

RURAL HIPOTECARIO III Fondo de Titulización Hipotecaria

Brief report

Date: 08/31/2006
Currency: EUR

Date of constitution
05/14/2002

VAT Reg. no.
G83317768

Management Company
Europa de Titulización, S.G.F.T

Originator
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Servicer
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Lead Managers
DZ Bank
Société Générale
Banco Cooperativo

Bond Underwriters and Placement Agents
DZ Bank
Société Générale
Banco Cooperativo
Crédit Agricole Indosuez
Caja Castilla La Mancha
Commerz
EBN Banco
Natexis Banques Populaires
Rabobank
Tokyo-Mitsubishi International PLC

Servicer Credit Support Provider
Banco Cooperativo Español

Bond Paying Agent
Banco Cooperativo

Market
AIAF Mercado de Renta Fija
Register of Book Securities
Iberclear

Treasury Account
Bancoval

Start-up Loan
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Subordinated Loan
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Assets Custodian
Banco Cooperativo Español

Fund Auditors
Ernst&Young

Issued securities: Mortgage-Backed Bonds

| Bonds issue | | | | | | | | | |
|--------------------------|------------------------|---|------------------------------|--|---|---|--|-------------------|----------|
| Series ISIN Code | Issue date N° bonds | Principal outstanding (Bond Unit / Series Total / %Factor) | | Interest type Reference rate and margin Payment Date | Interest Rate Next coupon | Redemption | | Rating Moody's | |
| | | Current | Original | | | Final maturity (legal) | Next | Current | Original |
| Series A ES0358282004 | 05/20/2002 3,123 | 48,762.03 152,283,819.69 48.76% | 100,000.00 312,300,000.00 | Floating 3-M Euribor + 0.210% 13.Mar/Jun/Sep/Dec | 3.1630% 09/13/2006 394.15 Gross 335.03 Net | 03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec | 09/13/2006 "Pass-Through" | Aaa | Aaa |
| Series B ES0358282012 | 05/20/2002 127 | 100,000.00 12,700,000.00 100.00% | 100,000.00 12,700,000.00 | Floating 3-M Euribor + 0.500% 13.Mar/Jun/Sep/Dec | 3.4530% 09/13/2006 882.43 Gross 750.07 Net | 03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec | To be determined "Pass-Through" Pro rata deferred start / Sequential | A2 | A2 |
| Total | | 164,983,819.69 | 325,000,000.00 | | | | | | |

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)

| | | | % Monthly CPR (SMM) | | | | | | | |
|-------------------------|-------------------------------|----------------|---------------------|------------|------------|------------|------------|------------|------------|------------|
| | | | 0,51 | 0,69 | 0,77 | 0,87 | 1,06 | 1,25 | 1,44 | 1,64 |
| % Annual equivalent CPR | | | 6,00 | 8,00 | 8,89 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 |
| Series A | With optional redemption * | Average life | 4.27 | 3.87 | 3.85 | 3.51 | 3.22 | 2.97 | 2.74 | 2.53 |
| | | Final Maturity | 12/06/2010 | 07/12/2010 | 07/19/2010 | 03/03/2010 | 11/19/2009 | 08/17/2009 | 05/26/2009 | 03/11/2009 |
| | Without optional redemption * | Average life | 4.45 | 4.03 | 4.01 | 3.68 | 3.37 | 3.11 | 2.87 | 2.67 |
| | | Final Maturity | 02/08/2011 | 09/10/2010 | 09/17/2010 | 05/04/2010 | 01/12/2010 | 10/07/2009 | 07/14/2009 | 04/29/2009 |
| Series B | With optional redemption * | Average life | 9.04 | 8.29 | 8.01 | 7.54 | 7.04 | 6.54 | 6.04 | 5.54 |
| | | Final Maturity | 09/13/2015 | 12/13/2014 | 09/13/2014 | 03/13/2014 | 09/13/2013 | 03/13/2013 | 09/13/2012 | 03/13/2012 |
| | Without optional redemption * | Average life | 12.29 | 11.54 | 11.26 | 10.79 | 10.04 | 9.29 | 8.79 | 8.04 |
| | | Final Maturity | 12/13/2018 | 03/13/2018 | 12/13/2017 | 06/13/2017 | 09/13/2016 | 12/13/2015 | 06/13/2015 | 09/13/2014 |
| Series B | With optional redemption * | Average life | 9.04 | 8.29 | 8.01 | 7.54 | 7.04 | 6.54 | 6.04 | 5.54 |
| | | Final Maturity | 09/13/2015 | 12/13/2014 | 09/13/2014 | 03/13/2014 | 09/13/2013 | 03/13/2013 | 09/13/2012 | 03/13/2012 |
| | Without optional redemption * | Average life | 14.92 | 14.14 | 13.77 | 13.38 | 12.62 | 11.90 | 11.22 | 10.58 |
| | | Final Maturity | 07/30/2021 | 10/18/2020 | 06/17/2020 | 01/12/2020 | 04/12/2019 | 07/21/2018 | 11/15/2017 | 03/26/2017 |
| Date | | | 09/13/2031 | 09/13/2031 | 09/13/2031 | 09/13/2031 | 09/13/2031 | 09/13/2031 | 09/13/2031 | |

Optional Clean up call when the amount of the Outstanding Balance of the securitised assets is less than 10 per 100 of the initial Outstanding Balance.
Hypothesis of delinquency and default assumptions of the securitised assets: 0%.

Credit enhancement and financial operations

| Credit enhancement (CE) | | | | | |
|-------------------------|---------|----------------|---------------|--------|----------------|
| | Current | | At issue date | | |
| | | % CE | | % CE | |
| Series A | 92.30% | 152,283,819.69 | 11.64% | 96.09% | 312,300,000.00 |
| Series B | 7.70% | 12,700,000.00 | 3.94% | 3.91% | 12,700,000.00 |
| Issue of Bonds | | 164,983,819.69 | | | 325,000,000.00 |
| Reserve Fund | 3.94% | 6,500,000.00 | 2.00% | | 6,500,000.00 |

| Other financial operations (current) | | | |
|--|---------------|--------------|----------|
| Assets | Balance | Interest | |
| Treasury Account | 14,047,972.01 | 2.873% | |
| Servicer ppal collect not yet credited | 773,590.25 | | |
| Servicer ints collect not yet credited | 180,785.40 | | |
| Liabilities | Available | Balance | Interest |
| Start-up Loan | | 230,489.14 | 3.953% |
| Subordinated Loan | | 6,500,000.00 | 3.953% |

Collateral: Residential mortgage loans

| General | | | |
|---|----------------|----------------------|--|
| | Current | At constitution date | |
| Count | 4,196 | 6,541 | |
| Principal | | | |
| Principal outstanding | 157,772,850.36 | 325,017,181.99 | |
| Average loan | 37,600.77 | 49,689.22 | |
| Minimum | 0.65 | 2,972.77 | |
| Maximum | 243,427.08 | 294,139.49 | |
| Interest rate | | | |
| Weighted average (wac) | 3.90% | 5.25% | |
| Minimum | 2.67% | 3.50% | |
| Maximum | 7.00% | 8.03% | |
| Final maturity | | | |
| Weighted average (WARM) (months) | 156 | 199 | |
| Minimum | 09/01/2006 | 05/05/2004 | |
| Maximum | 07/27/2031 | 07/27/2031 | |
| Index (distribution) | | | |
| 1-year EURIBOR/MIBOR | 3.99 | 3.83 | |
| 1-year EURIBOR/MIBOR (Mortgage Market) | 50.75 | 48.74 | |
| Mortgage Market: Banks | 2.64 | 2.64 | |
| Mortgage Market: Savings Banks | 28.99 | 31.24 | |
| Mortgage Market: All Institutions | 13.38 | 13.21 | |
| Savings Banks Lending Rate (CECA Indicator) | 0.25 | 0.34 | |

| LTV Distribution | | | | |
|--------------------------|---------|-------|----------------------|-------|
| | Current | | At constitution date | |
| | % Pool | % LTV | % Pool | % LTV |
| 0.01 - 10% | 1.20 | 7.22 | 0.13 | 8.10 |
| 10.01 - 20% | 6.23 | 15.70 | 1.71 | 16.29 |
| 20.01 - 30% | 11.97 | 25.53 | 5.18 | 25.66 |
| 30.01 - 40% | 16.70 | 35.24 | 10.63 | 35.34 |
| 40.01 - 50% | 20.83 | 45.08 | 15.13 | 45.40 |
| 50.01 - 60% | 22.20 | 55.07 | 16.51 | 54.85 |
| 60.01 - 70% | 20.40 | 64.76 | 19.68 | 65.19 |
| 70.01 - 80% | 0.57 | 71.03 | 31.01 | 75.21 |
| Weighted average (WALTV) | 45.21 | | 57.47 | |
| Minimum | 0.00 | | 5.13 | |
| Maximum | 74.05 | | 79.55 | |

Additional information

RURAL HIPOTECARIO III Fondo de Titulizacion Hipotecaria

Brief report

Date: 08/31/2006
Currency: EUR

Date of constitution
05/14/2002

VAT Reg. no.
G83317768

Management Company
Europa de Titulización, S.G.F.T

Originator

Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Servicer

Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Lead Managers

DZ Bank
Société Générale
Banco Cooperativo

Bond Underwriters and Placement

Agents
DZ Bank
Société Générale
Banco Cooperativo
Crédit Agricole Indosuez
Caja Castilla La Mancha
Commerz
EBN Banco
Natexis Banques Populaires
Rabobank
Tokyo-Mitsubishi International PLC

Servicer Credit Support Provider

Banco Cooperativo Español

Bond Paying Agent

Banco Cooperativo

Market

AIAF Mercado de Renta Fija

Register of Book Securities

Iberclear

Treasury Account

Bancoval

Start-up Loan

Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Subordinated Loan

Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Assets Custodian

Banco Cooperativo Español

Fund Auditors

Ernst&Young

Prepayments

| | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
|------------------------------|---------------|---------------|---------------|----------------|------------|
| Single month. mort. (SMM) | 0.53% | 0.77% | 0.86% | 0.93% | 0.82% |
| Annual Percentage Rate (CPR) | 6.15% | 8.89% | 9.90% | 10.59% | 9.45% |

Geographic distribution

| | Current | At constitution date |
|--------------------|---------|----------------------|
| Andalucia | 34.95% | 37.42% |
| Aragon | 0.06% | 0.11% |
| Asturias | 6.52% | 5.25% |
| Balearic Islands | 3.27% | 3.53% |
| Basque Country | 5.38% | 4.80% |
| Canary Islands | 0.03% | 0.03% |
| Cantabria | 0.03% | 0.08% |
| Castilla-La Mancha | 0.04% | 0.03% |
| Castilla-Leon | 11.64% | 10.72% |
| Catalonia | 1.90% | 2.51% |
| Ceuta | 0.02% | 0.06% |
| Galicia | 0.23% | 0.24% |
| La Rioja | 1.55% | 1.22% |
| Madrid | 0.60% | 0.77% |
| Melilla | 1.18% | 1.12% |
| Murcia | 11.95% | 13.03% |
| Navarra | 20.54% | 18.87% |
| Valencia | 0.10% | 0.19% |

Current delinquency

| Aging | Assets | Overdue debt | | | | Outstanding debt | Total debt | % Total debt / Appraisal Value | | |
|-----------------|------------|-------------------|------------------|-------------|-------------------|------------------|---------------------|--------------------------------|-------|--------------|
| | | Principal | Interest | Other | Total % | | | | | |
| Up to 1 month | 175 | 37,506.04 | 14,924.45 | 0.00 | 52,430.49 | 17.31 | 6,821,828.72 | 6,874,259.21 | 75.13 | 39.85 |
| 1 to 2 months | 20 | 9,133.23 | 3,653.69 | 0.00 | 12,786.92 | 4.22 | 585,370.65 | 598,157.57 | 6.54 | 44.21 |
| 2 to 3 months | 8 | 7,454.94 | 3,383.57 | 0.00 | 10,838.51 | 3.58 | 494,397.81 | 505,236.32 | 5.52 | 54.38 |
| 3 to 6 months | 12 | 11,216.26 | 5,294.55 | 0.00 | 16,510.81 | 5.45 | 376,403.68 | 392,914.49 | 4.29 | 39.75 |
| 6 to 12 months | 3 | 4,955.36 | 2,213.58 | 0.00 | 7,168.94 | 2.37 | 87,731.94 | 94,900.88 | 1.04 | 46.05 |
| 12 to 18 months | 3 | 12,257.94 | 6,023.00 | 0.00 | 18,280.94 | 6.04 | 102,214.56 | 120,495.50 | 1.32 | 68.03 |
| 18 to 24 months | 1 | 3,750.15 | 2,489.12 | 0.00 | 6,239.27 | 2.06 | 41,487.39 | 47,726.66 | 0.52 | 59.17 |
| Over 2 years | 17 | 119,961.11 | 58,632.43 | 0.00 | 178,593.54 | 58.97 | 337,962.76 | 516,556.30 | 5.65 | 56.18 |
| Total | 239 | 206,235.03 | 96,614.39 | 0.00 | 302,849.42 | | 8,847,397.51 | 9,150,246.93 | | 41.78 |

Additional information