

## **ResCap Board of Directors Approves Bid by Berkshire Hathaway for Whole Loan Portfolio**

*Decision subject to Court approval*

**October 25, 2012 - NEW YORK-** The ResCap Board of Directors has given its approval of the bid by Berkshire Hathaway of \$1.5 billion as the highest and best bid for a whole loan portfolio. The sale approval hearing before the Bankruptcy Court will commence on November 19, 2012.

The whole loan portfolio is made up of approximately 50,000 whole loans. Final approval of a sale transaction is subject to, among other things, definitive documentation and Bankruptcy Court approval.

Centerview Partners LLC and FTI Consulting are acting as financial advisers to ResCap. Morrison & Foerster LLP is acting as legal adviser to ResCap. Morrison Cohen LLP is advising ResCap's independent directors.

### ***About Residential Capital (ResCap)***

Residential Capital, LLC is one of the largest originators, sellers and servicers of residential mortgage loans in the United States. ResCap is a wholly owned subsidiary of Ally Financial Inc. ResCap conducts certain of its mortgage operations through GMAC Mortgage, a wholly owned subsidiary that is not affiliated with General Motors. ResCap is an approved Fannie Mae and Freddie Mac servicer and approved issuer for Ginnie Mae.

ResCap is a leader in facilitating mortgage refinancing and mortgage modifications through HAMP and other government programs. At March 31, 2012, ResCap was servicing over 2.4 million mortgage loans, with an aggregate unpaid principal balance of approximately \$374 billion. Of these, approximately 68% of the loans (by unpaid principal balance) are owned, insured or guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae. Since 2008, GMAC Mortgage has executed over 784,000 default workouts for borrowers. GMAC Mortgage is a leading HAMP participant and has effected more than 51,000 permanent HAMP modifications to date. GMAC Mortgage was the first major originator of loans to roll out the Treasury's HAMP 2.0 program. ResCap's executive offices are located in New York City, and it has major operations in Fort Washington, Pennsylvania, Minneapolis, Minnesota, Waterloo, Iowa, Dallas, Texas, and Burbank, California.

### **Contacts**

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