

Securitization Audit Report

for

John Smith & Jane Smith

15879 Sedene Road, Palos Heights IL 60125

July 16, 2014

Summary of Findings

The Premises

The subject loan was granted on January 5, 2007. The borrowers are John Smith and Jane Smith and the originating lender is First Magnus Financial Corp. The Mortgage was executed on the same date. The parties are the borrowers, the originating lender, and MERS, which is named as nominee for the lender and mortgagee.

The Adjustable Rate Note has not been endorsed. The Mortgage has been assigned by MERS as nominee of the lender to Chevy Chase Funding LLC Mortgage Backed Certificates, Series 2007-1 Trust.

The Prospectus requires that the depositor endorse the Adjustable Rate Note in blank or to the Trustee (or a trustee nominee). The Pooling and Service Agreement (PSA) was not available for this review. However, typical language in a PSA for a similar trust, in more detail, would also require that the Adjustable Rate Note should be endorsed by First Magnus Financial Corp., the originating lender to Chevy Chase Bank, FSB, the seller, by the seller to Chevy Chase Funding, LLC, the depositor, and by the depositor to US Bank, NA, the trustee. Consequently, the Mortgage should have been assigned by the originating lender to the seller, by the seller to the depositor, and by the depositor to the trustee.

The Adjustable Rate Note must be endorsed properly when the Mortgage has been assigned. If this does not occur, there is a separation of the security instrument from the debt instrument.

The chain of endorsements and assignments are also set to be followed in order to qualify the trust as a REMIC under the Internal Revenue Code.

The Main Issues

1. The Adjustable Rate Note has not been endorsed while the Mortgage has been assigned to the securitization trust. Thus the security instrument has been separated from the debt instrument.
2. The subject loan was securitized. However, there were no documents to show the compliance of the series of endorsements and assignments that:
 - 2.1. are required by the Pooling and Servicing Agreement; and
 - 2.2. each constitutes a true sale from the originating lender to the seller, from the seller to the depositor, and from the depositor to the trustee in order to (a) qualify the trust as a REMIC and (b) give the trust the status of a holder in due course that would protect it against adverse claims from the loan's originator.
3. The mortgaged property has been foreclosed in favor of the securitization trust which has no more documents filed with the SEC as of July 16, 2014. The Lis Pendens was filed by the trustee before it became assignee of the Mortgage.

Details of these findings are discussed in the pages that follow.

This report is authorized for use by both the borrowers and/ or their attorneys. The content constitutes written evidentiary findings. The expert whose name appears at the bottom of this report supports its findings. The audit service is a "qualified" veteran Mortgage document analyst company and an independent party with no financial interest in the outcome of this case. I stand ready to testify in any State or Federal court as a witness in support of the attorney's foundation of evidence and judicial notice. This report is based upon facts, documentation, investigation and review of the evidence supplied.

BY

Dwight Maxwell, MSA

State of _____ County of _____

_____, personally appeared before me, and being first duly sworn declared that he/she signed this letter in the capacity designated.

(Personalized Seal) Notary Public

The Documents Presented for Examination

The documents that were presented and which were considered for this examination are enumerated and described below. The examiners warrant that these documents were in the same state when they came into their possession as when they were examined. In spite of the deficiencies noted herein, these documents were treated as true and correct copies of their originals.

- Adjustable Rate Note dated March 22, 2007.

This document consists of four pages. This copy bears the signatures of the borrowers (see Exhibit A).

- Deed of Trust executed on March 22, 2007.

This document consists of 14 pages. This copy bears the signatures of the trustors and the signature and seal of the notarizing officer. It was recorded at Los Angeles County on April 5, 2007 as Document No. 200704001234 (see Exhibit B).

- Voluntary Liens Report dated September 2, 2013.

This document consists of five pages. It was obtained from homeinfomax.com (see Exhibit C).

- MERS Servicer Inquiry Screenshot.

This document was obtained from the official website of Mortgage Electronic Registration Systems, Inc. on October 5, 2013 (see Exhibit D).

- Assignment of Deed of Trust executed on August 10, 2010.

This document consists of two pages. This copy bears the signature of the assignor's representative and the signature and seal of the notarizing official. It was recorded at Los Angeles County on August 21, 2010 as Document No. 201008001234 (see Exhibit E).

- Substitution of Trustee dated January 5, 2011.

This document consists of three pages. This copy bears the signature of the appointing party's representative and the signature and seal of the notarizing official. It was recorded at Los Angeles County on January 10, 2011 as Document No. 201101001234 (see Exhibit F).

- Notice of Default dated February 8, 2011.

This document consists of six pages. It was filed with the Office of the Sheriff of Los Angeles County on February 10, 2011. This copy bears the signature of the trustee's representative (see Exhibit G).

- Notice of Trustee's Sale dated July 28, 2011.

This document consists of five pages. It was filed with the Office the Sheriff of Los Angeles County on August 2, 2011. This copy bears the signature of the trustee's representative (see Exhibit H).

- Signature Specimen No. 1 of T. Sevillano.

This document contains a specimen of the signature of T. Sevillano. It was obtained from whatsignature.com on October 7, 2013 (see Exhibit I).

- Signature Specimen No. 1 of Ahmad Afzal.

This document contains a specimen of the signature of Ahmad Afzal. It was obtained from whatsignature.com on October 7, 2013 (see Exhibit I).

The Debt and the Security Instruments

The loan that is the subject of this securitization audit was granted on March 22, 2007. The promissory note names Joseph A. Smith and Marie B. Smith as the borrowers and GreenPoint Mortgage Funding, Inc. as the originating lender. It is a Fixed Rate Note with a term of 30 years to mature on April 1, 2037. It has not been endorsed (see Exhibit A).

The Deed of Trust was executed on the same date. The trustors are the borrowers, the beneficiary is Mortgage Electronic Registration Systems, Inc. (MERS), and the trustee is ABC Trustee Services, Inc. MERS is also described as acting solely as nominee for the lender. This instrument secures the debt of the borrowers to the lender including interest thereof. The mortgaged property is located at 120 Southwest Street, Culver City, California 90230 (see Exhibit B).

Information on the Debt and the Security Instruments

General	Amount of Principal	\$280,000
	Date Granted	March 22, 2007
	Maturity Date	April 1, 2037
	Term	30 Years
The Debt Instrument	Type of Document	Fixed Rate Note
	Initial Interest Rate	7.000% p.a.
	First Interest Rate Change Date	April 1, 2009
	Loan Number	12345678
The Security Instrument	Type of Document	Deed of Trust
	Date Executed	March 22, 2007
	MERS ID Number	1001000-0012345678-9
	Lien Position	First

The Parties to the Debt and the Security Instruments

Borrower	Name	Joseph A. Smith
	Mailing Address	120 Southwest Street Culver City CA 90230
	Property Address	120 Southwest Street Culver City CA 90230
Co-Borrower	Name	Marie B. Smith
Lender	Name	GreenPoint Mortgage Funding, Inc.
	Mailing Address	100 Wood Hollow Drive Novato CA 94945
Beneficiary	Name	Mortgage Electronic Registration Systems, Inc.
	Mailing Address	PO Box 2020 Flint MI 48501
Trustee	Name	ABC Trustee Services, Inc.
	Mailing Address	200 East Avenue Los Angeles CA 90001
Servicer	Name	Bank of America, NA
	Mailing Address	400 Countryside Way Simi Valley CA 93065
Title Company	Name	Heavyweight Title Co.
	Mailing Address	300 Ringside Avenue Los Angeles CA 90002

Analysis of the Transaction

Promissory Note

Definition

A promissory note is a written promise to pay a debt. It is an unconditional promise to pay on demand or at a fixed or determined future time a particular sum of money to or to the order of a specified person or to the bearer.

<http://definitions.uslegal.com/p/promissory-notes/>

Parties to a Promissory Note

A promissory note basically has two parties namely, the maker and the payee. The maker, or debtor, is the person who promises to pay the amount stated in the note. The payee, or creditor, is the person to whom the amount is payable. A promissory note may also have a holder. He is the payee or the person to whom the promissory note might have been endorsed. <http://www.scribd.com/doc/61733200/11/Parties-to-a-Promissory-Note>

Endorsement

A promissory note can be transferred by endorsement. It means the writing of one's own name on the instrument with the intention of transferring the rights therein. In order to be valid, an endorsement must be on the face of, or on the back of, or on a separate piece of paper attached to the note, called an allonge. It must be signed by the endorser, made for the full value of the note, and the note must be delivered to the endorsee. <http://www.scribd.com/doc/61733200/11/Parties-to-a-Promissory-Note>

Governing Law

In the United States, the law governing negotiable instruments in general and promissory notes in particular is Article 3 of the Uniform Commercial Code.

<http://www.law.cornell.edu/ucc/3>

The Subject Promissory Note

The subject Fixed Rate Note was signed on March 22, 2007. The original parties are Joseph A. Smith and Marie B. Smith, the borrowers and GreenPoint Mortgage Funding, Inc., the originating lender. It has not been endorsed (see Examiners' Exhibit A).

This Fixed Rate Note and the parties thereto fall within the foregoing definitions, as applicable, and is considered to be governed by the applicable law.

Deed of Trust

Definitions

- Secured Transaction

A secured transaction is defined as any loan or credit in which property is pledged as security in the event payment is not made.

<http://legal-dictionary.thefreedictionary.com/secured+transaction>

- Security Interest

A security interest arises when, in exchange for a loan, a borrower agrees in a security agreement that the lender (the secured party) may take specified collateral owned by the borrower if he or she should default on the loan.

http://www.law.cornell.edu/wex/secured_transactions

- Deed of Trust

A deed of trust or trust deed is a deed wherein legal title in real property is transferred to a trustee, which holds it as security for a loan (debt) between a borrower and a lender. The equitable title remains with the borrower.

[http://en.wikipedia.org/wiki/Deed_of_trust_\(real_estate\)](http://en.wikipedia.org/wiki/Deed_of_trust_(real_estate))

Parties to a Deed of Trust

A deed of trust involves three parties: a lender, a borrower, and a trustee. The lender lends the borrower money. In exchange, the borrower gives the lender (as beneficiary) a promissory note. As security for the note, the borrower (as trustor), transfers a real property interest to a trustee. Should the borrower default on the terms of the loan, the trustee may take full control of the property to correct the borrower's default.

In most states, the borrower actually transfers legal title to the trustee, who holds the property in trust for the use and benefit of the borrower. In other states, the trustee merely holds a lien on the property. Deeds of trust almost always include a power-of-sale clause, which allows the trustee, as agent for the lender, to conduct a non-judicial foreclosure - that is, sell the property without first getting a court order.

http://www.law.cornell.edu/wex/deed_of_trust

Assignment

Assignment is the act of transferring an interest in property or right to another.

<http://dictionary.law.com/Default.aspx?selected=2451>

An Assignment of Deed of Trust is therefore defined as a document that transfers the rights of the beneficiary in the Deed of Trust to another person.

In order to effectuate an assignment, the general rule is that the assignment must be in proper written format and recorded to provide notice of the assignment.

<http://www.uslegalforms.com/assignments/assignment-of-mortgage.htm>

Governing Laws

In the United States, the law governing secured transactions in general and deeds of trust in particular is Article 9 of the Uniform Commercial Code.

<http://www.law.cornell.edu/ucc/9>

The Subject Deed of Trust

The subject Deed of Trust was executed on May 22, 2007, the same date as the Fixed Rate Note on the loan which it secures. The original parties are the borrower who is the trustor and GreenPoint Mortgage Funding, Inc., the originating lender. In this instrument Mortgage Electronic Registration Systems, Inc. (MERS) is acting as nominee for the lender. It is also named as the beneficiary (see Exhibit B).

The subject Deed of Trust and the parties thereto fall within the foregoing definitions, as applicable, and is considered to be governed by the applicable law.

Examiner's Comments

- The parties to the promissory note are the borrowers and the originating lender. It has not been endorsed. The originating lender is thus assumed to be the noteholder. Beneficial interest in the debt rests with originating lender.
- The servicer is assumed to be servicing the loan on behalf of the originating lender.
- The promissory note is secured by a deed of trust. It is assumed that security interest in this instrument lies with the originating lender based on the principle that the security instrument follows the debt instrument.

MERS as Beneficiary

About MERS

Mortgage Electronic Registration Systems, Inc. is an American privately-held company that operates an electronic registry designed to track servicing rights and ownership of mortgage loans in the United States.

MERS and the Debt Instrument

MERS is not a party in the Fixed Rate Note that is secured by this Deed of Trust. This note has not been endorsed. An inquiry on the MERS website discloses that the subject loan is serviced by Bank of America, NA. Bank of America, NA is successor by merger to BAC Home Loans Servicing, LP, formerly known as Countrywide Home Loans Servicing, LP, and an affiliate of Countrywide Home Loans, Inc., the originating lender. The servicer is doing this function on behalf of the originating lender and not for MERS.

MERS and the Security Instrument

This Deed of Trust describes MERS as a Delaware corporation which is separate from the originating lender. It is acting solely as nominee for the lender. It is also the beneficiary in this security instrument. MERS was created in order to facilitate the recording of security instruments with the idea that it would be the mortgagee or beneficiary or grantee on record.

This Mortgage is recorded under the MERS® System. Its MERS Identification Number is 1001000-0012345678-9 (see Exhibit D).

Transactions Involving MERS Affecting this Deed of Trust

- On August 10, 2010, an Assignment of Deed of Trust was executed by MERS as nominee for GreenPoint Mortgage Funding, Inc. This document names the assignee as CWABS Asset-Backed Securities 2007-4 Trust (see Exhibit E).
- On January 5, 2011, a Substitution of Trustee was executed by MERS as nominee for Countrywide Home Loans, Inc. This document names XYZ Trustee Services Corp. as the trustee (see Exhibit F).

Analysis of the Transaction

Definitions

- Principal

A principal is a person who authorizes an agent to act to create one or more legal relationships with a third party. This branch of law is called agency and relies on the common law proposition that “he who acts through another, acts personally.”
[http://encyclopedia.thefreedictionary.com/Principal+\(commercial+law\)](http://encyclopedia.thefreedictionary.com/Principal+(commercial+law))

- Beneficiary

A beneficiary is any person or entity who is to receive assets, benefits, or profits from an estate, a trust, an insurance policy, or any instrument in which there is distribution.
<http://legal-dictionary.thefreedictionary.com/beneficiary>

- Agent

An agent is a person who is authorized to act for another through employment, by contract, or apparent authority. <http://legal-dictionary.thefreedictionary.com/agent>

MERS in the Subject Loan and Security Transaction

MERS is not a party in the debt instrument. It is named as (a) nominee for the lender and (b) beneficiary in the security instrument. The first statement means that MERS is only an agent for the lender while the second means that MERS is a principal in this instrument. These statements contradict laws that presuppose that an agent and its principal must be two different persons or entities.

Interpretations of the Role of MERS

The Deed of Trust states that (a) “MERS is nominee for the lender,” and (b) “MERS is the beneficiary under this Security Instrument.” The first statement means that MERS is only an agent for the lender while the second means that MERS is the principal.

In this security instrument “beneficiary” may mean *agent* whose authority to perform specific acts for and in behalf of its principal has been upheld by some courts, but not in the sense of a beneficiary who receives benefit from a contract.

Many recent court rulings involving MERS, some conflicting, tend to show that there can be no summary judgment on MERS. Each ruling depended on the merits of each particular case. Three such court rulings are cited below.

Oregon Supreme Court rules that MERS is not a rightful beneficiary of the Deed of Trust. <http://www.housingwire.com/articles/major-oregon-supreme-court-ruling-undermines-mers-leaves-registry-room-challenge>

Washington Superior Court recognizes MERS as agent of beneficiary. *Peeters v. Green Tree Servicing, LLC*. <http://www.mersinc.org/media-room/press-release/378-wa-superior-court-recognizes-mers-as-agent-of-beneficiary>

Idaho Supreme Court rules that MERS was the beneficiary in the Deed of Trust with authority to appoint a Successor Trustee. <http://agbeat.com/housing-news/court-rules-that-mers-meets-definition-of-beneficiary/>

Examiner's Comments

The parties to the security instrument are the borrower as trustor, the originating lender, MERS as nominee for the lender and beneficiary, and ABC Trustee Services, Inc. as trustee. Any issue on MERS would depend on a specific act committed by it under the terms of the security instrument. For this particular loan, MERS

- Assigned the Deed of Trust to a securitization trust; and
- Appointed a Substitute Trustee.

Robo-signing

History

In the mortgage industry, robo-signing is the practice of an employee signing thousands of documents and affidavits without verifying the information contained therein. Some reports have revealed that one bank official signed off on almost 10,000 documents in one month. The practice calls into question the validity of thousands of mortgage assignments and foreclosures across the country.

Banks have been under investigation since 2010 for their part in the robo-signing scandal which resulted in many homeowners losing their homes without merit. After the scandal came to light, the banks said they would no longer engage in this practice. However, as recently as July 2011, it was discovered that mortgage robo-signing was still practiced.

Findings

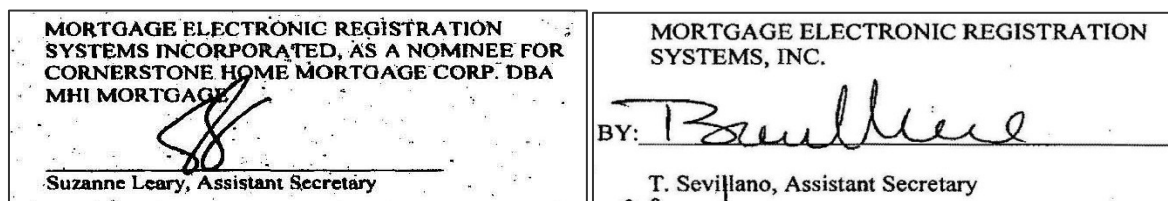
Assignment of Deed of Trust

The Assignment of Deed of Trust that was executed by MERS on August 10, 2010 was signed by T. Sevillano, Assistant Secretary and was notarized by Ahmad Afzal, a notary public of Ventura County, California (see Exhibit E).

T. Sevillano

The signature of T. Sevillano on this document varies with her signature on the Substitution of Trustee and Assignment of Deed of Trust dated March 8, 2010 that the examiner obtained from a source on the internet (see also Exhibits E and I).

Presented below is a comparison.

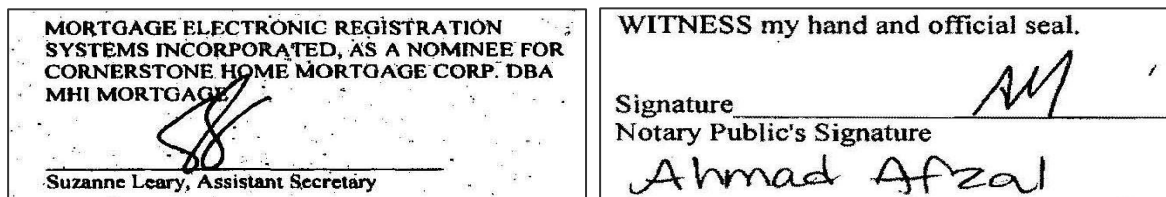


Left: Signature of T. Sevillano on the cited document; right: her signature obtained from [whatsignature.com](http://whatsignature.com/files/Sevillano_T.pdf). http://whatsignature.com/files/Sevillano_T.pdf

Ahmad Afzal

The signature of Ahmad Afzal on this document varies with his signature on the Substitution of Trustee and Assignment of Deed of Trust dated March 8, 2010 that the examiner obtained from a source on the internet (see also Exhibits E and I).

Presented below is a comparison.



Left: Signature of Ahmad Afzal on the cited document; right: her signature obtained from [whatsignature.com](http://whatsignature.com/files/Sevillano_T.pdf). http://whatsignature.com/files/Sevillano_T.pdf

Analysis of the Transaction

Definitions

Robo-Signer

A robo-signer is a person in a legal document processing assembly line whose only task is to sign previously-prepared documents affecting title to real property in a robotic-like fashion without reading the documents or verifying the facts contained therein by reviewing primary source evidence. The robo-signer's mission is to expedite the documents' recordation in the public land records or in court proceedings. Additionally, robo signers regularly fail to establish or simply do not have the authority to execute these documents on behalf of the legal title holder or principal on whose behalf they purport to act.

Surrogate Signer

A surrogate signer is a person who signs a legal document on behalf of and in the name of another without reading it or understanding the document's contents. Surrogate signers are not authorized to execute these documents on behalf of the legal title holder or principal on whose behalf they purport to act.

Robo-Signing is Forgery

Forgery is the creation of a false written document or alteration of a genuine one, with the intent to defraud. Forgery consists of filling in blanks on a document containing a genuine signature, or materially altering or erasing an existing instrument. An underlying intent to defraud, based on knowledge of the false nature of the instrument, must accompany the act. <http://legal-dictionary.thefreedictionary.com/forgery>

Forgery is a Felony

“This is the first time any grand jury in the country has indicted a corporation or a high-level executive at a corporation for 'robo-signing'” Missouri Attorney General Chris Koster told The Huffington Post. “The grand jury is alleging that the documents have false signatures on them, that the notarizations are fraudulent and that it was all done with intent to deceive. If that’s true, it makes the [foreclosure] documents forgeries.”
http://www.huffingtonpost.com/2012/02/07/robo-signing-docx-missouri_n_1261369.html

Robo-Signing Involving the Subject Deed of Trust

On August 10, 2010, an Assignment of Deed of Trust was executed by MERS as beneficiary. This document was signed by T. Sevillano, Assistant Secretary for MERS and was notarized by Ahmad Afzal, a notary public of Ventura County, California.

The signatures of T. Sevillano on this document differ with their signatures on another document.

Examiner’s Comments

While it could not be determined which of the compared signatures are true and genuine, the fact that they differ from one another is prima facie evidence that any or all of these signatures have been forged.

In order to prove a forgery, the genuine signature of the signatory must first be determined and the signature on the subject document compared with it. This unquestionably merits further investigation. Forgery is a felony. In order to convict an accused of a felony, his or her guilt must be proven beyond reasonable doubt.

Securitization

Securitization in General

Definition

Securitization is the financial process of pooling receivables, such as residential mortgage loans, and using them as a guarantee for the issuance of investment certificates which are then sold to the investing public. The collections from the principal and the interest on the loans are used to redeem the certificates and pay for their interest.

Purpose

In general, the purpose of securitization is to raise money in a relatively shorter period than it takes to collect on the loans. For example, while it may normally take 20 years to redeem 80% of the money being lent to various borrowers from their regular monthly amortizations, the same amount can be generated in as short as three to six months through securitization.

The money raised from securitization is then used for new lending to other borrowers for the same type of loans and the new loans can also be pooled for yet another round of securitization.

The soar in the demand for housing that started around the late 1990s resulted in the corresponding rise in the demand for funding on residential home mortgages. The purpose of securitization had to be achieved over and over again and the securitization process had to be repeated as many times – but with certain urgency. These required the establishment of channels through which loans can be quickly pooled into a central operating unit, making them ready for securitization.

At first, the network which these channels connected consisted of the central lender and its subsidiaries, affiliates, and correspondents. Soon small independent lenders joined in the fray. The reach of the principal networks had to be extended. This gave rise to warehouse lending.¹

¹Warehouse lending is a short-term line of credit facility that is provided by a central lender to a small or remote lender in order to fund the closing of mortgages. The line is availed from the time a loan is granted by the small lender or purchased by it from another, and is paid off when the loan is sold by the small lender to the central lender. Warehouse lending made it possible for the central lender to accumulate loans faster than it could by lending those loans by itself.

Parties

The business of securitization is handled by a Real Estate Mortgage Investment Conduit (REMIC). In the United States a REMIC usually takes the form of a trust that was created by different entities. In most trusts most of these entities are affiliates of each other except the trustee.

In usual practice, a securitization trust usually has the following parties:

- Originator – the party responsible for generating loans for the trust, either by lending the loans themselves or by acquiring them from other originators. A trust can have more than one originator.
- Seller and/or sponsor – the party who pools the loans from the originators and sells them to the depositor. In some trusts the seller and the sponsor are the same entity, in others they are different, while in still others there is only a sponsor or a seller. When the sponsor is different from the seller, an originator is sometimes referred to as a seller.
- Depositor – the party who simultaneously sells the loans to the trustee. Some early trusts did not have sellers or sponsors. The depositors acquired the loans directly from the originating lenders or originators.
- Servicer or master servicer – the party who services the loans on behalf of the trust. A servicer could have been servicing the loans before they were securitized and could have been the originator or seller or sponsor. Most trusts that have several servicers also have a master servicer.
- Trustee – the entity who administers the trust. Some trusts only have one trustee while others have an indenture trustee and an owner trustees. Still other trusts that have a trustee also have another party who acts as a co-trustee or a Delaware trustee.
- Custodian – the entity who, on behalf of the trustee, keeps possession of the assets and records of the trust. In some trusts the trustee or indenture trustee also acts as custodian.

The Securitization of the Subject Loan

How the Subject Loan was Located in the Securitization Trust

The subject loan was granted on March 22, 2007. The originating lender is Countrywide Home Loans, Inc. Mortgage Electronic Registration Systems, Inc. (MERS) is named as nominee for the lender and beneficiary in the Deed of Trust.

On August 10, 2010, an Assignment of Deed of Trust was executed by MERS as nominee for GreenPoint Mortgage Funding, Inc. This document names the assignee as The Bank of New York Mellon, formerly known as The Bank of New York as Trustee for the Certificateholders of the CWABS Asset-Backed Certificates 2007-4 Trust, Mortgage Pass-Through Certificates, Series 2007-4. This indicates that the subject loan was securitized into this trust.

A search of the securitization trusts using the facilities of ABSNet[®] indicates that the subject loan was securitized into CWABS Asset-Backed Certificates 2007-4 Trust.

Presented below is the screenshot of the portion of the ABSNet[®] schedule showing the subject loan in the mortgage pool of the named trust (third row, unshaded).

LewanDealName	LoanOriginationDate	PropertyZip	OriginalLoanBalance	BloombergDealName	LoanId	PoolGroupId	LoanTypePk
Countrywide ABS 2006-08	3/29/2006	90230	284,431.57	CWL 2006-8	127818502	2	
CS First Boston Mortgage Securities Corp. 2003-AR9	1/28/2003	90230	284,800.00	CSFB 2003-AR9	0400231281	2	C
Countrywide ABS 2007-4	3/22/2007	90230	285,000.00	CWL 2007-4	163947187	1	
MASTR Adjustable Rate Mortgages Trust 2004-13	5/25/2004	90230	285,000.00	MARM 2004-13	0041596859	MRM04-13-1	N
Residential Accredited Loans Inc. 2003-QA1	8/13/2003	90230	285,000.00	RALI 2003-QA1	8611198	4777 I	C

LoanPurpose	OccupancyType	OriginalInterestRate	MaturityDate	FirstPaymentDate	PrepaymentPenaltyTerm	PropertyState	PropertyType	LienPosition
Purchase	Owner Occupied	7.00	4/1/2036	5/1/2006	0	CA	Condominium	1
Purchase	Owner Occupied	5.63	2/1/2033	3/1/2003		CA	Condominium	1
Cash-Out Refinance	Owner Occupied	7.00	4/1/2047	5/1/2007	60	CA	Condominium	1
Rate / Term Refinance	Owner Occupied	4.12	6/1/2034	7/1/2004		CA	Single Family Residence	1
Cash-Out Refinance	Owner Occupied	5.50	9/1/2033	10/1/2003	0	CA	Single Family Residence	1

DebtToIncomeRatio	NegativeAmortizationFlag	Margin	InterestOnlyTerm	ArmFlag	PropertyCity	Servicer	CurServicer	CurServicerParent
0.39	N	0.00	0	N	CULVER CITY	Countrywide	Countrywide	Bank of America
	N	2.25		Y	CULVER CITY		Fairbanks	Credit Suisse
39.01	N	0.00	0	N	CULVER CITY	Countrywide	BAC Home Loans Servicing L.P.	Bank of America
	N	2.75	60	Y	CULVER CITY	WELLS FARGO BANK N.A.	Wells Fargo	Wells Fargo
0.00	N	3.25		Y	CULVER CITY	RFC	GMAC RFC	Ally Financial

The loan origination date, property zip code, original loan balance, original interest rate, maturity date, and ARM flag (Y for fixed rate loans) of the subject loan match the ABSNet[®] loan data. This screenshot was obtained from ABSNet[®]² on October 7, 2013.

CWABS Asset-Backed Certificates 2007-4 Trust was established under a Pooling and Servicing Agreement dated as of March 1, 2007 by and among CWABS, Inc. as depositor, Countrywide Home Loans, Inc. and two other entities as sellers, Countrywide Home Loans Servicing, LP as master servicer, and The Bank of New York as trustee.

<http://www.secfinfo.com/drjtj.u34e.d.htm>

How the Loan Fits in the Trust's Mortgage Pool

The table below shows a comparison of the features of the subject loan with those in the mortgage Pool of CWABS Asset-Backed Certificates 2007-4 Trust.

Feature	This Loan	The Mortgage Pool
Date Granted/Closing Date	March 22, 2007	March 27, 2007
Original Amount	\$285,000	\$50,000 to \$2,000,000 & over
Original Term	360 months	360 to 480 months
Interest Rate Type	Fixed	Fixed & Adjustable
Interest Rate	7.000% p.a.	0.501% p.a. to 9.500% p.a.
Lien Position	First	First
Property Location	California	450 property locations in the state of California
References	Fixed Rate Note; Deed of Trust	Prospectus Supplement

²ABSNet[®] is the structured finance industry's leading source for asset-backed securities surveillance and intelligence. It provides a valuable research, analysis and decision-support mechanism for financial professionals who issue, buy, sell, trade, or invest in asset-backed securities as well as those who facilitate and support these transactions. <http://www.lewtan.com/products/absnetnet.html>

About the Securitization Trust

Information on the Securitization Trust

Issuing Entity	CWABS Asset-Backed Certificates 2007-4 Trust
Title of the Offered Certificates	CWABS Asset-Backed Certificates 2007-4 Trust, Mortgage Pass-Through Certificates, Series 2007-4
Sponsor	Countrywide Home Loans, Inc.
Depositor	CWABS, Inc.
Sellers	Countrywide Home Loans, Inc. & two other sellers
Master Servicer	Countrywide Home Loans Servicing, LP
Trustee	The Bank of New York
Custodian	The Bank of New York as Trustee
PMI Insurer	No specific insurer is named. The applicable provisions on insurance are found in the sections titled Credit Enhancement, page 46 and The Agreements, page 54 of the Prospectus.
Affiliations	Countrywide Home Loans, Inc., CWABS, Inc., & Countrywide Home Loans Servicing, LP are affiliates. There was no known affiliation between them and The Bank of New York at the time this trust was established.
Cut-off Date	March 1, 2007
Closing Date	On or about March 27, 2007
Approximate Amount of Total Assets Held	\$959,500,100
Central Index Key for All Documents Filed with the Securities and Exchange Commission as of October 7, 2013. http://www.secinfo.com/\$/SEC/Registrant.asp?CIK=1393418	

Legal Personality

The name of the trust is CWABS Asset-Backed Certificates 2007-4 Trust. It is a common law trust that was formed under the laws of the state of New York.

<http://www.secinfo.com/d12TC3.uFur.htm>

The law governing New York common law trusts is the New York Estates, Powers, and Trusts Law. <http://codes.lp.findlaw.com/nycode/EPT>

The trust name bears the name of its depositor, CWABS, Inc. The depositor is a Delaware corporation. Its principal executive offices are located at 4500 Park Granada, Calabasas CA 91302.

The trust was established under a Pooling and Servicing Agreement dated as of March 1, 2007. It was registered with the Securities and Exchange Commission under File Number 333-135846-21.

CWABS Asset-Backed Certificates 2007-4 Trust is ABSNet Net Deal ID 41203. A summary of its investor information is shown below:

Countrywide ABS 2007-4		Hide Deal Details	
ABSNet Deal ID:	41203	Region:	United States
Asset Class/Collateral Type:	RMBS/Subprime	Issuer:	Countrywide Home Loans (CWABS)
Deal Size:	959,500,000	Underwriter:	Countrywide Home Loans
Remittance Frequency:	Monthly	Trustee:	Bank of New York Mellon Corp.
Bloomberg Name:	CWL 2007-4	Servicer:	Countrywide Home Loans

Deal Snapshot. Retrieved October 7, 2013 from

<http://www.absnet.net/ABSNet/Deal/Snapshot/41203?DistDate=20130925>

The Pooling and Servicing Agreement

The operation of the trust is governed by the Pooling and Servicing Agreement dated as of March 1, 2007. The parties to this agreement are CWABS, Inc. as depositor, Countrywide Home Loans, Inc. and two other entities as sellers, Countrywide Home Loans Servicing, LP as master servicer, and The Bank of New York as trustee.

<http://www.secinfo.com/drijtj.u34e.d.htm>

The Assets of the Trust

The assets of the trust will consist of fixed-rate, credit-blemished loans secured by first liens on one- to four-family residential properties. The Statistical Calculation Pool consisted of 3,907 loans with an aggregate principal balance outstanding of \$694,331,985.

<http://www.secfinfo.com/d12TC3.uFur.htm>

The Certificates Issued by the Trust

CWABS Asset-Backed Certificates 2007-4 will issue 19 classes of certificates, 18 of which will be offered under the Prospectus Supplement and the Prospectus.

A screenshot from ABSNet[®] of the list of the classes of certificates with their respective CUSIP Numbers is shown below:

Capital Structure				Ratings and Prices are the most recent values received and independent of rep								
Name	Currency	ID	Pools	Class Bal - Original	Class Bal - End	Class Factor	Coupon % - Current	Subordination % - Original	Subordination % - Current	S&P	Moody's	Fitch
A1A	USD	12668WAA5	Total Group	184,585,000	--	--	--	13.950%	--	NR	B1	NR
A1B	USD	12668WAT4	Total Group	90,000,000	--	--	--	13.950%	--	NR	B1	NR
A2	USD	12668WAB3	Total Group	79,542,000	78,890,152	.986661	5.530%	13.950%	4.994%	CCC	Caa1	NR
A3	USD	12668WAC1	Total Group	185,808,000	185,808,000	1.000000	5.714%	13.950%	4.994%	CCC	Ca	NR
A4W	USD	12668WAD9	Total Group	77,898,000	77,898,000	1.000000	5.859%	13.950%	4.994%	AA-	A2	NR
A5	USD	12668WAE7	Total Group	28,000,000	28,000,000	1.000000	5.970%	13.950%	4.994%	CCC	Ca	NR
A5W	USD	12668WAF4	Total Group	74,167,000	74,167,000	1.000000	5.934%	13.950%	4.994%	AA-	A2	NR
A6	USD	12668WAF4	Total Group	20,000,000	18,175,908	.908795	5.683%	13.950%	4.994%	CCC	Caa3	NR
A6W	USD	12668WAF4	Total Group	80,000,000	72,703,632	.908795	5.633%	13.950%	4.994%	AA-	A2	NR
AR	USD	12668WAG0	Total Group	100	0	--	0.000%	--	--	NR	WR	NR
C	USD	12668WAN7	Total Group	1,000,000,000	561,594,681	--	0.000%	--	--	NR	NR	NR
P	USD	12668WAP2	Total Group	100	0	--	0.000%	--	--	NR	NR	NR
M1	USD	12668WAB3	Total Group	30,500,000	28,051,989	.919737	5.881%	10.900%	0.000%	CC	C	NR
M2	USD	12668WAS6	Total Group	28,000,000	0	.000000	5.931%	8.100%	--	D	C	NR
M3	USD	12668WAG2	Total Group	17,000,000	--	--	--	6.400%	--	D	C	NR
M4	USD	12668WAH0	Total Group	15,000,000	--	--	--	4.900%	--	D	C	NR
M5	USD	12668WAJ6	Total Group	14,500,000	--	--	--	3.450%	--	D	C	NR
M6	USD	12668WAK3	Total Group	13,000,000	--	--	--	2.150%	--	D	C	NR
M7	USD	12668WAL1	Total Group	13,500,000	--	--	--	0.800%	--	D	C	NR
M8	USD	12668WAM9	Total Group	8,000,000	--	--	--	0.000%	--	D	C	NR

Deal Snapshot. Retrieved October 7, 2013 from

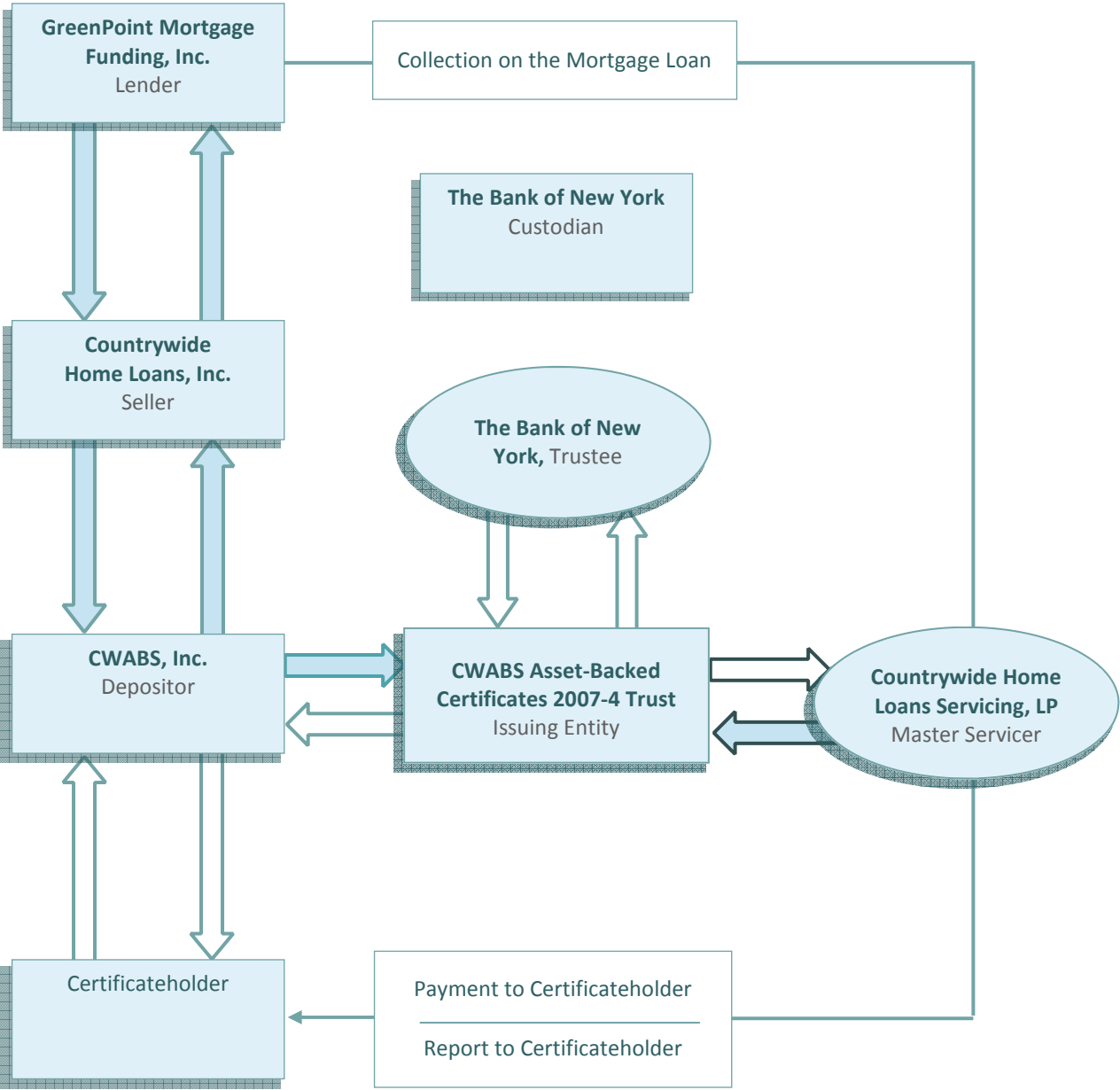
<http://www.absnet.net/ABSNet/Deal/Snapshot/41203?DistDate=20130925>

CUSIP stands for Committee on Uniform Securities Identification Procedures. This committee developed as system, implemented in 1967, of identifying securities, more specifically U.S. – and Canadian-registered stocks and U.S. government bonds.










A CUSIP Number consists of nine characters, both letters and numbers, which uniquely identify the issuer and the type of security. The first six characters identify the issuer and are assigned numerically; the seventh and eighth characters, which can be alphabetic or numeric, identify the type of issue; and the last digit, which is numeric, is used as a check digit.

A Diagram of this Securitization

The following diagram illustrates, in simple theoretical terms, the flow of transactions in a typical securitization trust as they would have affected each party that has a role in it.



The transactions shown in the foregoing diagram are explained as follows (this discussion only involves relevant transactions that affected or could have affected the subject Promissory Note and Mortgage or Deed of Trust from loan granting up to and including those pertaining to the securitization):

Symbol	Transaction Description
	The loan is transferred from the originating lender to the seller or sponsor, and from the seller or sponsor to the depositor.
	A loan may be substituted for another. This is returned to the originating lender.
	The loan is transferred from the depositor to the trust. It is only through the depositor from whom the trust acquires the loan.
	The trustee performs fiduciary duties for the trust.
	The trust passes information on the loan to the master servicer for purposes of collection (and foreclosure, if necessary).
	The master servicer remits collections to the trust.
	The certificates are sold to the certificate holders.
	The certificates are bought back from the certificate holders.
	The lender collects from the borrower and then remits the proceeds to the trust through the servicer. The money is used to buy back the certificates from the certificate holders.

The Links to the Trust Documents

Relevant documents were on file under the name of this trust with the Securities and Exchange Commission as of October 8, 2013, the examiner's date of report.

Date of Filing	Particulars
April 2, 2007	<p>Prospectus Supplement and Prospectus under SEC Form 424-B5.</p> <p>The parties are CWABS, Inc. as depositor, Countrywide Home Loans, Inc. as seller, Countrywide Home Loans Servicing, LP as master servicer, and The Bank of New York as trustee. http://www.secinfo.com/d12TC3.uFur.htm</p>
March 27, 2008	<p>Annual Report under SEC Form 10-K.</p> <p>This document names Countrywide Home Loans Servicing, LP as master servicer and reports the filing of an Annual Statement of Compliance for the Servicer for the year ended December 31, 2007. http://www.secinfo.com/dritj.t1pr.htm</p>
January 23, 2008	<p>Notice of Suspension of Duty to File Reports under SEC Form 15-15D.</p> <p>This document was filed on behalf of the trust by CWABS, Inc. as depositor. The number of certificateholders as of report date was five. http://www.secinfo.com/dritj.t83.htm</p>
April 13, 2007	<p>Pooling and Servicing Agreement dated March 1, 2007.</p> <p>The parties are CWABS, Inc. as depositor, Countrywide Home Loans, Inc. and two other entities as seller, Countrywide Home Loans Servicing, LP as master servicer, and The Bank of New York as trustee. http://www.secinfo.com/dritj.u34e.d.htm</p>

Internal Procedures of the Trust

The following provisions are excerpts from the Pooling and Servicing Agreement. They constitute the main rules of procedure that were meant to be adopted by the trust in its operations.

Conveyance of the Mortgage Loans

- (a) Each Seller hereby sells, transfers, assigns, sets over, and otherwise conveys to the Depositor, without recourse, all the right, title and interest of such Seller in and to the applicable Initial Mortgage Loans, including all interest and principal received and receivable by such Seller on or with respect to applicable Initial Mortgage Loans after the Initial Cut-off Date or deposited into the Certificate Account by the Master Servicer on behalf of such Seller as part of the Initial Certificate Account Deposit as provided in this Agreement. The Master Servicer confirms that, on behalf of the Sellers, concurrently with the transfer and assignment, it has deposited into the Certificate Account the Initial Certificate Account Deposit.

Immediately upon the conveyance of the Initial Mortgage Loans, the Depositor sells, transfers, assigns, sets over and otherwise conveys to the Trustee for benefit of the Certificateholders and the Certificate Insurer, without recourse, all right, title and interest in and to the Initial Mortgage Loans.

- (c) Each Seller has entered into this Agreement in consideration for the purchase of the Mortgage Loans by the Depositor and has agreed to take the actions specified herein. The Depositor, concurrently with the execution and delivery of this Agreement, hereby sells, transfers, assigns and otherwise conveys to the Trustee for the use and benefit of the Certificateholders, without recourse, all right, title and interest in the portion of the Trust Fund not otherwise conveyed to the Trustee pursuant to Section 2.01(a) or (b).
- (g) In connection with the transfer and assignment of each Mortgage Loan, the Depositor has delivered to, and deposited with, the Trustee for the benefit of the Certificateholders, the following documents or instruments with respect to each such Mortgage Loan so assigned:
 - (i) the original Mortgage Note, endorsed by manual or facsimile signature in blank in the following form: *"Pay to the order of _____ without recourse"*, with all intervening endorsements that show a complete chain of endorsement from the originator to the Person endorsing the Mortgage Note (each such endorsement being sufficient to transfer all right, title and interest of the party

so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note);

- (iv) the original recorded assignment or assignments of the Mortgage or a copy of such assignments, with recording information, together with all interim recorded assignments of such Mortgage or a copy of such assignments, with recording information (in each case noting the presence of a MIN in the case of each MERS Mortgage Loan);
- (v) the original or copies of each assumption, modification, written assurance or substitution agreement, if any.

Notwithstanding anything to the contrary in this Agreement, within thirty days after the Closing Date, CHL (on behalf of each Seller) shall either (i) deliver to the Trustee the Mortgage File as required pursuant to this Section 2.01 for each Delay Delivery Mortgage Loan or (ii) (A) repurchase the Delay Delivery Mortgage Loan or (B) substitute the Delay Delivery Mortgage Loan for a Replacement Mortgage Loan.

Each Seller has entered into this Agreement in consideration for the purchase of the Mortgage Loans sold by such Seller to the Depositor and has agreed to take the actions specified herein. The Depositor, concurrently with the execution and delivery of this Agreement, hereby sells, transfers, assigns and otherwise conveys to the Trustee for the use and benefit of the Certificateholders, without recourse, all right, title and interest in the portion of the Trust Fund not otherwise conveyed to the Trustee pursuant to Sections 2.01(a) or (b). Section 2.01, *Conveyance of the Mortgage Loans, Pooling and Servicing Agreement, page 47, abridged*.
<http://www.secinfo.com/drtj.u34e.d.htm#3fm2>

Acceptance of the Mortgage Loans

- (a) The Trustee acknowledges receipt, subject to the limitations contained in and any exceptions noted in the Initial Certification, of the documents referred to in clauses (i) and (iii) of Section 2.01(g) with respect to the Initial Mortgage Loans and all other assets included in the Trust Fund and declares that it holds and will hold such documents and the other documents delivered to it constituting the Mortgage Files, and that it holds or will hold such other assets included in the Trust Fund, in trust for the exclusive use and benefit of all present and future Certificateholders and the Certificate Insurer.

The Trustee agrees to execute and deliver on the Closing Date to the Depositor, the Master Servicer and CHL (on behalf of each Seller) an Initial Certification to the

effect that, as to each Initial Mortgage Loan listed in the Mortgage Loan Schedule, the documents described in Section 2.01(g)(i). The Trustee agrees to execute and deliver within 30 days after the Closing Date to the Depositor, the Master Servicer and CHL (on behalf of each Seller) an Interim Certification to the effect that, as to each Initial Mortgage Loan listed in the Mortgage Loan Schedule all documents required to be delivered to the Trustee pursuant to the Agreement with respect to such Initial Mortgage Loans are in its possession and based on its review and examination and only as to the foregoing documents, (i) such documents appear regular on their face and relate to such Initial Mortgage Loan. On or before the thirtieth (30th) day after the Closing Date (or if such thirtieth day is not a Business Day, the succeeding Business Day), the Trustee shall deliver to the Depositor, the Master Servicer and CHL (on behalf of each Seller) a Delay Delivery Certification with respect to the Initial Mortgage Loans, with any applicable exceptions noted thereon.

The Trustee shall be under no duty or obligation to inspect, review or examine such documents, instruments, certificates or other papers to determine that the same are genuine, enforceable or appropriate for the represented purpose or that they have actually been recorded in the real estate records or that they are other than what they purport to be on their face.

Not later than 180 days after the Closing Date, the Trustee shall deliver to the Depositor, the Master Servicer, CHL (on behalf of each Seller), the Certificate Insurer and to any Certificateholder that so requests, a Final Certification with respect to the Initial Mortgage Loans, with any applicable exceptions noted thereon.

Not later than 180 days after the Subsequent Transfer Date, the Trustee shall deliver to the Depositor, the Master Servicer, CHL (on behalf of each Seller), the Certificate Insurer and to any Certificateholder that so requests a Final Certification with respect to the Subsequent Mortgage Loans, with any applicable exceptions noted thereon.

The Trustee shall retain possession and custody of each Mortgage File in accordance with and subject to the terms and conditions set forth herein. Each Seller shall promptly deliver to the Trustee, upon the execution or receipt thereof, the originals of such other documents or instruments constituting the Mortgage File that come into the possession of such Seller from time to time. [Section 2.01, Acceptance by Trustee of the Mortgage Loans, Pooling and Servicing Agreement, page 54, *abridged*.](http://www.secmemo.com/drtj.u34e.d.htm#3fm2)
<http://www.secmemo.com/drtj.u34e.d.htm#3fm2>

The Master Servicer

For and on behalf of the Certificateholders, the Master Servicer shall service and administer the Mortgage Loans in accordance with customary and usual standards of practice of prudent mortgage loan lenders in the respective states in which the Mortgaged Properties are located, including taking all required and appropriate actions under each Required Insurance Policy. In connection with such servicing and administration, the Master Servicer shall have full power and authority, acting alone and/or through sub-servicers as provided in Section 3.02 hereof, subject to the terms hereof (i) to execute and deliver, on behalf of the Certificateholders and the Trustee, customary consents or waivers and other instruments and documents, (ii) to consent to transfers of any Mortgaged Property and assumptions of the Mortgage Notes and related Mortgages, (iii) to collect any Insurance Proceeds, other Liquidation Proceeds and Subsequent Recoveries, and (iv) to effectuate foreclosure or other conversion of the ownership of the Mortgaged Property securing any Mortgage Loan. The Master Servicer shall represent and protect the interest of the Trustee in the same manner as it currently protects its own interest in mortgage loans in its own portfolio in any claim, proceeding or litigation regarding a Mortgage Loan and shall not make or permit any modification, waiver or amendment of any term of any Mortgage Loan which would (i) cause any REMIC formed hereunder to fail to qualify as a REMIC or (ii) result in the imposition of any tax under section 860(a) or 860(d) of the Code, but in any case the Master Servicer shall not act in any manner that is a lesser standard than that provided in the first sentence of this Section 3.01.

Without limiting the generality of the foregoing, the Master Servicer, in its own name or in the name of the Depositor and the Trustee, is hereby authorized and empowered by the Depositor and the Trustee, to execute and deliver, on behalf of the Trustee, the Depositor, the Certificateholders or any of them, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge and all other comparable instruments, with respect to the Mortgage Loans, and with respect to the Mortgaged Properties held for the benefit of the Certificateholders. The Master Servicer shall prepare and deliver to the Depositor and/or the Trustee such documents requiring execution and delivery by any or all of them as are necessary or appropriate to enable the Master Servicer to service and administer the Mortgage Loans. [Section 3.01, Master Servicer to Service Mortgage Loans, Pooling and Servicing Agreement, page 80, abridged.](http://www.seinfo.com/drtjt.u34e.d.htm#5sl9)
<http://www.seinfo.com/drtjt.u34e.d.htm#5sl9>

Analysis of the Transaction

Definition

Securitization is the financial process of pooling receivables, such as residential mortgage loans, and using them as a guarantee for the issuance of investment certificates which are then sold to the investing public. The business of securitization is handled by a special-purpose vehicle (SPV) which, in the United States, usually takes the form of a trust.

REMIC

A securitization SPV may elect to qualify for status as a REMIC. "A REMIC (Real Estate Mortgage Investment Conduit) is a corporation, trust, partnership, or a segregated pool of assets that qualifies for special tax treatment under the Internal Revenue Code of 1986, as amended." National Institute of Consumer Advocacy. What a REMIC is? 2009. Retrieved August 16, 2013, from <http://thepatriotswar.com/index.php/what-a-remic-is-and-why-you-should-care/foreclosure-research/>

REMIC; Qualified Mortgage

For any obligation to qualify for inclusion into a REMIC, it must be a qualified mortgage as it is defined in the Internal Revenue Code, Section 860G, paragraph a-3, viz.;

"A 'qualified mortgage' means any obligation which is principally secured by an interest in real property and which is transferred to the REMIC on the start-up day in exchange for regular or residual interests in the REMIC, or is purchased by the REMIC within the three-month period beginning on the start-up day."

http://www.securitizationtax.com/AppendixB_CodeandRegulations.pdf

Bankruptcy Remoteness

The assets of the trust have to be bankruptcy-remote in order to protect them from claims against an originator who might go bankrupt. In order to achieve this, each mortgage loan has to be transferred by means of a true sale. This means that a loan has to be sold by the originator to the sponsor, by the sponsor to the depositor, and by the depositor to the trustee. This also means that the Promissory Note has to be endorsed three times following this route. The same applies to the assignments of the security instrument. Gardner, M. Max Gardner's Dirty Dozen Rules for Ownership of the Mortgage Note. Retrieved August 17, 2013, from <http://www.avvo.com/legal-guides/ugc/max-gardners-dirty-dozen-rules-for-ownership-of-the-mortgage-note--a-bakers-dozen, abridged.>

A true sale also provides the trust with the status of a holder in due course. A holder in due course is the holder of an instrument if the instrument when negotiated does not bear evidence of forgery or alteration; and the holder took the instrument for value, in good faith, without notice that the instrument is overdue or has been dishonored, or that the instrument contains an unauthorized signature or has been altered, or of any claim to the instrument described in Section 3-306 of the Uniform Commercial Code, or that any party has a defense or claim in recoupment described in Section 3-305(a).

<http://www.law.cornell.edu/ucc/3/3-302.html>

The Securitization of the Subject Loan

The subject loan was securitized into CWABS Asset-Backed Certificates 2007-4 Trust. The Fixed Rate Note and accompanying Mortgage should be in the possession of the securitization trust trustee and the chain of endorsements and assignments have been properly documented. The loan is now subject to the provisions of the Pooling and Servicing Agreement. All laws that govern the securitization trust also govern the subject loan and security.

The trust existed and operated according to the guidelines set forth in its Prospectus and Prospectus Supplement and Pooling and Servicing Agreement. It issued certificates bearing their assigned CUSIP numbers. Moreover, it filed the following documents with the Securities and Exchange Commission:

- Annual Report Under Form 10-K for the year ended December 31, 2007, on March 27, 2007. This document reports that the master servicer has complied with the servicing criteria of the trust.
- Notice of Suspension of Duty to File Reports under Form 15-15D, on January 23, 2008. This document reports that as of the year then ended, there were five certificate holders on record.

Examiner's Comments

An Assignment of Deed of Trust was executed in order to transfer the loan to the trust. Regardless of any defect in the said assignment, the intention to securitize the loan is clear. An independent verification using the facilities of ABSNet® also indicates that the subject loan is into this trust. There is no question that the subject loan was securitized. What might be questionable is whether or not the process of transferring the subject Fixed Rate Note and Deed of Trust to the trustee was properly complied.

The conditions for the transfer are as follows:

- In order for a securitized loan to qualify as a Qualified Mortgage it must be purchased by the REMIC, *i.e.*, the trust, “within the three-month period beginning on the start-up day,” or June 27, 2007, which is three months from March 27, 2007, the trust’s closing date.
- According to the PSA, “Not later than 180 days after the Closing Date, the Trustee shall deliver to the Depositor, the Master Servicer, the Seller, the Certificate Insurer, and to any Certificateholder that so requests, a Final Certification with respect to the Initial Mortgage Loans, with any applicable exceptions noted thereon.”

For comments on the transfer, see *The Chain of Title*.

The Chain of Title

The Sequence of Transactions

The sequence of the required and the actual transactions pertaining to the subject loan and security instruments can be traced as follows:

Seq. No.	Date	Promissory Note	Deed of Trust
1	March 22, 2007	Loan Granting Joseph A. Smith & Marie B. Smith Borrowers GreenPoint Mortgage Funding, Inc. Originating Lender	Execution of Deed Joseph A. Smith & Marie B. Smith Trustors GreenPoint Mortgage Funding, Inc. Originating Lender MERS, Nominee & Beneficiary ABS Trustee Services, Inc., Trustee
2	March 27, 2007	Endorsement from Originating Lender to Seller GreenPoint Mortgage Funding, Inc. as Originating Lender, Endorser Countrywide Home Loans, Inc. as Seller, Endorsee	Assignment from Originating Lender to Seller GreenPoint Mortgage Funding, Inc. as Originating Lender, Assignor Countrywide Home Loans, Inc. as Seller, Assignee
3	March 27, 2007	Endorsement from Seller to Depositor Countrywide Home Loans, Inc. as Seller, Endorser CWABS, Inc. as Depositor, Endorsee	Assignment Seller to Depositor Countrywide Home Loans, Inc. as Seller, Assignor CWABS, Inc. as Depositor, Assignee
4	March 27, 2007	Endorsement from Depositor to Trustee CWABS, Inc. as Depositor, Endorser The Bank of New York as Trustee Endorsee	Assignment from Depositor to Trustee CWABS, Inc. as Depositor, Assignor The Bank of New York as Trustee Endorsee
5	January 10, 2010		Assignment of Deed of Trust MERS as Beneficiary, Assignor The Bank of New York as Trustee Assignee

Explanation on the Sequence

1, Loan Granting and Execution of Deed

The subject loan was granted on March 22, 2007. The borrowers are Joseph A. Smith and Marie B. Smith and the originating lender is GreenPoint Mortgage Funding, Inc. (see Exhibit A).

The Deed of Trust was executed on the same date. The borrowers are the trustors. MERS is named as nominee for the lender and is the beneficiary in this security instrument (see Exhibit B).

2, Endorsement and Assignment in Securitization from Originating Lender to Seller

The Fixed Rate Note should have been endorsed by GreenPoint Mortgage Funding, Inc., the originating lender, to Countrywide Home Loans, Inc., the securitization trust seller. Likewise, the Deed of Trust should have been assigned by the originating lender to the seller. These transactions should have taken place on or before March 27, 2007.

3, Endorsement and Assignment in Securitization from Seller to Depositor

The Fixed Rate Note should have been endorsed by Countrywide Home Loans, Inc., the securitization trust seller to CWABS, Inc., the securitization trust depositor. Likewise, the Deed of Trust should have been assigned by the seller to the depositor. These transactions should have taken place on or before March 27, 2007.

These endorsement and assignment are required in the Pooling and Servicing Agreement which states that "Each Seller hereby sells, transfers, assigns, sets over, and otherwise conveys to the Depositor, without recourse, all the right, title and interest of such Seller in and to the applicable Initial Mortgage Loans. . ." Section 2.01, Conveyance of the Mortgage Loans, Pooling and Servicing Agreement, page 47, *abridged*.

<http://www.secinfo.com/drtjt.u34e.d.htm#3fm2>

4, Endorsement and Assignment in Securitization from Depositor to Trustee

The Fixed Rate Note should have been endorsed by CWABS, Inc., the securitization trust depositor to The Bank of New York, the securitization trust depositor. Likewise, the Deed of Trust should have been assigned by the depositor to the trustee. These transactions should have taken place on or before March 27, 2007.

These endorsement and assignment are required in the Pooling and Servicing Agreement which states that, "The Depositor, concurrently with the execution and delivery of this Agreement, hereby sells, transfers, assigns and otherwise conveys to the Trustee for the use and benefit of the Certificateholders, without recourse, all right, title and interest in the portion of the Trust Fund not otherwise conveyed to the Trustee. . ." Section 2.01, Conveyance of the Mortgage Loans, Pooling and Servicing Agreement, page 47, *abridged*.
<http://www.secinfo.com/drtj.u34e.d.htm#3fm2>

5, Assignment of Deed of Trust

On January 10, 2010, an Assignment of Deed of Trust was executed by MERS as beneficiary. This document names The Bank of New York as trustee as the assignee (see Exhibit E).

Analysis of the Transactions

Chain of Title, Definition

Chain of title refers to the history of passing of title ownership to real property from the present owner back to the original owner. A record of title documents may be maintained by a registry office or civil law notary. Chains of title include notations of deeds, judgments of distribution from estates, certificates of death of a joint tenant, foreclosures, judgments of quiet title, and other recorded transfers of title to real property.

<http://definitions.uslegal.com/c/chain-of-title/>

The Sequence of Transactions

The sequence of the required and actual transactions is presented on page 34. The sequence is summarized and the deficiencies are noted as follows:

Loan Granting and Execution of Deed

- These transactions were completed. MERS, which is the beneficiary in the security instrument, is not a party in the promissory note.

Endorsement and Assignment by Lender to Seller

- These transactions are required but were not documented.

Endorsement and Assignment by Seller to Depositor

- These transactions are required but were not documented.

Endorsement and Assignment by Depositor to Trustee

- These transactions are required but were not documented.

Assignment of Deed of Trust

This transaction has the following deficiencies:

- MERS' capacity to assign is questionable;
- One or both signatures on the document could have been forged;
- The promissory note was not accordingly endorsed;
- It was executed more than three years after the trust's start-up date.

Examiner's Comments

The original parties to the Fixed Rate Note are the borrowers and the originating lender. It has not been endorsed. Beneficial interest in the debt thus rests with the originating lender.

The original parties to the Deed of Trust are the borrowers who are the trustors, the originating lender, and MERS, which is a separate entity acting as nominee for the lender and is the beneficiary.

MERS assigned the Deed of Trust to the mentioned trust.

Foreclosure

Foreclosure Transactions

The following are the actions that have been initiated in order to foreclose on the property that was mortgaged to secure the note on the subject loan.

- Substitution of Trustee dated January 5, 2011.

This document names MERS as the appointing party and XYZ Foreclosure Services, Inc. as the substitute trustee (see Exhibit F)

- Notice of Default dated February 8, 2011.

This document names XYZ Foreclosure Services, Inc. as the trustee and The Bank of New York Mellon, formerly known as The Bank of New York as Trustee, as the beneficiary (see Exhibit G).

- Notice of Trustee's Sale dated July 28, 2011.

This document names XYZ Foreclosure Services, Inc. as the trustee but does not name the creditor or beneficiary (see Exhibit F).

Non-Judicial Foreclosure, California

The initiated foreclosure is non-judicial, subject to the laws of the state of California. California law bans robo-signing of documents related to foreclosure.

<http://www.articlesbase.com/law-articles/sue-baa-chase-or-another-bank-for-robo-signing-in-california-3482340.html>

Analysis of the Transaction

The party initiating the foreclosure is The Bank of New York Mellon which is the trustee of the trust which securitized the loan. The loan was transferred to the trust through an Assignment of Deed of Trust that was executed by MERS on January 10, 2010. There are indications that this assignment has been robo-signed.

Examiner's Comments

This foreclosure proceeding may be rendered null and void on any of the following grounds:

- The foreclosing party is not a holder in due course because the chain of endorsements and assignments on the Adjustable Rate Note and the Deed of Trust, as required in the PSA, were not followed;
- The trust became the holder of the security instrument through an assignment. There are indications that this assignment has been robo-signed.