Sr/Sub and Sr/Sub/OC Prospectus Supplement & Pre-Closing Review Checklist

Deal Name and Series: Citigroup Mortgage Loan Trust 2006-NC2, Asset-Backed Pass-Through Certificates, Series 2006-NC2

Analyst: [redacted]

Prospectus Printing Date: September 26, 2006

EJL 9/25/06

Closing Date: September 28, 2006

Project Lead: [redacted]

Review:

LD 9/27/06

STRUCTURE

1) Indicate number of UNCROSSED structures in this deal: 1

SSOC STRUCTURE 1: Credit Enhancement Issues/Cash Flow Results		**Answer "Yes", "No" or "N/A"**
1)	Do mortgage pool stats in prospectus match MARS output? If not, explain:	Yes
2)	Does the credit enhancement meet our requirements for S&P rated classes (including results of cash flow analysis)? If not, explain:	Yes; "Group __ Senior Principal Distribution Amount" "Class M-__ Principal Distribution Amount"
3)	Are the cashflows run using the standard, middle and low interest rate paths? If not, explain:	Yes
4)	Are losses allocated in the following order: to excess interest (if applicable), to derivative payments, to overcollateralization (if applicable) and finally to the subordinate classes in reverse order? If not, explain:	Yes; Allocation of Losses
5)	Is excess interest used to pay down principal in order to create and maintain a specified level of overcollateralization? If not, explain:	Yes; Excess Interest and Overcollateralization
6)	If there is a spread holiday, has that been factored into the cash flow analysis? If not, explain:	N/A

7)	If an I/O class exists and such class receives part of the excess interest, has that been factored into the cash flow analysis? If not, explain:	N/A
8)	If there is a pool policy for the mortgage loans, has that been factored into the cashflow analysis? If not, explain:	N/A
9)	If the deal uses a Debt structure, is the "Write Down" feature modeled correctly in cashflow? If not, explain:	N/A
10)	Is level of overcollateralization allowed to step down to (twice the initial percentage X the current aggregate collateral balance)? If not, explain:	Yes; "Overcollateralization Target Amount"
11)	If a stepdown is allowed, is there a floor for the level of overcollateralization? If yes, what is the floor? If not, explain:	Yes; "Overcollateralization Target Amount" 0.50% of the aggregate balance as of the cut-off date
12)	If a stepdown is allowed, is the stepdown date the later of: i) the 37th distribution date and ii) the first distribution date on which the Senior Enhancement Percentage has doubled? If not, explain:	Yes; "Stepdown Date" Later of 10/2009 or SEP > 44.30%
13)	Does Senior Enhancement Percentage equal to the sum of OC Target and sum of the Subordinate Classes? If not, explain:	Yes; "Senior Enhancement Percentage"
14)	If a stepdown is allowed, does a Trigger Event prohibit a stepdown from occurring? If not, explain:	Yes; "Overcollateralization Target Amount"
15)	If a stepdown is allowed, does the deal have to pass both a Delinquency Trigger and a Cumulative Loss Trigger? If not, explain:	Yes; "Overcollateralization Target Amount" & "Trigger Event"

16) Define Delinquency Trigger: "Trigger Event"

the percentage obtained by dividing the aggregate principal balance of mortgage loans delinquent 60 days or more (including mortgage loans delinquent 60 days or more and in bankruptcy), mortgage loans in foreclosure and REO properties by the aggregate principal balance of all of the mortgage loans, in each case, as of the last day of the previous calendar month, exceeds (B) 36.12% of the Senior Enhancement Percentage for the prior distribution date;

Delinquency Trigger

Senior Enhancement Percentage (subordination + O/C Target) X 2	**44.30%**
Delinquency Threshold (as a % of pool)*:	**16.00%**
Delinquency Trigger (as a % of SEP):	**36.12%**

17) Define Cumulative Loss Trigger: "Trigger Event"

the aggregate amount of Realized Losses incurred since the cut-off date through the last day of the related Prepayment Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period), reduced by the aggregate amount of Subsequent Recoveries received since the cut-off date through the last day of the related Prepayment Period, divided by the aggregate principal balance of the mortgage loans as of the cut-off date exceeds the applicable percentages set forth below with respect to such distribution date:

Distribution Date Occurring In	Percentage
October 2008 through September 2009	1.30%
October 2009 through September 2010	2.90%
October 2010 through September 2011	4.60%
October 2011 through September 2012	5.90%
October 2012 and thereafter	6.65%

MARS BBB- Loss Coverage SUBPRIME	10.86%
MARS BB Loss Coverage SECOND LIENS	0.00%

Months	% of Losses	Trigger	Trigger Rounded
37-48	60%	6.52%	6.50%
49-60	80%	8.69%	8.50%
61-72	95%	10.32%	10.25%
72 and thereafter	100%	10.86%	10.75%

18) Do Triggers apply to both Stepdown of OC and Principal Distribution waterfall? Yes; "Overcollateralization Target Amount" & Principal Distributions

If not, explain:

DISTRIBUTION ISSUES <u>**Answer "Yes", "No" or "N/A"**</u>

<u>Interest distribution</u>

1) Does the interest rate of each class match the rate used in the cash flows? If not, explain:	Yes; "Certificate Margin"
2) Do the fees mentioned in the prospectus match the fees used in the cash flows? If not, explain:	Yes; 50 bps servicing fee & 1.5 bps credit risk manager fee S-11
3) Are the interest rates of applicable classes capped at the Net Funds Cap? If not, explain:	Yes; "Net WAC Pass-Through Rate"
4) If Basis Risk Shortfalls can occur, are they repaid after payment of interest to the classes and payment of excess interest as principal to create O/C? If not, explain:	Yes; "Net Rate Carryover Amount"
5) Is interest distributed in the following order of priority? a) To senior certificates, accrued interest and interest carry forward amount; b) To subordinate certificates, sequentially, in order of priority, accrued interest; c) To those classes so entitled, any remaining amounts paid as monthly excess cash flow. If not, explain:	Yes; Interest Distributions & "Net Monthly Excess Cashflow"
6) Is Excess Interest first distributed as Extra Principal Distribution Amount to entitled certificates until Overcollateralization reaches Target Amount? If not, explain:	Yes; Credit Enhancement—*Excess Interest and Overcollateralization*

<u>Principal distribution</u>	**<u>Answer "Yes", "No" or "N/A"</u>**
1) Is principal allocated sequentially until a date on or after the stepdown date and with respect to which a Trigger Event has occurred? If not, explain:	Yes; Principal Distributions
2) On any distribution date on or after the stepdown date and with respect to which a Trigger Event has not occurred, is principal allocated to each class until such classes' level of credit support has doubled? If not, explain:	Yes; "Group __ Senior Principal Distribution Amount" "Class M-__ Principal Distribution Amount" & Principal Distributions

3)	Are Principal Distribution Amounts defined correctly to reflect 1) and 2) above? If not, explain:	Yes
4)	Does the Trigger Event defined in Section I apply to principal distribution as well? If not, explain:	Yes; Principal Distributions

	<u>Subsequent Recoveries</u>	**<u>Answer "Yes", "No" or "N/A"</u>**
1)	Are Subsequent Recoveries defined as unexpected recoveries, net of reimbursable expenses, with respect to a Liquidated Loan that resulted in a Realized Loss in a month prior to the receipt of such recoveries? If not, explain:	Yes; "Subsequent Recoveries"
2)	In the definition of Class Certificate Balance: is the Class Certificate Balance increased, sequentially in the order of payment priority, by the amount of Subsequent Recoveries received and subsequently distributed as principal, but not by more than the amount of Realized Losses previously allocated to reduce such Class Certificate Balance? If not, explain:	Yes; "Certificate Principal Balance"
3)	If the deal allows for Deferred Amounts or Allocated Realized Losses to subordinate classes, are the Class Certificate Balances increased by the lesser of (i) any remaining Deferred Amounts allocated to such class from prior Distribution Dates and (ii) the amount of any Subsequent Recovery available for distribution on any class of Certificates? If not, explain:	Yes; "Allocated Realized Loss Amount"
4)	Are the Deferred Amounts or Allocated Realized Losses that have been promised to the subordinate class being written-up decreased by the amount of the Subsequent Recovery? If not, explain:	Yes; "Allocated Realized Loss Amount"
5)	Are Subsequent Recoveries distributed with all other principal distributions through the principal waterfall? If not, explain:	Yes; "Group __ Principal Distribution Amount" & Principal Distributions

	<u>Cross Collateralization Issues</u> (if applicable)	**<u>Answer "Yes", "No" or "N/A"</u>**
1)	If there is more than one loan group, is interest from one loan group available to cover losses on the other loan group(s)? If not, explain:	Yes; Interest Distributions

2)	If there is more than one loan group, is interest from one loan group available to build overcollateralization on the other loan group(s)? If not, explain:	Yes; Interest Distributions
3)	Is the description of the cross-collateralization in the documents consistent with the way the cash flows were run? If not, explain:	Yes
	<u>Derivatives Issues</u>	**<u>Answer "Yes", "No" or "N/A"</u>**
1)	Name of the Swap/Cap provider:	Bear Stearns Financial Products Inc.
2)	What is the rating of the Swap/Cap provider? Rating:	AAA
3)	If the deal utilizes an Interest Rate Cap or Swap, is it factored into cash flow analysis? If not, explain:	Yes
4)	Do the Swap/Cap amortization schedule and strike rates in the Swap documents match those used in cash flow? If not, explain:	Yes
5)	Does the waterfall of Swap/Cap proceeds match that used in cash flow? If not, explain:	Yes
6)	Does Available Funds include net swap payments to the trust? If not, explain: *Swap and cap payments are not included in the definition of "Available Distribution Amount" because proceeds from both derivatives rely on separate waterfalls that distribute proceeds to cover losses, maintain OC, pay basis risk shortfalls, and pay deferred amounts*	No
7)	Is Net WAC Cap or the interest amount payable to the certificate holders reduced by any net Swap payments payable to the Swap provider? If not, explain:	Yes; "Net WAC Pass-Through Rate" & "Swap Expense Fee Rate"
8)	Does the purchase price payable upon an optional termination include any Swap termination payments (breakage fee) payable to the Swap provider? If not, explain:	Yes; Interest Rate Swap Agreement & Cap Contract
9)	For Swap termination due to a default by the Swap provider, is the Swap termination fee payable after payment is made to the lowest rated certificate? If not, explain:	Yes; Interest Rate Swap Agreement
10)	Name of the Analyst from Synthetics Group who signed off on the Swap:	[redacted]

Prefunding Account Issues (if applicable)		**N/A**
1)	What percentage of the deal is prefunded:	N/A
2)	What is the Prefunding Period:	N/A
3)	Do the characteristics of the subsequent loans need to meet eligibility requirements in order to maintain the overall characteristics of the initial loans? If not, explain:	N/A
4)	Is there a capitalized interest account? If not, explain:	N/A
5)	If there is a capitalized interest account, how is it sized?	N/A
6)	Is Rating Agency confirmation needed on the Prefunded pool? If not, explain:	N/A

Servicing Issues		**Answer "Yes", "No" or "N/A"**
1)	Name of Servicer(s):	New Century Mortgage Corp. will service the mortgage loans on an interim basis until 11/1/06
2)	Name of Master Servicer (if applicable):	Wells Fargo Bank, N.A.
3)	Does servicer advance? If not, explain:	Yes; P&I Advances
4)	If the servicer is advancing, is it advancing interest and principal? If not, explain:	Yes; P&I Advances
5)	If the servicer is advancing, is there a rated back-up? If not, explain:	Yes; Trust Administrator (Citibank, N.A.—AA/A-1+)
6)	Does the back-up advancer make advance by the distribution date in question? If not, explain:	Yes; PSA 4.03

7)	Have the answers to the advancing questions been factored into the cash flows? If not, explain:	Yes
8)	Does servicing fee meet the applicable minimum for such product type? If not, explain:	Yes—50 bps for subprime collateral
9)	Is servicer or master servicer on our approved list for the type(s) of collateral in the transaction? If not, explain:	Yes
10)	Define Servicer Termination Trigger (if applicable):	N/A since the master servicer is rated

	Trustee Issues	**Answer "Yes", "No" or "N/A"**
1)	Name of Trustee:	U.S. Bank N.A.
2)	Rating of Trustee:	AA/A-1+
3)	Do changes regarding the Trustee require Rating Agency Confirmation? If not, explain:	Yes; PSA 8.08

	True Sale Issues	**Answer "Yes", "No" or "N/A"**
1)	Insert Transaction Diagram: (if available)	Not available
2)	Name of Originator(s) (or Responsible Party):	New Century Mortgage Corporation
3)	Name of Seller(s) (or Sponsor):	Citigroup Global Markets Realty Corp.

4)	Name of Depositor:	Citigroup Mortgage Loan Trust Inc.
5)	Is the transfer of assets from the Seller to the Depositor a True Sale?	Yes
6)	If yes, is a true sale opinion given? If not, explain:	Yes, double True Sale Opinion given
7)	Is the transfer of assets from the Depositor to the Trust a True Sale or a Pledge?	True Sale
8)	If True Sale, is a true sale opinion given? If not, explain:	Yes, double True Sale Opinion given
9)	If Pledge, are financing statements filed? If not, explain:	N/A
10)	If Pledge or a 'Debt Structure', are required UCC Article 9 representations and warranties made? If not, explain:	N/A

	Representations and Warranties Issues	**Answer "Yes", "No" or "N/A"**
1)	Party or parties giving loan level rep and warranties:	Seller/Responsible Party: NC Capital Corporation MLPA 7.02
2)	Party or parties giving the anti-predatory lending rep and warranties:	Seller/Responsible Party: NC Capital Corporation MLPA 7.02(8),(44),(45)
3)	Are reps and warrants given as of the closing date? If not, explain:	Yes; MLPA 7.02

	Other Issues	**Answer "Yes", "No" or "N/A"**
1)	Discuss any additional items discussed in Risk Factors section of the Pro Supp that is of rating concern:	N/A

2) Open Items: N/A

ADDENDUM

Deal name: CMLTI 2006-NC2
[redacted]
Closing Date: September 28, 2006

9/27/06

Yes; PSA 2.01	**Will depositor only deposit to the trust fund, those payments of principal and interest due after the cut-off date (Y or N)**

PURCHASE PRICE

Yes; "Purchase Price"	**Repurchase Price Definition: At 100% principal balance of loan plus accrued interest to next due date plus any costs/damages incurred as a result of breach of anti-predatory lending reps/warrants? (Y or N)**
PSA 1.01	"Purchase Price": With respect to any Mortgage Loan or REO Property to be purchased by the Sponsor pursuant to or as contemplated by Section 2.03 or Section 9.01, and as confirmed by an Officers' Certificate from the party purchasing the Mortgage Loan to the Trustee and the Trust Administrator, an amount equal to the sum of: (i) 100% of the Stated Principal Balance thereof as of the date of purchase (or such other price as provided in Section 9.01), (ii) in the case of (x) a Mortgage Loan, accrued interest on such Stated Principal Balance at the applicable Mortgage Loan Remittance Rate in effect from time to time from the Due Date as to which interest was last covered by a payment by the Mortgagor or an advance by the Servicer, which payment or advance had as of the date of purchase been distributed pursuant to Section 4.01, through the end of the calendar month in which the purchase is to be effected, and (y) an REO Property, the sum of (1) accrued interest on such Stated Principal Balance at the applicable Mortgage Loan Remittance Rate in effect from time to time from the Due Date as to which interest was last covered by a payment by the Mortgagor or an advance by the Servicer through the end of the calendar month immediately preceding the calendar month in which such REO Property was acquired, plus (2) REO Imputed Interest for such REO Property for each calendar month commencing with the calendar month in which such REO Property was acquired and ending with the calendar month in which such purchase is to be effected, minus the total of all net rental income, Insurance Proceeds, Liquidation Proceeds and P&I Advances that as of the date of purchase had been distributed as or to cover REO Imputed Interest pursuant to Section 4.01; (iii) any unreimbursed Servicing Advances and P&I Advances and any unpaid Servicing Fees allocable to such Mortgage Loan or REO Property; (iv) any amounts previously withdrawn from the Collection Account in respect of such Mortgage Loan or REO Property pursuant to Sections 3.11(a)(ix) and Section 3.16(b); and (v) in the case of a Mortgage Loan required to be purchased pursuant to Section 2.03, expenses incurred or to be incurred by the Trust Fund in respect of the breach or defect giving rise to the purchase obligation including any costs and damages incurred by the Trust Fund in connection with any violation of any predatory or abusive lending law with respect to the related Mortgage Loan. With respect to any Mortgage Loan or REO Property to be purchased by the Responsible Party pursuant to or as contemplated by Section 2.03 or Section 9.01, and as confirmed by an Officers' Certificate from the related Originator to the Trustee and the Trust Administrator, an amount equal to the amount set forth pursuant to the terms of the related Master Agreement.

LOAN LEVEL REPRESENTATIONS AND WARRANTIES

Yes; MLPA 7.02	**(II) Do the loan level representations and warranties (including origination R & W) materially meet our standard list of required loan level R & W (Y or N)** If not, explain:
Yes; MLPA 7.02 **Yes**	**(III) Are the standard origination loan level representations and warranties being given by the seller (Y or N)** (a) If yes, are the R & W being given as of the closing date (Y or N) *Yes* (i) If not by the closing date, what date?
N/A	**(IV) If the standard origination loan level representations and warranties are not being given by the seller, who is giving these R & W?** (a) As of what date are these R & W being given? (b) Is the entity giving the R & W a signatory to the Pooling & Servicing Agreement (Y or N)
N/A	**(V) If the standard origination loan level representations and warranties are not being given as of the closing date, and the entity in (III) above is not a signatory to the Pooling and Servicing Agreement, to whom are the representations and warranties being assigned and through what document?**
N/A	**(VI) If the assignee is not the Seller/Depositor, how are the reps and warranties being assigned to the Seller/Depositor?**
N/A	**(VII) Is the assignee or Seller/Depositor supplying Gap representations and warranties covering from the date the loans were purchased to the Closing Date (Y or N)** If not, explain:
N/A	**(VIII) Do the Gap representations and warranties meet our standard list of Gap reps and warranties (Y or N)** If not, explain:

N/A	**(IX) If the Seller is not giving any reps and warranties, does the documentation provide that the Seller will use its best efforts in enforcing the reps and warranties of the Originator/Assignee (Y or N)** If not, explain:
Yes; MLPA 7.02(8) **Yes**	**(X) Are the following representations and warranties present in the appropriate document:** (a) Each loan at the time it was made complied in all material respects with applicable local, state and federal laws, including, but not limited to, all applicable predatory and abusive lending laws (Y or N) If not, explain: (i) Is this rep and warranty being given by the Seller (Y or N) ***Yes*** If not, by whom is it being given
Yes; MLPA 7.02(44) **Yes**	(b) No loan is a High Cost Loan or Covered Loan, as applicable (as such terms are defined in the then current Standard & Poor's LEVELS® Glossary Revised, Appendix E) (Y or N) (i) Is this rep and warranty being given by the Seller (Y or N) ***Yes*** If not, by whom is it being given
Yes; MLPA 7.02(64) **Yes**	(c) No mortgage loan originated on or after October 1, 2002 through March 6, 2003 is governed by the Georgia Fair Lending Act (Y or N) (i) Is this rep and warranty being given by the Seller (Y or N) ***Yes*** If not, by whom is it being given

ACCOUNTS AND INVESTMENTS

PSA 1.01	**(I) Definition of eligible account (cut and paste)** "Eligible Account": Any of (i) an account or accounts maintained with a Depository Institution, (ii) an account or accounts the deposits in which are fully insured by the FDIC, (iii) a trust account or accounts maintained with the corporate trust department of a federal or state chartered depository institution or trust company acting in its fiduciary capacity or (iv) an account otherwise acceptable to each Rating Agency without reduction or withdrawal of their then current ratings of the Certificates as evidenced by a letter from each Rating Agency to the Trustee and Trust Administrator. Eligible Accounts may bear interest.

PSA 3.10(a)	**(I) Servicer/Sub-Servicer Account:** ***Collection Account*** (a) Entity which established account: ***Servicer*** (b) Is account a separate trust account (Y or N) ***Yes*** (c) Does account meet the definition of an eligible account (Y or N) ***Yes*** (d) Are deposits made in time to be distributed on Distribution Date (Y or N) *Yes—deposits are made on a daily basis and in no event more than two BD's after the Servicer's receipt*
PSA 3.12(b)	(e) Who is obligated to cover losses on investments: ***Servicer***
PSA 3.12(a)	(f) Maturity restriction on investments: *no later than the BD preceding the date on which funds are required to be withdrawn (if a person other than the Trust Administrator is the obligor) or no later than the date on which funds are required to be withdrawn (if the Trust Administrator is the obligor)*
PSA 3.10(b)	**(II) Certificate Account:** ***Distribution Account*** (a) Entity which established account: ***Trust Administrator*** (b) Is account a separate trust account (Y or N) ***Yes*** (c) Does account meet the definition of an eligible account (Y or N) ***Yes*** (d) Are deposits made in time to be distributed on Distribution Date (Y or N) *Yes—the Servicer shall deliver funds to the Trust Administrator on or before 4:00 pm, ET, on the Servicer Remittance Date*
PSA 3.12(c)	(e) Who is obligated to cover losses on investments: ***Trust Administrator***
PSA 3.12(a)	(f) Maturity restriction on investments: *no later than the BD preceding the date on which funds are required to be withdrawn (if a person other than the Trust Administrator is the obligor) or no later than the date on which funds are required to be withdrawn (if the Trust Administrator is the obligor)*
	(II) Other Accounts (a) Entity which established account: (b) Is account a separate trust account (Y or N) (c) Does account meet the definition of an eligible account (Y or N) (d) Are deposits made in time to be distributed on Distribution Date (Y or N)

PSA 1.01	**(V) Investments** (a) Eligible Investments (paste and copy definition) "Permitted Investments": Any one or more of the following obligations or securities acquired at a purchase price of not greater than par, regardless of whether issued by the Depositor, the Servicer, the Trustee, the Trust Administrator or any of their respective Affiliates: (i) direct obligations of, or obligations fully guaranteed as to timely payment of principal and interest by, the United States or any agency or instrumentality thereof, provided such obligations are backed by the full faith and credit of the United States; (ii) demand and time deposits in, certificates of deposit of, or bankers' acceptances (which shall each have an original maturity of not more than 90 days and, in the case of bankers' acceptances, shall in no event have an original maturity of more than 365 days or a remaining maturity of more than 30 days) denominated in United States dollars and issued by, any Depository Institution; (iii) repurchase obligations with respect to any security described in clause (i) above entered into with a Depository Institution (acting as principal); (iv) securities bearing interest or sold at a discount that are issued by any corporation incorporated under the laws of the United States of America or any state thereof and that are rated by the Rating Agencies in its highest long-term unsecured rating category at the time of such investment or contractual commitment providing for such investment; (v) commercial paper (including both non-interest-bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than 30 days after the date of acquisition thereof) that is rated by the Rating Agencies that rate such securities in its highest short-term unsecured debt rating available at the time of such investment; (vi) units of money market funds, including money market funds affiliated with the Trustee, the Trust Administrator or an Affiliate of either of them, that have been rated "AAA" by S&P, "Aaa" by Moody's and "AAA" by DBRS; and (vii) if previously confirmed in writing to the Servicer, the Trustee and the Trust Administrator, any other demand, money market or time deposit, or any other obligation, security or investment, as may be acceptable to the Rating Agencies as a permitted investment of funds backing securities having ratings equivalent to itshighest initial rating of the Class A Certificates; provided, however, that no instrument described hereunder shall evidence either the right to receive (a) only interest with respect to the obligations underlying such instrument or (b) both principal and interest payments derived from obligations underlying such instrument and the interest and principal payments with respect to such instrument provide a yield to maturity at par greater than 120% of the yield to maturity at par of the underlying obligations.

PROPERTY INSURANCE

Yes; PSA 3.14(a) **Yes**; PSA 3.14(a)	**Is standard hazard coverage required on each loan (Y or N)** If not, explain: (a) Is a blanket policy allowed (Y or N) (i) If yes, who covers the deductible: ***Servicer***
Yes; PSA 3.14(a)	**Is flood insurance required if property is in a flood zone (Y or N)**

TAG-ENDS OR OTHER REPURCHASE BY ISSUER

PSA 9.01(b)	**Condition for Tag-ends repurchase:** Aggregate unpaid principal balance of all outstanding mortgage loans < $\boxed{10}$ % of the aggregate unpaid principal balance of the mortgage loans as of the cut-off date.
PSA 9.01(a)	**(II) Termination Price (cut and paste):** Subject to Section 3.10 hereof, the purchase by the Terminator of all Mortgage Loans and each REO Property remaining in REMIC I shall be at a price equal to the greater of (i) the Stated Principal Balance of the Mortgage Loans and the appraised value of any REO Properties (such appraisal to be conducted by an appraiser mutually agreed upon by the Servicer and the Trust Administrator) and (ii) the fair market value of the Mortgage Loans and the REO Properties (as determined by the Servicer, with the consent of the Trust Administrator as of the close of business on the third Business Day next preceding the date upon which notice of any such termination is furnished to the related Certificateholders pursuant to Section 9.01(c)), in each case plus accrued and unpaid interest thereon at the weighted average of the Mortgage Rates through the end of the Due Period preceding the final Distribution Date plus unreimbursed Servicing Advances allocable to such Mortgage Loans and REO Properties and any accrued and unpaid Net WAC Rate Carryover Amounts and any Swap Termination payment payable to the Swap Provider (the "Termination Price"); provided, however, such option may only be exercised if the Termination Price is sufficient to result in the payment of all interest accrued on, as well as amounts necessary to retire the principal balance of, each class of notes issued pursuant to the Indenture.

OPEN ITEMS

MLPA section 7.02

Representations and Warranties Relating to the Mortgage Loans

(14) 1. The seller/originator has good title to the assets and is sole owner of the assets, free and clear of any mortgage, pledge, lien, security interest, charge or other encumbrance and has full authority to sell the assets.

(8) 2. The mortgage loans comply with all applicable state and federal lending laws and regulations, including without limitation, usury, equal credit opportunity disclosure and recording laws.

(5) 3. No default or waiver exists under the mortgage documents, and no modifications to the mortgage documents have been made that have not been disclosed.

(58), (25) 4. Each mortgage loan is and will be a mortgage loan arising out of the originator's practice in accordance with the seller/originator's underwriting guidelines. The seller has no knowledge of any fact that should have led it to expect at the time of the initial creation of an interest in the mortgage loan that such mortgage loan would not be paid in full when due.

5. No selection procedures believed by such seller/originator to be adverse to the interests of the investor certificateholders have been used in selecting the mortgage loans.

(1) 6. Loan schedule (as displayed in an exhibit to the pooling & servicing agreement) information regarding loans are true and correct.

(10) 7. As of issuance, each mortgage is a valid and enforceable subject only to (a) the lien of current real property taxes, (b) covenants, conditions and restrictions, right of way, easements.

(18) 8. As of closing, there is no mechanics' lien or claim for work, labor or material affecting the premise except those which are insured against by the title insurance policy.

(4) 9. As of closing, there is no delinquent tax or assessment lien against the property.

(6) 10. As of closing, there is no valid offset, defense or counterclaim to any note or mortgage.

(23) 11. As of closing, the physical property subject to any mortgage is free of material damage and is in good repair.

(8) 12. Each loan at the time it was made compiled in all material respects with applicable state and federal laws.

(19) 13. At time of origination, no improvement located on or being part of mortgage property was in violation of any applicable zoning and subvision laws or ordinances.

(36) 14. Each original mortgage has been recorded or is in the process of being recorded in the appropriate jurisdictions wherein such recordation is required to perfect the lien thereof for the benefit of the Trust.

15. The related mortgage file contains each of the documents and instruments specified.

(22) 16. Loans originated are being serviced according to the seller/servicer guidelines.

(5) 17. In terms of the mortgage note and the mortgage have not been impaired, altered or modified in any material respect, except by a written instrument which has been recorded or is in the process of being recorded.

(16), (37) 18. A lender's title policy or binder, or other assurance of title insurance customary in a form acceptable to FNMA or FHLMC was issued at origination and each policy or binder is valid and remains in full force and effect.

(27) 19. Appraisal Form 1004 or Form 2055 with an interior inspection for first lien mortgage loans has been obtained. Form 704, 2065 or 2055 with an exterior only inspection for junior lien mortgage loans has been obtained.

20. If an alternative collateral valuation method acceptable to Standard & Poor's is used to determine the value of a property, the percentage of loans and method should be stated.

(7) 21. If the property is in a FEMA designated flood area, the flood insurance policy is in effect.

(7) 22. As of closing, a hazard insurance policy are in place.

(4) 23. No loans secured by a leasehold interest.

24. Percentage of mortgage loans where the borrower's down payment was financed.

25. Pool Characteristics Representation and Warranties
    - As of closing if applicable, no payments of principal and interest is 30 or more days past due and none of the loans have been past due 30 or more days more than once during the preceding 12 months;
    - As of closing, the percent of loans that are 30/60/90+ delinquent;
    - Percent of loans 2-5 times and 6+ times delinquent in the last 12 months;
    - Percent of mortgage loans with loan to value's (LTV's) over 80% that have primary mortgage insurance, if applicable;
    - Percent of mortgage loans with LTV's over 80% which do not have primary insurance, if applicable;
    - The range of LTV's;
    - The range of mortgage interest rates;
    - Percent of net mortgage rates less than the pass-through rate;
    - Percent of loans whose scheduled balance over $400,000;
    - Highest percent in one zip code;
    - Percentage of primary residences;
    - Percentage of single family detached residences;

- Percentage of condominiums, 2 to 4 family residential properties; second homes and investor properties;
- Average FICO score;
- Weighted average FICO score;
- Percent of each A/A-/B/C/D quality loans;
- Number of buydown loans;
- Range of loans' principal balances;
- Percent of second homes, and investor owned properties;
- Percent of cashout loans;
- Percent of full documentation loans; and
- Percent of streamlined program loans.