



## TABLE OF CONTENTS

	PAGE
INTERNSHIP TITLE .....	i
APPROVAL SHEET .....	ii
DECLARATION .....	iii
PREFACE .....	iv
TABLE OF CONTENTS .....	v
LIST OF FIGURES .....	vii
ABSTRACT .....	viii
CHAPTER I : INTRODUCTION	
1.1 Background .....	1
1.2 Problem Statement .....	5
1.3 Research Methodology.....	5
CHAPTER II : THEORETICAL FRAMEWORK	
2.1 Mortgage Back Securities.....	8
2.2 Parties in MBS.....	10
2.3 Securitization.....	14
2.4 Mortgage Lending Law.....	21
2.5 Principal Entities in MBS.....	21
2.6 Legal Issues of MBS.....	22
2.7 Due Diligence.....	23
2.8 The Legal Infrastructure.....	24
CHAPTER III : COMPANY PROFILE	
3.1 History .....	27
3.2 Vision Mission .....	29
3.3 Current Issues .....	30
CHAPTER IV : PROBLEM ANALYSIS	
4.1 Pledge Law .....	39
4.2 The Legal Relationship between the debtors and the originator .....	40
4.3 The Legal Relationship between the Creditor/Lender and the SMF .....	41
4.4 Land Registration .....	43
4.5 Civil Law (KUHPdt) Regulation .....	44
4.6 Preliminary Legal Due Diligence .....	45
4.6.1 Origination, Underwriting, and Closing/Funding .....	45



4.6.2	Lien Transferring .....	48
-------	-------------------------	----

CHAPTER V : CONCLUSION & RECOMMENDATION

5.1	Conclusion .....	53
5.2	Recommendation .....	55

BIBLIOGRAPHY .....	56
--------------------	----

ANNEX



## LIST OF FIGURES

Figure	PAGE
1. How Ginnie Mae Mortgage Back Securities Program Works .....	12
2. Function of a Special Purpose Vehicle.....	15
3. Bank BTN Outlets and Description .....	28
4. Subsidy and Non Subsidy Ratio .....	31