

VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 01/31/2007
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) Current Original | | Interest type Reference rate and margin Payment Date | Interest Rate Next coupon | Redemption Final maturity (legal) Next | | Rating 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 |
| 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 | | 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 * | % Annual equivalent CPR | | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 | 20,00 | |
| | | Date | 08/07/2007 | 07/07/2007 | 06/12/2007 | 05/27/2007 | 05/12/2007 | 05/01/2007 | 04/25/2007 | 04/19/2007 | | |
| Series A2 | With optional redemption * | % Annual equivalent CPR | | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 | 20,00 | |
| | | Date | 03/24/2008 | 12/24/2007 | 09/24/2007 | 09/24/2007 | 09/24/2007 | 06/22/2007 | 06/22/2007 | 06/22/2007 | | |
| Series B | With optional redemption * | % Annual equivalent CPR | | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 | 20,00 | |
| | | Date | 03/22/2008 | 12/22/2007 | 09/22/2007 | 09/22/2007 | 09/22/2007 | 06/22/2007 | 06/22/2007 | 06/22/2007 | | |
| Series C | With optional redemption * | % Annual equivalent CPR | | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 | 20,00 | |
| | | Date | 03/22/2008 | 12/22/2007 | 09/22/2007 | 09/22/2007 | 09/22/2007 | 06/22/2007 | 06/22/2007 | 06/22/2007 | | |
| Series D | With optional redemption * | % Annual equivalent CPR | | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | 16,00 | 18,00 | 20,00 | |
| | | Date | 03/22/2008 | 12/22/2007 | 09/22/2007 | 09/22/2007 | 09/22/2007 | 06/22/2007 | 06/22/2007 | 06/22/2007 | | |

* 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 | 4.47% | 95.58% | 870,700,000.00 |
| Series A1 | 9.88% | 90,000,000.00 | 9.88% | 9.88% | 90,000,000.00 |
| Series A2 | 85.70% | 780,700,000.00 | 85.70% | 85.70% | 780,700,000.00 |
| Series B | 2.28% | 20,800,000.00 | 2.17% | 2.28% | 20,800,000.00 |
| Series C | 1.00% | 9,100,000.00 | 1.15% | 1.00% | 9,100,000.00 |
| Series D | 1.14% | 10,400,000.00 | 1.14% | 1.14% | 10,400,000.00 |
| 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 | 49,705,402.80 | 3.895% | |
| Servicer ppal collect not yet credited | 1,791,536.99 | | |
| Servicer ints collect not yet credited | 196,469.48 | | |
| Liabilities | Available | Balance | Interest |
| Start-up Loan | 1,300,000.00 | 5.895% | |

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 Banco de Valencia

Swap Collateral
 Bancaja

Assets Custodian
 Banco de Valencia

Fund Auditors
 Ernst&Young

Collateral: Residential mortgage loans

| General | | | |
|--|----------------|----------------------|--|
| | Current | At constitution date | |
| Count | 9,267 | 9,544 | |
| Principal | | | |
| Principal outstanding | 864,825,814.85 | 900,711,214.30 | |
| Average loan | 93,323.17 | 94,374.60 | |
| Minimum | 30.93 | 161.55 | |
| Maximum | 935,213.03 | 944,147.00 | |
| Interest rate | | | |
| Weighted average (wac) | 4.13% | 3.83% | |
| Minimum | 2.41% | 2.17% | |
| Maximum | 6.86% | 7.00% | |
| Final maturity | | | |
| Weighted average (WARM) (months) | 261 | 263 | |
| Minimum | 02/03/2007 | 01/01/2007 | |
| Maximum | 09/05/2041 | 09/05/2041 | |
| Index (principal outstanding distribution) | | | |
| 1-year EURIBOR/MIBOR | 1.53% | 1.59% | |
| 1-year EURIBOR/MIBOR (Mortgage Market) | 98.47% | 98.41% | |

| LTV Distribution | | | | |
|--------------------------|---------|-------|----------------------|--------|
| | Current | | At constitution date | |
| | % Pool | % LTV | % Pool | % LTV |
| 0.01 - 10% | 0.33 | 7.08 | 0.31 | 7.06 |
| 10.01 - 20% | 1.88 | 16.08 | 1.71 | 16.20 |
| 20.01 - 30% | 3.89 | 25.54 | 3.60 | 25.53 |
| 30.01 - 40% | 6.49 | 35.16 | 6.22 | 35.18 |
| 40.01 - 50% | 9.63 | 45.37 | 9.44 | 45.31 |
| 50.01 - 60% | 13.37 | 55.33 | 13.46 | 55.30 |
| 60.01 - 70% | 19.70 | 65.25 | 18.97 | 65.21 |
| 70.01 - 80% | 36.73 | 75.58 | 37.84 | 75.74 |
| 80.01 - 90% | 6.30 | 84.52 | 6.61 | 84.62 |
| 90.01 - 100% | 1.69 | 93.29 | 1.84 | 93.37 |
| 110.01 - 120% | | | 0.01 | 119.54 |
| Weighted average (WALTV) | 62.87 | | 63.48 | |
| Minimum | 0.03 | | 0.24 | |
| Maximum | 99.42 | | 119.54 | |

| Prepayments | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|------------|
| | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
| Single month mort. (SMM) | 0.88% | 0.88% | | | 0.88% |
| Annual Percentage Rate (CPR) | 10.09% | 10.02% | | | 10.02% |

| Geographic distribution | | |
|-------------------------|---------|----------------------|
| | Current | At constitution date |
| Andalucia | 3.73% | 3.72% |
| Aragon | 5.27% | 5.21% |
| Asturias | 0.01% | 0.01% |
| Balearic Islands | 0.72% | 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 | 2.87% | 2.82% |
| Extremadura | 0.01% | 0.01% |
| Galicia | 0.01% | 0.01% |
| La Rioja | 0.95% | 0.95% |
| Madrid | 6.08% | 6.10% |
| Murcia | 9.65% | 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 | % | | | | |
| Delinquencies | | | | | | | | | | |
| Up to 1 month | 144 | 42,226.97 | 39,938.08 | 0.00 | 82,165.05 | 84.11 | 12,495,233.23 | 12,577,398.28 | 92.43 | 57.14 |
| 1 to 2 months | 13 | 5,625.10 | 6,400.59 | 0.00 | 12,025.69 | 12.31 | 958,813.24 | 970,838.93 | 7.13 | 56.89 |
| 2 to 3 months | 2 | 2,880.75 | 610.86 | 0.00 | 3,491.61 | 3.57 | 55,760.54 | 59,252.15 | 0.44 | 35.71 |
| Subtotal | 159 | 50,732.82 | 46,949.53 | 0.00 | 97,682.35 | 100.00 | 13,509,807.01 | 13,607,489.36 | 100.00 | 56.98 |
| Doubt debts (subjectives) | | | | | | | | | | |
| Subtotal | 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 159 | 50,732.82 | 46,949.53 | 0.00 | 97,682.35 | | 13,509,807.01 | 13,607,489.36 | | 56.98 |

Each range includes the beginning but not the ending time