

Brief report

Date: 08/31/2011  
 Currency: EUR

Date of constitution  
 11/15/2006

VAT Reg. no.  
 V84887579

Management Company  
 Europa 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  
 Banco Cooperativo

Market  
 AIAF Mercado de Renta Fija

Register of Book Securities  
 Iberclear

Treasury Account  
 Banco Popular Español S.A

Start-up Loan  
 Banco de Valencia

Swap  
 Banco de Valencia

Assets Custodian  
 Banco de Valencia

Fund Auditors  
 Deloitte (ejercicios 2009 a actual)  
 Ernst & Young (hasta ejercicio 2008)

Issued securities: Residential Mortgages Backed Bonds

Bonds Issue										
Series	ISIN Code	Issue date	Principal outstanding		Interest type	Interest Rate	Redemption		Rating	
			Nº bonds	(Bond Unit / Series Total / %Factor)			Reference rate and margin	Next coupon		Final maturity (legal)
			Current	Original	Payment Date				Current	Original
Series A1	ES0382476008	11/20/2006	0.00	100,000.00	Floating	0.000%	09/22/2044	Amortized	AAA	Aaa
			0.00	90,000,000.00	3-M Euribor+0.030%	22.Mar/Jun/Sep/Dec	Quarterly			
			0.00%				22.Mar/Jun/Sep/Dec			
Series A2	ES0382476016	11/20/2006	65,977.80	100,000.00	Floating	1.6600%	09/22/2044	"Pass-Through" Secuential / Pro rata under certain circumstances	AAA	Aaa
			515,088,684.60	780,700,000.00	3-M Euribor+0.150%	22.Mar/Jun/Sep/Dec	Quarterly		Aa1sf	Aaa
			65.98%				22.Mar/Jun/Sep/Dec			
							279.892489 Gross 226.712916 Net			
Series B	ES0382476024	11/20/2006	100,000.00	100,000.00	Floating	1.8300%	09/22/2044	To Be Determined "Pass-Through" Secuential / Pro rata under certain circumstances	A+	A+
			20,800,000.00	20,800,000.00	3-M Euribor+0.320%	22.Mar/Jun/Sep/Dec	Quarterly		Baa1sf	A2
			100.00%				467.666667 Gross 378.810000 Net			
Series C	ES0382476032	11/20/2006	100,000.00	100,000.00	Floating	2.0200%	09/22/2044	To Be Determined "Pass-Through" Secuential / Pro rata under certain circumstances	BBB	BBB
			9,100,000.00	9,100,000.00	3-M Euribor+0.510%	22.Mar/Jun/Sep/Dec	Quarterly		Baa3sf	Baa3
			100.00%				516.222222 Gross 418.140000 Net			
Series D	ES0382476040	11/20/2006	100,000.00	100,000.00	Floating	5.0100%	09/22/2044	To Be Determined Due to Cash Reserve reduction	CCCR	CCC
			10,400,000.00	10,400,000.00	3-M Euribor+3.500%	22.Mar/Jun/Sep/Dec	Quarterly		3	Ca
			100.00%				1,280.333333 Gross 1,037.070000 Net		Csf	
Total			555,388,684.60	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)								
				0.17	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	7.90	6.87	6.02	5.33	4.77	4.30	3.91	3.57	
		Final Maturity	Years	05/15/2019	05/03/2018	06/26/2017	10/18/2016	03/29/2016	10/07/2015	05/19/2015	01/16/2015	07/15/2014
		Date	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019		
	Without optional redemption *	Average life	Years	8.13	7.10	6.26	5.57	4.99	4.51	4.11	3.76	
		Final Maturity	Years	08/05/2019	07/27/2018	09/23/2017	01/13/2017	06/17/2016	12/24/2015	07/29/2015	03/25/2015	11/51
		Date	03/22/2031	12/22/2029	09/22/2028	06/22/2027	03/22/2026	12/22/2024	12/22/2023	12/22/2022		
Series B	With optional redemption *	Average life	Years	15.51	14.01	12.51	11.26	10.26	9.26	8.51	7.75	
		Final Maturity	Years	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019	03/22/2019
		Date	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019		
	Without optional redemption *	Average life	Years	21.40	19.92	18.64	17.43	16.22	15.05	13.94	12.95	
		Final Maturity	Years	11/08/2032	05/19/2031	02/04/2030	11/21/2028	09/07/2027	07/07/2026	05/28/2025	05/31/2024	14.26
		Date	06/22/2034	12/22/2032	06/22/2031	03/22/2030	03/22/2029	12/22/2027	12/22/2026	09/22/2025		
Series C	With optional redemption *	Average life	Years	15.51	14.01	12.51	11.26	10.26	9.26	8.51	7.75	
		Final Maturity	Years	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019	03/22/2019
		Date	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019		
	Without optional redemption *	Average life	Years	24.24	23.33	22.80	21.89	21.09	20.27	19.45	18.71	
		Final Maturity	Years	09/12/2035	10/10/2034	03/23/2031	05/27/2100	06/27/2117	08/30/2132	06/18/2146	07/26/2158	17.76
		Date	06/22/2041	06/22/2034	12/22/2032	06/22/2031	06/22/2030	03/22/2029	03/22/2028	03/22/2027		
Series D	With optional redemption *	Average life	Years	15.51	14.01	12.51	11.26	10.26	9.26	8.51	7.75	
		Final Maturity	Years	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019	03/22/2019
		Date	12/22/2026	06/22/2025	12/22/2023	09/22/2022	09/22/2021	09/22/2020	12/22/2019	03/22/2019		
	Without optional redemption *	Average life	Years	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	
		Final Maturity	Years	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041
		Date	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041	06/22/2041		

\* 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)					
Class	Current		At issue date		% CE
	%	Value	%	Value	
Class A	92.74%	515,088,684.60	7.39%	870,700,000.00	5.56%
Series A1	0.00%	0.00	9.88%	90,000,000.00	
Series A2	92.74%	515,088,684.60	85.70%	780,700,000.00	
Series B	3.75%	20,800,000.00	3.58%	20,800,000.00	3.28%
Series C	1.64%	9,100,000.00	1.91%	9,100,000.00	2.28%
Series D	1.87%	10,400,000.00	1.14%	10,400,000.00	1.14%
Issue of Bonds		555,388,684.60		911,000,000.00	
Reserve Fund	1.91%	10,400,000.00	1.14%	10,400,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	30,048,900.86	2.127%	
Servicer ppal collect not yet credited	35,916.05		
Servicer ints collect not yet credited	12,641.13		
Liabilities	Available	Balance	Interest
Start-up Loan L/P		91,706.66	3.510%
Start-up Loan C/P		0.00	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		0.00	
Securities		0.00	

\* Credit Support Amount in favour of the Fund

# VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

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### Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	7,081	9,544
Principal		
Principal outstanding	540,373,763.78	900,711,214.30
Average loan	76,313.20	94,374.60
Minimum	23.74	161.55
Maximum	692,197.28	944,147.00
Interest rate		
Weighted average (wac)	2.51%	3.83%
Minimum	1.78%	2.17%
Maximum	6.23%	7.00%
Final maturity		
Weighted average (WARM) (months)	218	263
Minimum	09/05/2011	01/01/2007
Maximum	09/05/2041	09/05/2041
Index (principal outstanding distribution)		
1-year EURIBOR/MIBOR	1.32%	1.59%
1-year EURIBOR/MIBOR (Mortgage Market)	98.68%	98.41%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.00	7.08	0.31	7.06
10.01 - 20%	3.66	15.55	1.71	16.20
20.01 - 30%	6.33	25.48	3.60	25.53
30.01 - 40%	9.51	35.39	6.22	35.18
40.01 - 50%	14.40	45.35	9.44	45.31
50.01 - 60%	21.54	55.32	13.46	55.30
60.01 - 70%	31.14	65.37	18.97	65.21
70.01 - 80%	11.44	72.37	37.84	75.74
80.01 - 90%	0.98	83.40	6.61	84.62
90.01 - 100%			1.84	93.37
110.01 - 120%			0.01	119.54
Weighted average (WALTV)	53.52		63.48	
Minimum	0.15		0.24	
Maximum	88.67		119.54	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.16%	0.24%	0.22%	0.32%	0.50%
Annual Percentage Rate (CPR)	1.86%	2.82%	2.64%	3.82%	5.83%

Geographic distribution		
	Current	At constitution date
Andalucia	3.59%	3.72%
Aragon	5.06%	5.21%
Asturias	0.01%	0.01%
Balearic Islands	0.76%	0.69%
Basque Country	0.03%	0.02%
Canary Islands	0.05%	0.04%
Cantabria	0.03%	0.02%
Castilla-La Mancha	0.27%	0.31%
Castilla-Leon	0.07%	0.08%
Catalonia	2.98%	2.82%
Extremadura		0.01%
Galicia	0.00%	0.01%
La Rioja	0.99%	0.95%
Madrid	5.75%	6.10%
Murcia	10.14%	9.57%
Navarra	0.38%	0.52%
Valencia	69.89%	69.94%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<i>Delinquencies</i>										
Up to 1 month	238	85,645.12	29,867.66	0.00	115,512.78	6.68	18,908,079.16	19,023,591.94	35.83	45.09
from > 1 to ≤ 2 months	129	99,152.12	39,839.53	0.00	138,991.65	8.04	11,105,149.88	11,244,141.53	21.18	47.28
from > 2 to ≤ 3 months	107	127,958.52	62,098.37	0.00	190,056.89	11.00	10,625,184.85	10,815,241.74	20.37	52.46
from > 3 to ≤ 6 months	18	31,156.68	19,154.83	0.00	50,311.51	2.91	1,904,268.01	1,954,595.52	3.68	57.61
from > 6 to < 12 months	15	67,891.04	38,676.52	0.00	106,567.56	6.17	1,987,636.57	2,094,404.13	3.94	52.40
from ≥ 12 to < 18 months	21	109,102.14	64,097.76	0.00	173,199.90	10.02	2,065,724.99	2,238,924.89	4.22	64.27
from ≥ 18 to < 24 months	12	81,512.45	51,245.74	0.00	132,758.19	7.68	1,082,574.09	1,215,332.28	2.29	66.15
from ≥ 2 years	35	416,603.63	404,248.99	0.00	820,852.62	47.50	3,684,934.64	4,505,787.26	8.49	66.64
Subtotal	575	1,019,021.70	709,229.40	0.00	1,728,251.10	100.00	51,363,772.19	53,092,023.29	100.00	50.06
<i>Doubt debts (subjectives)</i>										
	0	0.00	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	575	1,019,021.70	709,229.40	0.00	1,728,251.10		51,363,772.19	53,092,023.29		50.06

#### Additional information