
**REAL ESTATE
SECURITIZATION AUDIT PRO**

Prepared for:

HOMEOWNER

Property Address 1

Property Address 2

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Information on the Loan and Mortgage

General	Amount of Principal	US\$193,500
	Loan Closing Date	July 17, 2007
	Loan Maturity Date	August 1, 2037
	Term	30 years
Promissory Note	Type of Note	Adjustable Rate Note
	Initial Interest Rate	8.725% p.a.
	Loan Number	00018XXX95
Deed of Trust	MIN	1001337-0002391907-2
	Lien Priority	First Lien

Information on the Securitization Trust

Issuing Entity	Wells Fargo Mortgage-Backed Securities 2007-14 Trust
Title of the Offered Securities	Wells Fargo Mortgage-Backed Securities 2007-14 Trust, Mortgage Pass-Through Certificates, Series 2007-14
Sponsor	Wells Fargo Bank, NA
Depositor	Wells Fargo Asset Securities Corp.
Master Servicer	Wells Fargo Bank, NA
Servicers	Wells Fargo Bank, NA and any servicer approved by the Master Servicer
Trustee	HSBC Bank USA, NA
Custodian	Wells Fargo Bank, NA
LPMI Insurer	No insurer is specified. The applicable provisions on insurance are in the sub-sections titled Other Credit Enhancement; Description of the Certificates, page 55, PMI Advances; Servicing of the Mortgage Loans, page 75, and Insurance Policies; Servicing of the Mortgage Loans, page 78 of the Prospectus
Cut-off Date	September 1, 2007
Closing Date	On or about September 28, 2007

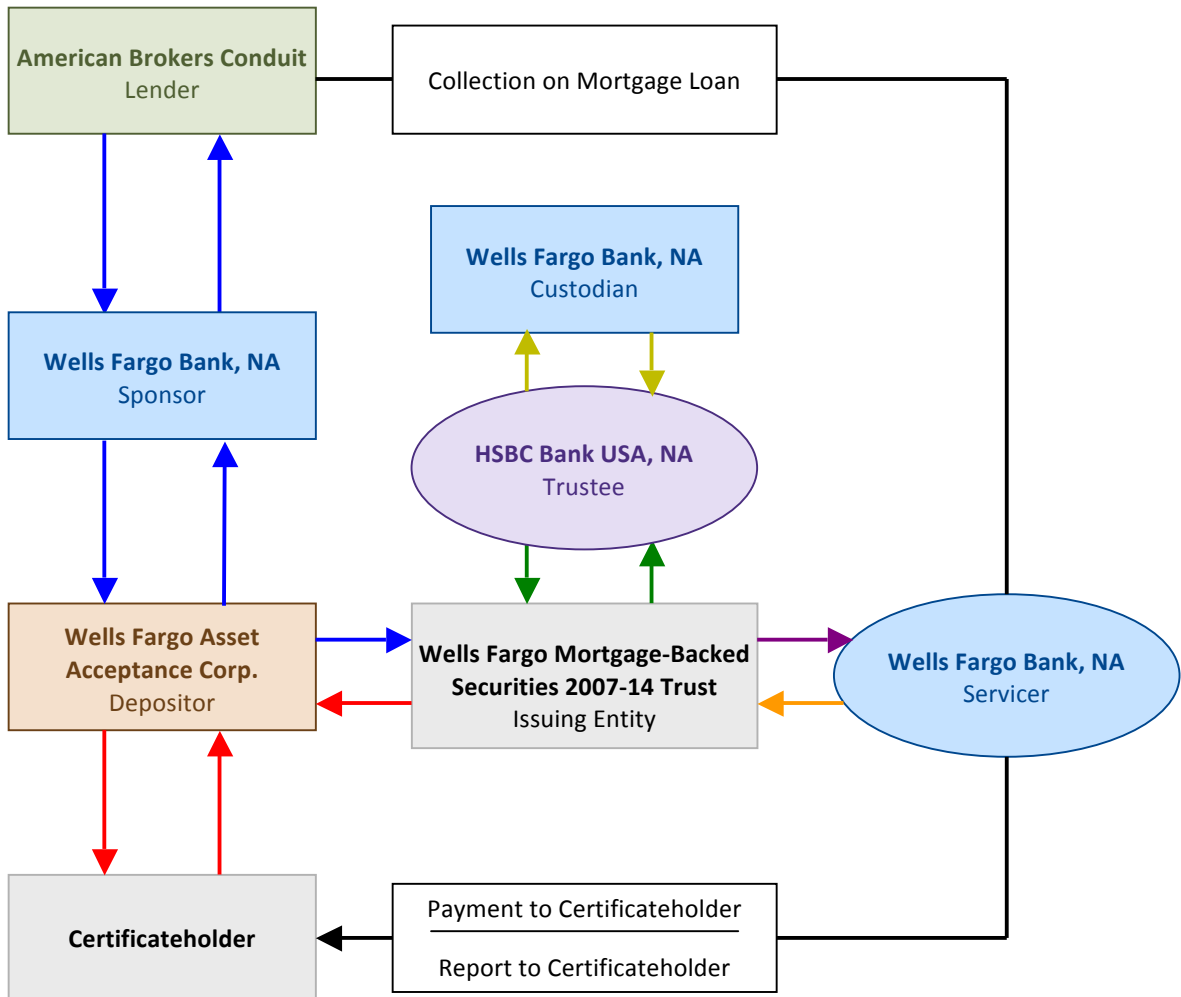
The Parties to the Transactions

The Loan and Mortgage

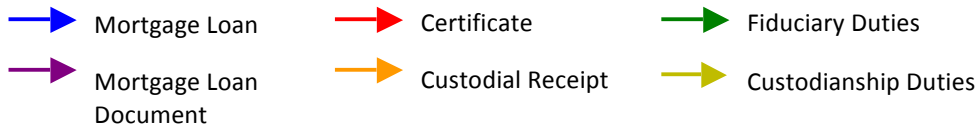
Borrower	Name	Samuel Lee Jackman
	Mailing Address	1795 Woodbridge Way Germantown, FL 32944
	Property Address	6600 La France Drive Towney Park, IL 60476
Co-Borrower	Name	None
Lender	Name	American Brokers Conduit
	Mailing Address	538 Broadhollow Road Melville NY 11747
Beneficiary	Name	Mortgage Electronic Registration Systems, Inc.
	Mailing Address	PO Box 2026 Flint, MI 48501
Mortgage Servicer	Name	Residential Credit Solutions
	Mailing Address	PO Box 78954 Phoenix AZ 85062
Mortgage Trustee	Name	American Brokers Conduit
Title Company	Name	Stewart Title Guaranty Co.
	Mailing Address	2560 Foxfield Road Suite 330 Saint Charles 60174

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



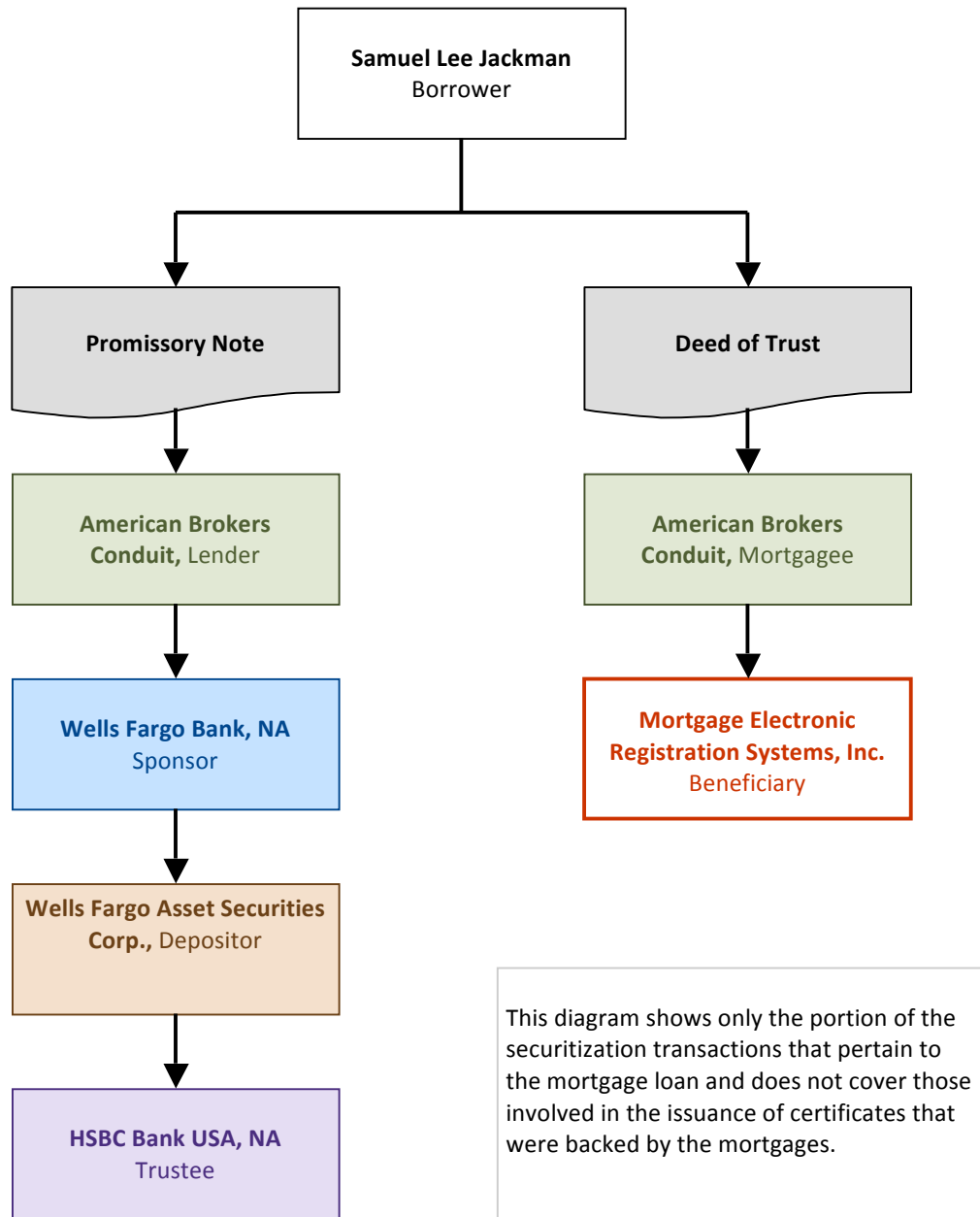
The foregoing diagram is not intended to show any differences between the typical flow of transactions and the actual, as shown in the diagram in the section titled Transaction Parties, page S-12 of the Prospectus Supplement, as the examiners have noted in their review of the documents presented. The 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 loan that is the subject of this securitization audit was granted on July 17 2007. The Promissory Note names American Brokers Conduit as the originating lender.
- The Deed of Trust securing the Note was executed on the same date. The lender is the mortgagee and the beneficiary is Mortgage Electronic Registration Systems, Inc., as nominee of the lender.
- American Home Mortgage Corp., doing business as American Brokers Conduit, securitized its home mortgage loans and established several trusts for this purpose up to June 2007. In these trusts the servicer was Wells Fargo Bank, NA.
- American Home Mortgage Corp. was reportedly a servicer for Wells Fargo Bank, NA, and that Wells Fargo Bank, NA at times used the address of American Home Mortgage Corp. while performing duties as a securitization trust trustee, and that both of them were represented by one legal counsel.
- American Brokers Conduit continued to lend in home mortgages even though its affiliate had ceased to establish their own securitization trusts. The examiners deduce, based on their professional experience and examination of the documents provided, that American Brokers Conduit securitized this loan after closing into a trust established by Wells Fargo Bank, NA.
- A search of filings with the Securities and Exchange Commission by Wells Fargo Bank, NA indicates that the trust into which the subject loan could have been securitized into would be the Wells Fargo Mortgage-Backed Securities 2007-14 Trust.
- Wells Fargo Mortgage-Backed Securities 2007-14 Trust was established under a Pooling and Servicing Agreement dated September 28, 2007 by and among Wells Fargo Asset Securities Corp. as depositor, Wells Fargo Bank, NA as master servicer, and HSBC Bank USA, NA as trustee. The Prospectus Supplement of the said trust also listed Wells Fargo Bank, NA as sponsor and servicer.

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 17, 2007	Loan Granting American Brokers Conduit Originating Lender	July 17, 2007	Loan Granting American Brokers Conduit Mortgagee MERS, Beneficiary
September 28, 2007	Sale, Securitization Wells Fargo Bank, NA Securitization Sponsor		
September 28, 2007	Simultaneous Sale, Securitization Wells Fargo Asset Securities Corp., Securitization Depositor		
September 28, 2007	Assignment, Securitization HSBC Bank USA, NA, Trustee for Wells Fargo Mortgage- Backed Securities 2007-14 Trust		

The Promissory Note and the Deed of Trust should be in the possession of Wells Fargo Bank, NA as custodian, for the account of HSBC Bank USA, NA as trustee for the mentioned securitization trust pursuant to Section 2.02, Acceptance by Custodian of the Pooling and Servicing Agreement dated September 28, 2007. 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.

A review of the process of securitization yielded the following information:

Wells Fargo Mortgage-Backed Securities 2007-14 Trust Prospectus Form 424B5, filed on September 28, 2007 refers to Wells Fargo Asset Securities Corp. as depositor and Wells Fargo Bank, NA as sponsor, servicer, and master servicer. The link to the prospectus is provided herein.

<http://www.secinfo.com/d14D5a.u6d6t.htm>

Wells Fargo Mortgage-Backed Securities 2007-14 Trust Annual Form 10-K for the year ended December 31, 2007 was filed on March 25, 2008 with the Securities and Exchange Commission. This document listed Wells Fargo Bank, NA as servicer and 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/d1Z7kr.tPq.htm>

On January 25, 2008, Form 15-15D or Notice of Suspension of Duty to File Reports terminating the registration of the noted investment vehicle was filed on behalf of Wells Fargo Mortgage-Backed Securities 2007-14 Trust. The approximate number of holders of record as of the certification or notice date was less than 300. The link to the form 15-15D is provided herein.

<http://www.secinfo.com/d1Z7kr.tEy.htm>

A complete list of SEC filings by Wells Fargo Mortgage-Backed Securities 2007-14 Trust is provided herewith.

Pooling and Servicing Agreement:

<http://www.secinfo.com/dRSm6.u27e.c.htm>

Summary of events from the 424B5

Cut-Off Date – September 1, 2007

Closing Date – On or about September 28, 2007

Amount - \$5,513,419,008 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.

CUSIP Information

CUSIP stands for Committee on Uniform Securities Identification Procedures. A CUSIP number identifies most securities, including: stocks of all registered U.S. and Canadian companies, and U.S. government and municipal bonds. The CUSIP system—owned by the American Bankers Association and operated by Standard & Poor’s—facilitates the clearing and settlement process of securities.

The number consists of nine characters (including letters and numbers) that uniquely identify a company or issuer and the type of security.**

ABSNet Deal ID:	42870	Region:	United States
Asset Class/Collateral Type:	RMBS/Prime	Issuer:	Wells Fargo Mortgage Backed Securities Trust
Deal Size:	44,035,793,733	Underwriter:	CS First Boston
Remittance Frequency:	Monthly	Trustee:	HSBC
Bloomberg Name:	WFMS 2007-14	Servicer:	Wells Fargo

Capital Structure					
Name	Currency	ID	Pools	Class Bal - Original	Class Bal - End
I-A-1	USD	949834AA3	Group I	4,650,095,000	2,050,420,141
I-A-2	USD	949834AB1	Group I	162,753,000	71,764,562
I-A-3	USD	949834AC9	Group I	797,159,142	797,159,142
I-A-4	USD	949834AD7	Group I	797,159,142	797,159,142
I-A-5	USD	949834AE5	Group I	132,859,858	132,859,858
I-A-6	USD	949834AF2	Group I	2,644,192,285	415,899,549
I-A-7	USD	949834AG0	Group I	2,644,192,285	415,899,549
I-A-8	USD	949834AH8	Group I	440,898,715	69,316,592
I-A-9	USD	949834AJ4	Group I	216,282,000	216,282,000
I-A-10	USD	949834AK1	Group I	216,282,000	216,282,000
I-A-11	USD	949834AL9	Group I	36,047,000	36,047,000
I-A-12	USD	949834AM7	Group I	328,162,285	328,162,285
I-A-13	USD	949834AN5	Group I	328,162,285	328,162,285
I-A-14	USD	949834AP0	Group I	54,693,715	54,693,715
I-A-15	USD	949834AQ8	Group I	27,900,857	27,900,857
I-A-16	USD	949834AR6	Group I	27,900,857	27,900,857
I-A-17	USD	949834AS4	Group I	4,650,143	4,650,143
I-A-18	USD	949834AT2	Group I	92,546,571	14,556,481
I-A-19	USD	949834AU9	Group I	92,546,571	14,556,481
I-A-20	USD	949834AV7	Group I	15,424,429	2,426,080
I-A-21	USD	949834AW5	Group I	7,569,428	7,569,428
I-A-22	USD	949834AX3	Group I	7,569,428	7,569,428

** We have provided this information as a service to our clients. It is neither a legal interpretation nor statement of SEC policy. If you have questions concerning the meaning or application of a particular rule, please consult with an attorney who specializes in securities law.

1 record matched your search:

MIN: 1001337-0002391907-2 **Note Date:** 07/17/2007 **MIN Status:** Active

Servicer: Residential Credit Solutions
Ft. Worth, TX

Phone: (817) 321-6016

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.

Possession of the Note & Holder in Due Course

Possession of the Note is a key argument coming to the forefront. The foreclosing entity must prove possession and ownership of the original Note in order to foreclose. This comes to the forefront because it has been reported that upwards of 40% of the Notes are missing and cannot be found. MERS is once again involved in this.

In Judicial Foreclosure states, MERS foreclosure lawsuits often include a Lost, Missing, or Destroyed Affidavit. This affidavit "testifies" that the Note cannot be found, and that the Note prior to being lost was in the possession of MERS. This has become very problematic for MERS, since they have admitted in Courts that they do not own the Note or even hold the Note. If this is so, then MERS is likely filing fraudulent Affidavits.

When challenged, one defense that MERS uses to support its "legal standing" is that the servicer has possession of the Note and Deed. MERS, by the act of having its own "Officers" as employees of the servicer, entitles it to foreclose on behalf of the servicer and the beneficiary. When confronted with this defense, the response should be for the servicer to produce the note.

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.

Securitization Process

Securitization is the name for the process by which the final investor for the loan ended up with the loan. It entailed the following:

1. Mortgage broker had client who needed a loan and delivered the loan package to the lender.
2. The lender approved the loan and funded it. This was usually through "warehouse" lines of credit. The lender hardly ever used their own money instead using the warehouse line that had been advanced to the lender by major Wall Street firms like J.P. Morgan.
3. The lender "sold" the loan to the Wall Street lender, earning from 2.5 - 8 points per loan. This entity is known also as the mortgage aggregator. The loan, and thousands like it, are sold together to an investment banker. Investment banker sells the loans to a securities banker.
6. Securities banker sells the loans to the final investors, as a Securitized Instrument, where a Trustee is named for the investors, and the Trustee will administer all bookkeeping and disbursement of funds.
7. The issue with the securitization process is that when the Securitized Instrument was sold, it was split apart and sold in tranches, (in slices like a pie). There were few or no records kept of which notes went into which tranche. Nor were their records of how many investors bought into each particular tranche. Additionally, there were no

assignments designed or signed in anticipation of establishing legal standing to foreclose.

8. The tranches were rated by Rating Agencies at the request of the Investment Bankers who paid the Rating Agencies.
9. When the tranches were created, each "slice" was given a rating, "AAA, AA, A, BBB, BB, etc. The ratings determined which tranche got "paid" first out of the monthly proceeds. If significant numbers of loans missed payments, or went into default, the AAA tranche would receive all money due, and this went on down the line. The bottom tranches with the most risk would receive the leftover money.

These were the first tranches to fail. Even if the defaulting loans were in the AAA tranche, the AAA tranche would still be paid and the lowest tranche would not. Wall Street, after the 2000 Dot.com crash, had large amounts of money sitting on the sidelines, looking for new investment opportunities. Returns on Investments were dismal, and investors were looking for new opportunities. Wall Street recognized that creating Special Investment Vehicles offered a new investment tool that could generate large commissions.

Other Pertinent Facts of Securitization

1. Wall Street created pooling agreements where they defined in the agreements the loans that they would accept for each investment vehicle. They executed agreements with the lenders and then immediately issued warehouse lines of credit to the lenders.
2. Lenders then let brokers know the loan parameters to meet the pooling agreement guidelines and the brokers went out and found the borrowers.
3. Wall Street took all the loans, packaged them up and sold them as bonds and other security instruments to other investors, i.e. Joe's Pension, and paid off original investors or reissued new line of credit, and earned commissions on both ends.
4. The process was repeated time and again.
5. What we do know now is that in most cases, the reality is that the reported lender on the Deed of Trust was NOT the actual lender. The actual lender who lent the money was the Wall Street Investment Bank. They simply rented the license of the lender, so that they would not run afoul of banking regulations and/or avoid liability and tax issues. For all purposes, Wall Street was the true lender and there are arguments that suggest that Disclosures should have been required naming Wall Street as the lender.

Now it can be easier to understand how possession of the Note and ownership of the Note play a significant part. In most cases, it is unknown which tranche will contain any particular note. Nor will it be known how many investors, and who bought the individual tranches without significant and time-consuming investigation.

Hence, without the "True Owners" of the note stepping forward to demand foreclosure, any foreclosure that was securitized may be completely unlawful.

Assignee Liability

Assignee liability is another issue being contested. Under TILA and RESPA, if on the face of the loan documents it is evident that there are violations of the statutes, then assignees have a significant liability when they assume the loan. However, the question arises as to if assignee liability can be claimed when there are no violations on the face of the documents.

It is believed that MERS became the "beneficiary" for so many notes to address the Assignee Liability problem. By keeping MERS as the beneficiary, and avoiding the recording of assignments, it becomes more difficult to determine assignee liability and holder in due course issues.

This could offer "cover" for all the parties participating in the Securitization process, since no Assignments were recorded, and "proof of ownership" of the note could not be easily determined. The only way to determine ownership of the Notes would be to track the monthly payments made to the investors, determining which party received the monthly payment. This would be time consuming and likely only Discovery would prove the process necessary to get this information.

In *Cazares v Pacific Shore Funding, CD. Cal. Jan 3, 2006*, assignee that actively participated in original lender's act and dictated loan terms may be liable under UDAP.

The question then arises as to assignments further down the "chain of title". Under these circumstances, the UDAP codes can be utilized for attacking the lenders. Show fraud and other causes of action, then the contracts can be "voided or rescinded" common law and UDAP codes, especially CA B&P § 17200, and CA Civil Code §1689, which allows for contract rescission.