
REAL ESTATE SECURITIZATION AUDIT

Prepared for:

Homeowner Name Here

Property Address 1

Property Address 2

Disclosure: You have engaged Your Business Name Here to examine your real estate documents. This information is not to be construed as legal advice or the practice of law. It is the intent of Your Business Name Here, its members, auditors, and independent contractors not to engage in activities that could be considered to be the practice of law by conduct exhibiting any of the following practices: “. . .the doing and/or performing of services in a court of justice on any matter depending therein throughout the various stages and in conformity with the adopted rules of procedure. This includes legal advice and counsel and the preparation of legal instruments and contracts by which the legal rights are secured although such matters may or may not be depending on the court.”

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Information on the Loan and Mortgage

General	Amount of Principal	\$825,000
	Loan Closing Date	July 13, 2005
	Loan Maturity Date	August 1, 2035
	Term	30 Years
Promissory Note	Type of Note	Multistate Fixed Rate Note
	Initial Interest Rate	5.875% p.a.
	Loan Number	
Deed of Trust	MIN	1001337-0002391907-2
	Lien Priority	First

Information on the Securitization Trust

Issuing Entity	Structured Asset Securities Corp. Trust 2005-16
Title of the Offered Securities	Structured Asset Securities Corp. Mortgage Pass-Through Certificates, 2005-16
Sponsor and Seller	Lehman Brothers Holdings, Inc.
Originators	Lehman Brothers Bank, FSB and others
Depositor	Structured Asset Securities Corp.
Master Servicer	Aurora Loan Services, LLC
Trustee	The Bank of New York
Custodians	La Salle Bank, NA and US Bank, NA
LPMI Insurer	No specific insurer is named. The applicable provisions on insurance are found in the section Description of Mortgage and Other Insurance, page 84, Prospectus
Cut-off Date	August 1, 2005
Closing Date	On or about August 31, 2005

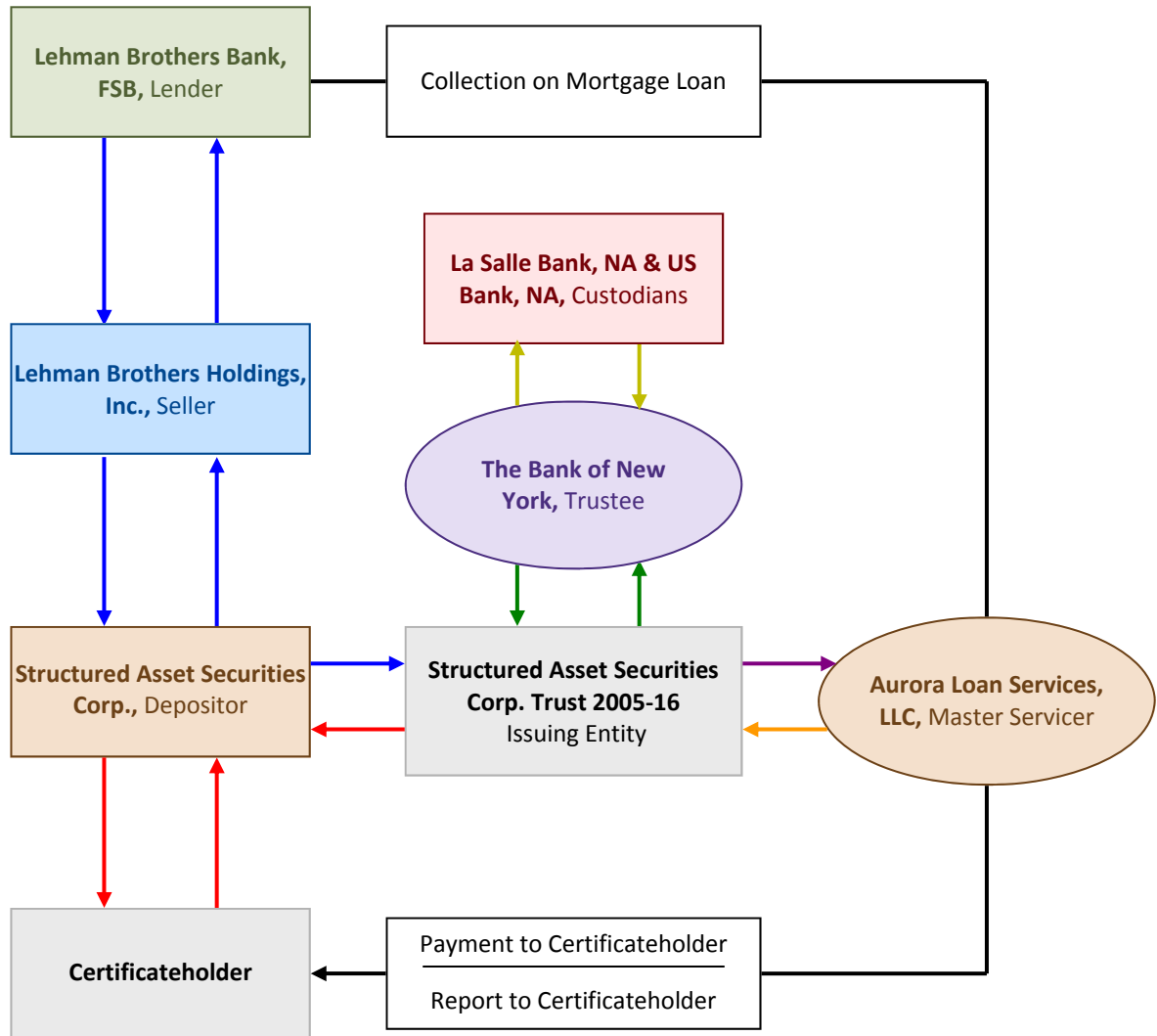
The Parties to the Transactions

The Loan and Mortgage







Borrower	Name	
	Mailing Address	
	Property Address	
Co-Borrower	Name	None
Lender	Name	Lehman Brothers Bank, FSB
	Mailing Address	18200 Von Karman #250 Irvine, CA 2612
Beneficiary	Name	Mortgage Electronic Registration Systems, Inc.
	Mailing Address	PO Box 2026 Flint, MI 48501
Mortgage Servicer	Name	Aurora Loan Services, LLC
	Mailing Address	PO Box 1706 Scottsbluff, NE 69363
Mortgage Trustee	Name	Chicago Title Insurance Co.
	Mailing Address	601 Riverside Avenue Jacksonville, FL 32204
Title Company	Name	Chicago Title Insurance Co.

The Securitization Trust

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.



Legend

- | | | |
|--|---|---|
|  Mortgage Loan |  Certificate |  Fiduciary Duties |
|  Mortgage Loan Document |  Custodial Receipt |  Custodianship Duties |

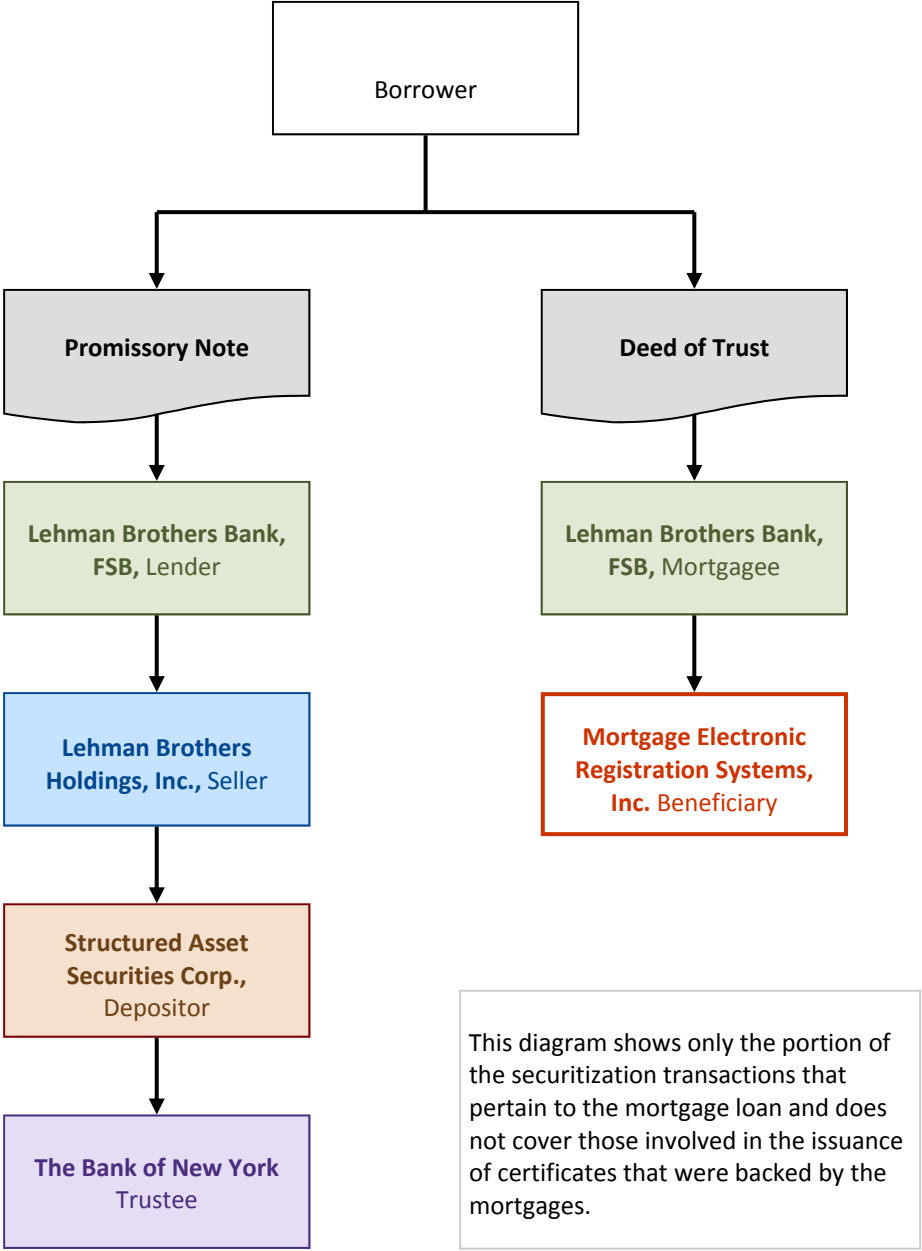
The foregoing diagram is not intended to show any differences between the typical flow of transactions and the actual, as the examiners have noted in their review of the documents presented. The latter is presented in the section titled “How the Parties Changed the Process of Securitization” which is the subject of the succeeding section.

How the Parties Changed the Process of Securitization

The examiners reviewed the documents presented and noted the following:

- The subject loan was granted on July 13, 2005. The Promissory Note names Lehman Brothers Bank, FSB as the originating lender.
- The Deed of Trust securing the Note was executed on the same date. The mortgagee is the originating lender and the beneficiary is Mortgage Electronic Registration Systems, Inc., as nominee of the lender.
- A report on Mortgage Electronic Registration Systems, Inc. disclosed that this loan is being serviced by Aurora Loan Services, LLC, an affiliate of the lender, and that its investor is The Bank of New York Mellon, NA as trustee. These indicate that the subject loan could have been securitized into a trust in which Aurora Loan Services, LLC was the servicer or master servicer and The Bank of New York Mellon, NA, formerly known as The Bank of New York, was the trustee.
- A search of filings with the Securities and Exchange Commission by for securitization trusts established in the year 2005 indicates that the trust into which the subject loan could have been securitized into would be the Structured Asset Securities Corp. Trust 2005-16.
- Structured Asset Securities Corp. Trust 2005-16 was established under a Trust Agreement dated August 1, 2005 by and among Structured Asset Securities Corp. as depositor, Aurora Loan Services, LLC as master servicer, and The Bank of New York as trustee. Lehman Brothers Holdings, Inc. was the sponsor and seller of the said trust, while Lehman Brothers Bank, FSB was one of the originators.

Given these findings, the examiners have prepared the following diagram to illustrate how the lender and the parties to the securitization trust changed the typical process of securitization:



The transactions in this diagram are presented in chronological order:

Promissory Note		Deed of Trust	
Date	Particulars	Date	Particulars
July 13, 2005	Loan Granting Lehman Brothers Bank, FSB Originating Lender	July 13, 2005	Loan Granting Lehman Brothers Bank, FSB Mortgagee MERS, Beneficiary
August 31, 2005	Sale, Securitization Lehman Brothers Holdings, Inc. Securitization Seller		
August 31, 2005	Simultaneous Sale, Securitization Structured Asset Securities Corp., Securitization Depositor		
August 31, 2005	Assignment, Securitization The Bank of New York, trustee for Structured Asset Securities Corp. Trust 2005-16		

The Promissory Note and the Deed of Trust should be in the possession of The Bank of New York as trustee for the mentioned securitization trust, pursuant to Article I, Conveyance of Mortgage Loans, of the Mortgage Loan Sale and Assignment Agreement dated August 1, 2005. However, the Deed of Trust could be in the possession of Mortgage Electronic Registration Systems, Inc. It was created to eliminate the need for executing and recording the assignment of mortgages, with the idea that it would be the beneficiary on record (see separate Report on MERS).

Whether or not the Promissory Note bears the proper endorsements, and the Deed of Trust the proper assignments, could be ascertained only upon actual inspection of these documents.

Review of the process of securitization yielded the following information:

Structured Asset Securities Corp. Trust 2005-16 Prospectus Form 424B5, filed on September 1, 2005 refers to Structured Asset Securities Corp. as depositor, Lehman Brothers Holdings, Inc. as sponsor and seller, Lehman Brothers Bank, FSB as one of the originators, and Aurora Loan Services, LLC as master servicer. The link to the prospectus is provided herein.

<http://www.secinfo.com/dsvrn.z5ej.htm>

Structured Asset Securities Corp. Trust 2005-16 Annual Form 10-K for the year ended December 31, 2005 was filed on March 30, 2006 with the SEC. This document listed Aurora Loan Services, LLC as master servicer compliant with the servicing criteria for the asset-backed securities held by the trust. The link to the form 10-K is provided herein.

<http://www.secinfo.com/d1Zmw4.vPk.htm>

On January 30, 2006, Structured Asset Securities Corp., as depositor, filed Form 15-15D or Notice of Suspension of Duty to File Reports terminating registration of the noted investment vehicle. The approximate number of holders of record as of the certification or notice date was one. The link to the form 15-15D is provided herein.

<http://www.secinfo.com/d1Zmw4.v49.htm>

A complete list of SEC filings by Structured Asset Securities Corp. Trust 2005-16 is provided herewith.

Trust Agreement:

<http://www.secinfo.com/d13f21.zNy.d.htm>

Summary of events from the 424B5

Cut-Off Date – August 1, 2005

Closing Date – On or About August 31, 2005

Amount - \$1,042,854,994 Approximate

The Foreclosure Process

Transactions pertaining to the process of foreclosing on the property that was mortgaged to secure the note on this loan are summarized as follows:

Promissory Note		Deed of Trust	
Date	Particulars	Date	Particulars
January 23, 2006	Loan Granting Wells Fargo Bank, NA Originating Lender	January 23, 2006	Loan Granting Wells Fargo Bank, NA Mortgagee and Beneficiary
May 30, 2006	Sale, Securitization Wells Fargo Bank, NA Securitization Sponsor	(Scheduled for) September 6, 2011	Notice of Sale Under Power HSBC Bank USA, NA, as Trustee Lender
May 30, 2006	Simultaneous Sale, Securitization Wells Fargo Asset Securities Corp., Securitization Depositor		
May 30, 2006	Assignment, Securitization HSBC Bank USA, NA, Trustee for Wells Fargo Home Equity Asset-Backed Securities 2006-1 Trust		

The foregoing transactions are more fully described as follows:

- The original Deed of Trust was executed on January 23, 2006. The lender, mortgagee, and beneficiary is Wells Fargo Bank, NA.
- There was a scheduled foreclosure sale on September 6, 2011 according to an undated Notice of Sale. This document names the lender as HSBC Bank USA, NA as trustee for Wells Fargo Home Equity Asset-Backed Securities 2006-1 Trust (see attached document).

As has been previously noted, this loan was securitized into Wells Fargo Home Equity Asset-Backed Securities 2006-1 Trust. As a result, the Note and the Deed have been separated. Therefore, there is no ability to foreclose on the property until the Note and Deed of Trust are re-united.

1 record matched your search:

MIN: 1001337-0002391907-2 **Note Date:** 09/06/2007 **MIN Status:** Active

Servicer: Bank of America, N.A.
Simi Valley, CA

Phone: (800) 669-6607

Investor: Bank of America, N.A.
Getzville, NY

Phone: (800) 285-6000

MERS & Securitization

Mortgage Electronic Registration System (MERS) has been named the beneficiary for this loan. MERS was created to eliminate the need for the executing and recording of assignment of mortgages, with the idea that MERS would be the mortgagee of record. This would allow "MERS" to foreclose on the property, and at the same time, assist the lenders in avoiding the recording of the Assignments of Beneficiary on loans sold. This saved the lenders money in manpower and the costs of recording these notes. It was also designed to "shield" investors from liability as a result of lender misconduct regarding the process of mortgage lending.

MERS is simply an "artificial" entity designed to circumvent certain laws and other legal requirements dealing with mortgage loans. By designating certain member employees to be MERS corporate officers, MERS has created a situation whereby the foreclosing agency and MERS "designated officer" has a conflict of interest.

Since neither MERS nor the servicer have a beneficial interest in the note, nor do they receive the income from the payments, and since it is actually an employee of the servicer signing the Assignment in the name of MERS, the Assignment executed by the MERS employee is illegal. The actual owner of the note has not executed the Assignment to the new party. An assignment of a mortgage in the absences of the assignment and physical delivery of the note will result in a nullity.

It must also be noted that the lender or other holder of the note registers the loan on MERS. Thereafter, all sales or assignments of the mortgage loan are accomplished electronically under the MERS system. MERS never acquires actual physical possession of the mortgage note, nor do they acquire any beneficial interest in the Note.

The existence of MERS indicated numerous violations of Unfair and Deceptive Acts and Practices due to the conflicting nature and identity of the servicer and the beneficiary. Each of these practices were intentionally designed to mislead the borrower and benefit the lenders.

So the question becomes, is MERS the foreclosing party or the Servicer? Since the Servicer is the party initiating the foreclosure and they take the documents to their own employee who has also been designated as a "Corporate Officer of MERS", and who conveniently signs the document for MERS, aren't they the "foreclosing party"?

Is MERS the Beneficial Owner of the Note?

1. MERS is named as the beneficiary on the Deed of Trust and holds only legal title to the interest granted by Borrower in this Security Instrument...has the right: to exercise any or all of those interest, including, but not limited to, releasing and canceling this security instrument.
2. MERS has no actual possession of the Note, though they claim to hold the Note.
3. MERS receives no payments or income from the monthly payments. This money goes to the ultimate Investor. The Investor has the beneficial interest in the Note by reason of the Investor receiving the payments.
4. MERS agreement says that MERS shall at all time comply with the instructions of the holder of mortgage loan promissory notes. Additionally, it says "in the absence of contrary instructions from the beneficial owner, MER may rely on instructions from the servicer shown on the MERS system in accordance with these rules and the procedures with respect to transfers of beneficial ownership.
5. MERS has testified in Florida Courts that they are not the beneficial owner of the note.

Assignment of Beneficiary

MERS does not record the assignment of beneficiary as required by law, until the foreclosure process starts and the Notice of Default has been filed, and apparently, only when it appears that the borrower will not be able to reinstate the loan and then foreclosure is inevitable. It maintains itself as the beneficiary throughout the entire process up to foreclosure.

MERS has represented in Florida Courts that its sole purpose is as a system to track mortgages. It has stated that it does not do the entries itself, but the lenders and servicers do. When an Assignment of Beneficiary is executed, it is the member servicer or lender that goes to the website, downloads the necessary forms, completes the forms and then takes it to the designated "MERS officer" to sign.

MERS agreements state that MERS and the Member agree that: (i) the MERS System is not a vehicle for creating or transferring beneficial interest in mortgage loans, (ii) transfer of servicing interests reflecting on MERS System are sUBject to the consent of the beneficial owner.

Since neither MERS nor the servicer have a beneficial interest in the note, nor do they receive the income from the payments, and since it is actually an employee of the servicer signing the Assignment in the name of MERS, this begs the question:

Is the assignment executed by the MERS employee even legal, since the actual owner of the note has not executed the assignment to the new party?

A good indicator might be in *Sobel v Mutual Development, Inc*, 313 So 2d 77 (1st DCA Fla 1975). An assignment of a mortgage in the absence of the assignment and physical delivery of the note in question is a nullity.