

VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 12/31/2006
Currency: EUR

Date of constitution
 11/15/2006

VAT Reg. no.
 G84887579

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

Originator
 Banco de Valencia

Servicer
 Banco de Valencia

Lead Managers
 Bancaja
 Deutsche Bank

Bond Underwriters and Placement Agents
 Bancaja
 Deutsche Bank
 DZ Bank AG
 IXXIS Cib

Bond Paying Agent
 Bancaja

Market
 AIAF Mercado de Renta Fija

Register of Book Securities
 Iberclear

Treasury Account
 Banco de Valencia

Start-up Loan
 Banco de Valencia

Swap
 Banco de Valencia

Swap Collateral
 Bancaja

Assets Custodian
 Banco de Valencia

Fund Auditors
 Ernst&Young

Issued securities: Residential Mortgages 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		
		Current	Original			Final maturity (legal)	Next	Fitch / Moody's	Current	Original
Series A1 ES0382476008	11/20/2006 900	100,000.00 90,000,000.00 100.00%	100,000.00 90,000,000.00	Floating 3-M Euribor+0.030% 22.Mar/Jun/Sep/Dec	3.6860% 03/22/2007 1,249.144444 Gross 1,024.298444 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	09/24/2007 "Pass-Through"	AAA Aaa	AAA Aaa	
Series A2 ES0382476016	11/20/2006 7,807	100,000.00 780,700,000.00 100.00%	100,000.00 780,700,000.00	Floating 3-M Euribor+0.150% 22.Mar/Jun/Sep/Dec	3.8060% 03/22/2007 1,289.811111 Gross 1,057.645111 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined "Pass-Through" Secutorial / Pro rata under certain circumstances	AAA Aaa	AAA Aaa	
Series B ES0382476024	11/20/2006 208	100,000.00 20,800,000.00 100.00%	100,000.00 20,800,000.00	Floating 3-M Euribor+0.320% 22.Mar/Jun/Sep/Dec	3.9760% 03/22/2007 1,347.422222 Gross 1,104.886222 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined "Pass-Through" Secutorial / Pro rata under certain circumstances	A+ A2	A+ A2	
Series C ES0382476032	11/20/2006 91	100,000.00 9,100,000.00 100.00%	100,000.00 9,100,000.00	Floating 3-M Euribor+0.510% 22.Mar/Jun/Sep/Dec	4.1660% 03/22/2007 1,411.811111 Gross 1,157.685111 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined "Pass-Through" Secutorial / Pro rata under certain circumstances	BBB Baa3	BBB Baa3	
Series D ES0382476040	11/20/2006 104	100,000.00 10,400,000.00 100.00%	100,000.00 10,400,000.00	Floating 3-M Euribor+3.500% 22.Mar/Jun/Sep/Dec	7.1560% 03/22/2007 2,425.088889 Gross 1,988.572889 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined Due to Cash Reserve reduction	CCC Ca	CCC Ca	
Total		911,000,000.00								

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)												
Series	Option	Average life	Years	% Monthly CPR (SMM)								
				0,51	0,69	0,87	1,06	1,25	1,44	1,64	1,84	
Series A1	With optional redemption *	Average life	0.71	0.63	0.56	0.52	0.47	0.44	0.43	0.41		
		Final Maturity	1.34	1.09	0.84	0.84	0.84	0.59	0.59	0.59		
Series A2	With optional redemption *	Average life	8.32	7.24	6.36	5.66	5.07	4.58	4.16	3.81		
		Final Maturity	17.35	15.60	13.85	12.60	11.34	10.34	9.34	8.59		
Series B	With optional redemption *	Average life	13.04	11.56	10.31	9.26	8.36	7.59	6.93	6.36		
		Final Maturity	35.11	35.11	35.11	35.11	35.11	35.11	35.11	35.11		
Series C	With optional redemption *	Average life	12.27	10.77	9.49	8.48	7.60	6.88	6.24	5.72		
		Final Maturity	17.35	15.60	13.85	12.60	11.34	10.34	9.34	8.59		
Series D	With optional redemption *	Average life	13.17	11.66	10.28	9.26	8.31	7.55	6.83	6.26		
		Final Maturity	17.35	15.60	13.85	12.60	11.34	10.34	9.34	8.59		

* 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	% CE	% CE
Class A	95.58%	870,700,000.00	95.58%	870,700,000.00	5.56%
Series A1	9.88%	90,000,000.00	9.88%	90,000,000.00	
Series A2	85.70%	780,700,000.00	85.70%	780,700,000.00	
Series B	2.28%	20,800,000.00	2.17%	20,800,000.00	3.28%
Series C	1.00%	9,100,000.00	1.15%	9,100,000.00	2.28%
Series D	1.14%	10,400,000.00	1.14%	10,400,000.00	1.14%
Issue of Bonds		911,000,000.00		911,000,000.00	
Reserve Fund	1.15%	10,400,000.00	1.14%	10,400,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	32,448,615.41	3.895%	
Servicer ppal collect not yet credited	2,819,488.36		
Servicer ints collect not yet credited	211,793.98		
Liabilities	Available	Balance	Interest
Start-up Loan	1,300,000.00	5.895%	

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Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,379	9,544	
Principal			
Principal outstanding	878,198,462.15	900,711,214.30	
Average loan	93,634.55	94,374.60	
Minimum	72.58	161.55	
Maximum	939,686.93	944,147.00	
Interest rate			
Weighted average (wac)	4.00%	3.83%	
Minimum	2.20%	2.17%	
Maximum	7.00%	7.00%	
Final maturity			
Weighted average (WARM) (months)	262	263	
Minimum	01/01/2007	01/01/2007	
Maximum	09/05/2041	09/05/2041	
Index (principal outstanding distribution)			
1-year EURIBOR/MIBOR	1.57%	1.59%	
1-year EURIBOR/MIBOR (Mortgage Market)	98.43%	98.41%	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.83%				0.87%
Annual Percentage Rate (CPR)	9.49%				9.99%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.33	7.09	0.31	7.06
10.01 - 20%	1.84	16.13	1.71	16.20
20.01 - 30%	3.76	25.53	3.60	25.53
30.01 - 40%	6.35	35.17	6.22	35.18
40.01 - 50%	9.42	45.33	9.44	45.31
50.01 - 60%	13.43	55.26	13.46	55.30
60.01 - 70%	19.45	65.23	18.97	65.21
70.01 - 80%	37.24	75.65	37.84	75.74
80.01 - 90%	6.46	84.61	6.61	84.62
90.01 - 100%	1.72	93.40	1.84	93.37
110.01 - 120%			0.01	119.54
Weighted average (WALTV)	63.14		63.48	
Minimum	0.10		0.24	
Maximum	99.42		119.54	

Geographic distribution		
	Current	At constitution date
Andalucia	3.75%	3.72%
Aragon	5.27%	5.21%
Asturias	0.01%	0.01%
Balearic Islands	0.71%	0.69%
Basque Country	0.02%	0.02%
Canary Islands	0.04%	0.04%
Cantabria	0.02%	0.02%
Castilla-La Mancha	0.30%	0.31%
Castilla-Leon	0.08%	0.08%
Catalonia	2.85%	2.82%
Extremadura	0.01%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.95%	0.95%
Madrid	6.11%	6.10%
Murcia	9.62%	9.57%
Navarra	0.53%	0.52%
Valencia	69.73%	69.94%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%		Total	%	
<i>Delinquencies</i>										
Up to 1 month	119	32,246.62	30,825.97	0.00	63,072.59	87.82	10,283,715.98	10,346,788.57	95.10	57.01
1 to 2 months	8	5,561.41	3,185.82	0.00	8,747.23	12.18	524,446.37	533,193.60	4.90	54.70
Subtotal	127	37,808.03	34,011.79	0.00	71,819.82	100.00	10,808,162.35	10,879,982.17	100.00	56.89
<i>Doubt debts (subjectives)</i>										
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	127	37,808.03	34,011.79	0.00	71,819.82		10,808,162.35	10,879,982.17		56.89

Each range includes the beginning but not the ending time

Additional information