

**Material Event**  
**concerning**

**VALENCIA HIPOTECARIO 3 FONDO DE TITULIZACIÓN DE ACTIVOS**

Pursuant to section 4.1.4 of the Securities Note Building Block of the Prospectus for **VALENCIA HIPOTECARIO 3 Fondo de Titulización de Activos** (the “Fund”) notice is given to the COMISIÓN NACIONAL DEL MERCADO DE VALORES of the following material event:

- The Rating Agency Fitch Ratings (“Fitch”) has advised in connection with the credit rating assigned to **Banco de Valencia** (“Banco de Valencia”) that on June 1, 2010 it downgraded the long-term rating to **BBB** from **BBB+**, with stable outlook, and downgraded the short-term rating to **F3** from **F2**.
- This circumstance is reported because Banco de Valencia is Fund counterparty under the financial transactions and services referred to below:
  - (i) Interest Swap Agreement.
  - (ii) Mortgage Loan Servicing and Pass-Through Certificate Custody Agreement.

Madrid, June 2, 2010.

Mario Masiá Vicente  
General Manager