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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

FOURTH POST-CONFIRMATION STATUS REPORT OF THE RESCAP LIQUIDATING TRUST

The ResCap Liquidating Trust (the "**Liquidating Trust**"), as successor in interest to the debtors (collectively, the "**Debtors**") in the above-captioned cases (the "**Chapter 11 Cases**"), hereby submits this post-confirmation status report for the quarterly period ending on June 30, 2015 (the "**Reporting Period**"), and respectfully represents as follows:

STATUS REPORT

1. On December 11, 2013, the Court entered the *Order Confirming Second Amended Joint Chapter 11 Plan Proposed by Residential Capital, LLC et al. and the Official Committee of Unsecured Creditors* (the "**Confirmation Order**") [Docket No. 6065] approving the terms of the Chapter 11 plan, as amended (the "**Plan**"), filed in these Chapter 11 Cases [Docket No. 6065-1].[1]

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

2. On December 17, 2013, the Effective Date of the Plan occurred (the "**Effective Date**"), and the Liquidating Trust was established [Docket No. 6137]. Pursuant to the Plan, the Liquidating Trust was established to wind down the affairs of the Debtors. *See* Plan, Art. VI.

3. On August 13, 2014, the Liquidating Trust filed an application for entry of a post-confirmation order (the "**Post-Confirmation Order**") [Docket No. 7385]. On August 26, 2014, the Court entered an amended Post-Confirmation Order [Docket No. 7431]. Pursuant to the Post-Confirmation Order, the Liquidating Trust is required to file quarterly and annual status reports detailing the actions taken by the Liquidating Trust and the progress made toward the consummation of the Plan.

4. Attached hereto as **Exhibit A** is a copy of the Liquidating Trust's consolidated financial statements and letter to beneficiaries (collectively, the "**Financial Statements**") detailing the Liquidating Trust's activity during the Reporting Period. The Financial Statements have been posted to the Liquidating Trust's website at http://rescapliquidatingtrust.com.

NOTICE

5. Notice of this Status Report has been provided to the parties identified on the Special Service List and General Service List, as those terms are defined in the Notice, Case Management, and Administrative Procedures approved by the Court [Docket No. 141], including the Office of the U.S. Trustee for the Southern District of New York.

Dated: August 17, 2015
New York, New York

KRAMER LEVIN NAFTALIS & FRANKEL LLP

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Exhibit A

ResCap Liquidating Trust

Consolidated Financial Statements
as of and for the Quarter Ended June 30, 2015
(Unaudited)

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Consolidating Statement of Net Assets in Liquidation

(Unaudited)
In thousands (except per unit)

	June 30, 2015				December 31, 2014
Assets:	ResCap Liquidating Trust	Cap Re of Vermont, LLC	International	Consolidated ResCap Liquidating Trust	Consolidated ResCap Liquidating Trust
Cash and cash equivalents	$ 85,963	$ 3,206	$ 24,047	$ 113,216	$ 311,859
Restricted cash	161,686	53,050	-	214,736	207,742
Assets held for sale	232,632	-	-	232,632	288,438
Other receivables	3,947	7,552	645	12,144	15,829
Other assets	-	-	50	50	18
Total assets	484,228	63,808	24,742	572,778	823,886
Liabilities:					
Claims and settlements	43,001	33,733	1,831	78,565	88,628
DOJ/AG consent settlement	50,038	-	-	50,038	52,389
Estimated costs to operate Trust	194,312	3,264	5,118	202,694	203,250
Liability for undistributed funds	79,694	-	-	79,694	73,118
Total liabilities	367,045	36,997	6,949	410,991	417,385
Net Assets in Liquidation	$ 117,183	$ 26,811	$ 17,793	$ 161,787	$ 406,501
Total units in the Trust				100,000,000	100,000,000
Net assets per authorized unit				$ 1.62	$ 4.07

The Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statement of Cash Receipts and Disbursements

(Unaudited)
In thousands

Receipts	Quarter ended June 30, 2015	Year to Date ended June 30, 2015	Effective Date through June 30, 2015
Receipts on assets held for sale	$ 19,726	$ 32,456	$ 364,836
Litigation/claim recoveries	8,100	29,541	47,696
Other receipts	2,072	6,237	69,662
Plan settlements	-	-	2,100,000
Total receipts	29,898	68,234	2,582,194
Disbursements			
Claims and settlements	(2,944)	(13,110)	(1,611,882)
DOJ/AG consent settlement	3,346	(1,894)	(41,019)
Costs to operate the Trust	(19,438)	(51,455)	(128,515)
Declared distribution	-	(200,000)	(2,230,000)
Change in undistributed funds	(26)	6,576	79,694
Total disbursements	(19,062)	(259,883)	(3,931,722)
Net cash flow	10,836	(191,649)	(1,349,528)
Cash and restricted cash, beginning of period	317,116	519,601	1,677,480
Cash and restricted cash, June 30, 2015	$ 327,952	$ 327,952	$ 327,952

The Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statement of Changes in Net Assets in Liquidation

(Unaudited)
In thousands (except per unit)

	Quarter ended June 30, 2015	Year to Date ended June 30, 2015	Effective Date through June 30, 2015
Net cash flow	$ 10,836	$ (191,649)	$ (1,349,528)
Other non-cash changes:			
Decrease in asset value assumptions	(6,374)	(34,892)	(87,671)
Increase in costs to operate the Trust	(31,267)	(50,613)	(129,646)
Decrease (increase) in DOJ/AG consent settlement	292	457	(13,576)
Basis of assets/liabilities liquidated/resolved	8,820	38,559	(693,700)
Decrease (increase) in distributions held for Beneficiaries	26	(6,576)	(79,693)
Total non-cash changes	(28,503)	(53,065)	(1,004,286)
Total decrease in net assets	(17,667)	(244,714)	(2,353,814)
Net assets in liquidation, beginning of period	179,454	406,501	2,515,601
Net assets in liquidation, June 30, 2015	$ 161,787	$ 161,787	$ 161,787

Per unit information:

	$ per Unit	$ per Unit	$ per Unit
Net assets per unit, beginning of period	$ 1.79	$ 4.07	$ 25.16
Decrease in net assets per unit	(0.17)	(0.45)	(1.24)
Declared distribution per unit	0.00	(2.00)	(22.30)
Net asset per unit, June 30, 2015	$ 1.62	$ 1.62	$ 1.62

The Notes to Consolidated Financial Statements are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Description of Business and Basis of Presentation

The ResCap Liquidating Trust ("Trust") was formed in connection with the Plan of Reorganization under chapter 11 of the United States Bankruptcy Code ("Plan") in the bankruptcy case of Residential Capital, LLC ("ResCap") and 50 of its direct and indirect subsidiaries (collectively, the "Debtors"). The Plan was confirmed by the bankruptcy court on December 11, 2013 and became effective on December 17, 2013 ("Effective Date").

Under the terms of the Plan and LTA, units of beneficial interest ("Units") were issued by the Trust to holders of allowed general unsecured claims ("Allowed Claims") against the Debtors, other than holders of general unsecured claims in classes for which the Plan prescribes payments of cash. The Units entitle their holders ("Beneficiaries") to receive a proportionate amount of cash distributions made by the Trust. The Units are issued only in book-entry form in accordance with the procedures of the Depository Trust Company. Certain holders of Allowed Claims are still in the process of providing information needed to be issued their Units.

The Disputed Claims Reserve ("DCR") was established to hold Units, and cash and other assets for the benefit of holders of general unsecured claims that become Allowed Claims after the Effective Date, unless such claims are satisfied in cash in accordance with the Plan. The Trust makes distributions of Units and cash from the DCR to holders of disputed claims that become Allowed Claims at intervals determined by the Board.

The Consolidated Financial Statements (the "Consolidated Financial Statements") have not been prepared in accordance with generally accepted accounting principles; rather they have been prepared using a liquidation basis of accounting, which the Trust considers an appropriate basis of accounting at this time. The assets are stated at their estimated net realizable value, which is the non-discounted amount of cash into which an asset is expected to be converted during the liquidation period. Assets are also established for future income expected to be earned by the Trust. Assets held for sale are valued based on projected recoveries for each asset type, and include mortgage loans, servicer advances, interest income, mortgage servicing rights, real estate owned, and trading securities. Costs to dispose of assets are also accrued and are netted in assets held for sale. The Trust also accrues costs that it expects to incur through the end of its liquidation, if and when it has a reasonable basis for estimation. The Trust will record affirmative litigation settlements or judgments when realized and collectability is assured.

The Consolidated Financial Statements include the accounts of the Trust and its majority-owned subsidiaries after eliminating all significant intercompany balances and transactions. The Consolidating Statement of Net Assets in Liquidation combines assets held in bailment and non-material subsidiaries into the Trust entity. Other wholly owned subsidiaries include Cap Re of Vermont, LLC, ("Cap Re"), a captive reinsurance company, and ResCap Foreign Equity Holding Co ("International"), which holds all international businesses. Intercompany balances between entities are excluded, consisting of a Trust receivable from Cap Re of $18.4 million and a net receivable from International of $1.4 million.

The Consolidated Financial Statements as of and for the quarter ended June 30, 2015, are unaudited but reflect all adjustments that are, in management's opinion, necessary for the fair presentation of the results for the periods presented. These unaudited Consolidated Financial Statements should be read in conjunction with the unaudited Consolidated Financial Statements, and the related notes, for the year ended December 31, 2014.

2. Restricted Cash

Restricted cash is comprised of the following (in $000's):

	June 30, 2015	December 31, 2014
Cash held in DCR	$ 76,895	$ 72,024
Cash restricted in Cap Re	53,050	62,304
APSC claims and other administrative claims reserve	42,624	47,946
DOJ/AG consent settlement reserve	39,368	24,324
Distributions held for Beneficiaries	2,799	1,094
Other	-	50
Total restricted cash	$ 214,736	$ 207,742

The restricted cash reserve for administrative and other priority claims, secured claims, unsecured convenience claims and certain other unsecured claims ("APSC") was funded to satisfy obligations for APSC and other administrative claims. The Trust's liability for such obligations is not limited by the reserve balance.

Activity during the quarter and year to date to date ended June 30, 2015 related to the APSC claims restricted cash reserve is as follows (in $000's):

	Quarter ended June 30, 2015	Year to Date ended June 30, 2015
Balance, beginning of period	$ 42,921	$ 47,946
Additions – cash / assets	-	-
Withdrawals – Allowed Claims	(297)	(5,322)
Balance, June 30, 2015	$ 42,624	$ 42,624

The DOJ/AG consent settlement restricted cash reserve was originally funded to satisfy obligations under the DOJ/AG Settlement. The Trust's liability for such obligations is not limited by the reserve balance. The reserve must maintain a minimum balance of $20.0 million until April 5, 2016, at which time the reserve can be reduced in accordance with a prescribed formula.

In 2014, the Trust remitted $13.7 million to Rust Consulting for disbursement to servicemembers under Section 533 of SCRA dealing with non-judicial foreclosures. During the second quarter, $7.9 million of the funds were returned to the Trust because the servicemembers to whom these funds were payable did not respond to outreach efforts and could not be located. These funds have been reserved for potential payments to servicemembers under Section 533.

In addition, in June 2015, Rust Consulting initiated remediation activities under the settlement with regard to compensation due to servicemembers under Section 521 of SCRA which addresses default judgments against servicemembers. $11.5 million has been reserved for potential payments to servicemembers under Section 521.

Activity during the quarter ended and year to date ended June 30, 2015 related to the DOJ/AG Consent Settlement restricted cash reserve is as follows (in $000's):

	Quarter ended June 30, 2015	Year to Date ended June 30, 2015
Balance, beginning of period	$ 20,714	$ 24,324
Additions	19,368	19,368
Releases / Payments	(714)	(4,324)
Balance, June 30, 2015	$ 39,368	$ 39,368

3. Claims and Settlements

Claims and settlements are comprised of the following (in $000's):

	June 30, 2015	December 31, 2014
Bankruptcy related claims:		
APSC claims and other administrative claims	$ 42,823	$ 47,102
ETS unsecured claim	178	1,069
Subtotal – bankruptcy related claims	43,001	48,171
Settlements:		
Cap Re reserves	33,733	39,322
Other settlements	1,831	1,135
Subtotal – settlements	35,564	40,457
Total claims and settlements	$ 78,565	$ 88,628

4. Estimated Costs to Operate the Trust

Estimated costs to operate the Trust are comprised of the following (in $000's):

	June 30, 2015	December 31, 2014
Professional fees	$ 103,865	$ 85,657
Compensation	33,767	29,574
Document management	22,226	33,398
Information technology	13,625	13,078
Transition services	6,420	5,261
Other operating costs	22,791	36,282
Total costs to operate the Trust	$ 202,694	$ 203,250

Estimated costs to operate the Trust include incurred costs and estimates of all future cash outlays required to operate the Trust throughout its lifetime.

5. Distributions to Beneficiaries and Disputed Claims Reserve

Releases to Beneficiaries represent distribution of Units and cash for certain Beneficiaries who subsequently provided the necessary information to the Trust. Distributions on Allowed Claims

represent Units and related cash released from the DCR for claims that became Allowed Claims between December 17, 2013 and February 28, 2015, and includes Units and cash designated as Distributions Held for Beneficiaries, pending receipt of certain information from the holders. Allowed Claims after February 28, 2015 will receive their Units at the next Unit distribution date.

	Quarter ended June 30, 2015			
Units	Distributed to Beneficiaries	Held by DCR	Held for Beneficiaries	Total Distribution
Balance, March 31, 2015	96,425,129	3,448,188	126,683	100,000,000
Declared distribution	-	-	-	-
Releases to Beneficiaries	1,173	-	(1,173)	-
Distributions on Allowed Claims	-	-	-	-
Balance, June 30, 2015	96,426,302	3,448,188	125,510	100,000,000

	Quarter ended June 30, 2015			
Cash (in 000's)	Distributed to Beneficiaries	Distributions Held by DCR	Distributions Held for Beneficiaries	Total Distribution
Balance, March 31, 2015	$ 2,150,280	$ 76,895	$ 2,825	$ 2,230,000
Declared distribution	-	-	-	-
Releases to Beneficiaries	26	-	(26)	-
Distributions on Allowed Claims	-	-	-	-
Balance, June 30, 2015	$ 2,150,306	$ 76,895	$ 2,799	$ 2,230,000

	Year to date ended June 30, 2015			
Units	Distributed to Beneficiaries	Held by DCR	Held for Beneficiaries	Total Distribution
Balance, December 31, 2014	96,398,151	3,547,976	53,873	100,000,000
Declared distribution	-	-	-	-
Releases to Beneficiaries	28,151	-	(28,151)	-
Distributions on Allowed Claims	-	(99,788)	99,788	-
Balance, June 30, 2015	96,426,302	3,448,188	125,510	100,000,000

	Year to date ended June 30, 2015			
Cash (in 000's)	Distributed to Beneficiaries	Distributions Held by DCR	Distributions Held for Beneficiaries	Total Distribution
Balance, December 31,2014	$ 1,956,882	$ 72,024	$ 1,094	$ 2,030,000
Declared distribution	192,850	7,096	54	200,000
Releases to Beneficiaries	574	-	(574)	-
Distributions on Allowed Claims	-	(2,225)	2,225	-
Balance, June 30, 2015	$ 2,150,306	$ 76,895	$ 2,799	$ 2,230,000

Activity during the quarter and year to date ended June 30, 2015 related to disputed claims is as follows ($ in 000's):

	Quarter ended June 30, 2015		Year to Date ended June 30, 2015	
	Number of Claims	Asserted Amount	Number of Claims	Asserted Amount
Disputed Claims, beginning of period	258	$ 301,193	278	$ 314,980
Amount established during the period	1	-	11	-
Allowed Claims	(1)	(56)	(7)	(10,240)
Disallowed Claims	(110)	-	(127)	(2,813)
Reclassified to Convenience Claims	(2)	(314)	(9)	(1,104)
Disputed Claims, June 30, 2015	146	$ 300,823	146	$ 300,823

Distributions of Units will be made to holders of Allowed Claims based on the following issuance ratios, consistent with the distributions made as of the Effective Date:

- For holders of claims against the ResCap Debtors: 0.014305344 Units per dollar of Allowed Claim;
- For holders of claims against the GMACM Debtors: 0.011848742 Units per dollar of Allowed Claim;
- For holders of claims against the RFC Debtors: 0.003528361 Units per dollar of Allowed Claim.

These issuance ratios may be subject to reduction based upon the total value of future Allowed Claims and the balance of the Units held in the Disputed Claims Reserve.

At the discretion of the Board, Units in the DCR corresponding to claims that have been disallowed may be cancelled and any related cash made available for distribution to all Beneficiaries or added to the Administrative Expenses Set Aside. Alternatively, such Units and cash may be retained in the DCR for satisfaction of Allowed Claims in the future.

6. Commitments and Contingencies

DOJ/AG Consent Settlement

On February 9, 2012, Ally Financial, Inc., ResCap and certain of ResCap's subsidiaries reached an agreement in principle with respect to investigations into procedures followed by mortgage servicing companies and banks in connection with mortgage origination and servicing activities and foreclosure home sales and evictions ("DOJ/AG Settlement") which was subsequently filed as a consent judgment in the US District Court. On and after the Effective Date, the Trust must continue to perform the remaining obligations under the DOJ/AG Settlement, other than certain obligations assumed by the purchasers of ResCap's mortgage servicing rights in the sales that occurred during the chapter 11 cases pursuant to section 363 of the United States Bankruptcy Code (the "Section 363 Sales"). Under the terms of the DOJ/AG Settlement, the Trust is obligated for certain Office of Mortgage Settlement Oversight ("OMSO") costs related to the purchasers in the Section 363 Sales.

The Trust estimated and established a liability for its DOJ/AG Settlement obligations and related costs and expenses of $50.0 million and $52.4 million as of June 30, 2015 and December 31, 2014, respectively.

Litigation

Claims have been asserted against the Trust. At this time, the Trust cannot estimate the possible financial effect of these claims.

Affirmative Litigation

The Trust is pursuing various affirmative litigation matters. These include:

- Indemnity and breach of contract claims against correspondent lenders that sold loans to Residential Funding Company LLC ("RFC") (a subsidiary of ResCap), seeking recovery of liabilities and losses that RFC incurred by virtue of its purchase from the defendants of residential mortgage loans that breached the defendants' representations and warranties.

  During 2015, the Trust entered into four settlement agreements with correspondents in exchange for $28.2 million. The agreements provide for the full and final resolution of pending litigation against the correspondents and a mutual release of all claims relating to residential mortgage loans that the correspondents sold to RFC.

  In addition, in 2015, one new case was filed, and one case was dismissed. As of June 30, 2015, there were 75 total filed cases pending; one case dismissed and on appeal; and tolling agreements with 6 other correspondent lenders.

- Claims pursuant to transactions with foreign subsidiaries. During 2015, one matter was settled related to the Trust's foreign subsidiaries. All proceeds are expected to be received and held by the subsidiary or its parent, RFC Foreign Equity Holdings Co, until such time as determined by the Liquidating Trust Board ("Board") to be transferred to the Trust.

- Other affirmative litigation matters. The Trust is party to certain other affirmative litigation, principally in adversary proceedings before the bankruptcy court seeking avoidance of transfers made to creditors prior to the commencement of the bankruptcy. The Trust also is party to an action against certain insurers for failure to cover certain settlement costs.

- Reservation of rights. The Trust has reserved its rights with respect to other affirmative claims it may bring in the future.

At this time, the Trust cannot predict the outcome of these litigations or estimate the possible financial effect of these matters on the Consolidated Financial Statements, and as such, neither contingent gains nor any contingent costs to pursue these matters are currently recorded.

Other

Prior to the formation of the Trust, on March 18, 2013, the U.S. Attorney's Office for the Central District of California served an investigative subpoena on Residential Capital, LLC pursuant to 12 U.S.C. 1833a (Financial Institutions Reform, Recovery, and Enforcement Act of 1989, or FIRREA). On February 13, 2014, and March 2, 2015, supplemental subpoenas were served on Residential Capital, LLC. The subpoenas seek documents and information related to the Debtor's securitization activities, including the purchase of loans from third-parties. The Trust continues to cooperate with the U.S. Attorney's Office in connection with its investigation.

7. Subsequent Events

Events subsequent to June 30, 2015 were evaluated through August 14, 2015, the date on which these Consolidated Financial Statements were issued.

An affirmative litigation matter related to foreign subsidiaries was settled after June 30, 2015.

RESCAP

LIQUIDATING TRUST

August 14, 2015

Dear Beneficiaries:

The Trust's quarterly financial report as of and for the period ended June 30, 2015, has been posted on our website at http://rescapliquidatingtrust.com/financialtaxinformation.aspx.

During the second quarter, the Trust continued monetizing assets and pursuing causes of action.

Asset Recovery and Monetization Activity

In the second quarter, the Trust

- Collected $19.7 million in normal course recoveries relating to the Trust's portfolio of assets held for sale, which was significantly higher than the prior quarter's recoveries.
- Received $2.5 million of cash that was released to Cap Re by one of the mortgage insurers for closed underwriting years. Funds will remain in Cap Re until they can be upstreamed or the entity liquidated.

As previously reported, the Trust has been exploring additional bulk sales of the remaining portfolio of FHA and VA loans. We were working to arrange such sales during the second quarter of 2015, but have not reached any agreement with potential purchasers. While we continue to evaluate these bulk sales, management and the Board are also exploring other options for the portfolio.

Administrative Expenses Set Aside

The Administrative Expenses Set Aside holds cash and other assets, as determined by the Board that are set aside for the payment of Trust operating expenses. As of June 30, 2015, the Administrative Expenses Set Aside consisted of $66.4 million in cash and $138.5 million in pledged proceeds from future asset sales and/or recoveries.

Activity during the second quarter of 2015 related to the Administrative Expenses Set Aside is as follows (in $000's):

	Amount
Balance, March 31, 2015	$ 210,315
Additions - cash	23
Additions - pledged proceeds from future asset sales and/or recoveries	8,116
Withdrawals - cash	(13,516)
Balance, June 30, 2015	$ $204,938

Claims

We continue to make progress resolving claims in the Disputed Claims Reserve, and have reduced the number of active claims since the first quarter by 112, from 258 to 146 at the end of the second quarter.

- On June 10, 2015, a motion was granted extending the date by which claims objections must be filed to May 15, 2016.
- On June 26, 2015, Omnibus 68 was ordered, thereby disallowing and expunging 110 claims.

There were 38 active Administrative Priority, Secured, Convenience and ETS claims at June 30, 2015.

- On July 21, 2015, $0.8 million of claims against ETS were withdrawn and reserves released.

Regulatory

The Trust, as successor to the Debtors, together with other large mortgage servicers, is party to a settlement with federal and state regulators under the Servicemembers Civil Relief Act (SCRA) regarding foreclosures against servicemembers. Rust Consulting serves as settlement administrator on behalf of the Trust. In December 2014, the Trust remitted $13.7 million to Rust Consulting for disbursement to servicemembers under Section 533 of SCRA dealing with non-judicial foreclosures. During the second quarter, $7.9 million of the funds were returned to the Trust because the servicemembers to whom these funds were payable did not respond to outreach efforts and could not be located. These funds have been reserved for potential payments to servicemembers under Section 533.

In addition, in June 2015, Rust Consulting initiated remediation activities under the settlement with regard to compensation due to servicemembers under Section 521 of SCRA which addresses default judgments against servicemembers. $11.5 million has been reserved for potential payments to servicemembers under Section 521.

Legal Matters

The Trust, as successor in interest to Residential Funding Company, LLC ("RFC"), continues to prosecute lawsuits against correspondent lenders, seeking recovery for breach of representations and warranties on the residential mortgage loans that the defendants' sold to RFC. The Trust is also engaged in several other affirmative litigation matters.

As of the end of second quarter of 2015, the Trust was prosecuting 75 correspondent lender litigations, 66 of which were pending in the federal District Court in Minnesota, 5 of which were pending in the federal Bankruptcy Court for the Southern District of New York, and 4 of which were pending in Minnesota state court. An additional case, which the Minnesota federal District Court dismissed in 2014, remains on appeal to the U.S. Court of Appeals for the Eighth Circuit. The Trust has tolling agreements with 6 other correspondent lenders, which were extended until September 30, 2015.

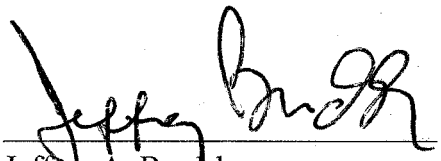
The parties to the correspondent lender litigations continue to engage in pre-trial discovery and motion practice. During the second quarter of 2015, the Minnesota federal court issued several decisions resolving discovery disputes, including one decision that granted in part the Trust's motion to approve the use of a statistical sampling methodology as to certain loans sold to RFC by the defendants in 23 Minnesota federal cases, and two decisions granting in part the Trust's motions to strike certain affirmative defenses asserted by defendants in the Minnesota federal cases. Additionally, federal and state courts in Minnesota issued seven decisions denying in all material respects motions to dismiss filed or joined by 18 defendants.

During the quarter, two additional correspondent lender actions were settled by the Trust. These settlements provide for the full and final resolution of all pending claims against the defendants, mutual releases, and payments to the Trust of $7.7 million.

* * * * *

As the weight of activity of the Trust shifts from asset monetization to litigation recoveries, management and the Board of the Trust remain keenly focused on maximizing recoveries for Beneficiaries. We will continue to keep you informed of developments.

Sincerely,



Jeffrey A. Brodsky
Member
Quest Turnaround Advisors, LLC
Liquidating Trust Manager