

RURAL HIPOTECARIO III Fondo de Titulizacion Hipotecaria

Brief report

Date: 10/31/2006
Currency: EUR

Date of constitution
05/14/2002

VAT Reg. no.
G83317768

Management Company
Europea de Titulización, S.G.F.T

Originator
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Servicer
Caixa Rural de Balears
Caja Rural de Asturias
Caja Rural de Navarra
Caja Rural de Soria
Caja Rural de Zamora
Caja Rural del Sur
Caja Rural Intermediterránea

Lead Managers
DZ Bank
Société Générale
Banco Cooperativo

Bond Underwriters and Placement Agents
DZ Bank
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Crédit Agricole Indosuez
Caja Castilla La Mancha
Commerz
EBN Banco
Natexis Banques Populaires
Rabobank
Tokyo-Mitsubishi International PLC

Servicer Credit Support Provider
Banco Cooperativo Español

Bond Paying Agent
Banco Cooperativo

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Bancoval

Start-up Loan
Caixa Rural de Balears
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Subordinated Loan
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Assets Custodian
Banco Cooperativo Español

Fund Auditors
Ernst&Young

Issued securities: Mortgage-Backed Bonds

Bonds issue									
Series ISIN Code	Issue date Nº bonds	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating Moody's	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0358282004	05/20/2002 3,123	46,482.48 145,164,785.04 46.48%	100,000.00 312,300,000.00	Floating 3-M Euribor + 0.210% 13.Mar/Jun/Sep/Dec	3.5150% 12/13/2006 413.00 Gross 351.05 Net	03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec	12/13/2006 "Pass-Through"	Aaa	Aaa
Series B ES0358282012	05/20/2002 127	100,000.00 12,700,000.00 100.00%	100,000.00 12,700,000.00	Floating 3-M Euribor + 0.500% 13.Mar/Jun/Sep/Dec	3.8050% 12/13/2006 961.82 Gross 817.55 Net	03/13/2032 Quarterly 13.Mar/Jun/Sep/Dec	To be determined "Pass-Through" Pro rata deferred start / Sequential	A2	A2
Total		157,864,785.04	325,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0,51	0,69	0,78	0,87	0,97	1,06	1,15	1,25
		% Annual equivalent CPR		6,00	8,00	9,00	10,00	11,00	12,00	13,00	14,00
Series A	With optional redemption *	Average life	Years	4,60	4,19	4,01	3,85	3,66	3,52	3,39	3,26
		Final Maturity	Years	07/20/2011	02/17/2011	12/16/2010	10/18/2010	08/11/2010	06/20/2010	05/01/2010	03/15/2010
			Date	9,01	8,25	8,01	7,76	7,25	7,01	6,76	6,50
	Without optional redemption *	Average life	Years	12/13/2015	03/13/2015	12/13/2014	09/13/2014	03/13/2014	12/13/2013	09/13/2013	06/13/2013
		Final Maturity	Years	12/13/2015	03/13/2015	12/13/2014	09/13/2014	03/13/2014	12/13/2013	09/13/2013	06/13/2013
			Date	12,25	11,51	11,25	10,76	10,25	10,01	9,51	9,25
Series B	With optional redemption *	Average life	Years	9,01	8,25	8,01	7,76	7,25	7,01	6,76	6,50
		Final Maturity	Years	12/13/2015	03/13/2015	12/13/2014	09/13/2014	03/13/2014	12/13/2013	09/13/2013	06/13/2013
			Date	9,01	8,25	8,01	7,76	7,25	7,01	6,76	6,50
	Without optional redemption *	Average life	Years	12/13/2015	03/13/2015	12/13/2014	09/13/2014	03/13/2014	12/13/2013	09/13/2013	06/13/2013
		Final Maturity	Years	14,90	14,13	13,75	13,38	13,00	12,64	12,28	11,92
			Date	11/02/2021	01/25/2021	09/10/2020	04/25/2020	12/11/2019	07/30/2019	03/21/2019	11/12/2018
	Final Maturity	Years	25,02	25,02	25,02	25,02	25,02	25,02	25,02	25,02	
		Date	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	12/13/2031	

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
Series A	91.96%	145,164,785.04	12.16%	96.09%	312,300,000.00
Series B	8.04%	12,700,000.00	4.12%	3.91%	12,700,000.00
Issue of Bonds		157,864,785.04			325,000,000.00
Reserve Fund	4.12%	6,500,000.00	2.00%		6,500,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	10,750,632.55	3.225%	
Servicer ppal collect not yet credited	841,707.75		
Servicer ints collect not yet credited	191,012.10		
Liabilities	Available	Balance	Interest
Start-up Loan		170,489.14	4.305%
Subordinated Loan		6,500,000.00	4.305%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		4,135	6,541
Principal			
Principal outstanding		153,378,213.41	325,017,181.99
Average loan		37,092.68	49,689.22
Minimum		0.39	2,972.77
Maximum		241,207.48	294,139.49
Interest rate			
Weighted average (wac)		4.03%	5.25%
Minimum		2.72%	3.50%
Maximum		7.00%	8.03%
Final maturity			
Weighted average (WARM) (months)		155	199
Minimum		11/24/2006	05/05/2004
Maximum		07/27/2031	07/27/2031
Index (principal outstanding distribution)			
1-year EURIBOR/MIBOR		4.01%	3.83%
1-year EURIBOR/MIBOR (Mortgage Market)		50.97%	48.74%
Mortgage Market: Banks		2.61%	2.64%
Mortgage Market: Savings Banks		28.85%	31.24%
Mortgage Market: All Institutions		13.31%	13.21%
Savings Banks Lending Rate (CECA Indicator)		0.25%	0.34%

LTV Distribution				
		Current	At constitution date	
		% Pool	% LTV	% LTV
0.01 - 10%		1.27	7.16	0.13
10.01 - 20%		6.49	15.69	1.71
20.01 - 30%		12.27	25.51	5.18
30.01 - 40%		16.98	35.31	10.63
40.01 - 50%		21.41	45.20	15.13
50.01 - 60%		21.28	55.01	16.51
60.01 - 70%		19.91	64.50	19.68
70.01 - 80%		0.40	71.09	31.01
Weighted average (WALTV)		44.74		57.47
Minimum		0.00		5.13
Maximum		73.81		79.55

Additional information

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Official register CNMV: Pº de la Castellana, 19 - 28046 Madrid ☎ +34 91 585 15 00 🌐 www.cnmv.com

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.84%	0.65%	0.78%	0.90%	0.82%
Annual Percentage Rate (CPR)	9.62%	7.50%	8.94%	10.33%	9.40%

Geographic distribution

	Current	At constitution date
Andalucia	34.76%	37.42%
Aragon	0.06%	0.11%
Asturias	6.62%	5.25%
Balearic Islands	3.24%	3.53%
Basque Country	5.47%	4.80%
Canary Islands	0.03%	0.03%
Cantabria	0.03%	0.08%
Castilla-La Mancha	0.04%	0.03%
Castilla-Leon	11.64%	10.72%
Catalonia	1.92%	2.51%
Ceuta	0.03%	0.06%
Galicia	0.24%	0.24%
La Rioja	1.57%	1.22%
Madrid	0.59%	0.77%
Melilla	1.19%	1.12%
Murcia	11.90%	13.03%
Navarra	20.57%	18.87%
Valencia	0.10%	0.19%

Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%				
Up to 1 month	197	42,514.78	16,617.60	0.00	59,132.38	19.12	7,687,878.17		75.32	40.99
1 to 2 months	27	10,546.84	5,697.09	0.00	16,243.93	5.25	997,593.75	1,013,837.68	9.86	48.79
2 to 3 months	9	9,523.09	4,763.78	0.00	14,286.87	4.62	584,607.85	598,894.72	5.82	49.28
3 to 6 months	5	6,300.58	2,729.12	0.00	9,029.70	2.92	156,467.39	165,497.09	1.61	44.81
6 to 12 months	4	8,988.60	3,253.17	0.00	12,241.77	3.96	103,008.81	115,250.58	1.12	45.14
12 to 18 months	3	5,155.63	2,620.51	0.00	7,776.14	2.51	59,847.31	67,623.45	0.66	51.42
18 to 24 months	2	12,835.13	7,721.13	0.00	20,556.26	6.65	107,877.34	128,433.60	1.25	64.74
Over 2 years	16	115,058.13	54,880.37	0.00	169,938.50	54.96	279,211.02	449,149.52	4.37	51.54
Total	263	210,922.78	98,282.77	0.00	309,205.55		9,976,491.64	10,285,697.19		42.82

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