

# RURAL HIPOTECARIO III Fondo de Titulizacion Hipotecaria

## Brief report

Date: 12/31/2006  
Currency: EUR

Date of constitution  
05/14/2002

VAT Reg. no.  
G83317768

Management Company  
Europea 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  
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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  
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Subordinated Loan  
Caixa Rural de Balears  
Caja Rural de Asturias  
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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	44,356.04 138,523,912.92 44.36%	100,000.00 312,300,000.00	Floating 3-M Euribor + 0.210% 13.Mar/Jun/Sep/Dec	3.8830% 03/13/2007 430.59 Gross 366.00 Net	03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec	03/13/2007 "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	4.1730% 03/13/2007 1,043.25 Gross 886.76 Net	03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec	To be determined "Pass-Through" Pro rata deferred start / Secuential	A2	A2
Total		151,223,912.92	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	0,87	1,06	1,25	1,44	1,64	1,84
			% Annual equivalent CPR							
			6,00	8,00	10,00	12,00	14,00	16,00	18,00	20,00
Series A	With optional redemption *	Average life	4.41	4.04	3.68	3.39	3.14	2.90	2.72	2.53
		Final Maturity	05/30/2011	01/13/2011	09/04/2010	05/22/2010	02/17/2010	11/24/2009	09/20/2009	07/12/2009
	Without optional redemption *	Average life	4.63	4.21	3.86	3.55	3.29	3.05	2.84	2.66
		Final Maturity	08/15/2011	03/17/2011	11/08/2010	07/19/2010	04/13/2010	01/17/2010	11/03/2009	08/28/2009
Series B	With optional redemption *	Average life	8.71	8.20	7.45	6.96	6.45	5.96	5.71	5.20
		Final Maturity	09/13/2015	03/13/2015	06/13/2014	12/13/2013	06/13/2013	12/13/2012	09/13/2012	03/13/2012
	Without optional redemption *	Average life	8.71	8.20	7.45	6.96	6.45	5.96	5.71	5.20
		Final Maturity	09/13/2015	03/13/2015	06/13/2014	12/13/2013	06/13/2013	12/13/2012	09/13/2012	03/13/2012
Series B	With optional redemption *	Average life	14.76	14.00	13.25	12.51	11.80	11.13	10.51	9.93
		Final Maturity	09/30/2021	12/25/2020	03/26/2020	07/02/2019	10/15/2018	02/15/2018	07/01/2017	12/01/2016
	Without optional redemption *	Average life	24.97	24.97	24.97	24.97	24.97	24.97	24.97	24.97
		Final Maturity	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031

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	91.60%	138,523,912.92	12.70%	96.09%	312,300,000.00
Series B	8.40%	12,700,000.00	4.30%	3.91%	12,700,000.00
Issue of Bonds		151,223,912.92			325,000,000.00
Reserve Fund	4.30%	6,500,000.00	2.00%		6,500,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	8,318,231.04	3.593%	
Servicer ppai collect not yet credited	1,275,261.06		
Servicer intx collect not yet credited	179,954.34		
Liabilities	Available	Balance	Interest
Start-up Loan		110,489.12	4.673%
Subordinated Loan		6,500,000.00	4.673%

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	4,063	6,541	
Principal			
Principal outstanding	148,236,712.88	325,017,181.99	
Average loan	36,484.55	49,689.22	
Minimum	0.13	2,972.77	
Maximum	239,214.80	294,139.49	
Interest rate			
Weighted average (wac)	4.23%	5.25%	
Minimum	2.79%	3.50%	
Maximum	7.00%	8.03%	
Final maturity			
Weighted average (WARM) (months)	153	199	
Minimum	01/04/2007	05/05/2004	
Maximum	07/27/2031	07/27/2031	
Index (principal outstanding distribution)			
1-year EURIBOR/MIBOR	4.01%	3.83%	
1-year EURIBOR/MIBOR (Mortgage Market)	50.74%	48.74%	
Mortgage Market: Banks	2.62%	2.64%	
Mortgage Market: Savings Banks	29.10%	31.24%	
Mortgage Market: All Institutions	13.27%	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%	1.41	7.08	0.13	8.10
10.01 - 20%	6.76	15.70	1.71	16.29
20.01 - 30%	12.52	25.46	5.18	25.66
30.01 - 40%	17.62	35.33	10.63	35.34
40.01 - 50%	21.36	45.24	15.13	45.40
50.01 - 60%	20.92	55.01	16.51	54.85
60.01 - 70%	19.21	64.31	19.68	65.19
70.01 - 80%	0.20	71.77	31.01	75.21
Weighted average (WALTV)	44.25		57.47	
Minimum		0.00		5.13
Maximum		73.58		79.55

#### Additional information

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Banco Cooperativo Español

### Fund Auditors

Ernst&Young

## Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.25%	0.95%	0.77%	0.87%	0.83%
Annual Percentage Rate (CPR)	13.98%	10.83%	8.83%	9.94%	9.47%

## Geographic distribution

	Current	At constitution date
Andalucia	34.89%	37.42%
Aragon	0.06%	0.11%
Asturias	6.59%	5.25%
Balearic Islands	3.21%	3.53%
Basque Country	5.35%	4.80%
Canary Islands	0.03%	0.03%
Cantabria	0.03%	0.08%
Castilla-La Mancha	0.05%	0.03%
Castilla-Leon	11.61%	10.72%
Catalonia	1.96%	2.51%
Ceuta	0.03%	0.06%
Galicia	0.24%	0.24%
La Rioja	1.57%	1.22%
Madrid	0.52%	0.77%
Melilla	1.21%	1.12%
Murcia	12.01%	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	143	31,760.15	13,276.65	0.00	45,036.80	14.20	5,546,368.52	5,591,405.32	66.82	41.10
1 to 2 months	28	12,290.17	6,643.12	0.00	18,933.29	5.97	1,135,582.28	1,154,515.57	13.80	43.30
2 to 3 months	9	8,427.45	5,537.47	0.00	13,964.92	4.40	578,812.64	592,777.56	7.08	51.00
3 to 6 months	5	8,137.22	3,236.05	0.00	11,373.27	3.59	205,988.19	217,361.46	2.60	46.54
6 to 12 months	7	15,376.56	5,370.13	0.00	20,746.69	6.54	143,895.54	164,642.23	1.97	39.07
12 to 18 months	3	5,857.48	3,039.23	0.00	8,896.71	2.81	59,145.46	68,042.17	0.81	51.74
18 to 24 months	2	14,509.38	8,465.32	0.00	22,974.70	7.25	106,203.09	129,177.79	1.54	65.11
Over 2 years	16	118,698.27	56,479.60	0.00	175,177.87	55.24	275,293.65	450,471.52	5.38	51.70
Total	213	215,056.68	102,047.57	0.00	317,104.25		8,051,289.37	8,368,393.62		42.87

### Additional information