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FPG-USA

Forensic Professionals Group USA, Inc.
Mortgage Analysis as Part of a Credible Defense Against Foreclosure

FORENSIC LENDER DISCOVERY

Stage One Evidentiary Findings Report

Date of Issuance

November █, 2010

Borrower

█ (Husband/Wife)

Property Address

█

Borrower's Attorney

█ Esquire; █

USE OF THIS REPORT

This report is authorized for use by both the borrower and attorney designated above. The content constitutes written evidentiary findings testimony by the expert whose name appears at the bottom of this report. The expert issuing this report is considered a 35 year veteran "highly qualified" independent party with no financial interest in the outcome of this case and attaches his/her declarations. The expert stands ready to testify before any State or Federal court as an expert 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. A sworn oath is provided.

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FPG-USA provides forensic lender securitization and compliance analysis, research, discovery and reporting services. Our research and examinations are based upon facts, written documentation, established government compliance guidelines, rules, regulations. Our principal qualifying expert has over thirty five years experience in mortgage backed securitization, real estate, finance and mortgage lending. FPG-USA reports are designed for use in court by attorneys. We offer veteran highly qualified expert witness testimony in support of our findings. FPG-USA is an independent third party with no financial interest in the outcome of cases in which our reporting is used. FPG-USA does not provide legal, accounting, real estate or mortgage lending advice and nothing issued or received should be construed as such. If you need those services, contact duly licensed professionals in the area of your concern. FPG-USA aggressively pursues our intellectual property rights, all material is copyright protected and where noticed, is service marked, trademarked and patent or patent pending. No unauthorized use of any materials is allowed without express written permission before the fact. See our website for additional information <http://www.fpg-usa.com>.

ABOUT THE AUTHOR AND QUALIFYING EXPERT

Richard Merrill Kahn is considered a veteran highly qualified expert in private and public mortgage backed securities syndication; real estate acquisition, management and disposition; residential and commercial mortgage lending; and mortgage analysis in the process. He is author of Winning Against Foreclosure. His experience spans more than thirty five years from his beginnings on Wall Street working as Merrill Lynch C.E.O. Donald Regan's National Real Estate Tax Sheltered Product Manager. Mr. Kahn's resume is online at http://www.fpg-usa.com/RK_Resume.cfm. Information on the Winning Against Foreclosure book(s) can be found online at http://www.fpg-usa.com/WAF_Winning.cfm

Mr. Kahn has been on the mortgage banking, investment banking and lending side until 2008 when he turned his experience to become qualifying expert of his firm FPG-USA to supply forensic mortgage analysis as part of a credible defense against foreclosure in court.

ABOUT FPG-USA

FPG-USA provides highly qualified expert forensic mortgage analysis, discovery, investigation and reporting. Our reports are more than informational, we provide expert witness services to back them up in court. Anything less will not get serious attention by lenders or in court. Our senior qualifying expert has over 35 years in mortgage backed securitization, real estate lending and finance.

We service all states, judicial and non-judicial process. Civil and Bankruptcy. Pre-Foreclosure and Foreclosure. We only work for the borrower side of transactions. We specialize in working with attorneys and supporting the evidence process for judicial notice. We do not work for the lender side in foreclosures. FPG-USA accepts new clients and cases selectively.

AUTHENTICATE THIS REPORT: Attach report and send to info@fpg-usa.com for authentication.

PURPOSE AND FINDINGS

FPG-USA has been hired to investigate the referenced foreclosure documentation and investigate the legitimacy of claims being made by the party seeking to foreclose. The borrower(s) took a loan and are in default. A wrongful foreclosure can have disastrous results to borrower(s) in the future. The borrower's attorney ordered outside third party expert investigation to answer four simple questions.

1. Has the party seeking to foreclose demonstrated true beneficial ownership?
2. Have claims of financial interest been fully disclosed and represented truthfully?
3. Have all beneficial owners and parties been voluntarily disclosed?
4. Have all material facts, documents and agreements that govern the transaction been disclosed?

If the answer to any of the above questions is "no" then we are to report our findings based on facts and documentation which should not be objectionable because they pertain to material issues and the documentation upon which they rely is of a source considered credible and reliable. Whereby we present this report and are prepared to support the findings in court.

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EXECUTIVE SUMMARY

It appears the party seeking to foreclose in this case

- Is not in possession of the current properly assigned M/DOT or endorsed NOTE.
- Has participated in manipulation of transfer of rights in this foreclosure basing entitlement on false claims and have evidenced no authority made by the current owner of this loan to do so.
- Have supplied inaccurate documents.
- Have conflicts of interest that have not been disclosed.
- Are representing faulty chains of title.
- Are embroiled in litigation covering issues found in this loan with JPMorgan, robo signors and mortgage fraud all across America led by Attorney Generals of many states.

This is a securitized loan based upon evidence in SEC filings. This was not disclosed even though the parties are in possession of the same public documentation we are.

- There are undisclosed parties, undisclosed true sales, and undisclosed motives.
- We find back dated documents by parties in reverse engineering the chain of title to appear as if the security interest is perfected when in reality evidence provided proves it is not perfected. As such the obligation may be unsecured, at best. That is a legal question up to a judge.
- I feel the borrower has an excellent chance to win a verdict based upon the evidence.

The loan evidenced was paid in full August 30, 2006. All beneficial interest of all parties was sold and paid for in cash on that date. The loan servicer who is pretending to be the Trust and the parties in between have only a miniscule financial interest of a fraction of one percent, if they can prove they are the loan servicer which is doubtful at this time. \$375 per \$100,000 of loan amount is all they have at stake. Yet they seek the property in foreclosure as a first party beneficial owner. They have provided no evidence except false claims upon documents filled with false claims that they even have any interest.

The Trustee documents are bogus "robo signor" fakes that fall into the specifically named mortgage fraud currently under investigation by numerous attorney generals in many states.

The party seeking to foreclose has failed to identify all the beneficial owner parties with interest in the Note. Failed to provide an opportunity for this borrower to negotiate a loan mod with the owner and avoid foreclosure. Failed to provide simple instructions of direct communication as required by federal statute and many state laws. Yet they fake documents to effect foreclosure, mocking the court.

Investigation reveals this is a securitized loan. The Trustee documents portend to be an A to D transaction when in fact the party seeking to foreclose is hiding the A to B, B to C, and C to D facts of true sales. Also hiding the legal SEC filings that govern the transaction according to our findings. But to be controlled by those SEC filings, the true original loan Note and M/DOT has to be provided by the Document Custodian certified to have been in possession of them August 30, 2006. If they cannot, the claim of ownership by the Trust cannot be substantiated and the loan servicing rights not established at law by agreement. I supply this report as written testimony and am available for oral testimony.

SIGNATURE OMITTED ON SAMPLE

Richard M. Kahn, made 11/11/2010 Principal, Senior Qualifying Expert

EVIDENTIARY FINDINGS

BROWN PROMISSORY NOTE

1. Promissory Note originated June 16, 2006
2. Issued from [REDACTED], Oregon
3. Property [REDACTED] OR [REDACTED]
4. In an original principal amount of \$645,600
5. Lender and Note holder is Greenpoint Mortgage Funding, Inc.
 - a. Payments payable to P.O. Box 79363, City of Industry, CA 91716-9363
6. Initial monthly payment \$4,404.13
7. Loan number: [REDACTED]
8. MERS has no beneficial interest in, nor is it mentioned in the Note
9. Signed by [REDACTED]
10. Terms: 7.25%, 30 year, no prepayment, 1st payment August 1, 2006

Note Defects And Deficiencies

11. This loan was sold subsequently and evidence of that is not present on the face.
 - a. All beneficial interest was sold
12. Fails on its face to demonstrate a holder in due course
13. This is a copy of an Initial original Note provided.
 - a. There are no endorsements to any other parties
14. Evidences ownership to a defunct lender.
 - a. Greenpoint Mortgage Funding, the original lender closed its doors August 2007
15. Appears to be a copy of a copy in the manner kept on record by loan Servicers.
 - a. Typeface on copy is not crisp.
 - i. Appears to be a copy of a copy.
 - ii. Not the original blue ink signed copy
 - b. No evidence the document originates from the Master Document Custodian.

BROWN MORTGAGE/ DEED OF TRUST (M/DOT)

16. M/DOT dated June 16, 2006, same date as Note.
17. This is the initial original M/DOT
18. Recorded markings indicate a recording date of June 26, 2006
19. Secures Note to Greenpoint Mortgage Funding, the original lender closed its doors August 2007
20. Trustee is Amerititle
 - a. Transfer of Rights in Property Section states "Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale..."
21. Lender and Note holder is Greenpoint Mortgage Funding, Inc.
 - a. A New York Corporation
 - b. Address: 100 Wood Hollow Drive, Novato, CA 94945
22. Same poor copy of a copy issue as the Note.
23. Notary shows Jackson County, Oregon on June 20, 2006
24. Mortgage Electronic Registration Systems, Inc. (MERS)
 - a. P.O. Box 2026, Flint, MI 48501-2026

| Entity Name | ID Number | Type |
|--|-----------|-----------------|
| MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. | 997377 | Registered Name |

25. Jackson County OR property search records results:

| | |
|---------------|--------------------------------|
| Owner | [REDACTED] |
| | [REDACTED] |
| Account # | [REDACTED] |
| Map & TL | [REDACTED] pdf |
| Situs Address | [REDACTED] R |
| Code Tax # | [REDACTED] |
| Status | ACTIVE |

M/DOT Defects And Deficiencies

26. There are no assignments on the face of this M/DOT
 - a. Accordingly, the beneficial ownership interests appear vested with the original parties.
 - b. This loan was sold subsequently and evidence of that is not present on the face.
27. The notary, on a separate paper, is made on [Tuesday] June 20, 2006
 - a. The M/DOT is drawn [Friday] June 16, 2006.
 - b. Notary states personally appeared before them.
28. No assignment of M/DOT found on face of document.
 - a. Check State Law.
 - i. Most states require strict compliance with laws to be considered a legally binding conveyance to any subsequent party claiming interest in the M/DOT.
 1. Requiring successive assignment.
 2. Require compliance to be considered a secured real estate interest in property.
29. No recordation evidence on the face.
30. There is no clearly articulated chain of assignment to examine.
 - a. No evidence provided that it has been reduced to writing.
31. UCC§ [REDACTED]. Person Entitled To Enforce Instrument.
 - a. "Person entitled to enforce" an [instrument](#) means (i) the holder of the instrument, (ii) a nonholder in possession of the instrument who has the rights of a holder, or (iii) a person not in possession of the instrument who is entitled to enforce the instrument pursuant to Section [3-309](#) [lost or stolen instruments] or [3-418\(d\)](#) [payment by mistake]. A person may be a person entitled to enforce the instrument even though the person is not the owner of the instrument or is in wrongful possession of the instrument.

MERS on M/DOT

32. MERS, the Mortgage Electronic Registration System is a Servicer accessed data repository for tracking loan servicers on M/DOTs where MERS is listed as either the nominee or beneficiary
33. MERS provides public access via internet for this purpose.
34. MERS online is reporting the following:
 MIN: [REDACTED] Note Date: 06/26/2006 MIN Status: Active
 Servicer: JPMorgan Chase Bank NA (WAMU) Phone: (800) 526-2406 Monroe, LA
 Investor: This investor has chosen not to display their information. For assistance, please contact the servicer.

- a. Note the true beneficial owner identification is missing.
 - b. The two parties registered as Servicer are not entities known to service.
 - a. Servicing subsidiaries are not referenced.
 - c. Note that this record data entry is made electively by the current loan servicer personnel entering the data onto the system at the loan servicer.
35. The MERS Michigan Business Records only show this entity is a "registered name"
- a. It is not registered as either a corporation or an LLC to do business in Michigan
36. MERS Defects and Deficiencies will be addressed in their own section below.

ASSIGNMENT OF DEED OF TRUST

37. Dated May 22, 2010
38. Recorded June [REDACTED], 2010 in [REDACTED] Oregon
39. Marked on face "recvd via email from Amerititle 9/9/10"
40. We find MERS claiming authority.
- a. Acknowledges initial beneficial interest in M/DOT held by Amerititle, Trustee
 - b. MERS claims signing authority and authorizes assignment of M/DOT
 - i. To Bank of America, NA sbm LaSalle Bank NA as trustee for
 - ii. Washington Mutual [WaMu] Mortgage Pass Through Certificates
 - iii. WMALT Series [REDACTED] Trust whose address is
 - iv. [REDACTED] Way, Jacksonville, Florida 32256
41. Signature Name Stamped to be MERS by
- a. Margaret Dalton VP MERS
 - b. Barbara Hindman VP MERS
42. Notarized in Duval County, Florida
- a. May 22, 2010
 - b. Names Stamped multiple times in personally appeared.
 - c. Notary is Florina C. Munoz
43. After recording return to: Shapiro and Sutherland. Vancouver WA.
- a. The law firm of Shapiro & Sutherland, LLC specializes in representing creditors in mortgage foreclosure and bankruptcy cases.¹

SUBSTITUTION OF TRUSTEE

44. Dated June 02, 2010
45. Recorded June [REDACTED], 2010 in Jackson County Oregon
46. We find the MERS VP, Margaret Dalton now claiming attorney in fact status for the WMALT [REDACTED] and assigning
- a. Kelly D. Sutherland of Shapiro and Sutherland LLC of Vancouver WA as Trustee under the initial original Trust Deed.

MERS DEFECTS AND DEFICIENCIES

47. MERS has one office in Vienna, Virginia
48. MERS never claims to hold or own a mortgage NOTE. How can they transfer something they never held or owned?

¹ [http://www.\[REDACTED\].index.php](http://www.[REDACTED].index.php)

49. When examining MERS claims of real party in interest in a non-judicial bankruptcy foreclosure case we look to the Nevada Bankruptcy Appeals Court December 2009 affirmation of MERS standing² covering 27 similar cases for guidance in our investigations. We find:
- a. MERS has not evidenced they were the current owner of the beneficial interest in the Note.
 - b. MERS has not evidenced or asserted they ever held the note.
 - c. MERS has not evidenced they were in physical possession of the Note at the time any assignments of ownership were filed and recorded.
 - d. There is no evidence that the named nominee was entitled to enforce the note or that MERS was the agent of the note's holder.
 - e. MERS has evidenced no beneficial interest in the note and therefore was not a beneficiary.

TRUSTEE DEFECTS

50. The parties to this foreclosure are making it appear as if the ownership documentation was properly assigned or endorsed from company to company in a timely fashion along a chain of title timeline, when federal SEC filings evidence otherwise.
- a. Sworn federal filings show this transaction is not as the documents reviewed allege.
 - b. See SECURITIZATION section to follow.
51. The ownership documentation appears to be reverse engineered to make it appear as though the loan ownership was passed along properly.
52. We find back dated documents by parties in reverse engineering the chain of title to appear as if the security interest is perfected when in reality it appears to have become unsecured.
53. Greenpoint Mortgage Funding was no longer a legal entity (closed in 2007) when the purported assignments were executed by MERS as Nominee for Greenpoint Mortgage Funding (2010).
54. Signor Issues
- a. Party name, position conflicts.
 - b. Holds many titles for many companies indicating the classic "robo signor" working for the platform outsource service provider assisting many servicing lenders in their foreclosure document engineering
 - c. It appears employees of foreclosure trustees are signing documents posing as corporate officers.
 - d. These same officers are posing as officials of multiple mortgage servicers and multiple banks.
 - e. Margaret Dalton, signing as VP of MERS on the Assignment of Deed of Trust is found signing the Substitution of Trustee as
 - i. VP now of Bank of America
 - ii. Attorney in Fact for the WMALT [REDACTED] Trust
 - iii. The address stated as that of WMALT [REDACTED] is the address of Lender Processing Services (LPS – Fidelity) the outsource provided embroiled in the fraudulent document scandal and litigation sweeping America. LPS's address is [REDACTED] Way, Jacksonville, Florida 32256
 - f. The notarization originates from Jacksonville, Florida where LPS-Fidelity, the outsource provider embroiled in the National media with JPMorgan over "robo signing" is located.

² Ex_MERS-NoStandingAffirmed_ [REDACTED]

- i. Both Margaret Dalton and Barbara Hindman from the Jacksonville, FL office of JPMorgan Chase are acknowledged “robo signors” embroiled in this mortgage fraud.³
 1. There are many Attorney Generals from numerous states taking action on this.
 - a. Google “attorney general robo signor”. There are many articles.
 - b. Ohio attorney general article explains robo signing.⁴
55. The recorded Note and M/DOT evidence Amerititle as initial original Trustee
- a. There is no record of an assignment from Amerititle on record submitted for examination.
 - b. Hence we find multiple bogus fabricated assignments
 - i. Same grantors
 - ii. Various assignees
 - iii. Prepared by same parties.
 - iv. All related to the outsource provider.
56. The party claiming successor trustee has evidenced the legal documents to prove this.
57. The parties Dalton and Hindman appear to actually be employees of the
1. loan servicer and
 2. Default solutions provider.
 3. Checking location of signing in Duval County Florida as stated above, and relates to their known operations.
58. Dalton’s claims of attorney in fact are not based upon legal documentation presented for consideration.
- a. As demonstrated, Dalton appears to be working for the outsource provider.
 - b. Claims to represent multiple parties in different capacities across other documents.
 - c. Signatures that are unclear and appear to vary.

SECURITIZATION

59. According to SEC filings, the subject loan was purchased by Washington Mutual [WaMu] Mortgage Pass Through Certificates WMALT Series ██████████ Trust August 30, 2006
60. The documents, initial Note and M/DOT with Substitution of Trustee and Assignment of Deed of Trust submitted into evidence are confusing and contradictory to the federal filings
- a. Appear to be false and misleading
 - b. This is not the first time, JPMorgan and LPS have been caught submitting falsified documents to effect a foreclosure. They are both, as previously stated, widely embroiled across America in multiple litigations and currently under investigation for similar conduct by a host of Attorney Generals.
61. MERS is designated, with no beneficial ownership interest.
- a. *“The mortgage loans held by the related trust will be registered electronically through Mortgage Electronic Registration Systems, Inc., or MERS® System. With respect to mortgage loans registered through the MERS® System, MERS® shall serve as mortgagee of record solely as a nominee in an administrative capacity on behalf of the trust and will not have any interest in any of those mortgage loans.”*

³ _Ex_20100930_Chase_RoBoSigner_Fraud ██████████

⁴ _Ex_20101008_██████████Attorneys General I ██████████.pdf

- i. Ibid. 424B5 [REDACTED] Prospectus [Rule 424(b)(5)]
Acc-no: 0000950117-06-003693 (33 Act) Size: 2 MB 2006-08-29 3 [REDACTED]
061063289
62. We do not report or opine on legal implications of inaccurate representations about the moving party's status as a holder in due course are being noted for the attorney that has ordered our investigation in this case.
- a. Violations of BK 9011
 - b. Sanctions under 28 U.S.C. § 1927
 - i. Given the tangle of inconsistent and incomplete documents introduced into evidence in this case, that required intense scrutiny of over one thousand pages of documents and finally hiring outside professionals to interpret, sanctions may be appropriate.
63. Undisclosed sales took place. We found the loan listed in the original federal sworn WMALT [REDACTED] filings on EDGAR⁵
- a. Filed 08-29-2006
FWP [REDACTED] Filing under Securities Act Rules 163/433 of free writing prospectuses
Acc-no: 0001277277-06-000641 (34 Act) Size: 4 MB 2006-08-29 [REDACTED]
061062901
 - b. Column headers: LOANNUMBER LOANTYPE GROSSCPN ORIGBAL ACTBAL SCHEDBAL LTV
CBLTV OCCUPANCY PROPTYPE UNITS ORIGTERM ORIGDATE REMTERM 1STPMT CITY
STATE ZIP PURPOSE PMIINSURER PMI% PROPVALUE PPNPENALTY PPPTYPE IOPERIOD
DOCTYPE DTI FICO
 - c. Line item loan found: [REDACTED] F30 7.25 645600 645096.37 645096.37 80 80 P SFD 1
360 06/19/2006 359 08/01/2006 [REDACTED] OR 97525 C NO 0 807000 0 0 0 R 42.26 735
64. The loan evidenced by the documents submitted was paid in full August 30, 2006.
- a. The federally sworn and filed Prospectus for WMALT [REDACTED] 424B5 [REDACTED]
Prospectus [Rule 424(b)(5)] Acc-no: 0000950117-06-003693 (33 Act) Size: 2 MB 2006-
08-29 [REDACTED] 7 061063289
 - b. stipulates that the subject loan was purchased by investors in the WMALT [REDACTED] Trust
on August 30, 2006
 - c. it stipulates GreenPoint Mortgage Funding, Inc., loans purchased comprised 16.8% of
the total.
 - d. It stipulates that all mortgage loans will be serviced by Washington Mutual Bank, as
servicer by September 1, 2006.
65. Three subsequent hereto undisclosed true sales have taken place.
- a. The federally sworn and filed Pooling and Servicing Agreement for WMALT 2007-7 Seq 3
Printer-Friendly Duplicate Pdf Version Of Exhibit 4.1 (PSA - WMALT [REDACTED])
exh [REDACTED].pdf EX-4.1 1093469
 - b. The last true sale took place on the closing date August 30, 2006
 - c. The Beneficial Holders became "A person holding a beneficial interest in any Book Entry
Certificate".
 - d. 3 true sales took place after the initial original loan was issued
 - i. True sales of all rights, title and interest in a bankruptcy remote requirement to
insulate the investor purchasers from possible bankruptcy claims in the

⁵ <http://www.sec.> [REDACTED]

underlying mortgages, which might be claimed in part from the parties retaining loan servicing, interest strip, or other rights.

- i. **A to B:** True sale of all rights and title. Endorsed and Assigned
“The sponsor purchased the mortgage loans directly or indirectly from affiliated or unaffiliated third parties who either originated the mortgage loans or purchased the mortgage loans through correspondent or broker lending.”
 - 1. A: GreenPoint Mortgage Funding, Inc., approximately 16.8%; to
 - 2. B: Sponsor (Washington Mutual Mortgage Securities Corp)
- ii. **B to C:** True sale of all rights and title. Endorsed and Assigned
 - 1. B: Sponsor (Washington Mutual Mortgage Securities Corp) sold to
 - 2. C: Depositor (WaMu Asset Acceptance Corp.)
- iii. **C to D:** True sale of all rights and title. Endorsed and Assigned
 - 3. C: Depositor (WaMu Asset Acceptance Corp.) sold to
 - 1. D: WMALT [REDACTED] Trust (Washington Mutual Mortgage Pass-Through Certificates WMALT Series [REDACTED] Trust.)

66. Repurchase of defective loan Representations and Warranties were made to the investors.

- a. If the loan transfers were found to be defective, as the definitions in the WMALT [REDACTED] specify and the documentary evidence examined in terms of the N M/DOT and Trustee documents submitted clearly reveals here, WaMu (now JPMorgan Chase) will be required to repurchase this loan at the original sale price to the investors.
- b. This is a defaulted loan The current recoverable value is far less than the original loan amount. We do not venture legal opinions of motive but the facts remain.
 - i. Loss estimated to be in the six figures on this particular loan.
 - 1. Repurchase price equals original sale amount, plus one months interest.
 - ii. Guaranteed repurchase clauses are already agreed to by the parties.
 - iii. WMALT [REDACTED] Trustee has fiduciary responsibility to the Investor Trust and would be compelled to force the repurchase.
 - iv. Potential for a class action by the investors, a specter to lenders in this position, is potentially devastating financially as each pool as thousands of loans.
- c. Why the repurchase clauses?
 - i. Improper legal perfection of holder in due course Note and M/DOT has been found to undermine the security interest in loans. This means a loan obligation may be there but it is not secured by the real estate. In other words unsecured.
 - 1. WMALT [REDACTED] has specific Risk Factor disclosures covering this in their legally binding agreements.
 - a. Notable is the ability as unsecured to be included in a bankruptcy and modified by a bankruptcy judge.

67. REMIC IRS rules prohibit transactions in the Trust at 90 days after the closing date.

- a. Restricts business activities or all income from trust may be categorized as taxable income at the highest corporate income tax rates, then taxable at the investor owner’s individual rates.
 - i. In compliance the trust enjoins pass through tax status, investors only pay once and at their own individual tax rate.
 - ii. Legally filed agreements state in order to violate this and engage in an A to D sale or a D to outside source sale, for example, a majority of investor certificate holders and a binding trust legal opinion must be obtained.

1. No such evidence has been presented.
 - iii. The official record indicates the Closing Date is the Startup Day of the REMIC. That was in August 2006.
68. The WMALT- [REDACTED] federally filed documentation detail all original, properly endorsed and transferred Note and M/DOT are certified as received and in the possession of the Master Document Custodian.
- a. We do not find formal designated document requests to the Document Custodian.
 - i. Notification to the Document Custodian is often avoided in order to avoid the Trustee finding out that the documents in the Document Custodian's custody are in fact defective, triggering the automatic repurchase.
 1. Document Custodian obligations under the agreements do not require reviewing each file but rather safely storing the originals in each file.
69. JPMorgan is not disclosing they are merely a third party loan servicing vendor.
- a. Have not disclosed the documentation upon which they base any authority or rights.
 - b. Has not disclosed that private party agreements exist between the true owner of this loan and parties servicing the loan that govern this loan transaction and affect the underlying Note and M/DOT by detailing subsequent sales, endorsements and transfers. None of which appear on the documents presented, which testify that the documents presented are not the current owner's originals.
 - c. Have purposefully not supplied the loan servicing agreements including the Pooling and Servicing Agreements that may be filed as federal sworn documentation with the SEC.
 - d. Have not disclosed that in consideration of constitutional standing the loan servicer's complete financial interest is limited to their annual loan servicing fees.
 - e. Have not disclosed the loan servicer's annual loan servicing fees which are reportedly in the less than 1/3 of 1 % of loan amount; a mere \$375 per \$100,000 of loan amount.
 - f. Presents constitutional and prudential standing considerations.
 - i. Servicing interest sufficient to have a stake or controversy
 - ii. Prohibition on third-party standing
 - iii. Suits required to be maintained by the real party in interest
 - iv. Plaintiff asserting its own claims rather than claims of another.
70. Issues of JPMorgan claiming rights as loan servicer.
- a. Evidence examined must demonstrate the Note and M/DOT were transferred to the Trust. It does not.
 - b. Absent this evidence we find no demonstration that JPMorgan is servicer of the **NOTE**.
 - i. UCC rev [REDACTED], a holder is defined as "the person in possession of a negotiable instrument that is payable either to the bearer or to an identified person that is the person in possession.
71. Issues of MERS claiming any beneficial interest in the note based upon the documents evidenced.
- a. We find the MERS assignment of the M/DOT does not provide MERS with standing
 - i. MERS is named in the M/DOT as a beneficiary, solely as the "nominee" of the Lender, holding only "legal title" to the interests granted to LENDER under the M/DOT.
 1. MERS was never conferred economic benefit
 2. MERS collects no money from debtors under the Note

3. Will not realize the value of the property through foreclosure of the M/DOT in the even the Note is not paid.
 4. MERS has no financial interest in the Note
 5. It will suffer no injury if the Note is not paid
 6. It will realize no benefit if the M/DOT is foreclosed
 7. Does not satisfy requirements of constitutional standing.
 8. PS2F is MERS assignee, therefore cannot satisfy requirements
 9. Is not entitled to payment from the borrower
 10. Does not enforce the security for non-payment
 11. Has standing because it is the servicer of the Note
72. What we find submitted into evidence may be referenced in terms of the above as an A to D assignment.
- a. Invalidates the security interest in the loan M/DOT
 - b. We find no evidence of that fact other than a claim in a mortgage loan schedule in an SEC filing.
 - i. No certification of inclusion provided.
 - ii. No originals from Document Custodian as evidence of inclusion
 - iii. Check state laws. May qualify for reliance under UCC by mere electronic inclusion in a document but certainly not as a secured real estate interest.
 - iv. No documentary support supplied.

DISCLOSURE DEFECTS

73. TILA VIOLATION: I do not find disclosure compliance with the May 20, 2009 amendment to section [REDACTED] of the Truth in Lending Act (15 U.S.C. [REDACTED]) requiring the loan servicer to notify the borrower in writing of the identity of the true beneficial owner of their loan including address, telephone number, how to reach them or their authorized agent and the location of the properly recorded transfer. Remedies for violation of this act have increased from \$1,000 to \$2,000. For reference, Trust ownership may be in the form of: *Bank Name, as Trustee for Trust Name*. For example: *ABC Bank National as Trustee for the XYZ Equity Fund Series 2007-1. CIK (SEC Central Index Key) CODE: XXXXXXXXXX*

The Helping Families Save Their Homes Act of 2009, signed into law on May 20, 2009 amended in section [REDACTED]; section [REDACTED] of the Truth in Lending Act (15 U.S.C. [REDACTED]) by adding the following:

SEC. [REDACTED]. NOTIFICATION OF SALE OR TRANSFER OF MORTGAGE LOANS.

(1) *In General- Section [REDACTED] of the Truth in Lending Act (15 U.S.C. [REDACTED]) is amended by adding at the end the following:*

(1) *Notice of New Creditor-*

'(1) IN GENERAL- In addition to other disclosures required by this title, not later than 30 days after the date on which a mortgage loan is sold or otherwise transferred or assigned to a third party, the creditor that is the new owner or assignee of the debt shall notify the borrower in writing of such transfer, including-- [underline emphasis added]

'(1) the identity, address, telephone number of the new creditor;

'(1) the date of transfer;

'(1) how to reach an agent or party having authority to act on behalf of the new creditor;

'(D) the location of the place where transfer of ownership of the debt is recorded; and

'(E) any other relevant information regarding the new creditor.

'(2) DEFINITION- As used in this subsection, the term 'mortgage loan' means any consumer credit transaction that is secured by the principal dwelling of a consumer.'

(b) Private Right of Action- Section (a) of the Truth in Lending Act (15 U.S.C. (b)) is amended by inserting 'subsection (b) or (c) of section (b)' after 'section (b)'.

74. RESPA QUALIFIED WRITTEN REQUEST (QWR) DISCLOSURE NOT EVIDENCED. QWR Attached.

- a. Section 6 of the Real Estate Settlement Procedures Act (RESPA) provides for a Qualified Written Request to be made upon the Loan Servicer. We do not find this has occurred and prior to instituting aggressive discovery we strongly suggest this be done. A customized QWR is attached. We recommend the borrower review, sign and send this QWR as soon as practicable by certified mail, return receipt requested. Keep track of the receipt date, response times are strictly regulated. 5 days for an acknowledgement of receipt and 20 days for a written response.
- b. Provisions of RESPA that deal with mortgage servicing may be found in 12 U.S.C. Section § and that § (b) provides for damages and costs if you fail to supply me information requested in an amount not to exceed \$1,000 plus actual damages in an individual action and up to the lesser of \$500,000 or 1% of your (the servicer) net worth in a class action.⁶

75. No evidence this loan has undergone HAMP loan modification considerations.

- a. Aurora has agreed to participate in the Home Affordable Modification Program (HAMP).
 - i. For HAMP modification eligibility see attachment:
Ex _HAMP_ Package.pdf

I provide a description of the securitization of this loan with several charts for the purpose visual aids to the undisclosed transaction taking place here.

⁶ (f) Damages and costs

Whoever fails to comply with any provision of this section shall be liable to the borrower for each such failure in the following amounts:

(1) Individuals

In the case of any action by an individual, an amount equal to the sum of—

- (A) any actual damages to the borrower as a result of the failure; and
- (B) any additional damages, as the court may allow, in the case of a pattern or practice of noncompliance with the requirements of this section, in an amount not to exceed \$1,000.

(2) Class actions

In the case of a class action, an amount equal to the sum of—

- (A) any actual damages to each of the borrowers in the class as a result of the failure; and
- (B) any additional damages, as the court may allow, in the case of a pattern or practice of noncompliance with the requirements of this section, in an amount not greater than \$1,000 for each member of the class, except that the total amount of damages under this subparagraph in any class action may not exceed the lesser of—
 - (i) \$500,000; or
 - (ii) 1 percent of the net worth of the servicer.

(3) Costs

In addition to the amounts under paragraph (1) or (2), in the case of any successful action under this section, the costs of the action, together with any attorneys fees incurred in connection with such action as the court may determine to be reasonable under the circumstances.

TRADITIONAL VS. SECURITIZED LOAN

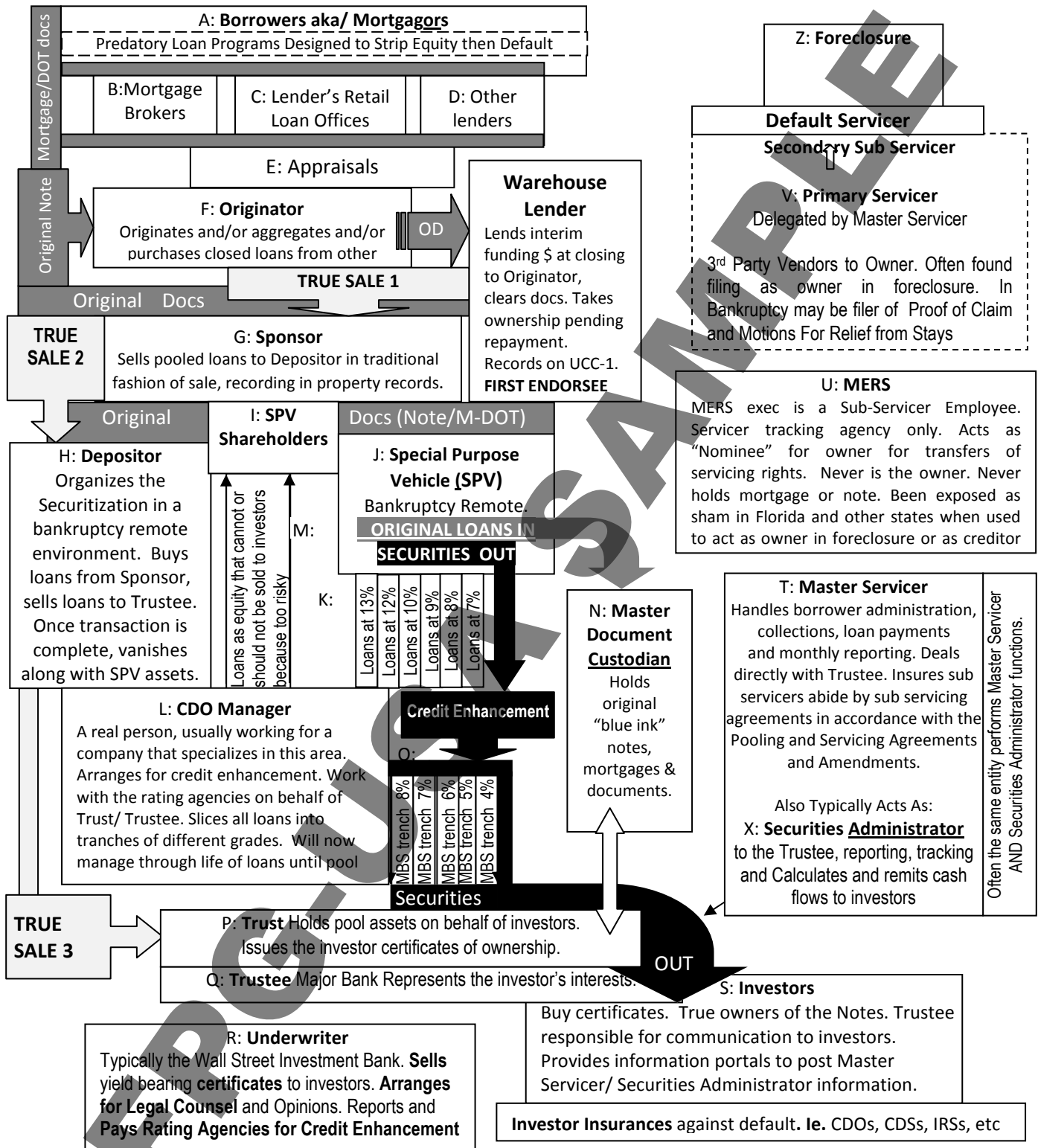
A securitized loan is unlike the traditional portfolio mortgage where the original mortgage is held as an investment by the lender and serviced throughout its life either by the same lender or a loan servicer performing day to day loan administration for the original lender.

Securitization is the process of taking illiquid assets, in this case individual mortgages, and placing them into a “mortgage pool”. This involves a series of independent “true sales” and financial engineering⁷ by a number of different parties in order to transform the pooled mortgages into a security owned by investors and represented by a Trustee. These “true sales” are at the heart of the securitization to ensure the investors have the unequivocal legal right of ownership, without doubt, to the mortgage assets and receivables in the trust. The financial engineering begins when the mortgages in the pool are grouped into classes based upon mortgage type and borrower credit. The credit of these classes is then enhanced and rated by credit ratings agencies such as S&P and Moody’s. These credit enhanced mortgages are repackaged and then sold to investors. The investors then typically purchase insurance in case of mortgage default. Investors evidence their ownership in the mortgages through certificates (notes), or debt agreements (bonds), or rights to ownership (derivatives). Through the “true sales” process the investors’ ownership is protected from potential bankruptcy or claims made against the originating lender or interim owners of the mortgage(s).

In the securitization process governing legal documents are created, several of which outline all aspects of the transaction including the parties, subsequent sales, the classification of sale meaning true sale or assignment, cut-off dates, REMIC tax status and consequences of doing business after the cut-off date and the pooling and servicing agreement, a document that specifies all aspects of the loan servicing. Most importantly, identification of the parties including the true beneficial owners is provided. In addition, distinct roles of the parties are identified. These legal documents provide the basis of determining classification of security of the underlying debt. In the process of financial engineering these documents will detail any expected risk of the underlying security interest becoming unsecured and the ramifications of defects in the endorsement and assignment trail. While traditional lending is simply A to B, securitization complicates the transaction significantly as the ensuing diagram illustrates.

⁷ The creation of new and improved financial products through innovative design or repackaging of existing financial instruments.

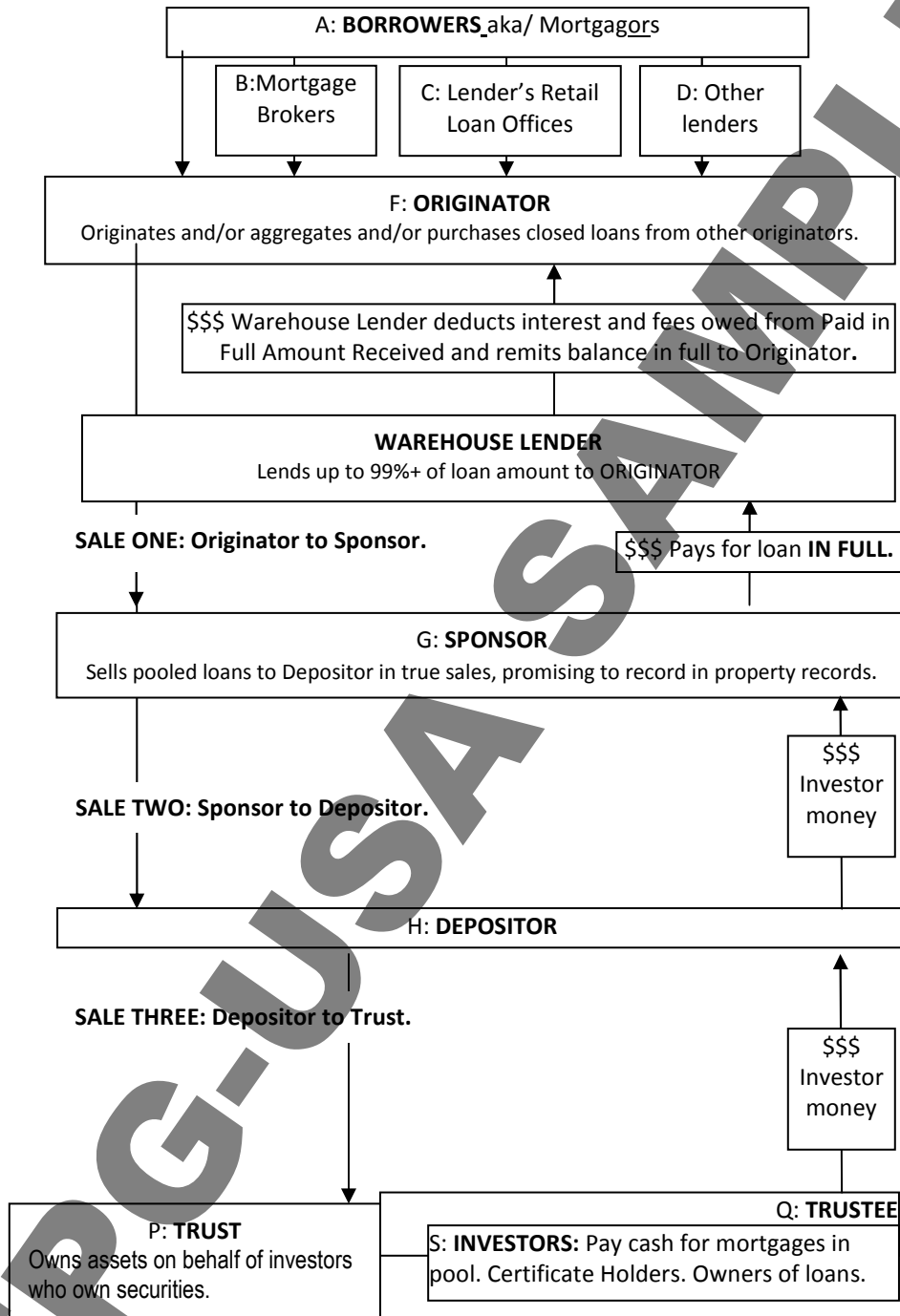
Private Label Securitization Chart ©2008 FPG-USA⁸



⁸ Taken from Mr. Kahn's first book, Winning Against Foreclosure: "A Strategy Guide" and featured in book two on loan securitization.

Subsequent Sale Summary

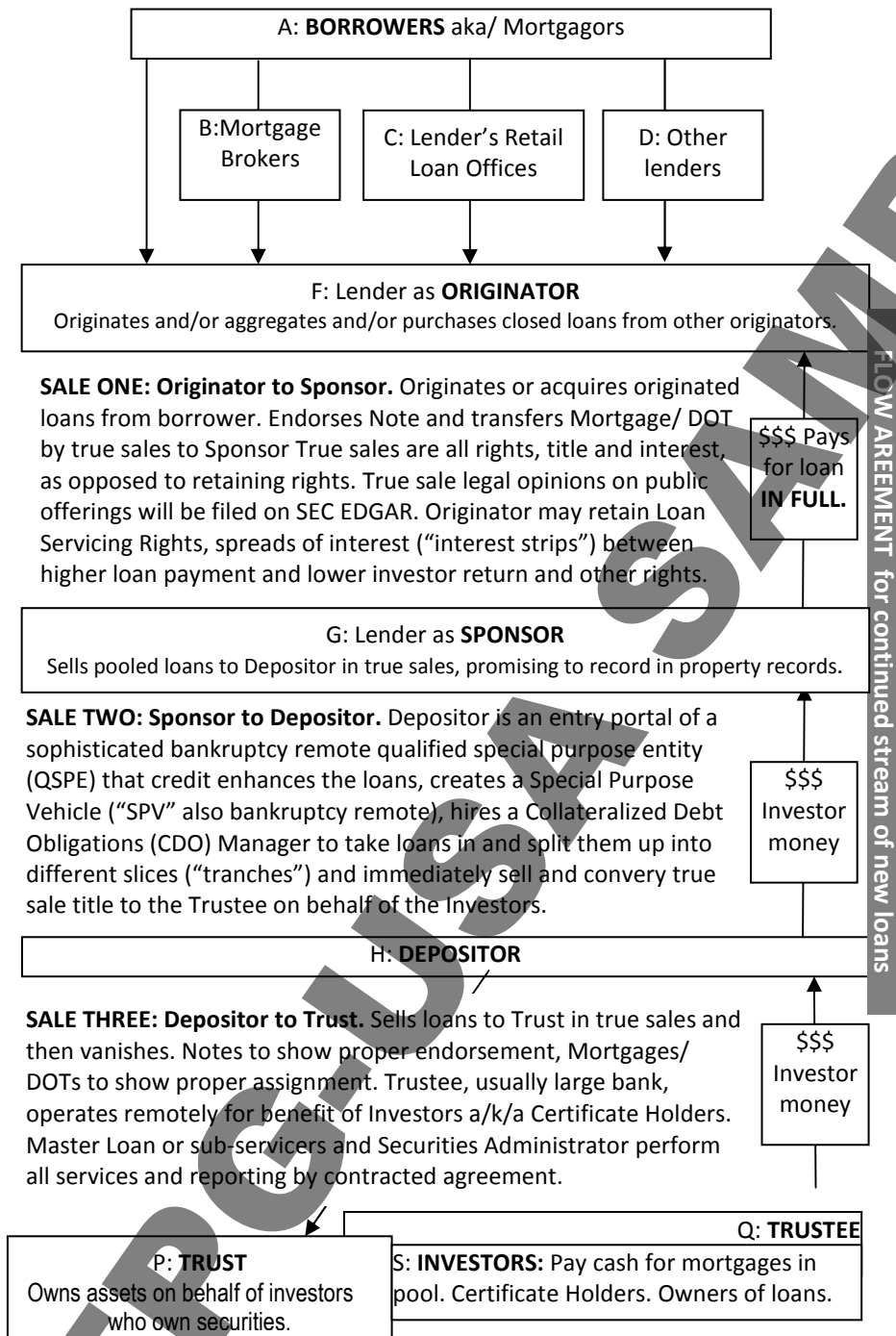
Diagram © 2008-2010 FPG-USA. From Mr. Kahn's 1st & 2nd books in the Winning Against Foreclosure Series
 See complete Diagram © FPG-USA in Private Label Securitization Chart Section



Subsequent Sale Detail

Diagram © 2008-2010 FPG-USA. From Mr. Kahn's 1st & 2nd books in the Winning Against Foreclosure Series

See complete Diagram © FPG-USA in Private Label Securitization Chart Section



Essential Governing Documentation

Diagram © 2008-2010 FPG-USA. From Mr. Kahn's 1st & 2nd books in the Winning Against Foreclosure Series
See complete Diagram © FPG-USA in Private Label Securitization Chart Section

F: Lender as **ORIGINATOR**
Originates and/or aggregates and/or purchases closed loans from other originators.

FLOW AGREEMENT – Originator promises to keep loan flowing for this deal and all deals under time, terms and payment specific terms.

MORTGAGE PURCHASE AGREEMENT – Stipulates conveyance and form of endorsement of Notes and assignment of Mortgages/ DOTs. Makes representations and warranties including provision of repurchase by Originator of defective loans.

G: Lender as **SPONSOR**
Sells pooled loans to Depositor in true sales, promising to record in property records.

MORTGAGE PURCHASE AGREEMENT – Stipulates conveyance and form of endorsement of Notes and assignment of Mortgages/ DOTs. Makes representations and warranties including provision of repurchase by Originator of defective loans.

H: **DEPOSITOR**

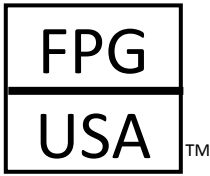
POOLING AND SERVICING AGREEMENT – Stipulates conveyance and form of endorsement of Notes and assignment of Mortgages/ DOTs. Makes representations and warranties including provision of repurchase by Originator of defective loans. Specifies loan servicing policies and procedures and rights of investor owners.

MASTER DOCUMENT CUSTODIAN AGREEMENT – Identifies party who will take custody of, protect and ensure safety of all the properly endorsed Notes and assigned mortgages. Because sometimes these are made in blank, the originals may be bearer instruments payable to anyone who holds the "blue ink" originals. Extreme care and procedures are required of this responsible party.

Q: **TRUSTEE**

FORENSIC ACCOUNTING

We find no life of loan history, system generated with code definitions provided. As such, no forensic accounting can be provided and the service has not been ordered or performed. This type of disclosure is required to be supplied by Loan Servicers.



Forensic Professionals Group USA, Inc.

Mortgage Analysis as a Part of a Credible Defense against Foreclosure – All Courts – All States

www.fpg-usa.com ph: 786-329-5588 fax: 305-675-7676 rkahn@fpg-usa.com

DECLARATION OF RICHARD KAHN

- A. I, Richard M Kahn, am an experienced mortgage analyst and my firm of which I am the principal and Senior Qualifying Expert, Forensic Professionals Group USA, Inc. ("FPG-USA"), specializes in providing third party forensic mortgage analysis to attorneys to use fighting foreclosure in court.
- B. I have been actively involved in and earned my living in the fields of mortgage backed securitization, real estate, mortgage lending and mortgage analysis for more than 30 years. My resume may be obtained from http://www.fpg-usa.com/RK_Resume.cfm
- C. I am the author of Winning Against Foreclosure, a Strategy Guide, written for attorneys, available on Amazon.com. More information is available at http://www.fpg-usa.com/WAF_Winning.cfm. This the first book in a series. The 2nd is scheduled for release Q1, 2011 and a 3rd is in the works.
- D. FPG-USA specializes in securitized loan audits and provides mortgage analysis and reporting services in all U.S. States. I offer my services as expert witness on my evidentiary findings issuances for a nominal fee via teleconference and/or video conference.
- E. I have performed dozens of forensic mortgage analysis, securitization and loan audits for attorneys fighting foreclosure in various State and Federal courts including civil and bankruptcy. 2010 included such states as California, Arizona, Florida, North Carolina, Maryland, Virginia, New Jersey, Illinois, Georgia, Pennsylvania, Minnesota, Washington State, and New York.
- F. My evidentiary findings reports are intended as written testimony based upon research and discover. They seek to present facts which are undisputable due to the quality of the source and not objectionable because they pertain to material issues. They are intended to serve as evidence or proof and may include my personal clarification for the purpose of establishing the basis of facts contained therein.
- G. Our fees are collected upon the placing of an order(s) without contingency of their results. Neither FPG-USA nor I have any financial interest in the outcome of this case. In all regards, I am a disinterested person within the meaning of 11 U.S.C. §101(14).

By my signature below, I declare under penalty of perjury that the foregoing declarations are true and correct.

SIGNATURE OMITTED ON SAMPLE

Richard M. Kahn, Signed on September 30, 2010
Principal, Sr. Qualifying Expert