

VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 02/28/2011
Currency: EUR

Date of constitution
11/15/2006

VAT Reg. no.
V84887579

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
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	Issue date	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type	Interest Rate	Redemption		Rating	
ISIN Code	Nº bonds	Current	Original	Reference rate and margin Payment Date	Next coupon	Final maturity (legal)	Next	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	69,338.93 541,329,026.51 69.34%	100,000.00 780,700,000.00	Floating 3-M Euribor+0.150% 22.Mar/Jun/Sep/Dec	1.1720% 03/22/2011 203.163065 Gross 164.562083 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	03/22/2011 "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	1.3420% 03/22/2011 335.500000 Gross 271.755000 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	1.5320% 03/22/2011 383.000000 Gross 310.230000 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	4.5220% 03/22/2011 1,130.500000 Gross 915.705000 Net	09/22/2044 Quarterly 22.Mar/Jun/Sep/Dec	To Be Determined Due to Cash Reserve reduction	CCCR 3 Ca	CCC Ca
Total		581,629,026.51	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	6.44	6.44	6.44	6.44	6.44	6.44	6.44	6.44	
		Date		05/28/2017	05/28/2017	05/28/2017	05/28/2017	05/28/2017	05/28/2017	05/28/2017	05/28/2017	
		Final Maturity	Years	13.51	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
	Without optional redemption *	Average life	Years	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	
		Date		08/20/2017	08/20/2017	08/20/2017	08/20/2017	08/20/2017	08/20/2017	08/20/2017	08/20/2017	
		Final Maturity	Years	18.26	18.26	18.26	18.26	18.26	18.26	18.26	18.26	
Series B	With optional redemption *	Average life	Years	13.51	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
		Date		06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	
		Final Maturity	Years	13.51	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
	Without optional redemption *	Average life	Years	19.77	19.77	19.77	19.77	19.77	19.77	19.77	19.77	
		Date		09/23/2030	09/23/2030	09/23/2030	09/23/2030	09/23/2030	09/23/2030	09/23/2030	09/23/2030	
		Final Maturity	Years	22.02	22.02	22.02	22.02	22.02	22.02	22.02	22.02	
Series C	With optional redemption *	Average life	Years	13.51	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
		Date		06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	06/22/2024	
		Final Maturity	Years	13.51	13.51	13.51	13.51	13.51	13.51	13.51	13.51	
	Without optional redemption *	Average life	Years	23.64	23.64	23.64	23.64	23.64	23.64	23.64	23.64	
		Date		08/08/2034	08/08/2034	08/08/2034	08/08/2034	08/08/2034	08/08/2034	08/08/2034	08/08/2034	
		Final Maturity	Years	30.52	30.52	30.52	30.52	30.52	30.52	30.52	30.52	
Series D	With optional redemption *	Average life	Years	16.01	14.26	12.76	11.51	10.51	9.51	8.50	8.01	
		Date		12/22/2026	03/22/2025	09/22/2023	06/22/2022	06/22/2021	06/22/2020	06/22/2019	12/22/2018	
		Final Maturity	Years	16.01	14.26	12.76	11.51	10.51	9.51	8.50	8.01	
	Without optional redemption *	Average life	Years	30.52	30.52	30.52	30.52	30.52	30.52	30.52	30.52	
		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	
		Final Maturity	Years	30.52	30.52	30.52	30.52	30.52	30.52	30.52	30.52	

* 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	93.07%	541,329,026.51	7.01%	95.58%	870,700,000.00	5.56%
Series A1	0.00%	0.00		9.88%	90,000,000.00	
Series A2	93.07%	541,329,026.51		85.70%	780,700,000.00	
Series B	3.58%	20,800,000.00	3.37%	2.28%	20,800,000.00	3.28%
Series C	1.56%	9,100,000.00	1.77%	1.00%	9,100,000.00	2.28%
Series D	1.79%	10,400,000.00		1.14%	10,400,000.00	1.14%
Issue of Bonds		581,629,026.51			911,000,000.00	
Reserve Fund	1.77%	10,130,274.06		1.14%	10,400,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	65,240,682.27	1.026%	
Servicer ppal collect not yet credited	150,203.97		
Servicer ints collect not yet credited	42,020.78		
Liabilities	Available	Balance	Interest
Start-up Loan L/P		0.00	
Start-up Loan C/P		183,413.32	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		41,448,561.00	
Securities		0.00	
* Credit Support Amount in favour of the Fund			

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Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	7,221	9,544
Principal		
Principal outstanding	564,577,699.80	900,711,214.30
Average loan	78,185.53	94,374.60
Minimum	1.65	161.55
Maximum	704,975.05	944,147.00
Interest rate		
Weighted average (wac)	2.17%	3.83%
Minimum	1.53%	2.17%
Maximum	6.23%	7.00%
Final maturity		
Weighted average (WARM) (months)	223	263
Minimum	03/05/2011	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%

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.34%	0.41%	0.42%	0.38%	0.53%
Annual Percentage Rate (CPR)	3.98%	4.83%	4.98%	4.46%	6.19%

LTV Distribution			
	Current		At constitution date
	% Pool	% LTV	% LTV
0.01 - 10%	0.87	7.03	0.31
10.01 - 20%	3.66	15.75	1.71
20.01 - 30%	5.82	25.41	3.60
30.01 - 40%	9.22	35.25	6.22
40.01 - 50%	13.37	45.25	9.44
50.01 - 60%	20.24	55.24	13.46
60.01 - 70%	30.21	65.45	18.97
70.01 - 80%	15.12	72.57	37.84
80.01 - 90%	1.46	83.22	6.61
90.01 - 100%	0.03	90.03	1.84
110.01 - 120%			0.01
Weighted average (WALTV)	54.58		63.48
Minimum	0.00		0.24
Maximum	90.03		119.54

Geographic distribution		
	Current	At constitution date
Andalucia	3.62%	3.72%
Aragon	5.09%	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	0.26%	0.31%
Castilla-Leon	0.07%	0.08%
Catalonia	2.93%	2.82%
Extremadura	0.00%	0.01%
Galicia	0.00%	0.01%
La Rioja	0.96%	0.95%
Madrid	5.79%	6.10%
Murcia	10.08%	9.57%
Navarra	0.39%	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	%			%	
<i>Delinquencies</i>										
Up to 1 month	250	94,310.06	28,618.65	0.00	122,928.71	6.83	19,569,479.51	19,692,408.22	36.26	46.97
from > 1 to ≤ 2 months	100	67,277.21	29,837.90	0.00	97,115.11	5.40	9,095,824.39	9,192,939.50	16.92	51.37
from > 2 to ≤ 3 months	122	155,999.91	67,307.96	0.00	223,307.87	12.41	12,513,276.42	12,736,584.29	23.45	50.60
from > 3 to ≤ 6 months	10	19,428.68	11,956.31	0.00	31,384.99	1.74	1,430,526.70	1,461,911.69	2.69	64.44
from > 6 to < 12 months	29	102,740.10	55,745.46	0.00	158,485.56	8.81	2,906,926.68	3,065,412.24	5.64	61.77
from ≥ 12 to < 18 months	14	82,695.60	41,565.13	0.00	124,260.73	6.91	1,320,264.18	1,444,524.91	2.66	57.91
from ≥ 18 to < 24 months	12	98,662.51	71,371.00	0.00	170,033.51	9.45	1,227,601.09	1,397,634.60	2.57	65.49
from ≥ 24 months	37	394,385.39	477,144.14	0.00	871,529.53	48.44	4,452,909.86	5,324,439.39	9.80	70.67
Subtotal	574	1,015,499.46	783,546.55	0.00	1,799,046.01	100.00	52,516,808.83	54,315,854.84	100.00	52.04
<i>Doubt debts (subjectives)</i>										
	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	574	1,015,499.46	783,546.55	0.00	1,799,046.01		52,516,808.83	54,315,854.84		52.04