773

Serial: 15587927
DOC_ID: M050750



MARLENE L. PETERSON
6306 Nightwind Circle
Orlando FL 32818

Marlene L. Peterson aka Marlene L. Miranda
c/o Bk. Atty.
Stephen R Caplan
Schlegel Caplan
121 South Orange Avenue
Suite 880
Orlando, FL 32801

BRIAN C. PETERSON
6306 Nightwind Circle
Orlando FL 32818

Brian C. Peterson
c/o Bk. Atty.
Stephen R Caplan
Schlegel Caplan
121 South Orange Avenue
Suite 880
Orlando, FL 32801

WESTWIND HOMEOWNERS ASSOCIATION, INC.
c/o WEAN, PAUL L, R.A.
WEAN & MALCHOW, P.A.
1305 E ROBINSON ST
ORLANDO, FL 32801

MARLENE L. PETERSON
6306 NIGHTWIND CIR
ORLANDO, FL 32818

BRIAN C. PETERSON
206 DUNE CIR
NEW SMYRNA BCH, FL 32169

PROPERTY ADDRESS
6306 NIGHTWIND CIRCLE
ORLANDO, FL 32818-0000

FILED

DAVID B. ROSEN (Attorney ID No. 7152-0)
PITE DUNCAN, LLP
810 Richards Street, Suite 880
Honolulu, HI 96813
Ph.: (808) 523-9393
Fax: (808) 523-9595
E-mail: RosenLaw@hawaii.rr.com

2010 NOV 16 PM 3:53

J. YAGI, CLERK
THIRD CIRCUIT COURT
STATE OF HAWAII

DAVID E. McALLISTER (Attorney ID No. 7660)
PITE DUNCAN, LLP
4375 Jutland Drive, Suite 200
P.O. Box 17935
San Diego, CA 92177-0935
Telephone: (858) 750-7600
Facsimile: (619) 590-1385
E-mail: dmcallister@piteduncan.com

Attorneys for Plaintiff GMAC MORTGAGE, LLC

IN THE CIRCUIT COURT OF THE THIRD CIRCUIT

HILO DIVISION

STATE OF HAWAII

GMAC MORTGAGE, LLC,

Plaintiff,

v.

FRANCIS SEGUNDO; and DOES 1
THROUGH 20, INCLUSIVE,

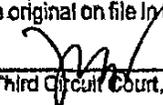
Defendants.

CIVIL NO. 09-1-0228 (GKN)
(Foreclosure)

**ORDER GRANTING PLAINTIFF'S
MOTION TO RATIFY THE COURT'S
FINDINGS OF FACT AND
CONCLUSIONS OF LAW, AND ORDER
GRANTING PLAINTIFF'S MOTION
FOR SUMMARY JUDGMENT AND
FOR INTERLOCUTORY DECREE OF
FORECLOSURE ENTERED ON JUNE
22, 2010**

[NON-HEARING MOTION]

I hereby certify that this is a full, true and correct
copy of the original on file in this office.


Clerk Third Circuit Court, State of Hawaii

**ORDER GRANTING PLAINTIFF'S MOTION TO RATIFY THE COURT'S FINDINGS
OF FACT AND CONCLUSIONS OF LAW, AND ORDER GRANTING PLAINTIFF'S
MOTION FOR SUMMARY JUDGMENT AND FOR INTERLOCUTORY DECREE OF
FORECLOSURE ENTERED ON JUNE 22, 2010**

Pursuant to Plaintiff's Motion to Ratify the Court's Findings of Fact and Conclusions of
Law and Order Granting Plaintiff's Motion for Summary Judgment and for Interlocutory Decree
of Foreclosure entered on June 22, 2010, filed on NOV 16 2010:

IT IS HEREBY ORDERED THAT the Court's Findings of Fact and Conclusions of Law
and Order Granting Plaintiff's Motion for Summary Judgment and for Interlocutory Decree of
Foreclosure entered on June 22, 2010 is ratified nunc pro tunc.

DATED: Hilo, Hawaii, NOV 16 2010, 2010.

GREG K. NAKAMURA (Seal)

JUDGE OF THE ABOVE-ENTITLED COURT

STATE OF INDIANA
COUNTY OF JASPER
GMAC MORTGAGE, LLC

Plaintiff,

vs.

L. KEITH WHITAKER A/K/A L.
KEATH WHITAKER
et al.

Defendants.

IN THE JASPER SUPERIOR COURT
CAUSE NO. 37D01 1006 MF 264

FILED
IN OPEN COURT

DEC -3 2010

[Handwritten Signature]
Clerk of the Jasper Superior Court

**ORDER ON PLAINTIFF'S MOTION TO RATIFY THE FINAL JUDGMENT
OF FORECLOSURE AND TO RESET THE FORECLOSURE SALE**

This matter, having come before the Court on the Motion to Ratify the Final Judgment and to Reset the Foreclosure Sale filed by Plaintiff, GMAC Mortgage, LLC and the Court being duly advised in the premises now sets forth the following judgment:

It is hereby ORDERED, ADJUDGED, AND DECREED that:

1. The Plaintiff's Motion to Ratify the Final Judgment of Foreclosure, *nunc pro tunc*, is hereby granted.
2. The Foreclosure Sale shall be set forthwith as soon as a Praecipe for Order of Sale is filed in accordance with this Order.

This is a final and appealable Order and there is no just reason for delay.

SO ORDERED, ADJUDGED, AND DECREED this 3 day of

Dec, 2010.

[Handwritten Signature]

Judge, Jasper Superior Court

Copies to:
Reisenfeld & Associates, LPA LLC
L. Keith Whitaker a/k/a L. Keath Whitaker
Unknown Occupant, if any

STATE OF NORTH DAKOTA
COUNTY OF CASS

IN DISTRICT COURT
EAST CENTRAL JUDICIAL DISTRICT

GMAC Mortgage, LLC,

: Plaintiff,

vs,

David A. Stenvold; Verda M. Stenvold;
Scott Adams; First American
Investment, LLC.; Christopher Downs
DBA Pioneer Electric, Inc.; and any
person in possession,

Defendants.

Civil No. 09-2010-CV-01141

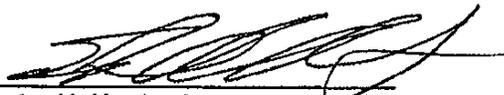
NOTICE OF ENTRY OF ORDER

1. PLEASE TAKE NOTICE that an Order Ratifying Judgment Nunc pro Tunc in the above-entitled action was entered in the office of the Clerk of this Court on December 22, 2010. A true and correct copy of said Order is hereto annexed and herewith served upon you.

Dated January 4, 2011.

MACKOFF KELLOGG LAW FIRM
Attorneys for the Plaintiff
Office and Post Office Address:
38 Second Avenue East
Dickinson, North Dakota 58601
Tel: (701) 227-1841
Fax: (701) 225-6878

By:


Sandra K. Kuntz, Attorney #05186
Bethany Abrams, Attorney #06344

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF ENTRY OF ORDER to be mailed, by first class mail with postage duly prepaid, on January 4, 2011, to the following persons:

David Stenvold
1610 7th St. N.
Fargo, ND 58102

Verda Stenvold
2460 18th St. S.
Fargo, ND 58103

Occupant
1610 7th St. N.
Fargo, ND 58102

Pioneer Electric, Inc.
Attention Christopher Downs
5493 159th Ave SE,
Kindred, ND 58051

AR Audit Services
3921 Lockport St.
Bismarck, ND 58503

Anita Sunde
Attorney at Law
for First American Investment, LLC
118 Broadway No., Suite 807
Fargo ND 58102

Scott Adams
176 E. Main, Unit D
West Fargo, ND 58078



Sandra K. Kuntz, Attorney
Bethany Abrams, Attorney

STATE OF NORTH DAKOTA
COUNTY OF CASS

IN DISTRICT COURT
EAST CENTRAL JUDICIAL DISTRICT

GMAC Mortgage, LLC,)
)
 Plaintiff,)

vs.)

Civil No. 09-2010-CV-01141

David A. Stenvold; Verda M.)
Stenvold; Scott Adams; First)
American Investment, LLC.;)
Christopher Downs DBA Pioneer)
Electric, Inc.; and any person in)
possession,)

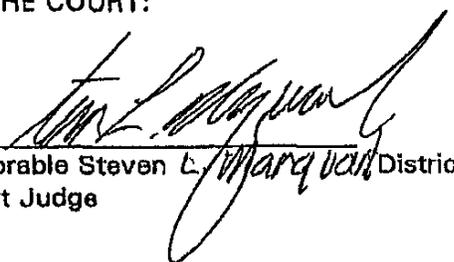
ORDER RATIFYING JUDGMENT NUNC
PRO TUNC

Defendants.)

IT IS HEREBY ORDERED that the Judgment in above referenced matter is hereby ratified and the effective date of said Judgment shall be August 20, 2010, the original filing date of the judgment.

Dated this 22nd day of Dec., 2010..

BY THE COURT:



Honorable Steven L. Maryman District
Court Judge

Filed - Clerk of District Court

DEC 22 2010

Cass County, ND

FILED
COMMON PLEAS COURT
FRANKLIN CO. OHIO
2010 DEC -2 PM 2:28
CLERK OF COURTS-CV

201020055
(dmj)

COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

GMAC Mortgage, LLC successor by merger
to GMAC Mortgage Corporation

Plaintiff,

Vs.

Angela King, et al.

Defendants.

Case No. 10CVE 05 07352

Judge Timothy Horton

ORDER RATIFYING JUDGMENT
NUNC PRO TUNC

This matter is before the Court upon Plaintiff's Motion For Order Ratifying Judgment Nunc Pro Tunc; and it appearing to the Court, after review of Plaintiff's Motion and its contemporaneously filed Amended Affidavit, that good cause exists for the Court to ratify its **Judgment and Decree in Foreclosure** entered herein on June 30, 2010 *nunc pro tunc*; accordingly

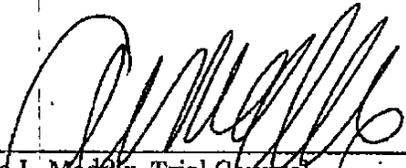
IT IS ORDERED THAT this Court's **Judgment and Decree in Foreclosure** entered herein on **June 30, 2010** shall be, and hereby is, ratified *nunc pro tunc*. All

proceedings had pursuant to the Court's **Judgment and Decree in Foreclosure** entered on **June 30, 2010** shall also be ratified hereby.

IT IS SO ORDERED.

JUDGE

Prepared by:



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Ohio Supreme Court #0074742
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STATE OF SOUTH DAKOTA

IN CIRCUIT COURT

COUNTY OF BUTTE

FOURTH JUDICIAL CIRCUIT

U.S. Bank National Association as
Trustee for RASC 2006KS2,

Plaintiff,

vs,

Robert L Gerlach I; Holly Sue Gerlach;
Roundup Building Center; and any
person in possession,

Defendants.

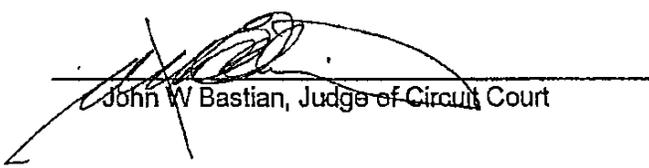
Civil No. 09-315

ORDER TO RATIFY JUDGMENT
NUNC PRO TUNC

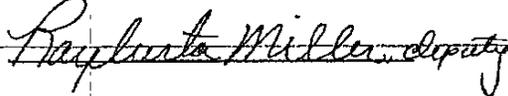
This matter came on for hearing on December 15, 2010.

The court having first reviewed and considered the Plaintiffs Motion to Ratify
Judgment Nunc Pro Tunc, hereby ratifies the judgment filed herein on April 22, 2010.

Dated this 15th day of December, 2010


John W Bastian, Judge of Circuit Court

ATTEST:
Shawn Sorenson, Clerk of Court


Raylanta Miller, deputy

FILED

DEC 15 2010

SOUTH DAKOTA UNIFIED JUDICIAL SYSTEM
4TH CIRCUIT CLERK OF COURT

By _____

Exhibit E

FEDERAL HOUSING FINANCE AGENCY



STATEMENT

For Immediate Release
October 13, 2010

Contact: Corinne Russell (202) 414-6921
Stefanie Mullin (202) 414-6376

Statement By FHFA Acting Director Edward J. DeMarco On Servicer Financial Affidavit Issues

“On October 1, FHFA announced that Fannie Mae and Freddie Mac are working with their respective servicers to identify foreclosure process deficiencies and that where deficiencies are identified, will work together with FHFA to develop a consistent approach to address the problems. Since then, additional mortgage servicers have disclosed shortcomings in their processes and public concern has increased.

Today, I am directing the Enterprises to implement a four-point policy framework detailing FHFA’s plan, including guidance for consistent remediation of identified foreclosure process deficiencies. This framework envisions an orderly and expeditious resolution of foreclosure process issues that will provide greater certainty to homeowners, lenders, investors, and communities alike.

In developing this framework, FHFA has benefitted from close consultation with the Administration and other federal financial regulators.

The country’s housing finance system remains fragile and I intend to maintain our focus on addressing this issue in a manner that is fair to delinquent households, but also fair to servicers, mortgage investors, neighborhoods and most of all, is in the best interest of taxpayers and housing markets.”

(Attachment follows)

The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$5.9 trillion in funding for the U.S. mortgage markets and financial institutions.

FEDERAL HOUSING FINANCE AGENCY



Four-Point Policy Framework For Dealing with Possible Foreclosure Process Deficiencies

1. **Verify Process** -- Mortgage servicers must review their processes and procedures and verify that all documents, including affidavits and verifications, are completed in compliance with legal requirements. Requests for such reviews have already been made by FHFA, the Enterprises, the Federal Housing Administration, and the Office of the Comptroller of the Currency, among others. In the event a servicer's review reveals deficiencies, the servicer must take immediate corrective action as described below.

2. **Remediate Actual Problems** -- When a servicer identifies a foreclosure process deficiency, it must be remediated in an appropriate and timely way and be sustainable. In particular, when a servicer identifies shortcomings with foreclosure affidavits, whether due to affidavits signed without appropriate knowledge and review of the documents, or improperly notarized, the following steps should be taken, as appropriate to the particular mortgage:
 - a. **Pre-judgment foreclosure actions:** Servicers must review any filed affidavits to ensure that the information contained in the affidavits was correct and that the affidavits were completed in compliance with applicable law. If the servicer's review indicates either (a) that the information in a previously filed affidavit was not correct or (b) that the affidavit was not completed in compliance with applicable law, the servicer must work with foreclosure counsel to take appropriate remedial actions, which may include preparing and filing a properly prepared and executed replacement affidavit before proceeding to judgment.

 - b. **Post-judgment foreclosure actions (prior to foreclosure sale):** Before a foreclosure sale can proceed, servicers must review any affidavits relied upon in the proceedings to ensure that the information contained in the affidavits was correct and that the affidavits were completed in compliance with applicable law. If the servicer's review indicates either (a) that the information in a previously filed affidavit was not correct or (b) that the affidavit was not completed in compliance with applicable law, the servicer must work with foreclosure counsel to address the issue consistent with local procedures. Potential remedial measures could include filing an appropriate motion to substitute a properly completed replacement affidavit with the court and to ratify or amend the foreclosure judgment.

c. **Post-foreclosure sale (Enterprise owns the property):**

- **Eviction actions:** Before an eviction can proceed, servicers with deficiencies must confirm that the information contained in any affidavits relied upon in the foreclosure proceeding was correct and that the affidavits were completed in compliance with applicable law. If the servicer's review indicates either (a) that the information in a previously filed affidavit was not correct or (b) that the affidavit was not completed in compliance with applicable law, the servicer must work with foreclosure counsel to address the issue consistent with local procedures before the eviction proceeds. Potential remedial measures could include seeking an order to substitute a properly prepared affidavit and to ratify the foreclosure judgment and/or confirm the foreclosure sale.
 - **Real Estate Owned (REO):** With respect to the clearing of title for REO properties, servicers must confirm that the information contained in any affidavits relied upon in the foreclosure proceeding was correct and that the affidavits were completed in compliance with applicable law. If the servicer's review indicates either (a) that the information in a previously filed affidavit was not correct or (b) that the affidavit was not completed in compliance with applicable law, the servicer must work with foreclosure counsel to address the issue consistent with local procedures and take actions as may be required to ensure that title insurance is available to the purchaser for the subject property in light of the facts surrounding the foreclosure actions.
- d. **Bankruptcy Cases:** Servicers must review any filed affidavits in pending cases to ensure that the information contained in the affidavits was correct and that the affidavits were completed in compliance with applicable law. If the servicer's review indicates either (a) that the information in a previously filed affidavit was not correct or (b) that the affidavit was not completed in compliance with applicable law, the servicer must work with bankruptcy counsel to take appropriate remedial actions.

3. **Refer Suspicion of Fraudulent Activity** -- Servicers are reminded that in any foreclosure processing situation involving possible fraudulent activity, they should meet applicable legal reporting obligations.

4. **Avoid Delay** -- In the absence of identified process problems, foreclosures on mortgages for which the borrower has stopped payment, and for which foreclosure alternatives have been unsuccessful, should proceed without delay. Delays in foreclosures add cost and other burdens for communities, investors, and taxpayers. For Enterprise loans, delay means that taxpayers must continue to support the Enterprises' financing of mortgages without the benefit of payment and neighborhoods are left with more vacant properties. Therefore, a servicer that has identified no deficiencies in its foreclosure processes should not postpone its foreclosure activities.

FHFA will provide additional guidance should it become necessary.