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## S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced

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(**Editor's Note:** In a previous version of this release, dated July 10, 2007, the amount and percent of affected collateral, noted in the second paragraph, were misstated. A corrected version follows.)

NEW YORK (Standard & Poor's) July 11, 2007--Standard & Poor's Ratings Services said today it placed its credit ratings on 612 classes of residential mortgage-backed securities (RMBS) backed by U.S. subprime collateral on CreditWatch with negative implications (see list below).

The affected classes total approximately \$7.35 billion in rated securities, which represents 1.3% of the \$565.3 billion in U.S. subprime RMBS rated by Standard & Poor's between the fourth quarter of 2005 and the fourth quarter of

2006.

Changes to our rating methodology as well as details of a teleconference to be held today are given below.

The CreditWatch actions are being taken at this time because of poor collateral performance, our expectation of increasing losses on the underlying collateral pools, the consequent reduction of credit support, and changes that will be implemented with respect to the methodology for rating new transactions. Many of the classes issued in late 2005 and much of 2006 now have sufficient seasoning to evidence delinquency, default, and loss trend lines that are indicative of weak future credit performance. The levels of loss continue to exceed historical precedents and our initial expectations at the time we rated the deals.

We are also conducting a review of CDO ratings where the underlying portfolio contains any of the affected securities subject to these rating actions (see separate media release to be published today).

#### FACTORS DRIVING NEW SURVEILLANCE METHODOLOGY

We have been surveilling these transactions on a regular basis and have been monitoring market trends. At this time, we do not foresee the poor performance abating. Loss rates, which are being fueled by shifting patterns in loss behavior and further evidence of lower underwriting standards and misrepresentations in the mortgage market, remain in excess of historical precedents and our initial assumptions.

#### LOSS PATTERNS

New data reveals that delinquencies and foreclosures continue to accumulate at an increasing rate for the 2006 vintage. We see poor performance of loans, early payment defaults, and increasing levels of delinquencies and losses.

Total aggregate losses on all subprime transactions issued since the fourth quarter of 2005 is 29 basis points, as compared with 7 basis points for similar transactions issued in 2000. Transactions from the 2000 vintage are used as a comparison because they were, up until now, the worst performing vintage of this decade. When recent transactions with the same seasoning are compared on a quarterly basis with similar transactions issued in 2000, we find that both mean losses and standard deviations are running in excess of the 2000 book for the fourth quarter of 2005 through the fourth quarter of 2006.

Seriously delinquent loans (90-days-plus, foreclosure, and real estate owned {REO}), on average, also exceed the 2000 book of business for each quarterly comparison except for the fourth quarter of 2005.

#### ECONOMIC FACTORS

On a macroeconomic level, we expect that the U.S. housing market, especially the subprime sector, will continue to decline before it improves, and home prices will continue to come under stress. Weakness in the property markets continues to exacerbate losses, with little prospect for improvement in the near term. Furthermore, we expect losses will continue to increase, as borrowers experience rising loan payments due to the resetting terms of their adjustable-rate loans and principal amortization that occurs after the interest-only period ends for both adjustable-rate and fixed-rate loans.

Although property values have decreased slightly, additional declines are expected. David Wyss, Standard & Poor's chief economist, projects that property values will decline 8% on average between 2006 and 2008, and will bottom out in the first quarter of 2008.

While our LEVELS model assumes property value declines of 22% for the 'BBB' and lower rating category stress environments (with higher property value declines for higher rating category stress environments), the continued decline in prices will apply additional stress to these transactions by increasing losses on the sale of foreclosed properties, as well as removing or reducing the borrowers' ability to refinance or sell their homes to meet debt obligations.

As lenders have tightened underwriting guidelines, fewer refinance options may be available to these borrowers, especially if their loan-to-value (LTV) and combined LTV (CLTV) ratios have risen in the wake of declining home prices.

#### DATA QUALITY

The Mortgage Asset Research Institute (MARI) reports that alleged misrepresentations on credit reports were up significantly as a percentage of total submissions received in 2006. MARI, which was recently commissioned by the Mortgage Bankers Assoc. (MBA) to conduct a mortgage fraud study, reported that the current findings of fraud were in excess of previous industry highs. Data quality concerning some of the borrower and loan characteristics provided during the rating process has also come under question. Therefore, key risk variables that have historically influenced default patterns, such as FICO, LTV, and ownership status, are proving less predictive.

It is expected that the ongoing weakness in both national and regional property markets will exacerbate losses with little prospect for improvement in the near term. Also, many of these transactions will likely encounter additional credit stress from upcoming interest rate and payment resets.

Data quality is fundamental to our rating analysis. The loan performance associated with the data to date has been anomalous in a way that calls into question the accuracy of some of the initial data provided to us regarding the loan and borrower characteristics. A discriminate analysis was performed to identify the characteristics associated with the group of transactions performing within initial expectations and those performing below initial expectations. The following characteristics associated with each group were

analyzed: LTV, CLTV, FICO, debt-to-income (DTI), weighted-average coupon (WAC), margin, payment cap, rate adjustment frequency, periodic rate cap on first adjustment, periodic rate cap subsequent to first adjustment, lifetime max rate, term, and issuer. Our results show no statistically significant differentiation between the two groups of transactions on any of the above characteristics. Reports of alleged underwriting fraud tend to grow over time, as suspected fraud incidents are detected upon investigation following a loan default.

**PAYMENT ADJUSTMENTS**

Adjustable-rate and interest-only loans subject to contractual increases in their monthly payments will continue to put pressure on borrowers' ability to meet monthly payments in the future. The transactions with classes identified for CreditWatch placement contain, on average, 75%-80% of the types of loans that are subject to some type of payment adjustment over the next 18 months.

When reviewing the transactions initially, we assumed that borrowers would experience additional stresses when subject to payment adjustments. All loans containing some type of payment increase were assumed to default 20% more often than similar borrowers with fixed-rate loans and FICO scores of less than 660 (including subprime borrowers). Our analysis intended to anticipate the burden and resulting payment shock that a borrower would face assuming rising interest rates.

The following table provides the aggregate percentage of 2/1 arms for U.S. subprime transactions by quarter for the period under review. Since there tends to be a lag between origination and securitization, many of the 2/1 hybrid ARM loans will reset approximately seven quarters after the transaction closes.

**2/1 ARM Reset Information By Quarter**

Sold during	Orig. subprime balance (\$) (all loans)	% of 2/1 ARM	Reset quarter
2005-Q4	138,888,212,337	64	2007-Q3
2006-Q1	108,014,850,161	70	2007-Q4
2006-Q2	121,149,551,887	70	2008-Q1
2006-Q3	98,332,355,370	62	2008-Q2
2006-Q4	98,965,073,697	60	2008-Q3

Given all of these current factors, we are refining our surveillance approach for subprime RMBS transactions issued from the fourth quarter of 2005 through the fourth quarter of 2006. Going forward, the ratings methodology for new transactions will also incorporate these factors.

**SURVEILLANCE METHODOLOGY CHANGES**

As performance continues to deteriorate, we have increased the severity of the surveillance assumptions we use to evaluate the ongoing creditworthiness for

this group of transactions. The level of severity was increased to 40% from 33% to reflect the average severity that subprime servicers are currently experiencing, which was determined through data collected in our SEAM (Servicer Evaluation Analytical Methodology) database. We will continue to apply this revised severity assumption to delinquencies as they move through the pipeline.

Specifically, for subprime collateral, we assume that the REO loans are liquidated evenly within six months. During the same six-month period, 25% of foreclosures and 10% of loans that are 90-plus-days delinquent would be evenly liquidated. During months seven through 12, the remaining 75% of foreclosures and 30% of the loans that are 90-plus-days delinquent will be evenly liquidated. In order to account for the movement of the remaining 90-plus-days delinquent and future delinquent loans through the delinquency pipeline, we assume that our projection of the losses used in month 12 continues and amortizes down in months 13 through 36, which allows for loans presently 60- or 30-days delinquent, or current, to enter into the delinquency pipeline in the future.

Beginning in the next few days, we expect that the majority of the ratings on the classes that have been placed on CreditWatch negative will be downgraded. We will lower our rating:

- To 'CCC' on any class that does not pass our stress test scenario (a class is expected to experience a principal write-down or, with respect to the senior classes, a principal shortfall) within 12 months, regardless of its current rating;
- To 'B' on any class that does not pass our stress test scenario within 13 to 24 months;
- To 'BB' on any class that does not pass our stress test scenario within 25 to 30 months; and
- To 'BBB' on any class that does not pass our stress test scenario within 31 to 36 months.

In addition, we have modified our approach to reviewing the ratings on senior classes in a transaction in which subordinate classes have been downgraded. Historically, our practice has been to maintain a rating on any class that has passed our stress assumptions and has had at least the same level of outstanding credit enhancement as it had at issuance. Going forward, there will be a higher degree of correlation between the rating actions on classes located sequentially in the capital structure. A class will have to demonstrate a higher level of relative protection to maintain its rating when the class immediately subordinate to it is being downgraded.

Transactions issued in 2007 have not had adequate seasoning to establish a payment history that would make the outcomes of the delinquency and loss tests detailed above capable of meaningful measurement under our new methodology. However, the same asset risks that are apparent in the transactions issued in 2006 may also be present in the 2007 transactions, as well as in transactions currently being packaged for sale and securitization. Hence, to ensure a consistent application of surveillance methodology we will continue to monitor

the 2007 vintage securitizations and apply the same surveillance methodology as described above to the 2007 transactions as they season and as delinquency and loss data become available. We will also review these transactions under the revised surveillance methodology, as well as the revised methodology employed for issuing new ratings and may take rating actions, as deemed appropriate, throughout the remainder of 2007.

We will also continue our review of second mortgages, including "piggyback seconds," "silent seconds," and closed-end second liens, and expect to publish the results in the near future.

We are considering a number of changes to our initial rating methodology, as further described below, so as to better mitigate these concerns going forward.

#### REVISED RATING METHODOLOGY FOR NEW ISSUES

For transactions that close on or after July 10, 2007, we will incorporate several changes to our ratings methodology that will result in greater levels of credit protection for rated transactions. Our cash flow methodology assumptions will include a simultaneous combination of faster voluntary and involuntary (default) prepayments that will result in less credit to excess spread.

Furthermore, our default expectation for 2/28 hybrid ARM loans will increase by approximately 21%. We are in the process of updating our LEVELS and SPIRE models. A separate article will be released in the next few days describing the revisions to our ratings methodology, and will provide the estimated timing for release of the updated models.

#### UNDERWRITING REVIEW

Given the level of loosened underwriting at the time of loan origination, misrepresentation, and speculative borrower behavior reported for the 2006 vintage, we will be increasing our review of the capabilities of lenders to minimize the potential and incidence of misrepresentation in their loan production. A lender's fraud-detection capabilities will be a key area of focus for us.

The review will consist of a detailed examination of: (a) the overall capabilities and experience of the executive and operational management team; (b) the production channels and broker approval process; (c) underwriting guidelines and the credit process; (d) quality control and internal audits; (e) the use of third-party due diligence firms, if applicable; and (f) secondary marketing. A new addition to this review process will be a fraud-management questionnaire focusing on an originator's tools, processes, and systems for control with respect to mitigating the potential for misrepresentation.

#### TELECONFERENCE

*S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

Standard & Poor's will hold a teleconference Tuesday morning, July 10, 2007, at 10:00 a.m. EST. Please join David Wyss, Susan Barnes, and Patrice Jordan, as they discuss market conditions and the revisions to the RMBS surveillance and new ratings methodologies. Teleconference information follows below:

Live-Dial-In-Numbers:

US/Canada: 1-888-324-0379  
US/All Others: 1-210-234-6980  
Conference ID#: 1197033  
Passcode: SANDP

Replay Numbers:

US/Canada: 1-866-397-8265  
US/All Others: 1-203-369-0540  
Replay will expire on Tuesday, July 17, 2007

Live Audio Streaming:

URL: <http://www.mymeetings.com>, Under Events, Select Join an event  
Conference ID#: 1197033  
Passcode: SANDP

Replay Web Streaming:

URL: <http://www.mymeetings.com>, Under Events, Select Join an event  
Conference ID#: 1197033  
Passcode: SANDP  
Web replay streaming will expire on Tuesday, Aug. 7, 2007

SUBPRIME RATINGS PLACED ON CREDITWATCH NEGATIVE

Aames Mortgage Investment Trust

		Rating	
Series	Class	To	From
2006-1	M10	BBB/Watch Neg	BBB
2006-1	M11	BBB-/Watch Neg	BBB-

ABFC Trust

		Rating	
Series	Class	To	From
2005-WMC1	B1	BB+/Watch Neg	BB+
2005-WMC1	B2	BB/Watch Neg	BB

ACE Securities Corp. Home Equity Loan Trust

		Rating	
Series	Class	To	From
2005-HE6	M9	BBB+/Watch Neg	BBB+
2005-HE6	M10	BBB/Watch Neg	BBB
2005-HE6	M11	BBB-/Watch Neg	BBB-
2005-HE6	B1	BB+/Watch Neg	BB+
2006-ASAP3	M8, M9, M10	BBB/Watch Neg	BBB

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2006-ASAP3	M11	BBB/Watch Neg	BBB
2006-ASAP4	M11	BBB/Watch Neg	BBB
2006-FM1	M7	BBB+/Watch Neg	BBB+
2006-FM1	M8	BBB/Watch Neg	BBB
2006-FM1	M9	BBB-/Watch Neg	BBB-
2006-FM1	M10	BB+/Watch Neg	BB+
2006-FM2	M7	BBB+/Watch Neg	BBB+
2006-FM2	M8	BBB/Watch Neg	BBB
2006-FM2	M9	BBB-/Watch Neg	BBB-
2006-FM2	M10	BB+/Watch Neg	BB+
2006-HE1	M8	A-/Watch Neg	A-
2006-HE1	M9	BBB+/Watch Neg	BBB+
2006-HE1	M10	BBB/Watch Neg	BBB
2006-HE2	M9	BBB/Watch Neg	BBB-
2006-HE2	M10	BBB-/Watch Neg	BBB-
2006-HE2	M11	BB+/Watch Neg	BB+
2006-HE3	M7	A+/Watch Neg	A+
2006-HE3	M8	A/Watch Neg	A
2006-HE3	M9	BBB+/Watch Neg	BBB+
2006-HE3	M10	BBB/Watch Neg	BBB
2006-HE3	M11	BBB-/Watch Neg	BBB-
2006-HE4	M8	BBB+/Watch Neg	BBB+
2006-HE4	M9	BBB/Watch Neg	BBB
2006-HE4	M10	BBB-/Watch Neg	BBB-
2006-HE4	M11	BB+/Watch Neg	BB+
2006-NC2	M9	BBB-/Watch Neg	BBB-
2006-NC2	M10	BB+/Watch Neg	BB+
2006-NC2	M11	BB/Watch Neg	BB

Aegis Asset Backed Securities Trust

Rating			
Series	Class	To	From
2005-5	M6, B1	A+/Watch Neg	A+
2005-5	B2	A/Watch Neg	A
2005-5	B3	BBB+/Watch Neg	BBB+
2005-5	B4	BBB/Watch Neg	BBB
2005-5	B6	BB+/Watch Neg	BB+

American Home Mortgage Investment Trust

Rating			
Series	Class	To	From
2005-3	B	BBB/Watch Neg	BBB
2006-2	II-M-4	A+/Watch Neg	A+
2006-2	III-M-1	AA/Watch Neg	AA
2006-2	III-M-2	A+/Watch Neg	A+
2006-2	III-M-3	A+/Watch Neg	A+
2006-2	III-M-4	A-/Watch Neg	A-
2006-2	III-M-5	BBB+/Watch Neg	BBB+
2006-2	IV-M-1	AA/Watch Neg	AA
2006-2	IV-M-2	A/Watch Neg	A



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2006-2	IV-M-3	BBB+/Watch Neg	BBB+
2006-2	IV-M-4	BBB/Watch Neg	BBB
2006-2	IV-M-5	BBB/Watch Neg	BBB

Argent Securities Trust

Series	Class	Rating	
		To	From
2005-W2	M-10	BBB/Watch Neg	BBB
2005-W2	M-11	BBB/Watch Neg	BBB
2005-W2	M-12	BBB-/Watch Neg	BBB-
2005-W2	M-13	BB+/Watch Neg	BB+
2005-W3	M-10	BBB+/Watch Neg	BBB+
2005-W3	M-11	BBB/Watch Neg	BBB
2005-W3	M-12	BBB-/Watch Neg	BBB-
2005-W4	M-8	BBB/Watch Neg	BBB
2006-4	M-5	A+/Watch Neg	A+
2006-4	M-6	A/Watch Neg	A
2006-4	M-7	A-/Watch Neg	A-
2006-4	M-8	BBB+/Watch Neg	BBB+
2006-4	M-9	BBB/Watch Neg	BBB
2006-M1	M-7	A/Watch Neg	A
2006-M1	M-8	A-/Watch Neg	A-
2006-M1	M-9	BBB+/Watch Neg	BBB+
2006-M1	M-10	BBB/Watch Neg	BBB
2006-M2	M-6	A-/Watch Neg	A-
2006-M2	M-7	BBB+/Watch Neg	BBB+
2006-M2	M-8	BBB/Watch Neg	BBB
2006-M2	M-9	BBB-/Watch Neg	BBB-
2006-M2	M-10	BB+/Watch Neg	BB+
2006-W1	M-9	BBB+/Watch Neg	BBB+
2006-W1	M-10	BBB-/Watch Neg	BBB-
2006-W2	M-8	BBB/Watch Neg	BBB
2006-W2	M-9	BBB-/Watch Neg	BBB-
2006-W2	M-10	BB+/Watch Neg	BB+
2006-W3	M-6	A/Watch Neg	A
2006-W3	M-7	A-/Watch Neg	A-
2006-W3	M-8	BBB+/Watch Neg	BBB+
2006-W3	M-9	BBB-/Watch Neg	BBB-
2006-W3	M-10	BBB-/Watch Neg	BBB-
2006-W5	M-5	AA-/Watch Neg	AA-
2006-W5	M-6	A+/Watch Neg	A+
2006-W5	M-7	A/Watch Neg	A
2006-W5	M-8	A-/Watch Neg	A-
2006-W5	M-9	BBB+/Watch Neg	BBB+

Asset Backed Securities Corporation Home Equity Loan Trust

Series	Class	Rating	
		To	From
NC2005-HE8	M10	BB+/Watch Neg	BB+
NC2005-HE8	M11	BB/Watch Neg	BB

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2006-HE1	M12	BB+/Watch Neg	BB+
NC2006-HE2	M9	BBB-/Watch Neg	BBB-
NC2006-HE2	M10	BB+/Watch Neg	BB+
NC2006-HE2	M11	BB/Watch Neg	BB
NC2006-HE4	M6	BBB+/Watch Neg	BBB+
NC2006-HE4	M7	BBB/Watch Neg	BBB
NC2006-HE4	M8	BBB-/Watch Neg	BBB-
NC2006-HE4	M9	BB+/Watch Neg	BB+

Bear Sterns Asset Backed Securities I Trust  
Rating

Series	Class	To	From
2005-CL1	M-6	A-/Watch Neg	A-
2005-CL1	M-7	BBB+/Watch Neg	BBB+
2005-CL1	M-8	BBB/Watch Neg	BBB
2005-CL1	M-9	BBB-/Watch Neg	BBB-
2005-CL1	M-10	BB/Watch Neg	BB
2006-EC2	M-10	BB+/Watch Neg	BB+
2006-HE3	M9	BBB-/Watch Neg	BBB-
2006-HE3	M10	BB+/Watch Neg	BB+
2006-HE4	M8	BBB/Watch Neg	BBB
2006-HE4	M9	BBB-/Watch Neg	BBB-
2006-HE4	M10	BB+/Watch Neg	BB+
2006-HE5	M9	BBB-/Watch Neg	BBB-
2006-HE5	M10	BB+/Watch Neg	BB+
2006-HE5	M11	BB/Watch Neg	BB
2006-HE6	I-M10	BB+/Watch Neg	BB+
2006-HE6	I-M11	BB/Watch Neg	BB
2006-HE6	II-M7	BBB+/Watch Neg	BBB+
2006-HE6	II-M8	BBB/Watch Neg	BBB
2006-HE6	II-M9	BBB-/Watch Neg	BBB-
2006-HE6	II-M10	BB+/Watch Neg	BB+
2006-HE6	II-M11	BB/Watch Neg	BB
2006-HE7	II-M10	BB+/Watch Neg	BB+
2006-HE7	II-M11	BB/Watch Neg	BB

Bravo Mortgage Asset Trust

		Rating	
Series	Class	To	From
2006-1	M9	BBB-/Watch Neg	BBB-
2006-1	M10	BB+/Watch Neg	BB+
2006-1	M11	BB/Watch Neg	BB

Carrington Mortgage Loan Trust

		Rating	
Series	Class	To	From
2005-FRE1	M10	BBB/Watch Neg	BBB
2005-FRE1	M11	BBB-/Watch Neg	BBB-
2005-FRE1	M12	BB+/Watch Neg	BB+
2005-FRE1	M13	BB/Watch Neg	BB

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2006-NC2	M9	BBB-/Watch Neg	BBB-
2006-NC2	M10	BB+/Watch Neg	BB+

Citigroup Mortgage Loan Trust

		Rating	
Series	Class	To	From
2005-HE3	M11	BB+/Watch Neg	BB+
2005-HE3	M12	BB/Watch Neg	BB
2005-HE3	M13	BB/Watch Neg	BB
2005-HE4	M8	BBB+/Watch Neg	BBB+
2005-HE4	M9	BBB/Watch Neg	BBB
2005-HE4	M10	BBB-/Watch Neg	BBB-
2005-HE4	M11	BB+/Watch Neg	BB+
2005-HE4	M12	BB/Watch Neg	BB
2005-OPT4	M12	BB+/Watch Neg	BB+
2005-OPT4	M13	BB/Watch Neg	BB
2006-AR6	2-M3	A/Watch Neg	A
2006-AR6	2-M4	BBB/Watch Neg	BBB
2006-CB3	M6	A-/Watch Neg	A-
2006-CB3	B1	BBB+/Watch Neg	BBB+
2006-CB3	B2	BBB/Watch Neg	BBB
2006-CB3	B3	BBB-/Watch Neg	BBB-
2006-HE1	M10	BB+/Watch Neg	BB+
2006-HE1	M11	BB/Watch Neg	BB
2006-HE2	M7	BBB+/Watch Neg	BBB+
2006-HE2	M8	BBB/Watch Neg	BBB
2006-HE2	M9	BBB-/Watch Neg	BBB-
2006-HE2	M10	BB+/Watch Neg	BB+
2006-NC1	M8	BBB/Watch Neg	BBB
2006-NC1	M9	BBB-/Watch Neg	BBB-
2006-NC1	M10	BB+/Watch Neg	BB+
2006-NC1	M11	BB/Watch Neg	BB
2006-NC2	M9	BBB-/Watch Neg	BBB-
2006-NC2	M10	BB+/Watch Neg	BB+
2006-NC2	M11	BB/Watch Neg	BB
2006-WF1	M-3	BBB/Watch Neg	BBB
2006-WF1	M-4	BBB-/Watch Neg	BBB-
2006-WF1	M-5	BB+/Watch Neg	BB+
2006-WF2	M-2	A/Watch Neg	A
2006-WF2	M-3	BBB/Watch Neg	BBB
2006-WF2	M-4	BBB-/Watch Neg	BBB-
2006-WF2	M-5	BB+/Watch Neg	BB+
2006-WMC1	M9	BBB-/Watch Neg	BBB-
2006-WMC1	M10	BB+/Watch Neg	BB+
2006-WMC1	M11	BB/Watch Neg	BB

CWABS Asset-Backed Certificates Trust

		Rating	
Series	Class	To	From
2005-9	M-5	A/Watch Neg	A

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2005-9	M-6	A-/Watch Neg	A-
2005-9	M-7	BBB+/Watch Neg	BBB+
2005-IM2	M6	A-/Watch Neg	A-
2005-IM2	M7	BBB+/Watch Neg	BBB+
2006-5	M8	BBB/Watch Neg	BBB
2006-5	B	BBB-/Watch Neg	BBB-
2006-6	M7	BBB/Watch Neg	BBB
2006-6	M8	BBB-/Watch Neg	BBB-
2006-6	B	BB+/Watch Neg	BB+
2006-7	M8	BBB/Watch Neg	BBB
2006-7	M9	BBB-/Watch Neg	BBB-
2006-7	B	BB+/Watch Neg	BB+
2006-8	B	BB+/Watch Neg	BB+
2006-10	MV-9	BBB-/Watch Neg	BBB-
2006-10	BV	BB+/Watch Neg	BB+

Encore Credit Receivables Trust

Rating			
Series	Class	To	From
2005-4	M-11	BB+/Watch Neg	BB+
2005-4	M-12	BB-/Watch Neg	BB-

FBR Securitization Trust

Rating			
Series	Class	To	From
2005-3	M-7	BBB+/Watch Neg	BBB+
2005-3	M-8	BBB/Watch Neg	BBB
2005-3	M-9	BBB-/Watch Neg	BBB-
2005-4	M-12	BBB-/Watch Neg	BBB-
2005-5	M-12	BBB-/Watch Neg	BBB-

Fieldstone Mortgage Investment Trust

Rating			
Series	Class	To	From
2006-1	M8	A-/Watch Neg	A-
2006-1	M9, M10	BBB/Watch Neg	BBB

First Franklin Mortgage Loan Trust

Rating			
Series	Class	To	From
2006-FF2	M8, M9	BBB-/Watch Neg	BBB-
2006-FF2	B	BB+/Watch Neg	BB+
2006-FF5	M-9, M-10	BBB-/Watch Neg	BBB-
2006-FF5	M-11	BB/Watch Neg	BB
2006-FF7	M-8	BBB/Watch Neg	BBB
2006-FF7	M-9	BBB-/Watch Neg	BBB-
2006-FF7	M-10	BB+/Watch Neg	BB+
2006-FF8	M-9	BBB/Watch Neg	BBB
2006-FF8	M-10	BBB-/Watch Neg	BBB-
2006-FF8	M-11, M-12	BB+/Watch Neg	BB+

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2006-FF9	M-10	BBB-/Watch Neg	BBB-
2006-FF10	M-9	BBB-/Watch Neg	BBB-
2006-FF10	B-1	BB+/Watch Neg	BB+
2006-FF10	B-2	BB/Watch Neg	BB

Fremont Home Loan Trust

		Rating	
Series	Class	To	From
2005-D	B1	BBB+/Watch Neg	BBB+
2005-D	B2	BBB/Watch Neg	BBB
2005-D	B3	BBB-/Watch Neg	BBB-
2005-D	B4	BB+/Watch Neg	BB+
2005-E	B1	BBB/Watch Neg	BBB
2005-E	B2-A, B2-B	BBB-/Watch Neg	BBB-
2005-E	B2-C, B2-D	BBB-/Watch Neg	BBB-
2006-1	M7	BBB+/Watch Neg	BBB+
2006-1	M8	BBB/Watch Neg	BBB
2006-1	M9	BBB-/Watch Neg	BBB-
2006-1	B1, B2	BB+/Watch Neg	BB+
2006-2	B1, B2	BB+/Watch Neg	BB+
2006-A	M7	BBB/Watch Neg	BBB
2006-A	M8, M9	BBB-/Watch Neg	BBB-
2006-A	M10	BB+/Watch Neg	BB+
2006-B	M6	A-/Watch Neg	A-
2006-B	M7	BBB+/Watch Neg	BBB+
2006-B	M8, M9	BBB/Watch Neg	BBB
2006-B	M10	BBB-/Watch Neg	BBB-
2006-C	M9	BBB-/Watch Neg	BBB-
2006-C	M10	BB+/Watch Neg	BB+
2006-C	M11	BB/Watch Neg	BB

GE-WMC Mortgage Securities Trust

		Rating	
Series	Class	To	From
2006-1	M6	A/Watch Neg	A
2006-1	B1	A-/Watch Neg	A-
2006-1	B2	BBB+/Watch Neg	BBB+
2006-1	B3	BBB/Watch Neg	BBB
2006-1	B4	BBB-/Watch Neg	BBB-
2006-1	B5	BBB-/Watch Neg	BBB-

GSAA Home Equity Trust

		Rating	
Series	Class	To	From
2006-5	B-2	BBB-/Watch Neg	BBB-
2006-5	B-3	BB/Watch Neg	BB

GSAMP Trust

		Rating	
Series	Class	To	From

*S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2005-AHL2	B-2	BBB-/Watch Neg	BBB-
2005-AHL2	B-3	BBB-/Watch Neg	BBB-
2005-AHL2	B-4	BB+/Watch Neg	BB+
2006-FM1	M7	A-/Watch Neg	A-
2006-FM1	B1	BBB+/Watch Neg	BBB+
2006-FM1	B2, B3	BBB-/Watch Neg	BBB-
2006-FM2	B2	BB+/Watch Neg	BB+
2006-NC2	M8	BBB/Watch Neg	BBB
2006-NC2	M9, B-1	BBB-/Watch Neg	BBB-
2006-NC2	B-2	BB+/Watch Neg	BB+

Home Equity Asset Trust

		Rating	
Series	Class	To	From
2005-7	B3	BBB-/Watch Neg	BBB-
2005-7	B4, B5	BB+/Watch Neg	BB+
2005-8	B3, B4	BBB-/Watch Neg	BBB-
2005-8	B5	BB+/Watch Neg	BB+
2006-2	B3	BBB-/Watch Neg	BBB-
2006-2	B4	BB+/Watch Neg	BB+
2006-2	B5	BB/Watch Neg	BB
2006-5	B2	BBB/Watch Neg	BBB
2006-5	B3	BBB-/Watch Neg	BBB-
2006-6	B2	BBB/Watch Neg	BBB
2006-6	B3	BBB-/Watch Neg	BBB-
2006-6	B4	BB+/Watch Neg	BB+
2006-7	B3	BB+/Watch Neg	BB+

Home Equity Mortgage Loan Asset-Backed Trust

		Rating	
Series	Class	To	From
2005-C	M10	BBB/Watch Neg	BBB
2005-C	M11	BBB-/Watch Neg	BBB-
2005-D	M9	BBB/Watch Neg	BBB
2006-A	M9	BBB+/Watch Neg	BBB+
2006-A	M10	BBB-/Watch Neg	BBB-
2006-B	M7, M8	BBB+/Watch Neg	BBB+
2006-B	M9	BBB/Watch Neg	BBB
2006-C	M-7	BBB+/Watch Neg	BBB+
2006-C	M-8	BBB/Watch Neg	BBB
2006-C	M-9	BBB-/Watch Neg	BBB-

HSI Asset Securitization Corp. Trust

		Rating	
Series	Class	To	From
2005-I1	M6	A-/Watch Neg	A-
2006-OPT4	M10	BB/Watch Neg	BB
2006-WMC1	M6	A/Watch Neg	A
2006-WMC1	M7	BBB+/Watch Neg	BBB+
2006-WMC1	M8	BBB/Watch Neg	BBB

*SCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2006-WMC1 M9 BBB-/Watch Neg BBB-

IndyMac INDB Mortgage Loan Trust

Rating

Series	Class	To	From
2006-1	B1	A/Watch Neg	A
2006-1	B2	A-/Watch Neg	A-
2006-1	B3	BBB+/Watch Neg	BBB+
2006-1	B4	BBB/Watch Neg	BBB

IXIS Real Estate Capital Trust

Rating

Series	Class	To	From
2006-HE1	B2	BBB+/Watch Neg	BBB+
2006-HE1	B3	BBB/Watch Neg	BBB
2006-HE1	B4	BBB-/Watch Neg	BBB-
2006-HE2	B1	A-/Watch Neg	A-
2006-HE2	B2	BBB+/Watch Neg	BBB+
2006-HE2	B3	BBB/Watch Neg	BBB
2006-HE2	B4	BBB-/Watch Neg	BBB-
2006-HE3	B3, B4	BBB-/Watch Neg	BBB-
2006-HE3	B5	BB+/Watch Neg	BB+

J.P. Morgan Mortgage Acquisition Trust

Rating

Series	Class	To	From
2006-ACC1	M11	BB/Watch Neg	BB
2006-FRE1	M10	BB+/Watch Neg	BB+
2006-FRE1	M11	BB/Watch Neg	BB
2006-FRE2	M10	BB+/Watch Neg	BB+
2006-FRE2	M11	BB/Watch Neg	BB
2006-HE1	M11	BB/Watch Neg	BB
2006-NC1	M10	BB+/Watch Neg	BB+
2006-NC1	M11	BB/Watch Neg	BB
2006-RM1	M9	BBB-/Watch Neg	BBB-
2006-RM1	M10	BB+/Watch Neg	BB+
2006-WM1	M7	BBB/Watch Neg	BBB
2006-WF1	M8	BBB-/Watch Neg	BBB-
2006-WF1	M9	BB+/Watch Neg	BB+

Lehman XS Trust

Rating

Series	Class	To	From
2006-7	M6	A-/Watch Neg	A-
2006-7	M7	BBB+/Watch Neg	BBB+
2006-7	M-8	BBB/Watch Neg	BBB
2006-7	M9	BBB-/Watch Neg	BBB-

Long Beach Mortgage Loan Trust

Rating

*S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

Series	Class	To	From
2005-3	M8	BBB/Watch Neg	BBB
2005-WL3	B2	BB+/Watch Neg	BB+
2006-1	M7	A/Watch Neg	A
2006-1	M8	A-/Watch Neg	A-
2006-1	M9	BBB+/Watch Neg	BBB+
2006-1	M10	BBB/Watch Neg	BBB
2006-1	M11	BBB-/Watch Neg	BBB-
2006-2	M6	A/Watch Neg	A
2006-2	M7	A-/Watch Neg	A-
2006-2	M8	BBB+/Watch Neg	BBB+
2006-2	M9	BBB/Watch Neg	BBB
2006-2	M10	BBB-/Watch Neg	BBB-
2006-2	B	BB/Watch Neg	BB
2006-3	M6	A+/Watch Neg	A+
2006-3	M7	A/Watch Neg	A
2006-3	M8	A-/Watch Neg	A-
2006-3	M9	BBB+/Watch Neg	BBB+
2006-3	M10	BBB/Watch Neg	BBB
2006-3	B	BBB-/Watch Neg	BBB-
2006-4	M7	A/Watch Neg	A
2006-4	M8	A-/Watch Neg	A-
2006-4	M9	BBB+/Watch Neg	BBB+
2006-4	M10	BBB+/Watch Neg	BBB+
2006-4	M11	BBB-/Watch Neg	BBB-
2006-4	B	BB+/Watch Neg	BB+
2006-5	M8, M9	BBB+/Watch Neg	BBB+
2006-5	M10	BBB/Watch Neg	BBB
2006-5	B-1	BBB-/Watch Neg	BBB-
2006-5	B-2	BB+/Watch Neg	BB+
2006-6	M9	BBB+/Watch Neg	BBB+
2006-6	M10	BBB/Watch Neg	BBB
2006-6	M11	BBB-/Watch Neg	BBB-
2006-7	M9	BBB+/Watch Neg	BBB+
2006-7	M10	BBB/Watch Neg	BBB
2006-7	M11	BBB-/Watch Neg	BBB-
2006-WL2	M9	BBB-/Watch Neg	BBB-
2006-WL2	B1	BB+/Watch Neg	BB+
2006-WL2	B2	BB/Watch Neg	BB
2006-WL2	B3	BB-/Watch Neg	BB-
2006-WL3	M8	BBB/Watch Neg	BBB
2006-WL3	M9	BBB-/Watch Neg	BBB-

Luminent Mortgage Trust

Series	Class	To	From
2005-1	B4	BBB/Watch Neg	BBB
2005-1	B5	BBB-/Watch Neg	BBB-
2005-1	B6	BB/Watch Neg	BB



MASTR Asset Backed Securities Trust

Rating			
Series	Class	To	From
2005-FRE1	M8	BBB/Watch Neg	BBB
2005-FRE1	M9	BBB-/Watch Neg	BBB-
2005-FRE1	M10	BB+/Watch Neg	BB+
2005-HE2	M10	BBB-/Watch Neg	BBB-
2005-HE2	M11	BB+/Watch Neg	BB+
2005-NC2	M9	A/Watch Neg	A
2005-NC2	M10	A-/Watch Neg	A-
2005-NC2	M11, M12	BBB+/Watch Neg	BBB+
2006-AM1	M12	BBB/Watch Neg	BBB
2006-AM2	M10	BBB+/Watch Neg	BBB+
2006-AM2	M11	BBB/Watch Neg	BBB
2006-FRE1	M6	A-/Watch Neg	A-
2006-FRE2	M6	A-/Watch Neg	A-
2006-FRE2	M7	BBB+/Watch Neg	BBB+
2006-FRE2	M8	BBB/Watch Neg	BBB
2006-HE1	M-9	A/Watch Neg	A
2006-HE1	M-10	A-/Watch Neg	A-
2006-HE1	M-11	BBB/Watch Neg	BBB
2006-HE2	M6	A/Watch Neg	A
2006-HE2	M7	BBB+/Watch Neg	BBB+
2006-HE2	M8	BBB/Watch Neg	BBB
2006-HE2	M9	BBB-/Watch Neg	BBB-
2006-HE2	M10	BB+/Watch Neg	BB+
2006-HE3	M10	BB+/Watch Neg	BB+
2006-HE3	M11	BB/Watch Neg	BB
2006-NC2	M10	BB+/Watch Neg	BB+
2006-NC2	M11	BB/Watch Neg	BB
2006-WMC2	M6	A/Watch Neg	A
2006-WMC2	M7	BBB+/Watch Neg	BBB+
2006-WMC2	M8	BBB/Watch Neg	BBB
2006-WMC3	M10	BB+/Watch Neg	BB+

Merrill Lynch Mortgage Investors Trust

Rating			
Series	Class	To	From
2005-HE2	M5	A/Watch Neg	A
2005-HE2	M6	A-/Watch Neg	A-
2005-HE2	B1	BBB+/Watch Neg	BBB+
2005-HE2	B2	BBB/Watch Neg	BBB
2006-AHL1	B2	BBB/Watch Neg	BBB
2006-AHL1	B3	BBB-/Watch Neg	BBB-
2006-AR1	B1	BBB+/Watch Neg	BBB+
2006-AR1	B2	BBB+/Watch Neg	BBB+
2006-AR1	B3	BBB/Watch Neg	BBB
2006-FM1	B1	BBB+/Watch Neg	BBB+
2006-FM1	B2	BBB/Watch Neg	BBB
2006-FM1	B3	BBB-/Watch Neg	BBB-

*SC&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2006-MLN1	B4	BB+/Watch Neg	BB+
2006-RM2	B1	A-/Watch Neg	A-
2006-RM2	B2	BBB+/Watch Neg	BBB+
2006-RM2	B3	BBB/Watch Neg	BBB
2006-RM2	B4	BBB-/Watch Neg	BBB-
2006-RM4	B3	BBB-/Watch Neg	BBB-
2006-RM4	B4	BB+/Watch Neg	BB+

Morgan Stanley Capital I Inc. Trust

Rating

Series	Class	To	From
2006-NC2	B3	BBB-/Watch Neg	BBB-
2006-HE2	B3	BBB/Watch Neg	BBB

Morgan Stanley ABS Capital I Inc. Trust

Rating

Series	Class	To	From
2006-NC3	B2	BBB/Watch Neg	BBB
2006-NC3	B3	BBB-/Watch Neg	BBB-
2006-NC4	B2	BBB/Watch Neg	BBB
2006-NC4	B3	BBB-/Watch Neg	BBB-
2006-HE3	B2	BBB/Watch Neg	BBB
2006-HE3	B3	BBB-/Watch Neg	BBB-
2006-HE4	B3	BBB-/Watch Neg	BBB-
2006-HE6	B2	BBB/Watch Neg	BBB
2006-HE6	B3	BBB-/Watch Neg	BBB-
2006-WMC2	B3	BBB-/Watch Neg	BBB-

Morgan Stanley Home Equity Loan Trust

Rating

Series	Class	To	From
2006-3	B3	BBB-/Watch Neg	BBB-

Morgan Stanley IXIS Real Estate Capital Trust

Rating

Series	Class	To	From
2006-1	B2	BBB/Watch Neg	BBB
2006-1	B3	BBB-/Watch Neg	BBB-

New Century Home Equity Loan Trust

Rating

Series	Class	To	From
2006-1	M7	BBB+/Watch Neg	BBB+
2006-1	M8	BBB/Watch Neg	BBB
2006-1	M9	BBB-/Watch Neg	BBB-
2006-2	M8	BBB/Watch Neg	BBB
2006-2	M9	BBB-/Watch Neg	BBB-

Nomura Home Equity Loan Inc.

Rating

*SC&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

Series	Class	To	From
2005-HE1	B-2	BB/Watch Neg	BB
2006-FM1	M-8	BBB+/Watch Neg	BBB+
2006-FM1	M-9	BBB/Watch Neg	BBB
2006-FM1	B-1	BBB-/Watch Neg	BBB-
2006-FM1	B-2	BB+/Watch Neg	BB+
2006-FM2	M-9	BBB/Watch Neg	BBB
2006-FM2	B-1	BBB-/Watch Neg	BBB-
2006-FM2	B-2	BB+/Watch Neg	BB+
2006-HE1	B-2	BB/Watch Neg	BB
2006-HE2	M-9	BBB/Watch Neg	BBB
2006-HE2	B-1	BBB-/Watch Neg	BBB-
2006-HE2	B-2	BB+/Watch Neg	BB+

NovaStar Mortgage Funding Trust

Series	Class	To	From
		Rating	
2006-1	M-7	A-/Watch Neg	A-
2006-1	M-8	BBB+/Watch Neg	BBB+
2006-1	M-9	BBB/Watch Neg	BBB
2006-1	M-10	BBB-/Watch Neg	BBB-
2006-1	M-11	BB+/Watch Neg	BB+
2006-2	M-7	A/Watch Neg	A
2006-2	M-8	BBB+/Watch Neg	BBB+
2006-2	M-9	BBB/Watch Neg	BBB
2006-2	M-10	BB+/Watch Neg	BB+
2006-3	M-6	A+/Watch Neg	A+
2006-3	M-7	A/Watch Neg	A
2006-3	M-8	BBB+/Watch Neg	BBB+
2006-3	M-9	BBB/Watch Neg	BBB
2006-3	M-10	BBB-/Watch Neg	BBB-
2006-4	M-7	A/Watch Neg	A
2006-4	M-8	A-/Watch Neg	A-
2006-4	M-9	BBB+/Watch Neg	BBB+
2006-4	M-10	BBB/Watch Neg	BBB
2006-4	M-11	BBB-/Watch Neg	BBB-
2006-5	M-7	A-/Watch Neg	A-
2006-5	M-8	BBB+/Watch Neg	BBB+
2006-5	M-9	BBB/Watch Neg	BBB
2006-5	M-10	BBB-/Watch Neg	BBB-
2006-5	M-11	BB+/Watch Neg	BB+
2006-6	M-12	BB+/Watch Neg	BB+
2006-6	M-13	BB/Watch Neg	BB

Option One Mortgage Loan Trust

Series	Class	To	From
		Rating	
2006-2	M6	A-/Watch Neg	A-
2006-2	M7	BBB+/Watch Neg	BBB+
2006-2	M8	BBB/Watch Neg	BBB

*S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2006-2	M9	BBB-/Watch Neg	BBB-
2006-2	M10	BB/Watch Neg	BB

Ownit Mortgage Loan Trust

		Rating	
Series	Class	To	From
2005-5	M-6	A-/Watch Neg	A-
2005-5	B-1	BBB+/Watch Neg	BBB+
2005-5	B-2	BBB/Watch Neg	BBB

Popular ABS Mortgage Pass-Through Trust

		Rating	
Series	Class	To	From
2005-5	BF-3	BB-/Watch Neg	BB-
2005-5	BV-4	BB/Watch Neg	BB

RAMP Trust

		Rating	
Series	Class	To	From
2006-NC1	M-6	A/Watch Neg	A
2006-NC1	M-7	A-/Watch Neg	A-
2006-NC1	M-8	BBB+/Watch Neg	BBB+
2006-NC1	M-9	BBB-/Watch Neg	BBB-
2006-NC2	M-8	BBB/Watch Neg	BBB
2006-NC2	M-9	BBB-/Watch Neg	BBB-
2006-NC2	B-1	BB+/Watch Neg	BB+
2006-NC3	M-8	BBB+/Watch Neg	BBB+
2006-NC3	M-9	BBB/Watch Neg	BBB
2006-NC3	M-10	BBB-/Watch Neg	BBB-
2006-RS6	B	BB/Watch Neg	BB

RASC Trust

		Rating	
Series	Class	To	From
2005-AHL2	M-9	BBB/Watch Neg	BBB
2005-AHL2	M-10	BBB-/Watch Neg	BBB-
2005-AHL3	M-5	A/Watch Neg	A
2005-AHL3	M-6	A-/Watch Neg	A-
2005-AHL3	M-7	BBB+/Watch Neg	BBB+
2005-AHL3	M-8	BBB/Watch Neg	BBB
2005-AHL3	M-9	BBB-/Watch Neg	BBB-

Securitized Asset Backed Receivables LLC Trust

		Rating	
Series	Class	To	From
2005-FR5	B-3	BBB/Watch Neg	BBB
2005-FR5	B-4	BBB-/Watch Neg	BBB-
2005-OP2	B3	BBB/Watch Neg	BBB
2006 FR2	B2	BBB/Watch Neg	BBB
2006 FR2	B3	BBB-/Watch Neg	BBB-

*SCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2006-FR2	B4	BB+/Watch Neg	BB+
2006-FR2	B5	BB/Watch Neg	BB
2006-FR3	B1	BBB+/Watch Neg	BBB+
2006-FR3	B2	BBB/Watch Neg	BBB
2006-FR3	B3	BBB-/Watch Neg	BBB-
2006-FR3	B4	BB+/Watch Neg	BB+
2006-FR3	B5	BB/Watch Neg	BB
2006-FR4	B3	BBB-/Watch Neg	BBB-
2006-HE1	B1	BBB+/Watch Neg	BBB+
2006-HE1	B2	BBB/Watch Neg	BBB
2006-HE1	B3	BBB-/Watch Neg	BBB-
2006-HE1	B4	BB+/Watch Neg	BB+
2006-HE1	B5	BB/Watch Neg	BB
2006-NC1	M3	A-/Watch Neg	A-
2006-NC1	B1	BBB+/Watch Neg	BBB+
2006-NC1	B2	BBB/Watch Neg	BBB
2006-NC2	B2	BBB/Watch Neg	BBB
2006-NC2	B3	BBB-/Watch Neg	BBB-
2006-NC2	B4	BB+/Watch Neg	BB+
2006-NC2	B5	BB/Watch Neg	BB
2006-WM1	B2	BBB/Watch Neg	BBB
2006-WM1	B3	BBB-/Watch Neg	BBB-

SG Mortgage Securities Trust

		Rating	
Series	Class	To	From
2005-OPT1	M12	BB+/Watch Neg	BB+
2005-OPT1	M13	BB/Watch Neg	BB
2006-FRE1	M7	A-/Watch Neg	A-
2006-FRE1	M8	BBB+/Watch Neg	BBB+
2006-FRE1	M9	BBB-/Watch Neg	BBB-
2006-FRE1	M10	BBB-/Watch Neg	BBB-
2006-FRE2	M6	A/Watch Neg	A
2006-FRE2	M7	BBB+/Watch Neg	BBB+
2006-FRE2	M8	BBB/Watch Neg	BBB
2006-FRE2	M9	BBB-/Watch Neg	BBB-
2006-FRE2	M10	BBB-/Watch Neg	BBB-

Soundview Home Equity Loan Trust

		Rating	
Series	Class	To	From
2005-OPT3	M12	BB/Watch Neg	BB

Soundview Home Loan Trust

		Rating	
Series	Class	To	From
2006-2	B1, B2	BB+/Watch Neg	BB+
2006-2	B3	BB/Watch Neg	BB
2006-3	M9	BBB-/Watch Neg	BBB-
2006-3	M10	BB+/Watch Neg	BB+

Specialty Underwriting and Residential Finance Trust

Rating			
Series	Class	To	From
2005-AB2	B2	BBB/Watch Neg	BBB
2005-AB2	B3	BBB-/Watch Neg	BBB-
2005-BC3	B3	BBB-/Watch Neg	BBB-
2005-BC3	B4	BB+/Watch Neg	BB+

Structured Asset Investment Loan Trust

Rating			
Series	Class	To	From
2005-8	M-7	BBB+/Watch Neg	BBB+
2005-8	M-8	BBB/Watch Neg	BBB
2005-8	M-9	BBB-/Watch Neg	BBB-
2005-9	M8	BBB/Watch Neg	BBB
2005-9	M9	BBB-/Watch Neg	BBB-
2005-9	B1	BBB-/Watch Neg	BBB-
2005-11	M6	BBB+/Watch Neg	BBB+
2005-11	M7	BBB/Watch Neg	BBB
2005-11	M8	BBB-/Watch Neg	BBB-
2006-1	M6	A/Watch Neg	A
2006-1	M7	A-/Watch Neg	A-
2006-1	M8	BBB+/Watch Neg	BBB+
2006-1	M9	BBB/Watch Neg	BBB
2006-2	M5	A-/Watch Neg	A-
2006-2	M6	BBB+/Watch Neg	BBB+
2006-3	M8	BBB/Watch Neg	BBB
2006-3	M9	BBB-/Watch Neg	BBB-
2006-3	B1	BB+/Watch Neg	BB+
2006-4	M4	A/Watch Neg	A
2006-4	M5	A-/Watch Neg	A-
2006-4	M6	BBB+/Watch Neg	BBB+
2006-4	M7	BBB/Watch Neg	BBB
2006-4	M8	BBB-/Watch Neg	BBB-
2006-4	B1	BB+/Watch Neg	BB+
2006-BNC1	M5	A-/Watch Neg	A-
2006-BNC2	M4	A/Watch Neg	A
2006-BNC2	M5	A-/Watch Neg	A-
2006-BNC2	M6	BBB+/Watch Neg	BBB+

Structured Asset Securities Corporation Mortgage Loan Trust

Rating			
Series	Class	To	From
2006-AM1	M8	BBB/Watch Neg	BBB
2006-AM1	M9	BBB/Watch Neg	BBB
2006-AM1	B1	BBB-/Watch Neg	BBB-
2006-AM1	B2	BB+/Watch Neg	BB+
2006-BC1	M8	A-/Watch Neg	A-
2006-BC1	M9	BBB+/Watch Neg	BBB+

*S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced*

2006-BC1	B1	BBB/Watch Neg	BBB
2006-BC1	B2	BB+/Watch Neg	BB+
2006-BC2	B1	BB+/Watch Neg	BB+
2006-BC2	B2	BB/Watch Neg	BB
2006-NC1	M7	BBB+/Watch Neg	BBB+
2006-NC1	M8	BBB/Watch Neg	BBB
2006-NC1	M9	BBB-/Watch Neg	BBB-
2006-NC1	B1	BB+/Watch Neg	BB+
2006-NC1	B2	BB/Watch Neg	BB
2006-OW1	M6	A-/Watch Neg	A-
2006-OW1	M7	BBB+/Watch Neg	BBB+
2006-OW1	M8	BBB/Watch Neg	BBB

Structured Asset Securities Corporation Trust

Rating			
Series	Class	To	From
2005-AR1	M8	BBB/Watch Neg	BBB

Terwin Mortgage Trust

Rating			
Series	Class	To	From
2005-14HE	B1	BBB+/Watch Neg	BBB+
2005-14HE	B2	BBB/Watch Neg	BBB
2005-14HE	M6	A-/Watch Neg	A-
2006-17HE	M3	A-/Watch Neg	A-
2006-17HE	M4	BBB+/Watch Neg	BBB+

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