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Various U.S. First-Lien Subprime RMBS Classes Downgraded

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(**Editor's Note:** This press release is being republished to facilitate access to the ratings list and the releases mentioned in this article.)

NEW YORK (Standard & Poor's) July 12, 2007--Standard & Poor's Ratings Services today addressed the July 10, 2007, CreditWatch actions on 612 U.S. residential mortgage-backed securities (RMBS) backed by U.S. first-lien subprime mortgage collateral rated from the fourth quarter of 2005 through the fourth quarter of 2006 (originally stated to represent \$12.018 billion in rated securities and later corrected to \$7.35 billion). Furthermore, Standard & Poor's also today addressed the CreditWatch actions taken before July 10, 2007, involving 70 classes of RMBS backed by first-lien subprime mortgage collateral rated from the fourth quarter of 2005 through the fourth quarter of 2006.

The complete ratings list can also be found on Standard & Poor's Web site at www.standardandpoors.com. Select Products and Services and then Ratings. Choose Standard & Poor's Views On The Subprime Market and scroll down to Structured Finance.

The complete list, along with two related transition matrices, is included in "U.S. First-Lien RMBS Subprime Classes Affected By July 12, 2007, Rating Actions" is also available on RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis.

Regarding the July 10, 2007, CreditWatch actions affecting 612 classes of RMBS backed by first-lien subprime mortgage collateral, 498 classes were downgraded, 26 classes remain on CreditWatch, and the ratings on 74 classes were affirmed and removed from CreditWatch. Additionally, the ratings on nine other classes were affirmed and removed from CreditWatch because they involve Alternative A mortgage collateral and were not intended to be included in July 10, 2007, action. These nine classes are from the following deals: GSAA Home Equity Loan Trust 2006-5, Lehman XS Trust 2006-7, and Luminent Mortgage Trust 2005-1, and will be addressed when Standard & Poor's reviews transactions backed by Alternative A mortgage collateral.

The ratings on 26 classes remain on CreditWatch because the issuer has appealed the decision based on the presence of mortgage insurance in those transactions. We are currently reviewing this appeal. In addition, the ratings on five other classes remain on CreditWatch because they are backed by closed-end second-lien mortgage collateral and will be addressed when Standard & Poor's reviews transactions backed by closed-end second-lien mortgage collateral.

Regarding the 70 classes placed on CreditWatch before July 10, 2007, 64 were downgraded and six remain on CreditWatch. Three classes remain on CreditWatch because the issuer is appealing the decision based on the presence of mortgage insurance and we are reviewing this appeal. Three classes remain on CreditWatch because they were placed on CreditWatch before July 10, 2007, and involve either closed-end second-lien or Alternative A mortgage collateral. They will be addressed when Standard & Poor's reviews transactions backed by closed-end second-lien and Alternative A mortgage collateral.

These actions follow Standard & Poor's announcement on July 10, 2007, of its revised methodology for assigning new ratings to and surveilling RMBS transactions backed by U.S. first-lien subprime mortgage collateral rated from the fourth quarter of 2005 through the fourth quarter of 2006. The July 10, 2007, press release can also be found on Standard & Poor's Web site at www.standardandpoors.com. Select Products and Services and then Ratings. Choose Standard & Poor's Views On The Subprime Market and scroll down to Structured Finance.

The release, "S&PCORRECT: 612 U.S. Subprime RMBS Classes Put On Watch Neg; Methodology Revisions Announced," is also available on RatingsDirect.

Of the 612 classes placed on CreditWatch on July 10, 2007, the 498 downgraded classes total approximately \$5.69 billion in rated securities, which represents 1.01% of the \$565.3 billion in U.S. RMBS first-lien subprime mortgage collateral rated by Standard & Poor's between the fourth quarter of 2005 and the fourth quarter of 2006. The 64 downgraded classes that were placed on CreditWatch before July 10, 2007, total approximately \$700.9 million, which represents 0.12% in RMBS first-lien subprime mortgage collateral rated between the fourth quarter of 2005 and the fourth quarter of 2006. The combined impact of these 562 downgrades total approximately \$6.39 billion in rated securities, or 1.13% of all RMBS first-lien subprime mortgage collateral rated by Standard & Poor's between the fourth quarter of 2005 and the fourth quarter of 2006. The ratings associated with the downgraded classes, as a percentage of the total \$6.39 billion in downgraded securities, are as follows:

Rating	Percent
-- AA	0.07%
-- AA-	0.22%
-- A+	1.66%
-- A	4.61%
-- A-	6.79%
-- BBB+	14.01%
-- BBB	17.96%
-- BBB-	24.49%
-- BB+	16.58%
-- BB	11.24%
-- BB-	1.06%
-- B	1.31%

Standard & Poor's is also reviewing its ratings on classes of RMBS backed by U.S. closed-end second-lien mortgage collateral rated from the beginning of the fourth quarter of 2005 through the end of the fourth quarter of 2006, and will most likely announce any rating changes next week. Thereafter, Standard & Poor's will undertake a review of RMBS backed by U.S. Alternative A mortgage collateral and net interest margin securities rated from the beginning of the fourth quarter of 2005 through the end of the fourth quarter of 2006.

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