



Foreclosure Disclosure

4870 Viewridge Ave. #100
San Diego, CA 92123
866.344.8935
ResCapInfo.com

You are receiving this disclosure because you, or your mortgage broker, have asked Residential Capital to refinance a loan that is currently in foreclosure. There are risks to refinancing a loan that is in foreclosure, and we want to make sure that you completely understand and accept these risks before we begin to process your loan. Initial each below:

___ ___ A loan that is in foreclosure cannot be reinstated without a current Reinstatement Statement from your lender. These are sometimes difficult to obtain, and could take as long as 21 days to receive, and sometimes longer, if the other lender is uncooperative, or unorganized. A payoff statement and/or a simple monthly statement will not suffice.

___ ___ Payoffs and reinstatements on loans, liens and judgments often come back higher than the borrower expects. Until 100% of the payoffs and/or reinstatements and income verification required to refinance your loan are submitted, we make no guarantee whatsoever that we can continue to process you loan or that it will conform to our guidelines once we do have all the information.

___ ___ In some cases, your loan refinance may be canceled a day, or a few days before your foreclosure sale because of a lack of information, or information that came back that does not meet our lending criteria. The most common problem is that reinstatement and/or payoffs come back higher which pushes the 'loan to value' higher than expected, and the loan will be declined. If this critical information is obtained at the last minute, and your loan is rejected, you may lose your home at a foreclosure sale.

___ ___ It is your responsibility to make sure we have the payoffs and/or reinstatements from your lender. Residential Capital will make requests on your behalf, but there is no guarantee that we will receive the information promptly.

___ ___ At the time your loan is approved and all conditions have been met, we must have a payoff statement that gives us at least 5 days advance notice to pay off the loan. Some lenders will not provide this advance notice for loans in foreclosure. If we cannot get an accurate payoff figure with enough advance notice to pay off the loan, we may not be able to fund your loan, and you may lose your home at a foreclosure auction.



___ ___ STOP and verify that you have completed the Statement of Information form. If you do not have this form, go to ResCapInfo.com in the "Forms" section and print one to complete. This form must be 100% complete and signed by each borrower before we can work on your loan. This document will help the title company identify liens and/or judgements you may not be aware of, but could cause a problem in funding your loan on time. If you do not submit your Statement of Information with this signed statement we will not process your loan, and you may lose your home at a foreclosure auction.

I have carefully read and understand each of the disclosures above, and realize that if I/we are not diligent in providing all the documents required to Residential Capital, that the loan may be rejected and I/we may lose the home at a foreclosure auction.

Borrower Signature

Date

Borrower Signature

Date