

May 5, 2006

Via Fax and U.S. Mail

Mr. Arnaud Denis  
SG Mortgage Securities, LLC  
1221 Avenue of the Americas  
New York, NY 10020

**Re: SG Mortgage Securities, LLC  
Amendment No. 1 to Registration Statement on Form S-3  
Filed April 18, 2006  
File No. 333-131973**

Dear Mr. Denis:

We have limited our review of your filing for compliance with Regulation AB. Please further note that our limited review covers only those issues addressed in the comments below.

**Registration Statement on Form S-3**

**Prospectus Supplement #2**

1. Please ensure that prior comments have been universally applied to each prospectus supplement and the base prospectus, as applicable. For instance, it appears that prior comments 6 and 7 were not applied to prospectus supplement #2.

**Base Prospectus**

**Convertible Mortgage Loans p. 6**

2. We note your response to prior comment 9. Please confirm that the remarketing of loans only occurs at the mortgagor's election when an adjustable rate mortgage loan is converted to a fixed rate mortgage loan.
3. Please specifically explain whether the Pooling and Servicing Agreement or other controlling document dictates both the sale of assets and the exercise of any put option. Please further describe any conditions that would trigger the exercise of any put option.

4. Please explain whether the issuing entity will be relying on a different exception or exemption from the 1940 Act when disposing of any convertible loans. If, for example, the issuing entity intends to rely on the exception in Section 3(c)(5)(C) of the 1940 Act, please confirm that the issuing entity's asset composition will comply with interpretations issued by IM regarding Section 3(c)(5)(C). Please note that, in the staff's view, an issuer is not excepted under Section 3(c)(5)(C) unless at least 55% of its assets directly consist of "mortgages and other liens on and interests in real estate" and the remaining 45% of its assets consist primarily of real estate-type interests. See, e.g., NAB Asset Corporation (pub. avail. June 20, 1991); Citytrust (pub. avail. Dec. 19, 1980); Salomon Brothers, Inc. (pub. avail. June 17, 1985). Of the remaining 45% of the issuer's assets, at least 25% must be in real estate related assets, although this percentage may be reduced to the extent that more than 55% of the issuer's assets are invested in mortgages and other liens on and interests in real estate. See Division of Investment Management, SEC, Protecting Investors: A Half Century of Investment Company Regulation (1992) at p. 72.

Purchase Obligations, page 64

5. Please confirm that in no event will purchase obligations be held by a securityholder. Alternatively, tell us why this would not create a redeemable security.

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As appropriate, please amend your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Act of 1933 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all the facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

Notwithstanding our comments, in the event the company requests acceleration of the effective date of the pending registration statement, it should furnish a letter, at the time of such request, acknowledging that:

- should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;
- the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and
- the company may not assert staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in connection with our review of your filing or in response to our comments on your filing.

We will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rule 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

If you have any questions regarding these comments, you may contact Daniel Morris at (202) 551-3314. If you need further assistance, you may contact me at (202) 551-3750.

Sincerely,

Max A. Webb  
Assistant Director

cc: Via Facsimile (212) 849-5555  
Paul A. Jorissen  
Mayer Brown Rowe & Maw