

# VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

## Brief report

**Date:** 07/31/2008  
**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<br>ISIN Code       | Issue date<br>N° bonds | Principal outstanding<br>(Bond Unit / Series Total / %Factor)<br>Current Original |                              | Interest type<br>Reference rate and margin<br>Payment Date | Interest Rate<br>Next coupon                                    | Redemption<br>Final maturity (legal) Next     |                                                                                                   | Rating<br>Fitch / Moody's<br>Current Original |             |
| Series A1<br>ES0382476008 | 11/20/2006<br>900      | 0.00<br>0.00<br>0.00%                                                             | 100,000.00<br>90,000,000.00  | Floating<br>3-M Euribor+0.030%<br>22.Mar/Jun/Sep/Dec       |                                                                 | 09/22/2044<br>Quarterly<br>22.Mar/Jun/Sep/Dec | Amortized                                                                                         | AAA<br>Aaa                                    |             |
| Series A2<br>ES0382476016 | 11/20/2006<br>7,807    | 89,356.31<br>697,604,712.17<br>89.36%                                             | 100,000.00<br>780,700,000.00 | Floating<br>3-M Euribor+0.150%<br>22.Mar/Jun/Sep/Dec       | 5.1110%<br>09/22/2008<br>1,154.436365 Gross<br>946.637819 Net   | 09/22/2044<br>Quarterly<br>22.Mar/Jun/Sep/Dec | 09/22/2008<br>"Pass-Through"<br>Secutential /<br>Pro rata under<br>certain<br>circumstances       | AAA<br>Aaa                                    | AAA<br>Aaa  |
| Series B<br>ES0382476024  | 11/20/2006<br>208      | 100,000.00<br>20,800,000.00<br>100.00%                                            | 100,000.00<br>20,800,000.00  | Floating<br>3-M Euribor+0.320%<br>22.Mar/Jun/Sep/Dec       | 5.2810%<br>09/22/2008<br>1,334.919444 Gross<br>1,094.633944 Net | 09/22/2044<br>Quarterly<br>22.Mar/Jun/Sep/Dec | To Be Determined<br>"Pass-Through"<br>Secutential /<br>Pro rata under<br>certain<br>circumstances | A+<br>A2                                      | A+<br>A2    |
| Series C<br>ES0382476032  | 11/20/2006<br>91       | 100,000.00<br>9,100,000.00<br>100.00%                                             | 100,000.00<br>9,100,000.00   | Floating<br>3-M Euribor+0.510%<br>22.Mar/Jun/Sep/Dec       | 5.4710%<br>09/22/2008<br>1,382.947222 Gross<br>1,134.016722 Net | 09/22/2044<br>Quarterly<br>22.Mar/Jun/Sep/Dec | To Be Determined<br>"Pass-Through"<br>Secutential /<br>Pro rata under<br>certain<br>circumstances | BBB<br>Baa3                                   | BBB<br>Baa3 |
| Series D<br>ES0382476040  | 11/20/2006<br>104      | 100,000.00<br>10,400,000.00<br>100.00%                                            | 100,000.00<br>10,400,000.00  | Floating<br>3-M Euribor+3.500%<br>22.Mar/Jun/Sep/Dec       | 8.4610%<br>09/22/2008<br>2,138.752778 Gross<br>1,753.777278 Net | 09/22/2044<br>Quarterly<br>22.Mar/Jun/Sep/Dec | To Be Determined<br>Due to Cash<br>Reserve reduction                                              | CCC<br>Ca                                     | CCC<br>Ca   |
| Total                     |                        | 737,904,712.17                                                                    | 911,000,000.00               |                                                            |                                                                 |                                               |                                                                                                   |                                               |             |

| Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR) |                               |                         |       |            |            |            |            |            |            |            |            |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------|-------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                                                                                                     |                               | % 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 | 9.96       | 8.46       | 7.29       | 6.32       | 5.54       | 4.91       | 4.40       | 3.96       |
|                                                                                                                     |                               | Final Maturity          | Date  | 07/14/2018 | 01/14/2017 | 11/11/2015 | 11/23/2014 | 12/02/2014 | 06/28/2013 | 12/24/2012 | 07/16/2012 |
|                                                                                                                     | Without optional redemption * | Average life            | Years | 10.36      | 8.92       | 7.76       | 6.81       | 6.04       | 5.39       | 4.85       | 4.39       |
|                                                                                                                     |                               | Final Maturity          | Date  | 05/12/2018 | 06/28/2017 | 01/05/2016 | 05/23/2015 | 08/13/2014 | 12/20/2013 | 06/06/2013 | 12/20/2012 |
| Series B                                                                                                            | With optional redemption *    | Average life            | Years | 14.22      | 12.26      | 10.65      | 9.28       | 8.17       | 7.25       | 6.52       | 5.87       |
|                                                                                                                     |                               | Final Maturity          | Date  | 10/16/2022 | 10/31/2020 | 03/22/2019 | 09/11/2017 | 09/28/2016 | 10/30/2015 | 04/02/2015 | 06/13/2014 |
|                                                                                                                     | Without optional redemption * | Average life            | Years | 14.87      | 13.01      | 11.43      | 10.11      | 8.99       | 8.05       | 7.26       | 6.59       |
|                                                                                                                     |                               | Final Maturity          | Date  | 11/06/2023 | 01/08/2021 | 02/01/2020 | 05/09/2018 | 07/26/2017 | 08/16/2016 | 02/11/2015 | 02/28/2015 |
| Series C                                                                                                            | With optional redemption *    | Average life            | Years | 14.22      | 12.26      | 10.65      | 9.28       | 8.17       | 7.25       | 6.52       | 5.87       |
|                                                                                                                     |                               | Final Maturity          | Date  | 10/16/2022 | 10/31/2020 | 03/22/2019 | 09/11/2017 | 09/28/2016 | 10/30/2015 | 04/02/2015 | 06/13/2014 |
|                                                                                                                     | Without optional redemption * | Average life            | Years | 14.87      | 13.01      | 11.43      | 10.11      | 8.99       | 8.05       | 7.26       | 6.59       |
|                                                                                                                     |                               | Final Maturity          | Date  | 11/06/2023 | 01/08/2021 | 02/01/2020 | 05/09/2018 | 07/26/2017 | 08/16/2016 | 02/11/2015 | 02/28/2015 |
| Series D                                                                                                            | With optional redemption *    | Average life            | Years | 15.10      | 13.15      | 11.56      | 10.15      | 8.98       | 8.03       | 7.26       | 6.55       |
|                                                                                                                     |                               | Final Maturity          | Date  | 02/09/2023 | 09/22/2021 | 02/20/2020 | 09/20/2018 | 07/20/2017 | 07/08/2016 | 02/11/2015 | 02/15/2015 |
|                                                                                                                     | Without optional redemption * | Average life            | Years | 19.65      | 17.65      | 15.91      | 14.15      | 12.65      | 11.40      | 10.41      | 9.40       |
|                                                                                                                     |                               | Final Maturity          | Date  | 03/22/2028 | 03/23/2026 | 06/24/2024 | 09/22/2022 | 03/22/2021 | 12/23/2019 | 12/24/2018 | 12/22/2017 |

\* 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                 | 94.54% | 697,604,712.17 | 5.54% | 95.58%        | 870,700,000.00 | 5.56% |  |
| Series A1               | 0.00%  | 0.00           |       | 9.88%         | 90,000,000.00  |       |  |
| Series A2               | 94.54% | 697,604,712.17 |       | 85.70%        | 780,700,000.00 |       |  |
| Series B                | 2.82%  | 20,800,000.00  | 2.68% | 2.28%         | 20,800,000.00  | 3.28% |  |
| Series C                | 1.23%  | 9,100,000.00   | 1.43% | 1.00%         | 9,100,000.00   | 2.28% |  |
| Series D                | 1.41%  | 10,400,000.00  |       | 1.14%         | 10,400,000.00  | 1.14% |  |
| Issue of Bonds          |        | 737,904,712.17 |       |               | 911,000,000.00 |       |  |
| Reserve Fund            | 1.43%  | 10,400,000.00  |       | 1.14%         | 10,400,000.00  |       |  |

| Other financial operations (current)   |  |               |                  |
|----------------------------------------|--|---------------|------------------|
| Assets                                 |  | Balance       | Interest         |
| Treasury Account                       |  | 21,210,126.31 | 4.961%           |
| Servicer ppal collect not yet credited |  | 1,213,185.00  |                  |
| Servicer ints collect not yet credited |  | 216,455.71    |                  |
| Liabilities                            |  | Available     | Balance Interest |
| Start-up Loan                          |  | 641,946.62    | 6.961%           |

## Additional information

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Banco de Valencia

Fund Auditors  
Ernst&Young

Collateral: Residential mortgage loans

| General                                    |                |                      |  |
|--------------------------------------------|----------------|----------------------|--|
|                                            | Current        | At constitution date |  |
| Count                                      | 8,160          | 9,544                |  |
| Principal                                  |                |                      |  |
| Principal outstanding                      | 719,037,180.46 | 900,711,214.30       |  |
| Average loan                               | 88,117.30      | 94,374.60            |  |
| Minimum                                    | 188.80         | 161.55               |  |
| Maximum                                    | 856,360.31     | 944,147.00           |  |
| Interest rate                              |                |                      |  |
| Weighted average (wac)                     | 5.45%          | 3.83%                |  |
| Minimum                                    | 3.11%          | 2.17%                |  |
| Maximum                                    | 7.75%          | 7.00%                |  |
| Final maturity                             |                |                      |  |
| Weighted average (WARM) (months)           | 246            | 263                  |  |
| Minimum                                    | 08/05/2008     | 01/01/2007           |  |
| Maximum                                    | 09/05/2041     | 09/05/2041           |  |
| Index (principal outstanding distribution) |                |                      |  |
| 1-year EURIBOR/MIBOR                       | 1.51%          | 1.59%                |  |
| 1-year EURIBOR/MIBOR (Mortgage Market)     | 98.49%         | 98.41%               |  |

| Prepayments                  |               |               |               |                |            |
|------------------------------|---------------|---------------|---------------|----------------|------------|
|                              | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
| Single month. mort. (SMM)    | 0.60%         | 0.50%         | 0.55%         | 0.64%          | 0.73%      |
| Annual Percentage Rate (CPR) | 6.98%         | 5.86%         | 6.39%         | 7.41%          | 8.45%      |

| LTV Distribution         |         |       |                      |
|--------------------------|---------|-------|----------------------|
|                          | Current |       | At constitution date |
|                          | % Pool  | % LTV | % LTV                |
| 0.01 - 10%               | 0.50    | 7.14  | 0.31                 |
| 10.01 - 20%              | 2.63    | 15.96 | 1.71                 |
| 20.01 - 30%              | 5.03    | 25.59 | 3.60                 |
| 30.01 - 40%              | 7.95    | 35.40 | 6.22                 |
| 40.01 - 50%              | 10.37   | 45.24 | 9.44                 |
| 50.01 - 60%              | 15.50   | 55.24 | 13.46                |
| 60.01 - 70%              | 21.96   | 65.29 | 18.97                |
| 70.01 - 80%              | 31.07   | 74.37 | 37.84                |
| 80.01 - 90%              | 4.36    | 83.96 | 6.61                 |
| 90.01 - 100%             | 0.63    | 92.00 | 1.84                 |
| 110.01 - 120%            |         |       | 0.01                 |
| Weighted average (WALTV) | 59.50   |       | 63.48                |
| Minimum                  | 0.13    |       | 0.24                 |
| Maximum                  | 95.34   |       | 119.54               |

| Geographic distribution |         |                      |
|-------------------------|---------|----------------------|
|                         | Current | At constitution date |
| Andalucia               | 3.72%   | 3.72%                |
| Aragon                  | 5.15%   | 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      | 0.27%   | 0.31%                |
| Castilla-Leon           | 0.07%   | 0.08%                |
| Catalonia               | 2.91%   | 2.82%                |
| Extremadura             | 0.00%   | 0.01%                |
| Galicia                 | 0.01%   | 0.01%                |
| La Rioja                | 0.96%   | 0.95%                |
| Madrid                  | 5.81%   | 6.10%                |
| Murcia                  | 9.96%   | 9.57%                |
| Navarra                 | 0.42%   | 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      | %      |                  |               |                                |
| Delinquencies             |        |              |            |       |            |        |                  |               |                                |
| Up to 1 month             | 216    | 69,992.66    | 98,416.88  | 0.00  | 168,409.54 | 28.49  | 20,775,788.49    | 20,944,198.03 | 53.82                          |
| from > 1 to ≤ 2 months    | 83     | 45,368.31    | 72,776.37  | 0.00  | 118,144.68 | 19.99  | 8,419,326.19     | 8,537,470.87  | 21.94                          |
| from > 2 to ≤ 3 months    | 33     | 27,788.23    | 51,435.77  | 0.00  | 79,224.00  | 13.40  | 3,850,737.27     | 3,929,961.27  | 10.10                          |
| from > 3 to ≤ 6 months    | 12     | 12,154.34    | 22,955.08  | 0.00  | 35,109.42  | 5.94   | 2,092,374.02     | 2,127,483.44  | 5.47                           |
| from > 6 to < 12 months   | 24     | 58,090.77    | 99,187.67  | 0.00  | 157,278.44 | 26.61  | 2,821,643.45     | 2,978,921.89  | 7.66                           |
| from ≥ 12 to < 18 months  | 3      | 11,081.30    | 21,840.92  | 0.00  | 32,922.22  | 5.57   | 363,230.53       | 396,152.75    | 1.02                           |
| Subtotal                  | 371    | 224,475.61   | 366,612.69 | 0.00  | 591,088.30 | 100.00 | 38,323,099.95    | 38,914,188.25 | 100.00                         |
| 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                           |
| Total                     | 371    | 224,475.61   | 366,612.69 | 0.00  | 591,088.30 |        | 38,323,099.95    | 38,914,188.25 | 56.17                          |

Each range includes the beginning but not the ending time

Additional information