

Hecho Relevante de VALENCIA HIPOTECARIO 1 Fondo de Titulización de Activos

En virtud de lo establecido en el apartado III.5.2.d del Capítulo III del Folleto Informativo de **VALENCIA HIPOTECARIO 1 Fondo de Titulización de Activos** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- Con fecha 4 de noviembre de 2008, Moody’s Investors Service (**Moody’s**) llevó a cabo un descenso de la calificación asignada a la deuda a largo y a corto plazo no subordinada y no garantizada de **Banco de Valencia S.A.**, pasando, respectivamente, a “A3” desde “A2” y a “P-2” desde “P-1”.
- Adjuntamos comunicación de Moody’s de fecha 30 de enero de 2009, en la que pone al corriente del efecto producido en el Fondo a consecuencia del citado descenso de la calificación crediticia asignada por Moody’s a Banco de Valencia S.A., como contraparte de los Contratos de Permuta de Intereses y de Administración de los Préstamos Hipotecarios y Depósito de los Certificados de Transmisión de Hipoteca

Madrid, 5 de febrero de 2009.

Mario Masiá Vicente
Director General

Announcement: VALENCIA HIPOTECARIO 3 FONDO DE TITULIZACIÓN DE ACTIVOS

Moody's updates on impact of Banco de Valencia's rating downgrade on Spanish ABS and RMBS

Madrid, January 30, 2009 -- On 4 November 2008, Moody's Investors Service downgraded Banco de Valencia to A3/P-2/C-, negative outlook from A2/P-1/C (the "Downgrade"). This update relates to Spanish ABS and RMBS transactions which are affected by the downgrade of Banco de Valencia's long-term and short-term rating.

RMBS Issuers:

Valencia Hipotecario 1, FTA; Valencia Hipotecario 2, FTH; Valencia Hipotecario 3, FTA; Valencia Hipotecario 4, FTA; Valencia Hipotecario 5, FTA.

ABS Issuers:

PYME Valencia 1, FTA.

Issuer: Valencia Hipotecario 1, FTA

Banco de Valencia acts as swap counterparty for Valencia Hipotecario 1, however given payments are guaranteed by Bancaja, remedial action was taken following the downgrade of this entity in August 2008, as explained in the press release issued on the 28th of October 2008.

Collections received by Banco de Valencia servicing the loan portfolios, were initially transferred 7 days after being received to the Treasury Account held by the Paying Agent, Bancaja (A2/P-1). Documentation does not contemplate a higher frequency of transfers if the short-term rating of Banco de Valencia is downgraded below P-1. Currently, all collections Banco de Valencia receives are transferred on a daily basis to the Treasury Account held by the Paying Agent.

- Last rating action date for Valencia Hipotecario 1, FTA: no rating action since closing April 2004.

Issuer: Valencia Hipotecario 2, FTH

Banco de Valencia acts as swap counterparty for Valencia Hipotecario 2, however given payments are guaranteed by Bancaja, remedial action was taken following the downgrade of this entity in August 2008, as explained in the press release issued on the 28th of October 2008.

Collections received by Banco de Valencia servicing the loan portfolios, were initially transferred 7 days after being received to the Treasury Account held by the Paying Agent, Bancaja (A2/P-1). Documentation contemplates a higher frequency of transfers if the short-term rating of Banco de Valencia is downgraded below P-1. Currently, all collections Banco de Valencia receives are transferred on a daily basis to the Treasury Account held by the Paying Agent.

- Last rating action date for Valencia Hipotecario 2, FTH: no rating action since closing December 2005.

Issuer: Valencia Hipotecario 3, FTA

Banco de Valencia acts as swap counterparty. Following the Downgrade and pursuant to the Swap Agreements, Banco de Valencia was required to take suitable remedial action within 10 days of the Downgrade. The entity has chosen to take remedial action by way of posting collateral. Moody's understands that Banco de Valencia has transferred cash collateral to the Treasury Account and that such collateral is re-sized on a weekly basis in an amount equal to First Trigger Collateral Amount as stated in the swap documents. Annex III document compliant with Moody's criteria for de-linking swap counterparty risks ("Moody's Framework") -- see Moody's Report, "Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Cashflow Transactions", May 2007 - was signed on September 2008.

Collections received by Banco de Valencia servicing the loan portfolios, were initially transferred 7 days after being received to the Treasury Account held by Banco de Valencia. Documentation contemplates a higher

frequency of transfers if the short-term rating of Banco de Valencia is downgraded below P-1. Currently, all collections Banco de Valencia receives are transferred on a daily basis to the Treasury Account held by Banco de Valencia and guaranteed by Bancaja (A2/P-1).

- Last rating action date for Valencia Hipotecario 3, FTA: no rating action since closing November 2006.

Issuer: Valencia Hipotecario 4, FTA

Banco de Valencia acts as swap counterparty. Following the Downgrade and pursuant to the Swap Agreements, Banco de Valencia was required to take suitable remedial action within 30 days of the Downgrade. The entity has chosen to take remedial action by way of posting collateral. Moody's understands that Banco de Valencia has transferred cash collateral to the Treasury Account and that such collateral is re-sized on a weekly basis in an amount equal to First Trigger Collateral Amount as stated in the swap documents. Annex III document compliant with Moody's criteria for de-linking swap counterparty risks ("Moody's Framework") -- see Moody's Report, "Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Cashflow Transactions", May 2007 - was signed on September 2008.

Collections received by Banco de Valencia servicing the loan portfolios, were initially transferred 7 days after being received to the Treasury Account held by Banco de Valencia. Documentation contemplates daily transfer if the short-term rating of Banco de Valencia is downgraded below P-1. Currently, all collections Banco de Valencia receives are transferred on a daily basis to the Treasury Account held by Banco de Valencia and guaranteed by Bancaja (A2/P-1).

- Last rating action date for Valencia Hipotecario 4, FTA: no rating action since closing December 2007.

Issuer: Valencia Hipotecario 5, FTA

JP Morgan Chase Bank, N.A., London Branch acts as swap counterparty.

Collections received by Banco de Valencia servicing the loan portfolios, are transferred on a daily basis to the Treasury Account held by the Paying Agent, Bancaja (A2/P-1).

- Last rating action date for Valencia Hipotecario 5, FTA: no rating action since closing December 2008.

Issuer: PYME Valencia 1, FTA

Banco de Valencia acts as swap counterparty. Following the Downgrade and pursuant to the Swap Agreements, Banco de Valencia was required to take suitable remedial action within 30 days of the Downgrade. The entity has chosen to take remedial action by way of posting collateral. Moody's understands that Banco de Valencia has transferred cash collateral to the Treasury Account and that such collateral is re-sized on a weekly basis in an amount equal to First Trigger Collateral Amount as stated in the swap documents. Annex III document compliant with Moody's criteria for de-linking swap counterparty risks ("Moody's Framework") -- see Moody's Report, "Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Cashflow Transactions", May 2007 - was signed on September 2008.

Collections received by Banco de Valencia servicing the loan portfolios, were initially transferred 7 days after being received to the Treasury Account held by Banco de Valencia. Documentation contemplates a higher frequency of transfers if the short-term rating of Banco de Valencia was downgraded below P-1. Currently, all collections Banco de Valencia receives are transferred on a daily basis to the Treasury Account held by Banco de Valencia and guaranteed by Bancaja (A2/P-1).

- Last rating action date for PYME Valencia 1, FTA: no rating action since closing July 2007.

Moody's notes the above-mentioned transactions are exposed to some commingling risk. Moody's determines this risk to be more limited for transactions with weekly or daily sweeps of collections, which is the case for the deals of reference. This risk for the above mentioned transactions is mitigated through increased level of credit enhancement available for well seasoned transactions.

Moody's has reviewed all the above-mentioned securitisation transactions to assess the impact of the above-mentioned changes on the outstanding ratings. Moody's has concluded to take no rating action given the changes are in line with the transaction documents.

Moody's monitors PYME Valencia 1, FTA as described in the report: "Moody's Approach to Rating Granular SME Transactions in Europe, Middle East and Africa", June 2007. Moody's monitors the RMBS transactions mentioned above as described in the reports: "Moody's Approach to Rating Spanish RMBS: The "Milan" Model", March 2005, and "Moody's Updated Methodology for Rating Spanish RMBS", July 2008. For more

information on these transactions, please visit Moody's website at www.moody.com or contact our Client Service Desk in London (+44-20-7772 5454).

London
Barbara Rismondo
VP - Senior Credit Officer
Structured Finance Group
Moody's Investors Service Ltd.
JOURNALISTS: 44 20 7772 5456
SUBSCRIBERS: 44 20 7772 5454

Madrid
Maria Turbica Manrique
Analyst
Structured Finance Group
Moody's Investors Service Espana, S.A.
JOURNALISTS: 44 20 7772 5456
SUBSCRIBERS: 44 20 7772 5454

CREDIT RATINGS ARE MOODY'S INVESTORS SERVICE, INC.'S (MIS) CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MIS DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS DO NOT CONSTITUTE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS ARE NOT RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. CREDIT RATINGS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MIS ISSUES ITS CREDIT RATINGS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

© Copyright 2009, Moody's Investors Service, Inc. and/or its licensors including Moody's Assurance Company, Inc. (together, "MOODY'S"). All rights reserved.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY COPYRIGHT LAW AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind and MOODY'S, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The credit ratings and financial reporting analysis observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding or selling.

MOODY'S hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MOODY'S have, prior to assignment of any rating, agreed to pay to MOODY'S for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,400,000. Moody's Corporation (MCO) and its wholly-owned credit rating agency subsidiary, Moody's Investors Service (MIS), also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually on Moody's website at www.moody.com under the heading "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."