

# VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

## Brief report

**Date:** 08/31/2007  
**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  
 IXIS 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		Rating Fitch / Moody's		
						Final maturity (legal)	Next	Current	Original	
Series A1 ES0382476008	11/20/2006 900	9,058.82 8,152,938.00 9.06%	100,000.00 90,000,000.00	Floating 3-M Euribor+0.030% 22.Mar/Jun/Sep/Dec	4.1850% 09/24/2007 98.990256 Gross 81.172010 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	4.3050% 09/24/2007 1,124.083333 Gross 921.748333 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	4.4750% 09/24/2007 1,168.472222 Gross 958.147222 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	4.6650% 09/24/2007 1,218.083333 Gross 998.828333 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	7.6550% 09/24/2007 1,998.805556 Gross 1,639.020556 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined Due to Cash Reserve reduction	CCC Ca	CCC Ca	
<b>Total</b>		829,152,938.00 911,000,000.00								

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	Optional redemption	Average life	Years	% Monthly CPR (SMM)									
				0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44		
Series A2	With optional redemption *	Average life	Years	10.31	8.77	7.56	6.57	5.78	5.12	4.57	4.13		
		Final Maturity	Years	20.51	18.51	16.76	15.02	13.51	12.01	10.76	9.76		
Series B	With optional redemption *	Average life	Years	12.29	11.12	10.21	9.41	8.71	8.09	7.54	7.04		
		Final Maturity	Years	20.51	18.51	16.76	15.02	13.51	12.01	10.76	9.76		
Series C	With optional redemption *	Average life	Years	15.27	13.23	11.52	10.08	8.90	7.89	7.06	6.36		
		Final Maturity	Years	20.51	18.51	16.76	15.02	13.51	12.01	10.76	9.76		
Series D	With optional redemption *	Average life	Years	16.12	14.10	12.45	10.98	9.77	8.65	7.74	7.00		
		Final Maturity	Years	20.51	18.51	16.76	15.02	13.51	12.01	10.76	9.76		

\* 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
Class A	95.14%	788,852,938.00	4.92%	95.58%	870,700,000.00
Series A1	0.98%	8,152,938.00	9.88%	9.88%	90,000,000.00
Series A2	94.16%	780,700,000.00	85.70%	85.70%	780,700,000.00
Series B	2.51%	20,800,000.00	2.38%	2.28%	20,800,000.00
Series C	1.10%	9,100,000.00	1.27%	1.00%	9,100,000.00
Series D	1.25%	10,400,000.00	1.14%	1.14%	10,400,000.00
Issue of Bonds		829,152,938.00			911,000,000.00
Reserve Fund	1.27%	10,400,000.00	1.14%		10,400,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	38,263,457.05	4.145%	
Servicer ppal collect not yet credited	963,203.82		
Servicer ints collect not yet credited	195,226.71		
Liabilities	Available	Balance	Interest
Start-up Loan	825,359.94	6.155%	

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### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	8,726	9,544	
Principal			
Principal outstanding	796,656,042.54	900,711,214.30	
Average loan	91,296.82	94,374.60	
Minimum	13.62	161.55	
Maximum	904,139.78	944,147.00	
Interest rate			
Weighted average (wac)	4.82%	3.83%	
Minimum	3.11%	2.17%	
Maximum	7.06%	7.00%	
Final maturity			
Weighted average (WARM) (months)	256	263	
Minimum	09/04/2007	01/01/2007	
Maximum	09/05/2041	09/05/2041	
Index (principal outstanding distribution)			
1-year EURIBOR/MIBOR	1.50%	1.59%	
1-year EURIBOR/MIBOR (Mortgage Market)	98.50%	98.41%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.39	7.13	0.31	7.06
10.01 - 20%	2.22	16.09	1.71	16.20
20.01 - 30%	4.43	25.53	3.60	25.53
30.01 - 40%	6.97	35.25	6.22	35.18
40.01 - 50%	9.95	45.15	9.44	45.31
50.01 - 60%	13.93	55.22	13.46	55.30
60.01 - 70%	21.13	65.31	18.97	65.21
70.01 - 80%	34.04	75.14	37.84	75.74
80.01 - 90%	5.69	84.19	6.61	84.62
90.01 - 100%	1.24	92.89	1.84	93.37
110.01 - 120%			0.01	119.54
Weighted average (WALTV)	61.48		63.48	
Minimum	0.01		0.24	
Maximum	97.89		119.54	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.61%	0.75%	0.80%		0.83%
Annual Percentage Rate (CPR)	7.05%	8.63%	9.15%		9.55%

Geographic distribution		
	Current	At constitution date
Andalucia	3.74%	3.72%
Aragon	5.15%	5.21%
Asturias	0.01%	0.01%
Balearic Islands	0.66%	0.69%
Basque Country	0.02%	0.02%
Canary Islands	0.04%	0.04%
Cantabria	0.02%	0.02%
Castilla-La Mancha	0.29%	0.31%
Castilla-Leon	0.08%	0.08%
Catalonia	2.95%	2.82%
Extremadura	0.00%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.94%	0.95%
Madrid	5.92%	6.10%
Murcia	9.72%	9.57%
Navarra	0.47%	0.52%
Valencia	69.97%	69.94%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<b>Delinquencies</b>										
Up to 1 month	190	64,935.25	72,206.21	0.00	137,141.46	61.02	18,390,657.59	18,527,799.05	77.03	54.69
1 to 2 months	45	19,220.87	28,737.11	0.00	47,957.98	21.34	3,424,237.68	3,472,195.66	14.44	55.51
2 to 3 months	16	12,057.38	19,880.09	0.00	31,937.47	14.21	1,713,548.47	1,745,485.94	7.26	56.77
3 to 6 months	2	2,404.92	5,294.38	0.00	7,699.30	3.43	298,957.67	306,656.97	1.27	79.47
Subtotal	253	98,618.42	126,117.79	0.00	224,736.21	100.00	23,827,401.41	24,052,137.62	100.00	55.17
<b>Doubt debts (subjectives)</b>										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>253</b>	<b>98,618.42</b>	<b>126,117.79</b>	<b>0.00</b>	<b>224,736.21</b>		<b>23,827,401.41</b>	<b>24,052,137.62</b>		<b>55.17</b>

Each range includes the beginning but not the ending time

#### Additional information