VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 09/30/2008
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 Nº 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	0.00 0.00 0.00%	100,000.00 90,000,000.00	Floating 3-M Euribor+0.030% 22.Mar/Jun/Sep/Dec		09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	Amortized		AAA Aaa
Series A2 ES0382476016	11/20/2006 7,807	87,314.99 681,668,126.93 87.31%	100,000.00 780,700,000.00	Floating 3-M Euribor+0.150% 22.Mar/Jun/Sep/Dec	5.1410% 12/22/2008 1,134.684975 Gross 930.441679 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	12/22/2008 "Pass-Through" Secuential / 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	5.3110% 12/22/2008 1,342.502778 Gross 1,100.852278 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined "Pass-Through" Secuential / 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	5.5010% 12/22/2008 1,390.530556 Gross 1,140.235056 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined "Pass-Through" Secuential / 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	8.4910% 12/22/2008 2,146.336111 Gross 1,759.995611 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined Due to Cash Reserve reduction	CCC Ca	CCC Ca
Total		721,968,126.93	911,000,000.00						

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

Series	Redemption		% Monthly CPR (SMM)	0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44
			% Annual equivalent CPR	2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00
Series A2	With optional redemption *	Average life	Years	10.03	8.57	7.36	6.43	5.65	5.02	4.48	4.04
			Date	10/10/2018	04/24/2017	08/02/2016	04/03/2015	05/24/2014	06/10/2013	03/23/2013	12/10/2012
		Final Maturity	Years	19.49	17.74	15.74	14.24	12.73	11.48	10.24	9.23
			Date	03/22/2028	06/22/2026	06/24/2024	12/22/2022	06/22/2021	03/23/2020	12/24/2018	12/22/2017
	Without optional redemption *	Average life	Years	10.44	9.01	7.86	6.92	6.14	5.50	4.96	4.50
			Date	08/03/2019	02/10/2017	06/08/2016	08/29/2015	11/19/2014	03/29/2014	12/09/2013	03/29/2013
		Final Maturity	Years	33.25	33.25	33.25	33.25	33.25	33.25	33.25	33.25
			Date	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041
Series B	With optional redemption *	Average life	Years	14.08	12.20	10.55	9.26	8.15	7.26	6.47	5.83
			Date	10/25/2022	07/12/2020	04/18/2019	12/30/2017	11/23/2016	02/01/2016	03/20/2015	07/29/2014
		Final Maturity	Years	19.49	17.74	15.74	14.24	12.73	11.48	10.24	9.23
			Date	03/22/2028	06/22/2026	06/24/2024	12/22/2022	06/22/2021	03/23/2020	12/24/2018	12/22/2017
	Without optional redemption *	Average life	Years	14.74	12.91	11.35	10.05	8.95	8.03	7.24	6.58
			Date	06/24/2023	08/24/2021	04/02/2020	10/15/2018	10/09/2017	10/10/2016	12/27/2015	04/27/2015
		Final Maturity	Years	33.25	33.25	33.25	33.25	33.25	33.25	33.25	33.25
			Date	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041
Series C	With optional redemption *	Average life	Years	14.08	12.20	10.55	9.26	8.15	7.26	6.47	5.83
			Date	10/25/2022	07/12/2020	04/18/2019	12/30/2017	11/23/2016	02/01/2016	03/20/2015	07/29/2014
		Final Maturity	Years	19.49	17.74	15.74	14.24	12.73	11.48	10.24	9.23
			Date	03/22/2028	06/22/2026	06/24/2024	12/22/2022	06/22/2021	03/23/2020	12/24/2018	12/22/2017
	Without optional redemption *	Average life	Years	14.74	12.91	11.35	10.05	8.95	8.03	7.24	6.58
			Date	06/24/2023	08/24/2021	04/02/2020	10/15/2018	10/09/2017	10/10/2016	12/27/2015	04/27/2015
		Final Maturity	Years	33.25	33.25	33.25	33.25	33.25	33.25	33.25	33.25
			Date	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041
Series D	With optional redemption *	Average life	Years	14.95	13.15	11.45	10.16	9.00	8.06	7.18	6.47
			Date	07/09/2023	11/19/2021	08/03/2020	11/26/2018	09/29/2017	10/19/2016	02/12/2015	03/18/2015
		Final Maturity	Years	19.49	17.74	15.74	14.24	12.73	11.48	10.24	9.23
			Date	03/22/2028	06/22/2026	06/24/2024	12/22/2022	06/22/2021	03/23/2020	12/24/2018	12/22/2017
	Without optional redemption *	Average life	Years	21.83	20.90	20.20	19.67	19.26	18.94	18.69	18.48
			Date	07/24/2030	08/20/2029	07/12/2028	05/27/2028	12/30/2027	04/09/2027	03/06/2027	03/18/2027
		Final Maturity	Years	33.25	33.25	33.25	33.25	33.25	33.25	33.25	33.25
			Date	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041	12/22/2041

* 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		% CE	At issue date		% CE
Class A	94.42%	681,668,126.93	5.66%	95.58%	870,700,000.00	5.56%
Series A1	0.00%	0.00		9.88%	90,000,000.00	
Series A2	94.42%	681,668,126.93		85.70%	780,700,000.00	
Series B	2.88%	20,800,000.00	2.74%	2.28%	20,800,000.00	3.28%
Series C	1.26%	9,100,000.00	1.46%	1.00%	9,100,000.00	2.28%
Series D	1.44%	10,400,000.00		1.14%	10,400,000.00	1.14%
Issue of Bonds		721,968,126.93			911,000,000.00	
Reserve Fund	1.46%	10,400,000.00		1.14%	10,400,000.00	

Other finantial operations (current)

Assets	Available	Balance	Interest
Treasury Account		14,990,123.92	4.964%
Servicer ppal collect not yet credited		262,847.63	
Servicer ints collect not yet credited		80,283.66	
Liabilities	**Available**	**Balance**	**Interest**
Start-up Loan		596,093.29	6.991%
Swap collateralized amount		**Balance**	**Interest**
Cash		2,230,000.00	
Securities		0.00	

Additional information

Europea de Titulización: C/ Lagasca, 120 - 28006 Madrid ☎ +34 91 411 84 67 Fax +34 91 411 84 68 www.edt-sg.com info@eurotitulizacion.com
Official register CNMV: C/ Miguel Angel, 11 - 28010 Madrid ☎ +34 91 585 15 00 www.cnmv.com

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Ernst&Young

Collateral: Residential mortgage loans

General

	Current	At constitution date
Count	8,104	9,544
Principal		
Principal outstanding	709,596,036.00	900,711,214.30
Average loan	87,561.21	94,374.60
Minimum	8.82	161.55
Maximum	847,736.55	944,147.00
Interest rate		
Weighted average (wac)	5.58%	3.83%
Minimum	3.11%	2.17%
Maximum	7.75%	7.00%
Final maturity		
Weighted average (WARM) (months)	245	263
Minimum	10/05/2008	01/01/2007
Maximum	09/05/2041	09/05/2041
Index (principal outstanding distribution)		
1-year EURIBOR/MIBOR	1.49%	1.59%
1-year EURIBOR/MIBOR (Mortgage Market)	98.51%	98.41%

LTV Distribution

	Current % Pool	Current % LTV	At constitution date % Pool	At constitution date % LTV
0.01 - 10%	0.52	7.16	0.31	7.06
10.01 - 20%	2.59	15.80	1.71	16.20
20.01 - 30%	5.13	25.52	3.60	25.53
30.01 - 40%	8.04	35.38	6.22	35.18
40.01 - 50%	10.63	45.31	9.44	45.31
50.01 - 60%	15.67	55.34	13.46	55.30
60.01 - 70%	21.92	65.30	18.97	65.21
70.01 - 80%	30.75	74.24	37.84	75.74
80.01 - 90%	4.11	83.95	6.61	84.62
90.01 - 100%	0.60	91.81	1.84	93.37
110.01 - 120%			0.01	119.54
Weighted average (WALTV)		59.43		63.48
Minimum		0.01		0.24
Maximum		393.85		119.54

Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.35%	0.45%	0.48%	0.60%	0.70%
Annual Percentage Rate (CPR)	4.13%	5.30%	5.63%	6.94%	8.11%

Geographic distribution

	Current	At constitution date
Andalucia	3.70%	3.72%
Aragon	5.17%	5.21%
Asturias	0.01%	0.01%
Balearic Islands	0.66%	0.69%
Basque Country	0.03%	0.02%
Canary Islands	0.04%	0.04%
Cantabria	0.02%	0.02%
Castilla-La Mancha	0.26%	0.31%
Castilla-Leon	0.07%	0.08%
Catalonia	2.93%	2.82%
Extremadura	0.00%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.97%	0.95%
Madrid	5.84%	6.10%
Murcia	9.94%	9.57%
Navarra	0.41%	0.52%
Valencia	69.93%	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	221	67,632.07	83,167.27	0.00	150,799.34	21.25	19,983,956.88	20,134,756.22	47.94	54.58
from > 1 to ≤ 2 months	92	52,227.91	91,254.51	0.00	143,482.42	20.22	9,682,010.11	9,825,492.53	23.39	55.46
from > 2 to ≤ 3 months	47	38,013.84	72,656.70	0.00	110,670.54	15.59	5,307,495.98	5,418,166.52	12.90	61.68
from > 3 to ≤ 6 months	16	19,835.77	35,345.41	0.00	55,181.18	7.78	2,547,678.70	2,602,859.88	6.20	63.88
from > 6 to < 12 months	25	51,766.05	116,452.06	0.00	168,218.11	23.70	3,077,762.29	3,245,980.40	7.73	58.66
from ≥ 12 to < 18 months	6	30,885.24	32,259.22	0.00	63,144.46	8.90	514,955.60	578,100.06	1.38	64.93
from ≥ 18 to < 24 months	1	4,801.53	13,362.05	0.00	18,163.58	2.56	177,539.58	195,703.16	0.47	83.15
Subtotal	408	265,162.41	444,497.22	0.00	709,659.63	100.00	41,291,399.14	42,001,058.77	100.00	56.66
Doubt debts (subjectives)										
	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
Total	408	265,162.41	444,497.22	0.00	709,659.63		41,291,399.14	42,001,058.77		56.66

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