GC PASTOR HIPOTECARIO 5,
FONDO DE TITULIZACIÓN DE ACTIVOS

SECURITISATION BOND ISSUE
710.500.000

SERIES	AMOUNT ZX	MOODY'S	S&P
Series A1	€175,000,000	Aaa	AAA
Series A2	€492,800,000	Aaa	AAA
Series B	€24,900,000	A1	A
Series C	€7,300,000	Baa2	BBB-
Series D	€10,500,000	Ca	CCC-

BACKED BY MORTGAGE LOANS ASSIGNED AND ADMINISTERED BY

Banco Pastor

LEAD MANAGERS

Banco Pastor ABN·AMRO NATIXIS

UNDERWRITER AND PLACEMENT AGENTS

Banco Pastor ABN·AMRO NATIXIS

PAYING AGENT

Banco Pastor

FUND FORMED AND ADMINISTERED BY
GestiCaixa, S.G.F.T., S.A.

Prospectus recorded in the official registers of the National Securities Market Commission on 21 june 2007

CONTENTS

RISK FACTORS 7
I. RISKS DERIVED FROM THE LEGAL NATURE AND ACTIVITY OF THE ISSUER 7
II. RISKS DERIVED FROM THE SECURITIES 9
III. RISKS DERIVED FROM THE ASSETS THAT ENDORSE THE ISSUE 10

SECURITISATION BOND REGISTRATION DOCUMENT 12
1. PERSONS RESPONSIBLE 12
1.1 Persons responsible for the information included in the Registration Document 12
1.2 Declaration of the persons responsible for the content of the Registration Document. 12
2. ACCOUNT AUDITORS 12
2.1 Fund Auditors 12
2.2 Accounting criteria used by the Fund 13
3. RISK FACTORS 13
4. INFORMATION ABOUT THE ISSUER 13
4.1 Declaration that the issuer has been formed as a securitisation fund 13
4.2 Legal and professional name of the issuer 14
4.3. Place of registration of the issuer and registration number 14
4.4. Formation date and period of activity of the issuer 14
4.5. Registered address, legal personality and legislation applicable to the Issuer 18
4.6. Capital authorised and issued by the issuer 20
5. DESCRIPTION OF THE COMPANY 20
5.1 Brief description of the main activities of the issuer 20
5.2 General description of the parties of the securitisation programme. 21
6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES 24
6.1 MANAGEMENT, ADMINISTRATION AND REPRESENTATION OF THE ISSUER 24
6.2 Account auditing 25
6.3 Main activities 25
6.4. Share capital and SHAREHOLDERS' EQUITY 27
6.5 Existence or not of participations in other companies 27
6.6 Administrative, management and supervisory bodies 27
6.7 Main activities of the persons cited in the preceding section 6.6 performed outside of the Fund Manager, if they are important with respect to the Fund 28
6.8 Lenders of the Fund Manager by more than 10 percent. 28
6.9 Litigation involving the Fund Manager. 28

6.10 MAIN OPERATIONS WITH BOUND PARTIES AND CONFLICTS OF INTEREST 29
7. MAIN SHAREHOLDERS 29
7.1 Declaration about the direct or indirect ownership of the Fund Manager or if it is under control 29
8. FINANCIAL INFORMATION PERTAINING TO THE ASSETS AND RESPONSIBILITIES OF THE ISSUER, THE FINANCIAL POSITION AND PROFITS AND LOSSES 29
8.1 Declaration about the start of operations and financial statements of the issuer prior to the date of the Registration Document 30
8.2 Historical financial information when an issuer may have initiated operations and financial statements have been made 30
8.2. bis Historical financial information for issues of securities with an individual denomination that is equal to or greater than 50,000 euros 30
8.3 Court and arbitration proceedings 30
8.4 Considerable adverse change in the financial position of the issuer 30
9. INFORMATION FROM THIRD PARTIES, DECLARATIONS BY EXPERTS AND DECLARATIONS OF INTEREST 31
9.1 Declaration or report attributed to a person in the capacity of an expert. 31
9.2 Information coming from third parties. 31
10. DOCUMENTS FOR CONSULTATION 31

PROSPECTUS SCHEDULE 33
1. PERSONS responsible 33
1.1 Persons responsible for the information included in the Prospectus Schedule 33
1.2 Declaration of the persons responsible for the content of the Prospectus Schedule. 33
2. RISK FACTORS OF THE SECURITIES 33
2.1 RISK FACTORS linked TO THE SECURITIES AND THE ASSETS 33
3. BASIC INFORMATION 34
3.1 Interest of the natural persons and legal bodies participating in the offer. 34
3.2. DESCRIPTION OF ANY INTEREST, INCLUDING ANY CONFLICTING INTERESTS, THAT MAY BE OF IMPORTANCE FOR THE ISSUE, WITH DETAILS OF THE PERSONS INVOLVED AND THE NATURE OF THE INTEREST 34
4. INFORMATION PERTAINING TO THE SECURITIES THAT ARE GOING TO BE OFFERED AND ADMITTED TO TRADING 35
4.1 Total amount of the securities. 35

4.2 Description of the type and class of securities 37
4.3 Legislation according to which the securities are created. 37
4.4 Indication of whether the securities are nominal or bearer and if they are in the form of certificates or book entries. 38
4.5 Currency of the issue 38
4.6 Classification of the securities according to subordination 39
4.7 Description of the rights linked to the securities 40
4.8 Nominal interest rate and provisions pertaining to the payment of interest 41
4.9 Maturity date and amortisation of the securities 46
4.10 Indication of the return 51
4.11 Representation of the securities holders 59
4.12 Resolutions, authorisations and approvals for issuing the securities 59
4.13 Issue date of the securities 60
4.14 Restrictions on the free transferability of the securities 61
5. RESOLUTIONS OF ADMISSION TO TRADING AND NEGOTIATION 61
5.1 Market in which the securities will be traded 61
5.2 Payment agent and depositary entities 62
6. FUND EXPENSES 65
7. ADDITIONAL INFORMATION 65
7.1 Declaration of the capacity whereby the advisors related to the issue have acted, who are mentioned in the Prospectus Schedule. 66
7.2 Other information of the Prospectus Schedule that has been audited or reviEWED by auditors 66
7.3 Declaration or report attributed to a person in the capacity of an expert. 66
7.4 Information coming from third parties. 66
7.5 Solvency rating assigned to the securities by the ratings agencies 67

SUPPLEMENTAL ADDENDUM TO THE PROSPECTUS SCHEDULE 69
1. SECURITIES 69
1.1 denomination of the issue 69
1.2 Confirmation that the information on a company or debtor not participating in the issue has been reproduced. 69
2. UNDERLYING ASSETS 69
2.1 Confirmation of the ability of the securitised assets to produce funds payable on the securities. 69
2.2 Assets Supporting the Bond Issue 70
2.3 ACTIVELY MANAGED ASSETS BACKING THE ISSUE 97

2.4 Declaration if the issuer proposes issuing new securities backed by the same assets and description of how the holder of that SERIES will be informed. 97
3. STRUCTURE AND TREASURY 98
3.1 DescriptiON of the operation structure, includinG a diagram where necessary. 98
3.2 Description of the entities that are taking part in the issue and the duties they are to perform 99
3.3 DESCRIPTION OF THE METHOD AND DATE OF THE SALE, TRANSFER, NOVATION OR ASSIGNMENT OF THE ASSETS OR ANY OBLIGATION AND/OR RIGHT TO THE ASSETS TO THE ISSUER. 99
3.4 Explanation of the flow of funds 102
3.5 Name, address and significant economic activities of the Assignor of the securitised assets 123
3.6 Yield and/or return on securities related to others that are not the Assignor's assets 126
3.7 Administrator, calculation agent or similar 126
3.8 Name, address and brief description of any counterparty for swap, credit, liquidity or account operations: 145
4. POST ISSUE INFORMATION 145
4.1 Obligations and periods for making periodic economic-financial information on the Fund available to the public and for presentation to the National Securities Market Commission. 145

GLOSSARY OF DEFINITIONS 150

This document constitutes the informative prospectus (hereinafter, the ″***Informative Prospectus***″ or the "***Prospectus***", without discrimination) of the asset securitisation fund GC PASTOR HIPOTECARIO 5, FTA (hereinafter the ***"Fund"***) approved and registered with the National Securities Market Commission, pursuant to the provisions in EC Regulation number 809/2004 of the Commission, of 29 April 2004 (hereinafter, "***Regulation 809/2004"***), which includes:

1. A description of the main risk factors linked to the issue, to the securities and to the assets that endorse the issue (hereinafter, the "***Risk Factors***");
2. A registration document of securitisation securities, prepared in accordance with the scheme provided for in Appendix VII of Regulation 809/2004 (hereinafter, the "***Registration Document***");
3. A prospectus schedule, prepared in accordance with the scheme provided for in Appendix XII of Regulation 809/2004 (hereinafter, the "**Prospectus Schedule**");
4. A supplemental addendum to the Prospectus Schedule prepared in accordance with the addendum provided for in Appendix VII of Regulation 809/2004 (hereinafter, the "***Supplemental Addendum***").
5. A glossary of definitions of the terms used in this Prospectus (hereinafter, the "**Glossary of Definitions**").

RISK FACTORS

I. RISKS DERIVED FROM THE LEGAL NATURE AND ACTIVITY OF THE ISSUER

a) Nature of the Fund and obligations of the Fund Manager.

The Fund constitutes separate and closed financial assets without legal personality that, pursuant to Royal Decree 926/1998 of 14 May (hereinafter Royal Decree 926/1998), is managed by a securitisation fund management company. The Fund will only respond to its obligations to its creditors with its pool of property.

GestiCaixa, S.G.F.T., S.A. (the "**Fund Manager**") shall perform those functions for the Fund assigned to it in Royal Decree 926/1998, as well as defend the interests of the bondholders as the manager of the businesses of third parties, and there is no bondholder syndicate. Thus, the capacity to defend the interest of the Bondholders depends on the means of the Fund Manager.

b) Compulsory Substitution of the Fund Manager

Pursuant to Article 19 of Royal Decree 926/1998, when a Fund Manager has been declared in bankruptcy, it shall proceed to find a fund manager to replace it. In this case, whenever four (4) months have passed since the determining event of substitution and a new Fund Manager has not been found that is willing to undertake the management, then a Clean-up Call shall be exercised and the securities issued against the Fund will be amortised early, in accordance with the provisions in the Deed of Constitution and in this Prospectus.

c) Limitation of actions against the Fund Manager

The Bondholders and all other ordinary creditors of the Fund will not be entitled to any action against the Fund Manager, except for the breach of its duties or the failure to observe the provisions set forth in the Deed of Formation and in this Informative Prospectus.

d) Applicability of Bankruptcy Act

In the event of the bankruptcy of Banco Pastor as the Assignor of the Mortgage Loans and Issuer of the Mortgage Transfer Certificates, the assets belonging to the Fund, except for money due to its nature as consumable, which existed in Banco Pastor's assets at the time of bankruptcy would be under the ownership of the Fund and would become available to it under the terms of Articles 80 and 81 of the Bankruptcy Act 20/2003 of 9 July (hereinafter, the ***"Bankruptcy Act"***).

The aforementioned notwithstanding, both the Informative Prospectus and the Deed of Formation provide certain mechanisms for alleviating the aforementioned effects related to money, due to its nature as consumable good.

In order to mitigate the consequences that, for these purposes, a bankruptcy declaration by the Assignor could have on the rights of the Fund, in particular for the purpose of Article 1527 of the Civil Code, section 3.3.1 of the Addendum provides that *"in the event of bankruptcy or indications of the same, of intervention by the Bank of Spain, of liquidation or replacement of the Servicer or because the Fund Manager deems it to be reasonably justified, the latter may require that the Servicer notify the Obligors and, if applicable, the depositories of the goods or securities, third-party guarantors and underwriters corresponding to the damage insurance policies on the mortgaged property or guaranteeing the Mortgage Loans of the transmission to the Fund of the Mortgage Loans pending amortisation, and notify that the payments derived from the same shall only be fully discharged if they are made in the Treasury Account opened on behalf of the Fund".*

For the same reason of alleviating the stated risk, certain mechanisms have been provided which are described in Sections 3.4.4.1 (Treasury Account), 3.4.5 (Collection by the Fund of payments pertaining to assets) and 3.7.2.1 (Collection Management) of the Addendum.

In the event of the bankruptcy of the Fund Manager, the latter shall be replaced by another fund manager pursuant to the provisions in Article 19 of Royal Decree 926/1998.

The structure of the asset securitisation operation in question does not allow, except for a breach by the parties, that there be amounts in cash that could be integrated into the total assets of the Fund Manager, given that the amounts corresponding to income of the Fund must be deposited, under the terms provided for in this Prospectus, into the accounts opened on behalf of the Fund by the Fund Manager (which takes part in opening said accounts, not as the simple appointed agent, but as the legal representative of the same), wherefore the Fund shall be entitled to the right of separation in this regard, under the terms provided for in Articles 80 and 81 of the Bankruptcy Act.

The aforementioned notwithstanding, the bankruptcy of any of the subjects taking part (whether Banco Pastor, the Fund Manager or any other counterpart entity) could affect their contractual relationships with the Fund.

II. RISKS DERIVED FROM THE SECURITIES

a) Liquidity

There is no guarantee that the bonds shall produce trading of a minimum volume or frequency on the market.

There exists no agreement that any entity will intervene in the secondary contracting, giving liquidity to the bonds through the offer of consideration.

Moreover, under no circumstances shall the Fund be permitted to purchase back the bonds from their holders, although they can be amortised ahead of schedule in their entirety in the case of a Clean-up Call for the Fund, according to the terms set forth in Section 4.4.3 of the Registration Document.

b) Performance

The calculation of the Internal Rate of Return (IRR) for the bonds of each series, which is included in Section 4.10 of the Prospectus Schedule, is subject to the future interest rates of the market, given the variable nature of the Nominal Interest Rate of each Series.

c) Term

The calculation of the average life and the duration of the Bonds of each Series which is included in section 4.10 of the Prospectus Schedule is subject, inter alia, to the hypothesis of early amortisation rates and Mortgage Loan arrears that may not prove true. Satisfaction of the early amortisation fee of the Mortgage Loans is influenced by a variety of economic and social factors. These include market interest rates, the financial situation of the Obligors, and the general level of economic activity, all of which make predictions difficult.

d) Arrears of interest.

In no event shall the existence of arrears in the payment of interest or the redemption of the principal to the Bondholders give rise to the accrual of default interest in their favour.

e) Non-confirmation of the ratings

The lack of confirmation of the provisional ratings granted to the Bonds by the Ratings Agency before the start of the Subscription Period shall constitute an event of termination of the formation of the Fund, of the assignment of the Mortgage Loan by the Mortgage Transfer Certificates and of the Bond Issue.

III. RISKS DERIVED FROM THE ASSETS THAT ENDORSE THE ISSUE

a) Risk of non-payment of the Mortgage Loans

The holders of the Bonds issued against the Fund run the risk of non-payment of the Mortgage Loans pooled into the Fund. However, credit improvement measures have been established in part 3.4.2.1 of the Supplemental Addendum.

Banco Pastor, as the Assignor, does not accept any liability for default by the Obligors, whether of the principal, interest or any other amount that they may owe by virtue of the Mortgage Loans. Banco Pastor, in accordance with article 348 of the Commercial Code, will answer to the Fund exclusively for the existence and legitimacy of the Mortgage Loans, as well as for the status whereby it makes the assignment.

Banco Pastor will in no other way assume the liability for directly or indirectly guaranteeing the success of the operation, or provide guaranties or endorsements, or enter into repurchase agreements for the Mortgage Loans, except for the commitments included in section 2.2.9. and 3.7.2. of the Addendum pertaining to the substitution of the Mortgage Loans that may not comply with the declarations contained in section 2.2.8. of the Addendum.

The Notes issued by the Fund do not represent or constitute any obligation on the part of "Banco Pastor" or of the fund manager. There are no guarantees granted by any public or private entity, including Banco Pastor, the Fund Manager, or any other company affiliated with or owned by any of the foregoing.

b) Limited protection

Investment in the Bonds may be affected by, inter alia, a deterioration in the global economic conditions that has a negative effect on the Mortgage Loans that support the issue of the Bonds.

In the event that defaults of Mortgage Loans reach high levels, the limited protection against losses in the portfolio of Mortgage Loans could be reduced or even depleted entirely from that which the Bonds of each Series have separately as a result of the existence of the enhanced credit operations described in section 3.4.2 of the Addendum.

The degree of subordination in the payment of interest and redemption of the principal between the Bonds of different Series, which is derived from the Payment Priority Order and the Settlement Payment Priority Order of the Fund, constitutes a differentiated measure of protection between the different Classes, respectively.

c) Risk of early amortisation of the Mortgage Loans

The Mortgage Loans in the Fund shall be amortised early when the Obligors make early payment of part of the capital pending maturity of the same.

The risk of early amortisation shall be transferred quarterly, on each Payment Date, to the bondholders by means of partial amortisation of the same in accordance with the provisions in the distribution rules of the funds available for amortisation included in Section 4.9.4 of the Prospectus Schedule.

SECURITISATION BOND REGISTRATION DOCUMENT
(Appendix VII of EC Regulation number 809/2004 of the Commission)

1. PERSONS RESPONSIBLE

1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE REGISTRATION DOCUMENT

1.1.1 Mr Xavier Jaumandreu Patxot, acting on behalf of and representing GESTICAIXA, S.G.F.T., S.A., assumes responsibility for the content of this Registration Document.

Mr Xavier Jaumandreu Patxot acts in his capacity as Director General of the Fund Manager by virtue of the powers conferred by the Board of Directors at its meeting on 29 June 2001. Furthermore, with regard to constitution of the Fund, he acts by virtue of the powers awarded to him by the Board of Directors at its meeting on 20 March 2007.

1.2 DECLARATION OF THE PERSONS RESPONSIBLE FOR THE CONTENT OF THE REGISTRATION DOCUMENT.

1.2.1 Xavier Jaumandreu Patxot, representing the Fund Manager, hereby declares that the information contained in this Registration Document is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect the content thereof.

2. ACCOUNT AUDITORS

2.1 FUND AUDITORS

In accordance with the provisions in section 4.4.2 of this Registration Document, the Fund has no historical financial information.

During the length of the operation, the annual accounts of the Fund will be the object of annual verification and revisions by account auditors. The annual accounts of the Fund and the auditor’s report shall be deposited in the

Commercial Register and in the National Securities Market Commission (**CNMV**).

The Board of Directors of the Fund Manager, at its meeting dated 20 March 2007, appointed Deloitte S.L., which has its registered office in Plaza Pablo Ruiz Picasso, num.1, 28020 Madrid, Spain and is holder of Corporate Tax Code: B-79104469, registered in the Companies Register of Madrid, Volume 13650, Sheet 188, Section 8, Page M- 54414, as well as in the R.O.A.C. *Official Register of Auditors* with number S0692, as Fund auditors for a period of 3 years, viz., 2007, 2008 and 2009. The Board of Directors of the Fund Manager shall inform the CNMV, Rating Agencies and holders of the Bonds of any change that may occur with regard to the designation of the auditors.

2.2 ACCOUNTING CRITERIA USED BY THE FUND

The collections and payments will be recognised by the Fund according to the maturity criteria, that is, based on the actual flow that the said collections and payments represent, regardless of the moment on which collection or payment take place.

3. RISK FACTORS

The risk factors linked to the securities are described in the previous section, "Risk Factors", of this Prospectus.

4. INFORMATION ABOUT THE ISSUER

4.1 DECLARATION THAT THE ISSUER HAS BEEN FORMED AS A SECURITISATION FUND

The Issuer is an asset securitisation fund that shall be constituted in accordance with Spanish legislation, for the purpose of issuing the securities referred to in the Prospectus Schedule and the acquisition of the Mortgage Loans.

4.2 LEGAL AND PROFESSIONAL NAME OF THE ISSUER

The name of the Fund is "GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS". The Fund shall be entitled to use the abbreviated name of GC Pastor Hipotecario 5, FTA.

4.3. PLACE OF REGISTRATION OF THE ISSUER AND REGISTRATION NUMBER

The place of registration of the Fund is in Spain at the CNMV. The Fund has been recorded in the Official Registers of the CNMV on 21.06.07.

Mercantile Registry

It is hereby made known that neither the formation of the Fund nor the Bonds that are issued against its assets shall be the object of registration in the Companies Registry, in accordance with the discretionary power contained in Article 5.4 of Royal Decree 926/1998.

4.4. FORMATION DATE AND PERIOD OF ACTIVITY OF THE ISSUER

4.4.1 Fund Formation Date

The Fund Manager, together with Banco Pastor as the Assignor of the Mortgage Loans, shall proceed to execute the Deed of Constitution of GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS on 26.06.07, assigned by Banco Pastor to the Mortgage Loan Fund through the issue of Mortgage Transfer Certificates and the issue of securitisation bonds by the Fund, under the terms set forth in Article 6 of Royal Decree 926/1998.

4.4.2 Activity period of the Fund

The Fund's activity shall start on the day the Deed of Constitution is executed (26.06.07) and shall end on the Statutory Maturity Date of the Fund, unless there is a prior Clean-up Call for the Fund in accordance with the following paragraph.

4.4.3 Early Liquidation and Extinction of the Fund

The Fund Manager, subject to notification to the CNMV, shall be authorised to proceed on a Payment Date with a Clean-up Call for the Fund and hence the early amortisation and extinction of the Fund for the entirety of the bonds issue under any of the following events of early liquidation:

Events of Early Liquidation

(i) Whenever the amount of the pending Outstanding Balance of the Mortgage Loans is less than 10 percent of the Initial Outstanding Balance of the Mortgage Loans on the Formation Date of the Fund, pursuant to the authorisation set forth in Article 5.3 of Law 19/1992, and provided that the sale of the Mortgage Loans pending amortisation allows the pending obligations with the bondholders, as well as the amounts due to Banco Pastor by the Loan for Initial Expenses to be cancelled in full while respecting the prior payments to the latter whose Cash Flow Waterfall of liquidation may be preferential and the necessary authorisations to do so have been obtained from the competent authorities.

(ii) Whenever a substantial alteration may occur or the financial balance of the Fund required by article 5.6 of Law 19/1992 may be permanently distorted due to any event or circumstance unrelated to or not due to the development of the Fund itself. This includes circumstances such as changes to regulations or supplementary legislative developments, the establishment of withholding obligations, or other situations that could permanently affect the financial equilibrium of the Fund. In this event and after informing the CNMV, the Fund Manager may proceed with the orderly liquidation of the Fund pursuant to the rules set forth in the Deed of Formation and in this Registration Document.

(iii) As a mandatory requirement, in the event that the Fund Manager is declared in suspension of payments or bankruptcy, and once the statutory period established for that purpose has elapsed or, in default thereof, after four months, without a new Fund Manager having been appointed, in accordance with the provisions in Section 3.7.1.2 of the Addendum.

(iv) Whenever non-payment occurs and which may be indicative of a serious and permanent lack of stability regarding any of the Bonds issued or regarding any unsubordinated credit, or it is foreseeable that this will occur.

(v) When thirty (30) months have transpired from the last maturity date of the Mortgage Loans, even though there may still be amounts due and pending collection.

For the purposes of this section, the Outstanding Principal of the Bonds on the date of the Early Liquidation of the Fund will be understood as a payment obligation derived from the Bonds plus the accrued interest outstanding as of that date, less any tax retention, which shall for all legal purposes be considered due and payable on that date.

Likewise, the Fund shall be extinguished in any case as a result of the following circumstances:

(i) Through the total redemption of the Mortgage Loans that form part thereof.

(ii) For the total amortisation of the Notes issued.

(iii) Due to the end of the Early Settlement procedure.

(iv) In any event, on the Payment Date following the date when thirty-six (36) months have elapsed as from the Final Maturity Date of the Mortgage Loans, even though there may still be amounts due and pending collection, that is to say, on the Statutory Maturity Date of the Fund.

(v) The Fund shall likewise be cancelled if the Rating Agencies do not confirm the ratings tentatively assigned before the start of the Subscription Period, or in the event of a circumstance of force majeure before the beginning of the Subscription Period and in accordance with Article 1505 of the civil Code pursuant to the Management, Underwriting and Placement Agreement for the Bond Issue. In these cases, the Fund Manager shall terminate the Formation of the Fund, the assignment of the Mortgage Loans to the Fund and the ensuing issue and subscription of the Mortgage Transfer Certificates that facilitate their assignment and the Bond Issue.

The extinction of the Fund shall be reported to the CNMV as soon as it is confirmed and shall be made public though the procedure described in this section. Within one month of the occurrence of the cause of termination, the Fund Manager shall execute a notarised certificate declaring that the obligations of the Fund are settled and terminated and that the Fund is extinguished. The Loan for Initial Expenses shall be terminated in the event that the circumstances referenced in the preceding point (v) occur. In this event, the Assignor shall pay for the Initial Expenses.

In order for the Fund, via the Fund Manager, to carry out the final Liquidation of the Fund, the Fund Manager, on behalf of and representing the Fund, shall proceed to:

(i) Sell the Mortgage Loans at a price which initially may not be less than the sum of the Outstanding Balance, plus the unpaid interest accrued on the Mortgage Loans.

(ii) Cancel those contracts that are not necessary for the liquidation process of the Fund.

In the event that the preceding actions were insufficient or Mortgage Loans or other assets were to remain in the Fund, the Fund Manager shall proceed to sell them, wherefore it shall request an offer from at least five (5) of the entities that are the most active in purchasing and selling these assets and who, in its opinion, may give reasonable market value. The Fund Manager is obliged to accept the best offer received for the assets up for sale. To determine the reasonable market value, the Fund Manager may obtain any valuation reports that it deems necessary.

The Assignor shall have the right to first refusal, such that it may have preference to acquire from third parties the Mortgage Loans or other assets from them that remain in the Fund's assets, under the conditions established by the Fund Manager and in accordance with the provisions in the preceding paragraph. Wherefore, the Fund Manager shall send the Assignor a list of the assets and offers received from third parties. The Assignor may make use of the aforementioned right, with respect to all the assets offered by the Fund Manager, within ten (10) Business Days following receipt of the aforementioned notification and as long as its offer is at least equal to the best one made by other parties.

The preceding right to first refusal does not, in any event, involve a pact or declaration of repurchase of the Mortgage Loans granted by the Assignor. In order to exercise the said right to first refusal, the Assignor shall have a period of ten (5) Business Days from the date when the Fund Manager notifies it of the conditions for disposing of the Mortgage Loans, and it must at least equal the best of the offers made by third parties.

The Fund Manager, having made the reserve for the initial extinction expenses, shall immediately apply all the amounts obtained from the disposal of the Mortgage Loans of the Fund to payment of the various items in the manner, amount and Cash Flow Waterfall described in section 3.4.6 of the Addendum.

If there is anything remaining following the liquidation of the Fund and once all payments due to the different creditors have been made out of the Funds Available for

Liquidation in conformity with the Liquidation Payment Priority Order established in part 3.4.6 of the Prospectus Schedule, it shall go to the Assignor in accordance with the conditions established by the Fund Manager.

In any event, the Fund Manager, acting on behalf of and representing the Fund, will not proceed with the extinction of the Fund and the cancellation of its recording in the corresponding administrative registries until the Settlement of the remaining assets of the Fund and the distribution of the Funds Available for Settlement according to the Settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum have taken place, except for the appropriate reserve to cover the final expenses of extinction and Settlement of a tax, administrative, or publication nature.

Once six (6) months have elapsed as from the liquidation of the remaining assets of the Fund and the distribution of the Available Funds, the Fund Manager shall execute a Notarised Certificate declaring (i) the extinction of the Fund, as well as the causes that motivated its extinction; (ii) the procedure followed for notifying the Bondholders and the CNMV; and (iii) the distribution of the Available Funds for Liquidation following the liquidation Payment Priority Order; which shall be announced in a national newspaper and shall comply with all other administrative procedures that may be applicable. Said notary document will be submitted by the Fund Manager to the CNMV.

4.5. REGISTERED ADDRESS, LEGAL PERSONALITY AND LEGISLATION APPLICABLE TO THE ISSUER

The Fund, pursuant to Article 1 of Royal Decree 926/1998, shall constitute a separate pool of assets lacking legal personality, and it shall have closed character pursuant to Article 3 of Royal Decree 926/1998. The Fund shall be managed and represented by "GestiCaixa, S.G.F.T., S.A.", constituted as Fund Manager authorised for such purpose, and as a result thereof, for exercising the management and legal representation of the Fund by virtue of the provisions in Royal Decree 926/1998.

The registered address of the Fund shall be the same as the registered address of the Fund Manager, GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A., that is, Avenida Diagonal, 621 in Barcelona, Spain. The contact telephone number is 0034-93-404-77-94.

The GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS Fund shall be regulated pursuant to (i) this Prospectus, drawn up in accordance with Royal

Decree 1310/2005 of 4 November and Regulation (EC) No. 809/2004; (ii) the Deed of Constitution of the Fund; (iii) Royal Decree 926/1998 and its provisions; (iv) Law 19/1992 insofar as Royal Decree 926/1998 may be silent and to the extent that it may be applicable; (v) Law 25/1998 of 28 July on the Securities Market, in its final draft, as regards supervision, inspection and fines; (vi) Law 44/2002; and (vii) all other legal and regulatory provisions in force at the time that may be applicable.

Tax regime of the Fund.

The following is a description of a short extract of the tax system applicable to the Fund that must be understood without prejudice to the peculiarities of a territorial nature and to the regulations which may be applicable at the time when the corresponding income is obtained or arranged.

The tax system applicable to Asset Securitisation Funds is the general one contained in Royal Legislative Decree 4/2004 of 5 March which approved the redrafted text of the Corporate Tax Act and its rules, together with the specific features which derive from the dispositions of Law 19/1992 of 7 July on the Regulation of Real Estate Investment Funds and Companies and Mortgage Securitisation Funds, of Law 3/1994 and of Royal Decree 926/1998 which, in summary, define the following basic principles:

1) Asset Securitisation Funds, in accordance with article 7.1.h) of the Revised Text of the Corporate Income Tax Act, are subject to Corporation tax in accordance with the general system for determining the tax base and to general taxation, which at present is set at 32.5% and which, nevertheless, as from the financial year 2008 shall be 30% and to the common rules on deductions in the quota, compensation for losses and other fundamental elements in the way the tax is structured.

2) The income from capital of Securitisation Funds is subject to the general system for withholding Corporation Tax, with the proviso that article 59 k) of the Regulation, approved by Royal Decree 1777/2004 of 30 July, states that "the return on Mortgage Participations, Loans or other credit rights that could constitute income of Securitisation Funds" are not subject to retention.

3) The transfer of the Mortgage Transfer Certificates to the Fund is an operation that is subject to and exempt from value added tax.

4) With regard to Valued Added Tax and the Tax on Documented Legal Acts, the Fund shall be subject to the general rules, with the special proviso that

management services rendered to the Fund by the Fund Manager shall be exempt from Value Added Tax.

5) The Bond Issue will be exempt from Value Added Tax (article 20.one.18 of the VAT Act) and from the Tax on Patrimonial Transfers and Documented Legal Acts (article 45-I B number 15 of the Revised Text of the Tax on Patrimonial Transfers and Documented Legal Acts).

6) As regards the earnings from the Mortgage Transfer Certificates, loans and other credit rights that could constitute income of the Fund, there shall be no obligation to withhold or make interim payments on account of corporate tax.

7) The Fund shall be subject to the requirements for information set out in the Second Additional Provision of Law 13/985 of 25 May, on investment quotients, own resources and the obligations of financial brokers to supply information, in accordance with the amendments introduced by Law 19/2003 and Law 23/2005. The procedure for complying with these obligations for supplying information was expounded in Royal Decree 2281/1998 of 23 October, in which the provisions applicable to certain obligations to supply information to the public tax authorities is explained, in accordance with the modification introduced by Royal Decree 1778/2004, of 30 July.

4.6. CAPITAL AUTHORISED AND ISSUED BY THE ISSUER

Not applicable.

5. DESCRIPTION OF THE COMPANY

5.1 BRIEF DESCRIPTION OF THE MAIN ACTIVITIES OF THE ISSUER

The activity of the Fund consists of the acquisition of a number of Mortgage Loans that are the property of Banco Pastor, whose main features are described in the Addendum (hereinafter, the "**Mortgage Loans**"), and in the issue of Securitisation Bonds.

All interest income and the redemption of the principal of the Mortgage Loans received by the Fund shall be assigned quarterly, on each Payment Date, to the payment of interest and redemption of the principal of the securitisation bonds issued pursuant to the specific conditions of each one of the Series into which the Bond Issue is divided and pursuant to the Cash Flow Waterfall established for payments of the Fund.

Likewise, the Fund, represented by the Fund Manager, shall arrange a Series of financial operations and services in order to consolidate the financial structure of the Fund, to increase the security or regularity of the payment of the Bonds, to cover time lags between the schedule of flows of the principal and interest of the Mortgage Loans and the schedule of the Bonds and, in general, to make the financial transformation possible, which is being conducted within the separate pool of assets of the Fund, between the financial characteristics of the Mortgage Loans and the financial characteristics of each Bond Series.

5.2 GENERAL DESCRIPTION OF THE PARTIES OF THE SECURITISATION PROGRAMME.

The principal duties within the framework of the securitisation operation described in this Prospectus have been performed by the following entities:

- GESTICAIXA, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A. is the Management Company of the Fund.

  GestiCaixa, S.G.F.T., S.A is a Spanish public limited company, a manager of securitisation funds, whose Tax ID number is A-58481227 and whose registered address is Avenida Diagonal, 621, (Barcelona). It is registered in the Commercial Registry of Barcelona in Volume 34187, Sheet 192, Page B-50432, 14th Entry in the Special Record of Securitisation Funds Management Companies of the CNMV under number 7 and C.N.A.E. *Classification of Economic Activity* 67100

  It does not have a credit rating with any rating agency.

- BANCO PASTOR, S.A. ("**Banco Pastor**" or the "**Assignor**"), is (i) the Assignor and Servicer of the Loans, (ii) the Financial Agent, (iii) the entity executing the Loan for Initial Expenses, (iv) the entity in which the Treasury Account is opened, (v) the counterparty in the Interest Rate Swap Agreement, (vi) Lead Manager for placement, (vii) Underwriter and Placement Agent and (viii) has taken part in the design and structuring of the Fund.

  BANCO PASTOR is a credit institution, whose Tax ID Number is A-15000128 and whose registered address is Cantón Pequeño I, (A Coruña). It is registered in the Commercial Registry of A Coruña in Volume 91, Sheet 107, Section 3, Page 33, and in the Register of the Bank of Spain under number 0072 and C.N.A.E. *Classification of Economic Activity* 6512.

The ratings of short- and long-term unsubordinated and unsecured debt of Banco Pastor issued by the Rating Agencies are, as at December 2005 and February 2006 by Moody's and S&P respectively, as follows:

	Moody's rating	S&P rating
Current	**P-1**	**A-1**
Long-term	**A1**	**A**

Banco Pastor has designed the financial conditions of the Fund in respect of the functions and activities that the Lead Managers may perform in accordance with Article 35.1 of Royal Decree 1310/2005, and will (i) carry out all actions and all activities of a temporary and commercial nature for the public offer of subscription to the Bond Issue, (ii) coordinate with potential investors and (iii) undertake all other actions and perform all other activities that are stipulated in the Prospectus Schedule.

- ABN AMRO Bank N.V., branch office in Spain ("**ABN AMRO**") is the Lead Manager and Underwriter of the placement.

  ABN AMRO, branch office in Spain, registered with the Madrid Companies Register under volume 5438, folio 36, page 43472, with registered address at calle José Ortega y Gasset, 29, Madrid, number A-0031021I.

  The ratings of short- and long-term unsubordinated and unsecured debt of ABN AMRO issued by the Rating Agencies are, as at 10 April 2005 by Moody's, 1 September 2006 by S&P and 17 May 2006 by Fitch respectively, as follows:

	Moody's rating	S&P rating	Fitch rating
Current	**P-1**	**A-1+**	**F1+**
Long-term	**Aa2**	**AA-**	**AA-**

- IXIS Corporate & Investment Bank ("**IXIS CIB**"), a subsidiary of Natixis, intervenes as the management entity and insurance entity of the placement.

IXIS CIB is a bank constituted and registered in France, also registered with the Bank of Spain as a Community credit entity operating in Spain without establishment. Its registered office is in Paris (France), 47 quai d'Austerlitz, 75648 Paris, cedex 13. Its corporate taxpayer number is FR66340 706 4007.

	Moody's rating	S&P rating	Fitch rating
Current	P-1	A-1	F1
Long-term	Aa2	AA	AA

- DELOITTE, S.L. ("**Deloitte**") is acting as auditor of the Fund Manager's and the Fund's accounts. It will also issue an audit report on the portfolio of Mortgage Loans which will be included in the Fund and has been named as auditor for the Fund's accounts.

  Deloitte, S.L. is a limited company whose registered address is Madrid, Torre Picasso, Plaza Pablo Ruiz Picasso, num. 1, 28020. Its Tax ID Number is B-79104469; it is registered with the Official Register of Accounts Auditors (R.O.A.C.) under number S0692 and registered in the Commercial Registry of Madrid in Volume 13650, Section 8, Sheet 188, Page M-54414.

  It does not have a credit rating with any rating agency.

- MOODY´S INVESTORS SERVICE ESPAÑA, S.A. and STANDARD & POOR'S ESPAÑA S.A. are the Rating Agencies in this operation.

  MOODY'S INVESTORS SERVICE ESPAÑA, S.A. ("**Moody's**") is a Spanish public limited company whose Tax ID number is A-80448475 and whose registered address is calle Bárbara de Braganza Nº 2, 2º-D, 28004 Madrid.

  STANDARD & POORS ESPAÑA, S.A. ("**S&P**") is a Spanish public limited company whose Tax ID number is A-80310824 and whose registered address is calle Marqués de Villamejor, 5 Planta 1ª, 28006 Madrid. Standard & Poors España is entered in the Commercial Registry of Madrid, Volume 5659, Sheet 157, Page M-92584.

- CUATRECASAS ABOGADOS, S.R.L. has acted as legal advisor for the operation and has checked the taxation aspects.

  CUATRECASAS ABOGADOS, S.R.L. ("**Cuatrecasas**") is a limited liability company established in Spain, with Tax ID number B-59942110; its registered office is Paseo de Gracia, 111, 08008 Barcelona and is registered in the Commercial Registry of Barcelona in Volume 37673, Sheet 30, Section 8, Page 23850.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

6.1 MANAGEMENT, ADMINISTRATION AND REPRESENTATION OF THE ISSUER

GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A., is a public limited liability company of Spanish nationality, with a Corporate Tax Code, incorporated by public deed before the notary public of Barcelona, Mr Wladimiro Gutiérrez Álvarez, on 6 November 1993, under the name "Caixa 92, S.A.", having changed its initial name by that of GestiCaixa, Compañía Gestora de Fondos de Titulización Hipotecaria, S. A. and having been transformed into mortgage securitisation funds Fund Manager on 6 September 1993, by means of a deed authorized by the notary`public of Barcelona, Mr Roberto Follia Camps, under number 2,129 of his protocol, and in conformity with the dispositions of article 6 of Law 19/1992 on the regulation of Real Estate Investment Funds and Companies and Mortgage Securitisation Funds, by virtue of the authorization granted in the Ministerial Order of 24 August 1994. It is registered in the Mercantile Registry of Barcelona, sheet 110165, folio 141, tome 9173, book 8385, section 2, inscription 1 and was adapted to the Public Limited Liability Companies Act by public deed before the notary public of Barcelona, Mr Wladimiro Gutiérrez Álvarez, registered as inscription 3 of sheet No B-50432, folio 143, volume 9173. On June 10, 2002, it was transformed into a Securitisation Funds Fund Manager by means of a deed authorised by the Notary of Barcelona, Mr. Joaquín Viola Tarragona, under number 424 of his protocol, in accordance with the Only Transitional Provision of Royal Decree 926/1998, of May 11, by which the assets securitisation funds and the management companies of securitisation funds are regulated, and by virtue of the authorisation of the Ministry of Economy by Ministerial Order dated May 9, 2002, having adopted as new company name that of "GestiCaixa, Compañía Gestora de Fondos de Titulización, S.A.". The deed has been entered in the Commercial Register of Barcelona, Volume 34,187, Sheet 192, Page B-50432, 14th Entry.

The duration of the Fund Manager is indefinite, save the concurrence of any of the dissolution causes that the legal or regulatory dispositions may establish.

In accordance with the provisions of Royal Decree 926/1998, the Fund shall be represented and managed by the Fund Manager of the same, GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A.

The name of the Fund Manager is GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A., Tax ID number A-58481227.

The Fund Manager is a Spanish public limited company, established on 6 November 1987, whose registered address is Avenida Diagonal, 621, Barcelona, (Spain), telephone number (+34) 93.404.77.94 It is registered in the Commercial Registry of Barcelona in Volume 34187, Sheet 192, Page B-50432, 14th Entry and also in the Special Registry of Mortgage Securitisation Funds Management Companies of the CNMV under number 7.

The Fund Manager is subject to supervision by the CNMV, in accordance with the provisions of Royal Decree 926/1998.

6.2 ACCOUNT AUDITING

The annual accounts of GestiCaixa, S.G.F.T., S.A. corresponding to the financial years ending on 31 December 2006, 2005 and 2004 have been audited by Deloitte S.L. which is registered in the ROAC (Official Registry of Accounts Auditors) under number S-0692.

There are no qualifications recorded in the audit reports of the annual accounts corresponding to the 2006, 2005 and 2004 financial years.

6.3 MAIN ACTIVITIES

In accordance with legal regulations, the exclusive purpose of the Fund Manager is the formation, administration and legal representation of the assets of both the asset securitisation funds and the mortgage securitisation funds, as established by Royal Decree 926/1998, of 11 May, which regulates the securitisation fund assets and the managers of securitisation funds.

As of 23 May 2007, GestiCaixa, S.G.F.T., S.A. administers 23 securitisation funds, 9 of which are mortgage securitisation funds and 14 are asset securitisation funds.

The following table details the 23 securitisation funds that are administered, indicating their formation dates and the nominal amounts of the bonds issued against them and their outstanding balances.

Securitisation Fund In thousands of euros	Date Founded	Initial Bond Issue	Balance on 31/03/2007	Balance on 31/12/2006	Balance on 31/12/2005
FONCAIXA HIPOTECARIO 1, FTH*	14/07/1999	600,000	90,680	98,936	135,411
FONCAIXA HIPOTECARIO 2, FTH*	22/02/2001	600,000	179,114	201,786	248,454
FONCAIXA HIPOTECARIO 3, FTH*	06/07/2001	1,500,000	673,828	727,605	840,381
FONCAIXA HIPOTECARIO 4, FTH*	13/12/2001	600,000	274,514	286,014	334,908
FONCAIXA HIPOTECARIO 5, FTH*	15/10/2002	600,000	334,746	358,746	410,906
FONCAIXA HIPOTECARIO 6, FTH*	17/12/2002	600,000	343,508	365,788	417,062
FONCAIXA HIPOTECARIO 7, FTH*	26/09/2003	1,250,000	821,120	874,161	984,100
FONCAIXA HIPOTECARIO 8, FTH*	15/03/2005	1,000,000	790,695	818,578	918,299
GC SABADELL 1, FTH	12/07/2004	1,200,000	786,892	822,346	1,050,000
GC FTGENCAT II, FTA*	28/03/2003	950,000	280,557	338,914	467,414
GC FTPYME PASTOR 1, FTA	28/10/2003	225,000	68,368	81,846	121,472
GC FTPYME PASTOR 2, FTA	28/10/2004	800,000	308,853	388,917	559,940
FONCAIXA FTPYME 1, FTA*	27/11/2003	600,000	210,522	415,000	415,000
GS COMPASS SPAIN 1, FTA	10/12/2004	150,000	22,760	39,965	110,024
GC FTPYME SABADELL 4, FTA	21/10/2005	750,000	750,000	750,000	750,000
FONCAIXA FTGENCAT 3, FTA *	15/11/2005	656,500	656,500	656,500	656,500
GC FTGENCAT SABADELL 1, FTA	2/12/2005	500,000	500,000	500,000	500,000
FONCAIXA FTGENCAT 4, FTA*	14/07/2006	606,000	606,000	606,000	N/A
FONCAIXA HIPOTECARIO 9, FTA*	29/03/2006	1,500,000	1,293,543	1,346,163	N/A
GC FTGENCAT CAIXA SABADELL 1, FTA	19/10/2006	304,500	304,500	304,500	N/A
GC FPTYME PASTOR 4, FTA	7/11/2006	630,000	544,512	630,000	N/A
GC FPTYME SABADELL 5, FTA	22/11/2006	1,250,000	1,250,000	1,250,000	N/A
FONCAIXA HIPOTECARIO 10, FTH*	24/05/2207	1,512,000	1,512,000	N/A	N/A

6.4. SHARE CAPITAL AND SHAREHOLDERS' EQUITY

The share capital of the Fund Manager at the moment of formation of the Fund is one million five hundred two thousand five hundred euros (€1,502,500), represented by two hundred fifty thousand (250,000) registered shares with a face value of six euros and one cent (€6.01) each.

The treasury stock of the Fund Manager is listed hereunder:

	31/12/2006	**31/12/2005**	**31/12/2004**
Capital	1,502,500.00	1,502,500.00	1,502,500.00
Reserves	300,500.00	300,500.00	262,033.12
Profits	1,587,943.10	1,400,992.26	1,326,338.61
Interim dividend	0	-1,239,103.29	-1,177,215.29
Equity	**3,390,943.10**	**1,964,888.97**	**1,913,656.44**

Classes of shares

All shares issued by the Company up to the publication date of this Registration Document are ordinary registered shares of a single class and series, and they confer identical voting and economic rights.

6.5 EXISTENCE OR NOT OF PARTICIPATIONS IN OTHER COMPANIES

The Fund Manager has one share with a face value of €6.01 in the company, Caixa Corp, S.A.

6.6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The government and administration of the Management Company are entrusted by the by-laws to the General Shareholders Meeting and to the Board of Directors. Their competences and faculties are those corresponding to such bodies in accordance with the Limited Liability Companies Act and Law 19/1992 of 7 July in relation to the company's object.

The Board of Directors is comprised of the following persons, all of whom with registered address in Avenida Diagonal 621, Barcelona:

Chairman:	Mr. Juan San Miguel Chapulí
Directors:	Mr. Fernando Cánovas Atienza Mr. Hernán Cortés Lobato Mr. Ernest Gil Sánchez Mr. Santiago Armada Martínez-Campos Mr. Xavier Jaumandreu Patxot Mr. Josep Ramón Montserrat Miró
Secretary (non-director):	Mr Félix López Antón
Vice-secretary (non-director):	Mr Roser Vilaró Viles
Director General:	Xavier Jaumandreu Patxot

6.7 MAIN ACTIVITIES OF THE PERSONS CITED IN THE PRECEDING SECTION 6.6 PERFORMED OUTSIDE OF THE FUND MANAGER, IF THEY ARE IMPORTANT WITH RESPECT TO THE FUND

None of the persons cited in the preceding section performs activities outside the Fund Manager that are relevant with respect to the Fund.

6.8 LENDERS OF THE FUND MANAGER BY MORE THAN 10 PERCENT.

There are no persons or entities who are lenders of the Fund Manager and who hold debts of the same of more than 10%.

6.9 LITIGATION INVOLVING THE FUND MANAGER.

On the registration date of this Registration Document, there are no lawsuits or controversies that may significantly affect the economic-financial situation of the Fund Manager or its future capacity to perform the management and administration functions of the Fund provided for in this Registration Document, and it is not involved in any situation of bankruptcy.

6.10 MAIN OPERATIONS WITH BOUND PARTIES AND CONFLICTS OF INTEREST

The linked operations carried out by the Fund Manager are those securitisation operations in which “la Caixa” has participated as an Underwriter, Placement Agent or Assignor of the assets in the Fund managed by the Fund Manager. Specifically, this circumstance occurs with regard to 15 of the 23 funds specified in the table shown in foregoing section 6.3 and which are marked with an asterisk (*) therein.

7. MAIN SHAREHOLDERS

7.1 DECLARATION ABOUT THE DIRECT OR INDIRECT OWNERSHIP OF THE FUND MANAGER OR IF IT IS UNDER CONTROL

a) On the registration date of this Registration Document, the title to the shares of the Fund Manager is distributed among the companies listed below, indicating the shareholding that corresponds to each one:

Name of the shareholding company	%
CaixaHolding, S.A.U.	91%
VidaCaixa, S.A. de Seguros y Reaseguros	9%

The companies cited above are controlled by Caixa d’Estalvis i Pensions de Barcelona, which has an indirect shareholding (whereby it holds control) of 96.4% of the share capital of GestiCaixa, S.G.F.T, S.A.

b) Description of the nature of this control and the measures adopted to ensure that this control is not abused:

For the purposes of Article 4 of the Securities Market Act, GestiCaixa, S.G.F.T., S.A., forms a part of Caixa d’Estalvis i Pensions de Barcelona. To prevent abuse of control by "la Caixa" over the Fund Manager, the Fund Manager approved a code of internal conduct to apply the provisions set forth in Chapter II of Royal Decree 629/1993 of 3 May concerning rules of operation in the securities markets and mandatory record-keeping, which was notified to the CNMV.

8. FINANCIAL INFORMATION PERTAINING TO THE ASSETS AND

RESPONSIBILITIES OF THE ISSUER, THE FINANCIAL POSITION AND PROFITS AND LOSSES

8.1 DECLARATION ABOUT THE START OF OPERATIONS AND FINANCIAL STATEMENTS OF THE ISSUER PRIOR TO THE DATE OF THE REGISTRATION DOCUMENT

Pursuant to the provisions of section 4.4.2 of this Registration Document, the activity of the Fund will start on the execution date of the Deed of Formation, wherefore no financial statement has been made on the date of this Registration Document.

8.2 HISTORICAL FINANCIAL INFORMATION WHEN AN ISSUER MAY HAVE INITIATED OPERATIONS AND FINANCIAL STATEMENTS HAVE BEEN MADE

Not applicable.

8.2. BIS HISTORICAL FINANCIAL INFORMATION FOR ISSUES OF SECURITIES WITH AN INDIVIDUAL DENOMINATION THAT IS EQUAL TO OR GREATER THAN 50,000 EUROS

Not applicable.

8.3 COURT AND ARBITRATION PROCEEDINGS

Not applicable.

8.4 CONSIDERABLE ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER

Not applicable.

9. INFORMATION FROM THIRD PARTIES, DECLARATIONS BY EXPERTS AND DECLARATIONS OF INTEREST

9.1 DECLARATION OR REPORT ATTRIBUTED TO A PERSON IN THE CAPACITY OF AN EXPERT.

No declaration and no report are included.

9.2 INFORMATION COMING FROM THIRD PARTIES.

No information is included.

10. DOCUMENTS FOR CONSULTATION

If necessary, the following documents or copies of them can be inspected during the validity period of this Registration Document.

a) The Deed of Formation of the Fund;
b) The certifications of corporate resolutions of the Fund Manager and of the Assignor;
c) This Prospectus;
d) The audit report on certain characteristics and attributes of a sample of the set of Mortgage Loans selected for their assignment to the Fund;
e) The letters of the Ratings Agencies notifying the ratings assigned to each one of the Series of the Bond Issue;
f) The annual accounts of the Fund Manager and the corresponding audit reports; and
g) The current articles and deed of incorporation of the Fund Manager.
h) The contracts to be signed by the Fund Manager on behalf of and representing the Fund;

Said documents can be viewed at the registered address of GestiCaixa, S.G.F.T., S.A. in Barcelona at Avenida Diagonal 621.

Likewise, the Prospectus can also be viewed on the web page of GestiCaixa, S.G.F.T., S.A. at www.gesticaixa.com, on the web page of the CNMV at www.cnmv.es and at the AIAF Fixed Income Market at www.aiaf.es. It is also available to investors interested in the offer via the underwriting and placement agents.

Moreover, the documents stated in letters a) through h) can be consulted at the CNMV.

The Deed of Constitution of the Fund can be viewed at the registered address of Iberclear at Plaza de la Lealtad 1, Madrid.

PROSPECTUS SCHEDULE
(Appendix XIII of EC Regulation number 809/2004 of the Commission)

1. PERSONS RESPONSIBLE

1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE PROSPECTUS SCHEDULE.

1.1.1 Xavier Jaumandreu Patxot, acts in the name and on behalf of the Fund Manager by virtue of the powers conferred by the Board of Directors at its meeting on 29 June 2001. Furthermore, with regard to constitution of the Fund, he acts by virtue of the powers awarded to him by the Board of Directors at its meeting on 20 March 2007.

1.2 DECLARATION OF THE PERSONS RESPONSIBLE FOR THE CONTENT OF THE PROSPECTUS SCHEDULE.

1.2.1 Mr Xavier Jaumandreu Patxot hereby declares that the information contained in this Prospectus Schedule and the Supplemental Addendum is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect the content.

2. RISK FACTORS OF THE SECURITIES

2.1 RISK FACTORS LINKED TO THE SECURITIES AND THE ASSETS

The risk factors linked both to the securities and the assets that back the Bond Issue are described in section II and III, respectively, of the previous section "Risk Factors" of this Prospectus.

3. BASIC INFORMATION

3.1 INTEREST OF THE NATURAL PERSONS AND LEGAL BODIES PARTICIPATING IN THE OFFER.

The persons listed below have no private interests, separate from those detailed in Section 5.2 of the Registration Document:

a) GestiCaixa, S.G.F.T., S.A. is the Fund Manager.

b) Banco Pastor, S.A. acts as (i) the Assignor of the Mortgage Loans to be pooled into the Fund; (ii) the entity executing the Loan for Initial Expenses; (iii) the counterparty of the Fund in the Interest Rate Swap Agreement; (iv) the Paying Agent and Depository of the Bond Issue; (v) the entity in which the Treasury Account is opened; (vi) the Fund Servicer; and (vii) the Lead Manager and Underwriter, and has taken part in the design and structuring of the Fund.

c) ABN AMRO is acting as an Underwriter and Insurance and Placement Agent of the Bond Issue.

d) IXIS CIB is acting as an Underwriter and Insurance and Placement Agent.

e) CUATRECASAS ABOGADOS, participate as legal adviser of the Bond Issue.

f) DELOITTE S.L. participates as auditor of the Fund's assets.

g) MOODY'S and STANDARD & POOR'S are acting as Ratings Agencies.

3.2. DESCRIPTION OF ANY INTEREST, INCLUDING ANY CONFLICTING INTERESTS, THAT MAY BE OF IMPORTANCE FOR THE ISSUE, WITH DETAILS OF THE PERSONS INVOLVED AND THE NATURE OF THE INTEREST.

The Fund Manager hereby declares that it is unaware of the existence of any link of a legal, financial or family nature between those participating in the Fund, except for the strictly professional link resulting from his participation in the Issuing of Bonds as detailed in section 5.3 of the Registration Document, and between them and the holders of the Mortgage Loans included in the Fund, which may jeopardise the Fund in general and the investors in the Bonds issued by it in particular.

4. INFORMATION PERTAINING TO THE SECURITIES THAT ARE GOING TO BE OFFERED AND ADMITTED TO TRADING

4.1 TOTAL AMOUNT OF THE SECURITIES.

The Total Amount of the Bond Issue (hereinafter, the "***Total Amount of the Issue***") shall be seven hundred and ten million five hundred thousand (710,500,000) euros, represented by Bonds each with a face value of one hundred thousand (100,000) euros. The bonds shall be issued in 5 series.

- Series A1: comprising a single series of one thousand seven hundred and fifty (1,750) Bonds, for a total amount of one hundred and seventy-five million (175,000,000) euros.
- Series A2: made up of a single Series of four thousand nine hundred and twenty-eight (4,928) bonds, for a total amount of four hundred and ninety-two million eight hundred thousand (492,800,000) euros.
- **Series B:** made up of a single series of two hundred and two hundred and forty-nine (249) bonds, for a total amount of twenty-four million nine hundred thousand (24,900,000) euros.
- **Series C:** comprising a single series of seventy three (73) Bonds, for a total amount of seven million, three hundred thousand (7,300,000) euros.
- **Series D:** comprising a single series of one hundred and five (105) Bonds, for a total amount of ten million, five hundred thousand (10,700,000) euros.

Ownership or subscription of one of the series does not imply ownership or subscription of the bonds of the other series.

The Bonds will be issued by virtue of Royal Decree 926/1998, wherefore they are legally considered uniform, standardised and fixed-income securities. They can therefore be traded on organised securities markets.

Underwriting of the placement of the Issue

The underwriting of the placement of the Bond Issue and the management thereof shall be carried out by Banco Pastor and ABN AMRO and IXIS CIB (hereinafter the ***"Underwriters" in accordance with the provisions laid down in article 35.1 of Royal Decree 1310/2005, and the "Insurance and Placement Agents")*** without prejudice to the provisions laid down in the above paragraph, all in accordance with the Management, Underwriting and Placement Agreement of the Bond Issue that the Fund Manager shall sign on behalf of the Fund, whereby the Lead Managers, Underwriters and Placement Agents will agree to subscribe or to obtain subscribers for the Bonds, under their own responsibility, each of them being liable for their respective underwritten amount. The issue is 100% insuranced by the Insurance and Placement Agents.

The aforementioned notwithstanding, after the Formation Date of the Fund and prior to the start of the Subscription Period, ABN AMRO, Banco Pastor and IXIS CIB as Insurance and Placement Agents, may commonly agree to assign part of their respective and aforementioned underwriting commitment to new underwriting entities. In this event, they shall inform the Fund Manager, which will proceed to modify the amounts of the commitments previously acquired by the Insurance and Placement Agents. The new underwriting entities shall become Underwriter and Placement Agents (hereinafter, the "**Underwriter and Placement Agents**"), with the same rights and duties as the previously existing ones by express and full adherence without any reservation or condition to all of the terms and conditions of the Management, Underwriting and Placement Contract of the Bond Issue. The incorporation of new Underwriters and Placement Agents may not give rise to any cost increase for the Fund, or modify the rights and duties that are derived for the Fund from this Prospectus and from the Deed of Constitution of the same and from the rest of the contracts that apply, in particular the Management, Underwriting and Placement Agreement of the Bond Issue. In any event, the inclusion of new Underwriters and Placement Agents, as well as the distribution of the amounts of the respective underwriting commitments shall be communicated to the CNMV to be made available to the public, thereby modifying the amounts of the respective underwriting commitments.

In the event that any Underwriter and Placement Agent does not make available to the Fund the amounts that it has undertaken to provide in accordance with what is agreed in the Management, Underwriting and Placement Agreement of the Bond Issue, this shall not affect the other Underwriters and Placement Agents, who shall only be obliged to fulfil their respective individual commitments, without being obliged, as a consequence, to take on the part corresponding to the Underwriter and Placement Agent who has not fulfilled his obligations; all of this without prejudice to the remedies to which the Fund, represented by the Fund Manager, may be entitled, against the said Underwriter and Placement Agent , and that, in the event of non-fulfilment of his obligations to make payment with respect to the Fund, he shall forfeit all right to receive the commission set out in the Management, Underwriting and Placement Agreement of the Bond Issue.

The non-confirmation of the provisional ratings granted to the Bonds by the Ratings Agencies before the start of the Subscription Period shall constitute the sole case for termination of the Management, Underwriting and Placement Agreement of the Bond Issue.

As consideration for the commitment assumed by the Underwriter and Placement Agents, they shall receive an underwriting commission, which is included in the Initial Expenses of the Fund. Each of the Underwriter and Placement Agents shall receive the commissions that can be applied to the face value subscribed by them, as per the Management, Underwriting and Placement Agreement of the Bond Issue:

Banco Pastor and ABN AMRO and IXIS CIB shall likewise participate as Lead Managers. These shall not receive any remuneration for the management of the Bond Issue.

4.2 DESCRIPTION OF THE TYPE AND CLASS OF SECURITIES

The Bonds will have the juridical nature of negotiable fixed-income securities with explicit return, being subject, to the regime established by the Securities Market Law and applicable regulations.

4.3 LEGISLATION ACCORDING TO WHICH THE SECURITIES ARE CREATED.

The Fund is constituted and the Bonds are issued in accordance with Spanish law applicable to the Fund and to the Bonds, and specifically in accordance with (i) the Deed of Constitution of the Fund; (ii) Royal Decree 926/1998 of 14 May, which regulates Asset Securitisation Funds and Fund Managers and its provisions; (iii) Royal Decree 1310/2005 of 4 November, which partially implements Securities Market Act 24/1988 of 28 July, regarding the admission of securities to trading on official secondary markets, on public offers of sale or subscription and on the prospectus required for such purposes; (iv) Law 19/1992 of 7 July on the Regime of Real Estate Investment Companies and Funds and on Mortgage Securitisation Funds, insofar as Royal Decree 926/1998 of 14 May may be silent and to the extent that it may be applicable; (v) Securities Market Law 24/1998 of 28 July, in its current version, as regards supervision, auditing and fines; (vi) Order EHA/3537/2005 of 10 November, thereby implementing Article

27.4 of Securities Market Law 24/1988 of 28 July; and (vii) all other legal provisions and regulations in force that may be applicable at any time.

This prospectus schedule has been prepared following the models provided for in EC regulation number 809/2004 of the Commission, of 29 April 2004 (hereinafter, "regulation 809/2004"), pertaining to Directive 2003/71/EC of the European Parliament and of the Council as regards the information contained in prospectuses, as well as the formation, incorporation by reference and publication of said prospectuses and advertising.

4.4 INDICATION OF WHETHER THE SECURITIES ARE NOMINAL OR BEARER AND IF THEY ARE IN THE FORM OF CERTIFICATES OR BOOK ENTRIES.

The Bonds shall be represented by book entries, pursuant to the provisions in Article 926 of Royal Decree 926/1998, and they shall be constituted as such by virtue of being recorded in the corresponding accounting registry. The Deed of Formation shall give rise to the effects provided for in Article 6 of Act 24/1998, of 28 July, on the Securities Market.

Bondholders shall be identified as such (on their own behalf or on behalf of third parties) according to the accounting records kept by Iberclear, which shall be designated as the entity in charge of the accounting records of the Bonds in the Deed of Constitution, such that compensation and liquidation of the Bonds shall take place in accordance with the rules of operation that, as regards the securities allowed for trading on the AIAF Fixed Income Market and represented by book entries, may be established or could be approved in the future by Iberclear.

4.5 CURRENCY OF THE ISSUE

The securities shall be denominated in euros.

4.6 CLASSIFICATION OF THE SECURITIES ACCORDING TO SUBORDINATION

4.6.1 Simple statement regarding the order number that the payment of interest of the bonds holds in the payment priority order of the fund

The payment of the interest accrued by the A1 and A2 Series Bonds holds the third (3) place when applying the Available Funds of the Cash Flow Waterfall established in Section 3.4.6 of the Addendum, and the fourth (4) place when applying the available liquidation funds of the Cash Flow Waterfall of liquidation established in the same section.

Payment of the interest accrued by the Series B Bonds holds fourth (4) place when applying the Available Funds of the Cash Flow Waterfall established in Section 3.4.6 of the Addendum, except in the event of the situation provided for in the same section for deferral thereof, in which case it shall hold seventh (7) place, and it holds the sixth (6) place when applying the available liquidation funds of the Cash Flow Waterfall of settlement established in the same section.

The payment of the interest accrued by the Series C Bonds holds fifth (5) place when applying the Available Funds of the Cash Flow Waterfall established in Section 3.4.6 of the Addendum, except in the event of the situation provided for in the same section for deferral thereof, in which case it shall hold the eighth (8) place, and it holds the eighth (8) place when applying the available liquidation funds of the Cash Flow Waterfall of settlement established in the same section.

The payment of the interest accrued by the Series D Bonds holds tenth (10) place when applying the Available Funds of the Cash Flow Waterfall established in Section 3.4.6 of the Addendum, and it holds tenth (10) place when applying the available liquidation funds of the Cash Flow Waterfall of liquidation established in the same section.

4.6.2 Simple statement regarding the order number that the payment of the principal of the bonds holds in the payment priority order of the fund

4.6.2.1. With regard to the Cash Flow Waterfall, the retention of the available amount for amortising the Bonds of classes A1, A2, B and C holds sixth (6) place when applying the Available Funds of the Cash Flow Waterfall established in Section 3.4.6 of the Addendum.

4.6.2.2. With regard to the Settlement Cash Flow Waterfall:

- The amortisation of the principal of Series A1 and Series A2 Bonds holds the fifth (5) place in the Cash Flow Waterfall of liquidation established in Section 3.4.6.

- The amortisation of the principal of the Series B Bonds holds the seventh (7) place in the Cash Flow Waterfall of liquidation established in Section 3.4.6. of the Addendum.

- The amortisation of the principal of the Series C Bonds holds the ninth (9) place in the Cash Flow Waterfall of liquidation established in Section 3.4.6 of the Addendum.

4.6.2.3. The amortisation of the principal of the Series D Bonds holds the eleventh (11) place in the Cash Flow Waterfall and in the Cash Flow Waterfall of liquidation, respectively, established in Section 3.4.6. of the Addendum.

4.7 DESCRIPTION OF THE RIGHTS LINKED TO THE SECURITIES

Pursuant to legislation in force, the Bonds detailed in this Prospectus Schedule shall, for the investor who may acquire them, be without any present and/or future policy right over the fund.

The economic and financial rights of the investor associated with the acquisition and holding of the Bonds shall be derived from the conditions of interest rate, yields and amortisation prices according to which they may be issued and which may be included in the following sections 4.8 and 4.9.

In the event of the default of any amount due to the Bondholders, they may only make a claim before the Fund Manager and only when the latter may have breached the duties that are incumbent upon it and included in the Deed of Formation and in this Prospectus. The Fund Manager is the only authorised representative of the Fund before third parties and in any legal proceeding in accordance with the applicable law.

The duties of the Assignor and of all other entities that in one way or another may participate in the operation are limited to those that are included in the corresponding contracts pertaining to the Fund, the relevant ones of which are described in the Prospectus Schedule and the Deed of Formation.

Any question, discrepancy or disagreement pertaining to the Fund or to the Bonds that are issued against the same and which may arise during its operational lifetime or its Settlement, whether among the Bondholders themselves or between the Bondholders and the Fund Manager, shall be submitted to Spanish courts, and the parties hereby expressly waive any other jurisdiction to which they may be entitled.

4.8 NOMINAL INTEREST RATE AND PROVISIONS PERTAINING TO THE PAYMENT OF INTEREST

4.8.1 Date when interest becomes payable and the interest due dates.

4.8.1.1 Nominal interest

All Bonds issued shall accrue, as from the Disbursement Date until the final maturity of the same, an annual nominal interest rate, variable by quarter, and with the quarterly payment calculated as stated below. This interest shall be paid by completed quarters on each Payment Date on the Outstanding Balance of Principal of the Bonds of each series on the immediately preceding Determination Date. The Determination Date coincides with the third Business Day prior to the current Payment Date.

The interest on the Bonds shall be paid, in relation to the rest of the Fund payments, in accordance with the Cash Flow Waterfall or the Cash Flow Waterfall of liquidation described in Section 3.4.6 of the Addendum.

For the purpose of the accrual of the interest of all Series, the Bond Issue shall be understood as divided into Interest Accrual Periods, the duration of which shall be the duration existing between two Payment Dates (including the initial Payment Date and excluding the final date). The first Interest Accrual Period shall begin on the Disbursement Date, inclusive, and end on the first Payment Date, 21.09.07, exclusive.

4.8.1.2 Nominal Interest Rate

The nominal interest rate that each Series of Bonds will accrue during each Interest Accrual Period shall be the annual interest rate resulting from the sum of:

(i) the reference interest rate, which is determined as described below and which is common to all the Series of Bonds and expressed to three (3) decimal places, thereby taking into account that, in the event that the closeness for rounding up or down is identical, such rounding shall be made upwards; and (ii) the margin applicable to each Series of Bonds, as indicated below:

- 0.12% maximum for the Bonds in Series A1
- 0.22% maximum for the Bonds in Series A2
- 0.44% maximum for the Bonds in Series B
- 0.80% maximum for the Bonds in Series C
- 4.50% maximum for the Bonds in Series D

The margin applicable to each of the Series A1, A2, B, C and D, expressed as a percentage, shall be determined by common agreement by the Lead Managers and the Assignor within the ranges determined in the preceding paragraph for each of the said Tranches and given in writing to the Fund Manager before 10:00 a.m. (CET time) on the date of the Subscription Period.

In the absence of any communication by the Lead Managers and the Assignor to the Fund Manager, the Fund Manager shall set the correct margin for that Tranche whose margin has not been agreed, before 10:00 (CET) on the date of the Subscription Period, using the following margins:

- Series A1: margin of 0.05%.
- Series A2: margin of 0.15%.
- Series B: margin of 0.30%.
- Series C: margin of 0.60%.
- Series D: margin of 4.50%.

The resulting margin shall be passed to the CNMV as supplementary information for inclusion in the Prospectus.

The resulting Nominal Interest Rate shall be expressed to three (3) decimal places.

4.8.1.3 Reference Interest Rate

The Benchmark Interest Rate for determining the interest rate applicable to the Bonds of all the Series shall be the three-month EURIBOR (3), except for the first Interest Accrual Period, or, if it must be replaced, determined as set out below.

4.8.1.4 Fixing of the Reference Interest Rate of the Bonds.

The EURIBOR shall be fixed in accordance with the rules described in this section.

On each one of the Setting Dates of the Benchmark Interest Rate, the Fund Manager will fix the Benchmark Interest Rate, which will be equal to the EURIBOR, hereby understood as the following:

(i) The (3) three-month EURIBOR rate fixed at 11:00 a.m. C.E.T. that is currently published on the "EURIBOR01" electronic pages supplied by REUTERS and electronic page 248 provided by Dow Jones Markets (Bridge Telerate), or any other page that may replace it in this service.

(ii) In the absence of rates in accordance with the provisions of the preceding number (i), the Replacement Benchmark Interest Rate shall be the interest rate that results from the simple average of the inter-bank interest rates for non-transferable deposit operations in euros with three-month's maturity and by the equivalent amount of the Outstanding Principal Balance of the Bonds offered on the Setting Date by the entities indicated below, after and close to 11:00 AM, and this interest rate shall be requested simultaneously from these entities:

    i. Banco Bilbao Vizcaya Argentaria, S.A.
    ii. Santander Central Hispano, S.A.
    iii. Confederación Española de Cajas de Ahorro
    iv. Deutsche Bank, S.A.E.

    The reference city shall be the city of Madrid.

    In the event that any of the said entities did not provide a quotation declaration, it shall be the rate that results from applying the simple arithmetic average of the rates declared by at least two of the remaining entities.

(iii) In the absence of rates in accordance with the provisions set forth in Sections (i) and (ii), the Benchmark Interest Rate of the Interest Accrual Period immediately preceding will apply, and thus successively for as long as such this situation exists.

The Fund Manager shall keep the printouts of the contents of the REUTERS screens or, if applicable, of the quotation statements of the banking entities stated in the preceding Section (ii) as supporting documents of the determined EURIBOR Interest Rate.

The above notwithstanding, the Benchmark Interest Rate for the first Interest Accrual Period, that is, that covered between the Closing Date and the first Payment Date, shall be the rate resulting from the linear interpolation between the three-month (3) EURIBOR rate and the two-month (2) EURIBOR rate, taking the number of days of the first Interest Accrual Period into account. The calculation of the Benchmark Interest Rate for the first Interest Accrual Period shall be performed according to the following formula:

$$Rn = R1 + \frac{R2 - R1}{t2 - t1} \times (tn - t1)$$

Where:

Rn = Benchmark Interest Rate for the first Interest Accrual Period
tn = Number of days in the first Interest Accrual Period.
R2 = Three-month (3) Euribor rate.
R1 = Two-month (2) Euribor rate.
T2 = Number of days in the three-month maturity period.
T1 = Number of days in the two-month maturity period.

The three-month (3) and two-month (2) Euribor rate for the first Interest Accrual Period shall be determined in accordance with the rules set out in the paragraphs preceding this section without prejudice to the fact that the references to time made previously will consequently become three (3) or two (2) months.

4.8.1.5 Setting Date of the Reference Interest Rate and of the Interest Rate of the Bonds.

The Setting Date of the Reference Interest Rate for each Interest Accrual Period shall be the second (2) Business Day prior to the Payment Date that sets the start of the corresponding Interest Accrual Period. For the first interest accrual period, the reference interest rate shall be determined on the second (2) business day prior to the disbursement date.

Once the Reference Interest Rate of the Bonds has been determined, on the same Setting Date the Fund Manager shall calculate and determine, for each of the Series of Bonds, the interest rate applicable to the following Interest Accrual Period.

4.8.1.6 Formula for calculating the interest of the Bonds:

The interest accrued by the Bonds of all the Series during each Interest Accrual Period shall be calculated by the Fund Manager according to the following formula:

$$\boxed{I = N * r * \frac{n}{360}}$$

Where:

N = Outstanding Balance of Principal of the Bond at the start of the Interest Accrual Period.

I = The total amount of interest accrued by the Bond in the Interest Accrual Period.

r = The annual interest rate of the Bond expressed as an integer value, calculated as the sum of the EURIBOR Reference Rate of the corresponding Interest Accrual Period plus the established differential.

n = The number of days in the Interest Accrual Period.

4.8.2 Dates, places, entities and procedure for payment of the coupons

The interest of the Bonds, regardless of the Series to which they may pertain, shall be payable by completed quarters on 21 March, June, September and December of each year until the final maturity date of the Bonds. In the event that any of the said days were not a Business Day, the interest corresponding to the quarter shall be payable on the next Business Day. The first Payment Date shall be 21.09.07.

If, on a Payment Date and despite the mechanisms established for protecting the rights of the Bondholders, the Available Funds are insufficient to meet the interest payment obligations of the Fund in accordance with the provisions set forth in Section 3.4.6 of the Addendum, the amount available for the interest payment shall be distributed in accordance with the Cash Flow Waterfall set forth in said section. In the event that the Available Funds are only sufficient to partial meet the obligations that may have the same priority order, independently for each one of them, the amount available shall be distributed proportionally between the affected Bonds, proportionally to the outstanding principal balance of the same, and the amounts that the Bondholders have not received shall be considered pending payment and shall be paid on the next Payment Date when it is possible, without accruing additional interest. The outstanding payments to Bondholders shall be settled on the next Payment Date (if there are Available Funds) immediately prior to the payments to the Bondholders of the same Series corresponding to said period. The Fund, through the Fund Manager, may not defer the payment of Interest or Principal of the Bonds after the Legal Maturity Date, meaning 30.06.46, or the next Business Day.

All withholdings, payments and taxes that are established or that may be established in the future on the principal, interest or returns of these Bonds shall be payable exclusively by the Bondholders, and the amount thereof shall be deducted, if applicable, by the corresponding entity in the legally established manner.

Payment shall be made through the Paying Agent, using Iberclear for distributing the amounts.

4.8.3 Calendar

In the event that the payment day of a periodic coupon were not a Business Day for the purposes of the calendar, payment shall be transferred to the immediately following business day. For these purposes and for the lifetime of the Bonds, Business Days shall be deemed to be all those that are not:

- A holiday in Madrid,
- A holiday in Barcelona and
- A non-business day of the TARGET calendar

4.8.4 Calculation Agent

The Calculation Agent shall be the Fund Manager.

4.9 MATURITY DATE AND AMORTISATION OF THE SECURITIES

4.9.1 Redemption price of the Bonds.

The securities shall be amortised at 100% of their face value, which is one hundred thousand (100,000) euros per Bond.

4.9.2 Maturity of the issued Bonds.

The final maturity of the Bonds of all the Series shall occur on the date when they may be fully amortised or on the Legal Final Maturity of the Fund, meaning on 30 June 2046 or the next Business Day, without prejudice to the fact that the Fund Manager, pursuant to Section 4.4.3 of the Registration Document, may proceed to amortise the Bond Issue prior to the Legal Final Maturity of the Fund. The last regular amortisation date of the Mortgage Loans pooled into the secured portfolio is 30 June 2043.

The Bonds shall be amortised on each Payment Date, meaning on 21 March, June, September and December of each year (or, in the event that these are not Business Days, on the next Business Day), in accordance with the provisions herein set forth and subject to the Cash Flow Waterfall or Cash Flow Waterfall for Liquidation included in Section 3.4.6 of the Addendum.

4.9.3 Characteristics common to the amortisation of the bonds of all the series

Outstanding balance of principal

The outstanding principal balance of a Series means the sum of the Outstanding Balances of the unamortised principal of the Bonds in the Series on each Determination Date, which balances include the principal amounts that should have been amortised but were not satisfied due to insufficient funds available on previous Payment Dates in accordance with the Cash Flow Waterfall.

Combined, the Outstanding Balance of Principal of the Bond Issue shall be the sum of the Outstanding Balance of Principal of each one of the Series.

Outstanding Balance of the Mortgage Loans

The Outstanding Balance of the Mortgage Loans on a specific date shall be the sum of the capital or principal pending maturity of the specific Mortgage Loans on that particular date and the capital or principal due but not yet paid to the Fund without including the Mortgage Loans in default.

Mortgage Loans in Default

Mortgage Loans in Default means those (a) for which the Obligor has been declared to be insolvent; (b) that are unpaid for a period equal to or greater than eighteen (18) months for payments past due; or (c) that are classified as in default by the Fund Manager because there is reasonable doubt about their full repayment.

Funds available for amortisation and theoretical amount of amortisation

On each Payment Date, charged to the Available Funds and in the sixth (6) place in the Cash Flow Waterfall, the amount allocated to amortisation of the Bonds of Series A1, A2, B and C shall be retained, in its entirety and without distinction between Series (hereinafter, the "**Funds Available for Amortisation**") in an amount equal to the lesser of the following amounts:

(a) "**Theoretical amount of amortisation**": shall be the positive difference on that Payment Date between (A) the outstanding principal balance of the Bonds of Series A1, A2, B and C and (B) the sum of the Outstanding Balance of the non-default Mortgage Loans corresponding to the last day of the month before the Payment Date.

(b) The Available Funds on that Payment Date, after having deducted the amounts corresponding to the concepts indicated in Sections (i) to (v) of the Cash Flow Waterfall included in Section 3.4.6 of the Addendum.

4.9.4 Distribution of the funds available for amortisation

<u>Amortisation of Series A1, A2, B and C:</u>

The Funds Available for Amortisation shall be applied on each Payment Date to the amortisation of each of the Series A1, A2, B and C according to the following rules (hereinafter, the ***"Distribution of the Funds Available for Amortisation"***), without prejudice to the Cash Flow Waterfall for Liquidation described in Section 3.4.6 with reference to the application of Funds Available for Liquidation:

1. The funds available for amortisation shall be applied sequentially, first to amortisation of Series A1 through the reduction of its face value until it is fully amortised, second to amortisation of Series A2 through the reduction of its face value until it is fully amortised, third to amortisation of Series B through the reduction of its face value until it is fully amortised, and fourth to amortisation of Series C through the reduction of its face value until it is fully amortised, without prejudice to the provisions in rules 4 and 5 following for pro-rated amortisation of the various Series.

2. The redemption of the A1 Series Bonds shall be carried out through partial redemption on each Payment Date from the start of redemption until the total nominal amount has been paid. The first partial redemption of the A1 series shall take place on the first payment date.

3. The redemption of the A2 Series Bonds shall be carried out through partial redemption on each Payment Date from the start of redemption until the total nominal amount has been paid. Amortisation of the Bonds of Series A2 shall begin once all the Bonds of Series A1 have been fully amortised.

4. The foregoing notwithstanding, pro rata amortisation between Class A Bonds (Series A1 and A2) shall occur if, on the date corresponding to the last day of the month immediately prior to the corresponding Payment Date, the proportion between (i) the Outstanding Balance of the Loans that were up-to-date in payment of the amounts due plus the Outstanding Balance of the Loans that were in default by less than ninety (90) days, increased by the amount of the income received for repayment of the principal of the loans over the last three (3) calendar months prior to the Payment Date, and (ii) the Outstanding Principal Balance of Class A (Series A1 and A2), is less than or equal to 1.

   In this event, on the corresponding Payment Date, the Funds Available for Amortisation applied to the amortisation of Class A (Series A1 and A2) shall be assigned pro rata in direct proportion to the Outstanding Principal Balance of Series A1 and A2.

5. The aforementioned notwithstanding, and even if Series A1 and A2 have not been fully amortised, the funds available for amortisation shall be applied on a Payment Date to the amortisation of Series B and/or Series C also, as long as it does not coincide with the last Payment Date or with the liquidation date of the Fund and as long as the following conditions are met:

   i. To proceed with amortisation of Series B and C:

      1. That the pro rata amortisation of Class A (Series A1 and A2) does not apply.
      2. That on the current Payment Date, the amount of the allocated Reserve Fund is equal to the minimum level required of the Reserve Fund.
      3. That on the Determination Date prior to the corresponding Payment Date, the amount of the Outstanding Balance of the

Mortgage Loans is equal to or greater than 10 percent of the initial Outstanding Balance of the same on the date the Fund was established

ii. Without prejudice to the provisions set out in Section (i) above, in order to proceed with the amortisation of Series B, on the Determination Date prior to the corresponding Payment Date:

   1. That the outstanding principal balance of Series B is equal to or greater than 7.11 % of the outstanding principal balance of the Bond Issue, without taking into account Series D.

   2. That the Outstanding Balance of the Doubtful Mortgage Loans does not exceed 1.25% of the Outstanding Balance of the Mortgage Loans.

iii. Without prejudice to the provisions set out in Section (i) above, in order to proceed with the amortisation of Series C, on the Determination Date prior to the corresponding Payment Date:

   1. That the outstanding principal balance of Series C is equal to or greater than 2.09% of the outstanding principal balance of the Bond Issue, without taking into account Series D.
   2. That the Outstanding Balance of the Doubtful Mortgage Loans does not exceed 1% of the Outstanding Balance of the Mortgage Loans.

6. If, on a Payment Date, the amortisation of Series B and/or Series C is applicable by virtue of the provisions set forth in the preceding rule 5, the funds available for amortisation shall also be applied to the amortisation of Series B and/or Series C such that the outstanding principal balance of Series B and/or Series C, with regard to the sum of the Outstanding Balance of the Bond Issue and without taking into account Series D, remains at 7.11% and at 2.09%, respectively, or at higher percentages that are as close as possible to these.

<u>Amortisation of Series D:</u>

It shall be amortised on each one of the Payment Dates by an amount equal to the positive difference between the outstanding principal balance of Series D on the

Determination Date preceding the corresponding Payment Date and the amount of the minimum level of the required Reserve Fund on said Payment Date.

On the Fund liquidation date, the various Bond Series shall be amortised by distributing the Funds Available for Liquidation through the Cash Flow Waterfall for Liquidation provided for in Section 3.4.6 of the Addendum.

4.10 INDICATION OF THE RETURN

The average life, yield, duration and final maturity of the bonds of each series depend on various factors. The most significant are the following:

i) The calendar and amortization system of each one of the mortgage loans set forth in their corresponding contracts.

ii) The capacity that the obligors have for early settlement, whether partially or totally, of the Mortgage Loans, and the speed with which said early settlement is made overall, throughout the life of the Fund..

iii) The variable interest rates of the Mortgage Loans that cause a variation of the amount of the amortisation in each instalment.

iv) The arrears of obligors in the payment of the Mortgage Loan amounts.

In order to calculate the tables included in this section, the following hypotheses have been taken into account with regard to the factors described:

- interest rate of the mortgage loans: weighted average interest rate 4.323% on 29.05.07 of the portfolio of selected loans that have been used for calculating the amortisation amounts and interest of each one of the mortgage loans;

- Arrears of the portfolio of Mortgage Loans: 0.62% of the Outstanding Balance of the Mortgage Loans with 100% repayment at 18 months as from the time they enter into arrears; This hypothesis has been determined based on the historical information of the portfolio of Mortgage Loans granted by the Assignor entity.

- Defaults in the portfolio of Mortgage Loans that are considered uncollectable; 0%

- that the early settlement fee of the mortgage payments stays constant throughout the life of the bonds;

- The Disbursement Date of the Bonds is 28.06.07;

- That there is no extension of the term (or extension of instalments) of any of the Mortgage Loans.

The Internal Rate of Return for the subscriber must take into account the date and purchase price of the Bond, the quarterly payment of the coupon and all amortizations, both the amortisation according to the planned schedule as well as those of an early nature. The real adjusted duration and the return or profitability of the Bonds will also depend on their variable interest rate.

The variable Nominal Interest Rates of the Bonds of each Series are the following for each Interest Accrual Period, which is the result of the 3-month Euribor (4.098%) on 25 May 2007 and with the margins that are established in Section 4.8.1.2 (0.05% for Series A1, 0.15% for Series A2, 0.30% for Series B, 0.06% for Series C and 4.50% for Series D):

	A1 Bonds	**A2 Bonds**	**B Bonds**	**C Bonds**	**D Bonds**
Nominal Interest Rate	4,148%	4,248%	4,398%	4,698%	8,598%

The Average Life of the Bonds for the various Prepayment Rates, hereby assuming the hypotheses described previously, would be the following:

GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS				
SCENARIO		***CARP = 12%***	***CARP = 15%***	***CARP = 18%***
Series A1	Average life (years)	0,97	0,82	0,71
	TIR	4,177%	4,177%	4,177%
Series A2	Average life (years)	5,72	4,92	4,29
	TIR	4,309%	4,309%	4,309%
Series B	Average life (years)	7,40	6,38	5,59
	TIR	4,46%	4,46%	4,46%
Series C	Average life (years)	7,40	6,38	5,59
	TIR	4,77%	4,77%	4,77%
Series D	Average life (years)	7,89	6,96	6,14
	TIR	8,86%	8,86%	8,86%
Anticipated Liquidation Date of the Fund		21/06/2017	21/06/2016	21/06/2015
Maturity (years)		10,13	9,12	8,10

These rates have been considered according to the experience of the Assignor in these types of Loans

The average life of the Bonds has been calculated by the following formula:

$$A = \frac{\sum_{n=1}^{n} (B_n * m_n)}{C} * \frac{1}{12}$$

Where:

A= Average life expressed in years.

Bn= Principal to be amortised on each Payment Date.

mn= Months included between the Disbursement Date of the Issue and each Payment Date.

n = 1,..........,n. Number of quarters (Payment Dates) in which the amounts, Bn, shall be paid.

C = Total amount of the Issue in euros.

The formula used for calculating the IRR is the following:

$$\boxed{N = \sum_{n=1}^{T} a_n * (1+I)^{-(\frac{d_n}{365})}}$$

Where,

N = 100,000 euro face value of the Bond.

I = IRR expressed in an annual rate, as an integer value.

d_n= Days included between the disbursement date of the issue and each payment date.

a_n= a_1,..........,a_n. The total amounts of amortisation and interest that investors will receive quarterly.

n = 1,..........,n. Number of quarters in which the amounts, a_n, shall be paid.

<u>Duration of the bonds</u> (Macaulay's formula adapted):

$$D = \frac{\sum_{n=1}^{n} (P_n * VA_n)}{PE} * \frac{1}{(1+I)}$$

Where:

D = Duration of each Bond Series, expressed in years.

Pn= Time elapsed (in years) between the Disbursement Date and each of the Payment Dates.

VAn= Current value of each of the total amounts that, under the concept of principal and interest, investors would receive quarterly, discounted annually at the effective interest rate (IRR).

PE = Issue price of the Bonds, 100,000 euros.

I = Effective annual interest rate (IRR).

n = 1,..........,n. Number of quarters (Payment Dates) in which the amounts shall be paid.

The Fund Manager expressly states that the financial servicing tables of each one of the series described hereunder are merely theoretical and for illustrative purposes and do not represent any payment obligation whatsoever, remembering that:

- The CPRs are assumed constant at 12%, 15% and 18%, respectively, throughout the life of the Bond Issue and the actual amortisation. These CPRs have been determined on the basis of historical information of early amortisation rates the portfolio of Mortgage Loans granted by the Assignor entity.

- The Net Outstanding Balance of Principal of the Bonds on each Payment Date, and therefore the interests to be paid on each of them, shall depend on the real early amortisation, the delinquency and the degree of defaults experienced by the Mortgage Loans.

- The nominal interest rates of the Bonds are assumed to be constant for each Series from the second Interest Accrual Period onwards, and the interest rate of all the Series is variable.

- The hypothetical values mentioned at the beginning of this section are assumed in all cases.

- It is assumed that the Fund Manager shall exercise the option of Early Settlement of the Fund and use this for the Early Amortisation of the Bond Issue, when the Outstanding Balance of the Non-defaulted Loans is less than 10% of the Opening Balance when the fund was constituted.

- In this stated scenario, the Pro Rata Amortisation of Series A1 and A2 does not become operable, and the Conditions for Pro Rata Amortisation of Series B and C do.

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 12% (in euros)															
	Series A1			Series A2			Series B			Series C			Series D		
Loan Payment	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total
28/06/2007															
21/09/2007	15,295.14	1,004.60	16,299.80	0.00	1,028.82	1,028.82	0.00	1,065.15	1,065.15	0.00	1,137.81	1,137.81	0.00	2,082.35	2,082.35
21/12/2007	14,853.95	878.39	15,732.33	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2008	14,464.24	724.35	15,188.59	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2008	14,079.73	574.36	14,654.09	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2008	13,781.00	428.35	14,209.35	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2008	13,294.09	285.44	13,579.53	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2009	13,040.41	147.58	13,187.99	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2009	1,191.45	12.36	1,203.80	4,035.83	1,062.00	5,097.83	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2009	0.00	0.00	0.00	4,327.02	1,019.14	5,346.16	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2009	0.00	0.00	0.00	4,199.34	973.19	5,172.53	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2010	0.00	0.00	0.00	4,078.93	928.59	5,007.52	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2010	0.00	0.00	0.00	4,051.80	885.27	4,937.07	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2010	0.00	0.00	0.00	3,847.01	842.24	4,689.25	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2010	0.00	0.00	0.00	3,734.21	801.39	4,535.60	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2011	0.00	0.00	0.00	3,628.46	761.73	4,390.19	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2011	0.00	0.00	0.00	3,533.39	723.19	4,256.59	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2011	0.00	0.00	0.00	3,431.07	685.67	4,116.74	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2011	0.00	0.00	0.00	3,006.21	649.23	3,655.44	4,917.50	1,099.50	6,017.00	4,917.50	1,174.50	6,092.00	4,724.83	2,149.50	6,874.33
21/03/2012	0.00	0.00	0.00	2,920.53	617.31	3,537.83	4,777.34	1,045.43	5,822.77	4,777.34	1,116.74	5,894.08	4,685.16	2,047.94	6,733.10
21/06/2012	0.00	0.00	0.00	2,846.39	586.29	3,432.68	4,656.07	992.91	5,648.98	4,656.07	1,060.63	5,716.71	4,551.62	1,947.23	6,498.85
21/09/2012	0.00	0.00	0.00	2,764.77	556.06	3,320.83	4,522.55	941.71	5,464.26	4,522.55	1,005.95	5,528.50	4,436.08	1,849.40	6,285.48
21/12/2012	0.00	0.00	0.00	2,685.81	526.70	3,212.51	4,393.39	891.99	5,285.37	4,393.39	952.83	5,346.22	4,308.87	1,754.04	6,062.91
21/03/2013	0.00	0.00	0.00	2,614.62	498.18	3,112.79	4,276.93	843.68	5,120.62	4,276.93	901.23	5,178.17	4,185.81	1,661.42	5,847.23
21/06/2013	0.00	0.00	0.00	2,548.76	470.41	3,019.16	4,169.20	796.66	4,965.86	4,169.20	851.00	5,020.20	4,074.86	1,571.45	5,646.31
21/09/2013	0.00	0.00	0.00	2,475.06	443.34	2,918.40	4,048.65	750.82	4,799.47	4,048.65	802.03	4,850.68	3,972.21	1,483.86	5,456.07
21/12/2013	0.00	0.00	0.00	2,404.37	417.06	2,821.43	3,933.03	706.30	4,639.33	3,933.03	754.48	4,687.51	3,857.36	1,398.48	5,255.84
21/03/2014	0.00	0.00	0.00	2,336.33	391.52	2,727.85	3,821.71	663.06	4,484.77	3,821.71	708.29	4,530.00	3,747.20	1,315.56	5,062.76
21/06/2014	0.00	0.00	0.00	2,278.58	366.71	2,645.29	3,727.26	621.04	4,348.30	3,727.26	663.40	4,390.66	3,641.14	1,235.02	4,876.16
21/09/2014	0.00	0.00	0.00	2,212.21	342.51	2,554.72	3,618.69	580.06	4,198.74	3,618.69	619.62	4,238.31	3,551.15	1,156.75	4,707.90
21/12/2014	0.00	0.00	0.00	2,147.97	319.02	2,466.99	3,513.60	540.27	4,053.87	3,513.60	577.12	4,090.73	263.71	1,080.42	1,344.13
21/03/2015	0.00	0.00	0.00	2,091.89	296.21	2,388.09	3,421.86	501.64	3,923.50	3,421.86	535.85	3,957.72	0.00	1,074.75	1,074.75
21/06/2015	0.00	0.00	0.00	2,041.38	273.99	2,315.37	3,339.26	464.01	3,803.27	3,339.26	495.66	3,834.92	0.00	1,074.75	1,074.75
21/09/2015	0.00	0.00	0.00	1,981.09	252.31	2,233.40	3,240.63	427.30	3,667.93	3,240.63	456.45	3,697.08	0.00	1,074.75	1,074.75
21/12/2015	0.00	0.00	0.00	1,918.91	231.27	2,150.18	3,138.92	391.67	3,530.58	3,138.92	418.38	3,557.30	0.00	1,074.75	1,074.75
21/03/2016	0.00	0.00	0.00	1,874.39	210.89	2,085.28	3,066.08	357.16	3,423.24	3,066.08	381.52	3,447.60	0.00	1,074.75	1,074.75
21/06/2016	0.00	0.00	0.00	1,821.30	190.99	2,012.29	2,979.25	323.44	3,302.69	2,979.25	345.51	3,324.75	0.00	1,074.75	1,074.75
21/09/2016	0.00	0.00	0.00	1,759.09	171.64	1,930.74	2,877.49	290.69	3,168.18	2,877.49	310.52	3,188.01	0.00	1,074.75	1,074.75
21/12/2016	0.00	0.00	0.00	1,661.31	152.96	1,814.27	2,717.54	259.05	2,976.59	2,717.54	276.72	2,994.26	0.00	1,074.75	1,074.75
21/03/2017	0.00	0.00	0.00	1,599.68	135.32	1,735.00	2,616.72	229.17	2,845.89	2,616.72	244.80	2,861.52	0.00	1,074.75	1,074.75
21/06/2017	0.00	0.00	0.00	11,142.29	118.33	11,260.62	18,226.33	200.40	18,426.72	18,226.33	214.07	18,440.39	50,000.00	1,074.75	51,074.75
Total	100,000	4,055.44	104,055	100,000	24,301.47	124,302	100,000	32,575.08	132,575	100,000	34,797.11	134,797	100,000	67,872.91	167,873

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 15% (in euros)															
	Series A1			Series A2			Series B			Series C			Series D		
Loan Payment	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total	Amort. Princ.	Gross Inter.	Total Total
2806/2007															
21/09/2007	18,640.07	1,004.60	19,644.68	0.00	1,028.82	1,028.82	0.00	1,065.15	1,065.15	0.00	1,137.81	1,137.81	0.00	2,082.35	2,082.35
21/12/2007	17,937.80	843.70	18,781.50	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2008	17,301.09	657.69	17,958.78	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2008	16,682.68	478.28	17,160.96	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2008	16,162.57	305.28	16,467.85	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2008	13,275.78	137.67	13,413.45	777.63	1,062.00	1,839.63	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2009	0.00	0.00	0.00	5,331.78	1,053.74	6,385.52	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2009	0.00	0.00	0.00	5,093.25	997.12	6,090.37	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2009	0.00	0.00	0.00	4,898.79	943.03	5,841.82	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2009	0.00	0.00	0.00	4,712.17	891.00	5,603.17	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2010	0.00	0.00	0.00	4,536.22	840.96	5,377.18	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2010	0.00	0.00	0.00	4,456.78	792.78	5,249.56	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2010	0.00	0.00	0.00	4,201.98	745.45	4,947.43	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2010	0.00	0.00	0.00	4,042.87	700.83	4,743.70	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2011	0.00	0.00	0.00	3,522.11	657.89	4,180.00	5,685.54	1,099.50	6,785.04	5,685.54	1,174.50	6,860.04	3,576.47	2,149.50	5,725.97
21/06/2011	0.00	0.00	0.00	3,399.12	620.49	4,019.60	5,487.00	1,036.99	6,523.99	5,487.00	1,107.72	6,594.72	5,482.20	2,072.62	7,554.83
21/09/2011	0.00	0.00	0.00	3,271.75	584.39	3,856.14	5,281.40	976.66	6,258.06	5,281.40	1,043.28	6,324.68	5,290.76	1,954.78	7,245.54
21/12/2011	0.00	0.00	0.00	3,145.44	549.64	3,695.09	5,077.51	918.59	5,996.10	5,077.51	981.25	6,058.76	5,092.51	1,841.06	6,933.57
21/03/2012	0.00	0.00	0.00	3,029.09	516.24	3,545.33	4,889.68	862.76	5,752.44	4,889.68	921.61	5,811.30	4,895.91	1,731.60	6,627.51
21/06/2012	0.00	0.00	0.00	2,926.23	484.07	3,410.30	4,723.65	809.00	5,532.65	4,723.65	864.18	5,587.83	4,714.80	1,626.36	6,341.16
21/09/2012	0.00	0.00	0.00	2,817.63	452.99	3,270.63	4,548.34	757.06	5,305.41	4,548.34	808.70	5,357.05	4,554.71	1,525.01	6,079.72
21/12/2012	0.00	0.00	0.00	2,713.46	423.07	3,136.53	4,380.18	707.05	5,087.23	4,380.18	755.28	5,135.46	4,385.67	1,427.11	5,812.78
21/03/2013	0.00	0.00	0.00	2,618.72	394.25	3,012.98	4,227.25	658.89	4,886.15	4,227.25	703.84	4,931.09	4,223.52	1,332.84	5,556.36
21/06/2013	0.00	0.00	0.00	2,530.86	366.44	2,897.30	4,085.42	612.42	4,697.83	4,085.42	654.19	4,739.61	4,076.07	1,242.05	5,318.12
21/09/2013	0.00	0.00	0.00	2,436.57	339.57	2,776.13	3,933.21	567.50	4,500.71	3,933.21	606.21	4,539.42	3,707.37	1,154.44	4,861.81
21/12/2013	0.00	0.00	0.00	2,346.73	313.69	2,660.41	3,788.19	524.25	4,312.44	3,788.19	560.01	4,348.20	0.00	1,074.75	1,074.75
21/03/2014	0.00	0.00	0.00	2,260.88	288.77	2,549.64	3,649.60	482.60	4,132.20	3,649.60	515.52	4,165.12	0.00	1,074.75	1,074.75
21/06/2014	0.00	0.00	0.00	2,186.62	264.76	2,451.38	3,529.74	442.47	3,972.21	3,529.74	472.65	4,002.39	0.00	1,074.75	1,074.75
21/09/2014	0.00	0.00	0.00	2,104.86	241.53	2,346.39	3,397.76	403.66	3,801.42	3,397.76	431.20	3,828.95	0.00	1,074.75	1,074.75
21/12/2014	0.00	0.00	0.00	2,026.40	219.18	2,245.58	3,271.11	366.30	3,637.41	3,271.11	391.29	3,662.40	0.00	1,074.75	1,074.75
21/03/2015	0.00	0.00	0.00	1,957.21	197.66	2,154.87	3,159.42	330.34	3,489.75	3,159.42	352.87	3,512.29	0.00	1,074.75	1,074.75
21/06/2015	0.00	0.00	0.00	1,894.60	176.87	2,071.47	3,058.34	295.60	3,353.94	3,058.34	315.76	3,374.11	0.00	1,074.75	1,074.75
21/09/2015	0.00	0.00	0.00	1,823.09	156.75	1,979.84	2,942.90	261.97	3,204.88	2,942.90	279.84	3,222.75	0.00	1,074.75	1,074.75
21/12/2015	0.00	0.00	0.00	1,750.63	137.39	1,888.02	2,825.94	229.62	3,055.56	2,825.94	245.28	3,071.22	0.00	1,074.75	1,074.75
21/03/2016	0.00	0.00	0.00	1,696.78	118.80	1,815.58	2,739.01	198.55	2,937.56	2,739.01	212.09	2,951.10	0.00	1,074.75	1,074.75
21/06/2016	0.00	0.00	0.00	9,489.78	100.78	9,590.56	15,318.81	168.43	15,487.24	15,318.81	179.92	15,498.73	50,000.00	1,074.75	51,074.75
Total	100,000	3,427.21	103,427	100,000	20,909.98	120,909	100,000	28,069.86	128,069	100,000	29,984.52	129,984	100,000	59,906.48	159,906

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 18% (in euros)															
	Series A1			Series A2			Series B			Series C			Series D		
Loan Payment	**Amort, Princ.**	**Gross Inter.**	**Total Total**	**Amort, Princ.**	**Gross Inter.**	**Total Total**	**Amort. Princ.**	**Gross Inter.**	**Total Total**	**Amort. Princ.**	**Gross Inter.**	**Total Total**	**Amort. Princ.**	**Gross Inter.**	**Total Total**
28/06/2007															
21/09/2007	22,074.76	1,004.60	23,079.36	0.00	1,028.82	1,028.82	0.00	1,065.15	1,065.15	0.00	1,137.81	1,137.81	0.00	2,082.35	2,082.45
21/12/2007	21,046.18	808.08	21,854.27	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2008	20,105.00	589.84	20,694.83	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2008	19,202.31	381.35	19,583.66	0.00	1,062.00	1,062.00	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2008	17,571.75	182.22	17,753.97	300.16	1,062.00	1,362.16	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2008	0.00	0.00	0.00	6,204.59	1,058.81	7,263.40	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2009	0.00	0.00	0.00	5,962.67	992.92	6,955.59	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2009	0.00	0.00	0.00	5,647.83	929.60	6,577.42	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2009	0.00	0.00	0.00	5,382.79	869.62	6,252.41	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/12/2009	0.00	0.00	0.00	5,130.68	812.45	5,943.13	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/03/2010	0.00	0.00	0.00	4,894.01	757.96	5,651.97	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/06/2010	0.00	0.00	0.00	4,758.30	705.99	5,464.29	0.00	1,099.50	1,099.50	0.00	1,174.50	1,174.50	0.00	2,149.50	2,149.50
21/09/2010	0.00	0.00	0.00	4,024.56	655.46	4,680.02	6,520.79	1,099.50	7,620.29	6,520.79	1,174.50	7,695.29	3,899.68	2,149.50	6,049.18
21/12/2010	0.00	0.00	0.00	3,837.18	612.71	4,449.89	6,217.18	1,027.80	7,244.98	6,217.18	1,097.91	7,315.09	6,266.50	2,065.68	8,332.18
21/03/2011	0.00	0.00	0.00	3,662.04	571.96	4,234.00	5,933.40	959.45	6,892.85	5,933.40	1,024.89	6,958.30	5,974.73	1,930.98	7,905.71
21/06/2011	0.00	0.00	0.00	3,502.02	533.07	4,035.09	5,674.13	894.21	6,568.34	5,674.13	955.20	6,629.34	5,702.02	1,802.55	7,504.57
21/09/2011	0.00	0.00	0.00	3,340.48	495.88	3,836.36	5,412.40	831.82	6,244.22	5,412.40	888.56	6,300.97	5,452.86	1,679.99	7,132.85
21/12/2011	0.00	0.00	0.00	3,182.75	460.41	3,643.16	5,156.84	772.31	5,929.15	5,156.84	824.99	5,981.84	5,201.34	1,562.78	6,764.11
21/03/2012	0.00	0.00	0.00	3,037.58	426.60	3,464.18	4,921.63	715.61	5,637.24	4,921.63	764.43	5,686.05	4,955.74	1,450.97	6,406.72
21/06/2012	0.00	0.00	0.00	2,908.29	394.35	3,302.64	4,712.16	661.50	5,373.66	4,712.16	706.62	5,418.78	4,729.70	1,344.45	6,074.15
21/09/2012	0.00	0.00	0.00	2,775.44	363.46	3,138.89	4,496.89	609.69	5,106.58	4,496.89	651.28	5,148.17	4,528.40	1,242.79	5,771.18
21/12/2012	0.00	0.00	0.00	2,649.11	333.98	2,983.09	4,292.21	560.25	4,852.45	4,292.21	598.46	4,890.67	3,289.04	1,145.45	4,434.49
21/03/2013	0.00	0.00	0.00	2,534.18	305.85	2,840.03	4,106.00	513.05	4,619.05	4,106.00	548.05	4,654.05	0.00	1,074.75	1,074.75
21/06/2013	0.00	0.00	0.00	2,427.91	278.94	2,706.85	3,933.82	467.91	4,401.73	3,933.82	499.82	4,433.65	0.00	1,074.75	1,074.75
21/09/2013	0.00	0.00	0.00	2,316.87	253.15	2,570.03	3,753.91	424.65	4,178.56	3,753.91	453.62	4,207.53	0.00	1,074.75	1,074.75
21/12/2013	0.00	0.00	0.00	2,211.90	228.55	2,440.45	3,583.83	383.38	3,967.21	3,583.83	409.53	3,993.36	0.00	1,074.75	1,074.75
21/03/2014	0.00	0.00	0.00	2,112.42	205.06	2,317.48	3,422.65	343.98	3,766.63	3,422.65	367.44	3,790.09	0.00	1,074.75	1,074.75
21/06/2014	0.00	0.00	0.00	2,025.93	182.62	2,208.56	3,282.51	306.34	3,588.86	3,282.51	327.24	3,609.75	0.00	1,074.75	1,074.75
21/09/2014	0.00	0.00	0.00	1,933.18	161.11	2,094.28	3,132.22	270.25	3,402.47	3,132.22	288.69	3,420.91	0.00	1,074.75	1,074.75
21/12/2014	0.00	0.00	0.00	1,844.95	140.58	1,985.53	2,989.28	235.81	3,225.09	2,989.28	251.90	3,241.18	0.00	1,074.75	1,074.75
21/03/2015	0.00	0.00	0.00	1,767.14	120.99	1,888.12	2,863.20	202.95	3,066.15	2,863.20	216.79	3,079.99	0.00	1,074.75	1,074.75
21/06/2015	0.00	0.00	0.00	9,625.05	102.22	9,727.27	15,594.95	171.47	15,766.42	15,594.95	183.16	15,778.12	50,000.00	1,074.75	51,074.75
Total	100,000	2,966.09	102,966.09	100,000	18,231.12	118,231.12	100,000	24,612.59	124,611.59	100,000	26,290.41	126,290	100,000	52,849.48	152,850

4.11 REPRESENTATION OF THE SECURITIES HOLDERS

For the securities included in this issue no Bondholder syndicate shall be constituted, providing the Fund Manager shows that its representation is in accordance with the provisions of Article 12 of Royal Decree 926/1998.
Consequently, the Fund Manager will limit its actions to the defence of the interests of the holders of the Bond Issued against the Fund.

4.12 RESOLUTIONS, AUTHORISATIONS AND APPROVALS FOR ISSUING THE SECURITIES

a) Company Resolutions

Resolution for formation of the Fund, assignment of the Mortgage Loans and Bond Issue:

At the meeting of the Board of Directors of Gesticaixa, S.G.F.T., S.A. held on 20 March 2007, the following was decided:

i) The formation of GC PASTOR HIPOTECARIO 5, FTA in accordance with the legal regime established by Royal Decree 926/1998; by Law 19/1992 wherever Royal Decree 926/1998 may be silent and to the extent that it may be applicable; and in all other current legal provisions and regulations in force that may be applicable at any time.

ii) The pooling of the credit rights assigned by Banco Pastor into the Fund which derive from Mortgage Loans granted by Banco Pastor to natural and legal persons.

iii) The issue of the bonds against the fund.

Mortgage Loan Assignment resolution:

At a meeting held on 18 December 2006, the Board of Directors of Banco Pastor resolved to authorise the assignment of Mortgage Loans by issuing Mortgage Transfer Certificates.

b) Verification and Registration by the CNMV

This Prospectus of formation of the Fund and Issue of the Bonds was filed with the official registers of the CNMV on 21.06.07.

c) Granting of the public deed of formation of the Fund

Once this Prospectus has been registered by the CNMV, the Fund Manager, together with Banco Pastor as the Assignor of the Mortgage Loans, shall proceed on 26.06.07 to execute the deed of formation of GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS by virtue of the resolution of the Fund Manager dated 20 March 2007 and the resolution of the Board of Directors of Banco Pastor dated 18 December 2006, under the terms of Article 6 of Royal Decree 926/1998.
The Fund Manager shall send a copy of the Deed of Formation to the CNMV for incorporation into the public records.

4.13 ISSUE DATE OF THE SECURITIES

The date of Issue of the Bonds shall be 26.06.07.

4.13.1 Collective of potential qualified investors

The placing, distribution and marketing of the Bond Issue is targeted at qualified investors, as this term is defined in Article 39 of Royal Decree 1310/2005.

4.13.2 Subscription period

The Subscription Period shall begin at 10:00 a.m. on 27.06.07, the Business Day prior to the Closing Date, and shall end at 1:00 p.m. on that same day.

4.13.3 Disbursement date and form.

On the Closing Date, the Underwriter and Placement Agents shall pay the respective underwritten amount into the account opened on behalf of the Paying Agent at the Bank of Spain, effective that same day before 10:15 a.m.

The investors to whom the Bonds have been allocated must pay the Underwriters and Placement Agents before 10:00 a.m. CET time, on the Closing Date, effective that same day, the corresponding issue price for each allocated Bond.

The Disbursement Date shall be 28.06.07.

4.14 RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE SECURITIES

The Bonds may be freely transferred and may be transmitted by any lawfully permitted means and in accordance with the norms of the AIAF Fixed Income Market. Inscription of the transfer in favour of the purchaser in the accounting record will have the same effects as the handing over of the titles, and, as from the moment of the transmission onwards, will be enforceable against third parties.

5. RESOLUTIONS OF ADMISSION TO TRADING AND NEGOTIATION

5.1 MARKET IN WHICH THE SECURITIES WILL BE TRADED

In compliance with the provisions set forth in Article 2, number 3 of Royal Decree 926/1998, the Fund Manager shall request permission, immediately on the Closing Date, for trading the Bond Issue on the AIAF Fixed Income Market, so that it may be listed within no more than thirty (30) days from the Closing Date, once the appropriate authorisations have been obtained.

The Fund Manager expressly states that it knows the requirements and conditions demanded for the admission, permanence and exclusion of the securities on the AIAF Fixed Income Market, pursuant to current legislation, and the Fund Manager agrees to comply with the same on behalf of the Fund.

In the event of breach within the aforementioned admission to trading period of the Bonds, the Fund Manager hereby undertakes to publish the opportune relevant fact at the CNMV and in the Official Gazette of the AIAF Fixed Income Market or through any other means that are generally accepted in the market and which guarantee adequate dissemination of the information with regard to time and content. This information shall contain both the causes for said breach as well as the anticipated new date for admission to trading of the issued securities, without prejudice to any eventual liability of the Fund Manager if breach is attributable to the same.

Likewise, the Fund Manager shall apply for inclusion of the Bonds issues in Iberclear such that the clearance and liquidation thereof takes place in accordance with the operating rules that, as regards securities admitted to trading on the AIAF Fixed Income Market and represented by book entries, are set forth or may be approved in the future by Iberclear.

5.2 PAYMENT AGENT AND DEPOSITARY ENTITIES

Name and address of any payment agent and of the deposit agents in each country

The financial servicing of the Bond Issue shall be carried out through Banco Pastor, the entity which shall be designated as the Paying Agent. All payments to be made by the Fund to the Bondholders shall be made through the Payment Agent.

The Fund Manager, on behalf of and representing the Fund, and Banco Pastor shall enter into the Payment Agency Contract on the day when the Deed of Formation is executed.

The obligations assumed by the Payment Agent under this Contract are summarised below:

(i) Before 11.00 a.m. (CET) on the Closing Date, it shall pay into the Fund, by means of a deposit into the Treasury Account, the total amount of the subscriptions of the Bond Issue which, under the Management, Underwriting and Brokerage Contract, are paid to it by the rest of the Underwriting and Brokerage Entities, plus the nominal amount of the Bonds it may have placed and those subscribed by Banco Pastor on its own behalf, if applicable, up to the limit of its underwriting commitment.

(ii) On each of the Payment Dates of the Bonds, it will pay the interest and reimbursement of principal of the Bonds, once deducted the total amount of the withholding tax retention on account of the income from the movable assets that, if applicable, may have to be made in accordance with the applicable tax legislation.

As consideration for the services to be provided by the Paying Agent, the Fund shall pay the Paying Agent on each Payment Date during the life of the agreement a commission equal to eight thousand (8,000) euros, including taxes, if applicable, provided that the Fund has sufficient liquidity and in accordance with the Cash Flow Waterfall established in Section 3.4.6 of the Addendum.

Should the Fund not have sufficient liquidity to pay the entire mentioned fee, the unpaid amounts will be accumulated, without penalty, with the fee corresponding to the following Payment Date, save in the case that such lack of liquidity situation remains, in which case the amounts due will continue to accumulate until the Payment Date on which such situation has ceased.

The Paying Agency Agreement shall be terminated for all legal purposes in the event that the Ratings Agencies do not confirm the ratings assigned on a provisional basis to each of the Series of Bonds prior to the start of the Subscription Period, or in the event of the termination of the Management, Underwriting and Placement Agreement of the Bond Issue.

Substitution of the Payment Agent

The Fund Manager is authorised to replace the Payment Agent (in each and every one of its functions), as long as it may be permitted by legislation in force and authorisation is obtained from the competent authorities, if necessary. The substitution shall be communicated to the CNMV, to the Ratings Agencies and to the Assignor.

In the event that the rating of the Paying Agent given by the Ratings Agencies for its short-term debt is reduced to a rating below P-1, in the case of Moody's, or below A-1, in the case of S&P, the Fund Manager shall, on behalf of the Fund and within 30 days for Moody's and 60 days for S&P following such a reduction and subject to prior communication to the Ratings Agencies, put into practice any of the necessary options among those described below that allow maintaining an adequate level of guarantee with respect to the commitments derived from the functions contained in the Paying Agency Agreement, so that the rating given to the Bonds by the Ratings Agencies is not jeopardised.

(i) Obtain guarantees or similar commitments from a credit entity or entities with a rating for their short-term debt of no less than P-1 granted by Moody's or no less than A-1 granted by S&P, or another one explicitly recognised by the Ratings Agencies, which guarantee the commitments assumed by the Paying Agent.

(ii) Substitute the Paying Agent with an entity with a rating for its short-term debt of no less than P-1 given by Moody's and A-1 given by S&P, or another one explicitly recognised by the Ratings Agencies, so that it may assume, under the same conditions, the functions of the affected entity as established in the respective agreement.

If Banco Pastor is replaced as the Paying Agent, the Fund Manager shall be entitled to modify the commission paid to the replacement agent, which could be higher than that paid to Banco Pastor under this contract. All costs, expenses and taxes incurred in the performance and execution of the above options shall be charged to Banco Pastor.

Likewise, the Paying Agent may consider the Payment Agency Contract to be terminated, subject to prior notification to the Fund Manager a minimum of two months in advance, in accordance with the terms set forth in the Payment Agency Contract, and as long as (i) another entity with financial characteristics similar to Banco Pastor and with a short-term credit rating at least equal to P-1 in the case of Moody's, and A-1 in the case of S&P, or another one explicitly recognised by the Rating Agencies, accepted by the Fund Manager, replaces Banco Pastor in the functions assumed by the Paying Agency Contract; (ii) the CNMV and the Ratings Agencies are notified; and (iii) the rating given to the Bonds by the Rating Agencies is not jeopardised. Moreover, termination may not occur, unless authorised by the Fund Manager, until day 20 of the month following the month of the Payment Date following the notification of termination. In the event of substitution caused by the relinquishment of the replaced entity, all costs derived from the substitution process shall be paid for by the latter. The administrative and management costs derived from the process of replacing the Payment Agent as a result of the loss of a rating shall be payable by the replaced Payment Agent.

Publication of the amounts to be paid and establishments through which the financial service of the issue will be handled

The payment of interest and amortisations will be announced using the channels generally accepted in the market (AIAF Fixed Income Market, Iberclear) that guarantee adequate publication of the information with regard to time and content.

Notification Dates of the payments to be made by the Fund on each Payment Date

These shall be 20 March, June, September and December of every year, or the immediately following Business Day in the event that any of these days are not Business Days.

The periodic information to be provided by the Fund is described in section 4.1 of the Supplemental Addendum.

6. FUND EXPENSES

6.1 Costs of the issue and of the admission to trading

The forecasted Initial Expenses are the following:

Initial Expenses	Euros
CNMV – Registration fees	39,813.66
CNMV – Supervision fees	9,180.00
AIAF Market Fees	52,200.00
IBERCLEAR Fees	2,900.00
Ratings Agencies, Underwriters and Management Agents, Legal Advising, printing, notaries public, auditing, translating and others	766,906.34
Total	**871,000.00**

In addition to the Initial Expenses detailed above, the Fund shall make payment of all ordinary and Extraordinary Expenses of the Fund, charged to the Available Funds and in accordance with the Cash Flow Waterfall. It is estimated that the ordinary expenses of the Fund, including the commission for the Fund Manager and those derived from the paying agent agreement will amount to 147,000 euros during the first year of the Fund. Given that most of these expenses will be directly related to the outstanding principal balance of the Bonds and the Outstanding Balance of the Mortgage Loans and that said balances will decrease throughout the life of the Fund, the Fund's ordinary expenses will also decrease over time.

Costs incurred due to liquidation of the Fund shall be payable by the Fund.

7. ADDITIONAL INFORMATION

7.1 DECLARATION OF THE CAPACITY WHEREBY THE ADVISORS RELATED TO THE ISSUE HAVE ACTED, WHO ARE MENTIONED IN THE PROSPECTUS SCHEDULE.

Enumeration of the persons

Cuatrecasas Abogados has provided the legal advice for the constitution of the Fund and the Bond Issue and has revised the statements pertaining to the tax treatment of the Fund, which are contained in Section 4.5.1 of the Registration Document. The financial planning for the operation has been carried out by Banco Pastor and GestiCaixa S.G.F.T., S.A.

7.2 OTHER INFORMATION OF THE PROSPECTUS SCHEDULE THAT HAS BEEN AUDITED OR REVIEWED BY AUDITORS

Not applicable.

7.3 DECLARATION OR REPORT ATTRIBUTED TO A PERSON IN THE CAPACITY OF AN EXPERT.

Deloitte was the auditor of a Series of attributes of the Mortgage Loans selected under the terms of Section 2.2 of the Addendum. Similarly, Deloitte is the auditor of the Assignor.

7.4 INFORMATION COMING FROM THIRD PARTIES.

The Fund Manager, within its verification duties established in this Prospectus, has received confirmation from Banco Pastor with respect to the authenticity of the Assignor’s characteristics, as well as that of the Mortgage Loans described in Section 2.2.8 of the Addendum, as well as the rest of the Assignor’s information included in this Prospectus, which shall be ratified by the Assignor on the Formation Date of the Fund in the Deed of Formation

The Fund Manager has accurately reproduced the information received from Banco Pastor and, to the best of its knowledge can confirm from the information received from Banco Pastor that no fact which may render this information incorrect or misleading has been omitted and that this Prospectus does not omit significant facts or data which may be relevant for the investor.

7.5 SOLVENCY RATING ASSIGNED TO THE SECURITIES BY THE RATINGS AGENCIES

Degrees of solvency assigned to an issuer or to his obligations upon request or with the co-operation of the issuer in the ratings process

On the registration date of this Prospectus Schedule, the following preliminary ratings are determined for the Bonds assigned by Moody's and S&P, both ratings assigned on 19 June 2007:

Series	Moody’s	S&P
Series A1	Aaa	AAA
Series A2	Aaa	AAA
Series B	A1	A
Series C	Baa2	BBB-
Series D	Ca	CCC-

The task entrusted to the Rating Agencies consists of appraising the bonds and the ratings of the same.

The ratings assigned by S&P are an opinion about the ability of the Fund in relation to the timely payment of interest and the payment of principal on the Bonds throughout the life of the operation, and in any event on or before the Legal Final Maturity of the Fund.

The ratings assigned to the Bonds by Moody’s measure the expected loss before the Statutory Maturity Date. In the opinion of Moody’s, the structure allows for timely payment of interest and payment of the principal over the life of the operation, and in any event before the Legal Final Maturity for Series A1, A2, B and C, as well as payment of interest and principal before the Legal Final Maturity for Series D.

The ratings of the Rating Agencies take into account the structure of the Bonds issue, the legal aspects of the same and those of the issuing Fund, the characteristics of the loans selected for their assignment to the Fund and the regularity and continuity of the flows of the operation.

The ratings by the Rating Agencies do not constitute an evaluation of the probability that the debtors should make advanced principal reimbursements, or with regard to the extent such advanced reimbursements may differ from that originally anticipated. The ratings do not constitute, in any way, an evaluation as to the actuarial performance.

The ratings assigned, as well as any revision or suspension of the same:

(i) Are formulated by the Rating Agencies based on wide-ranging information received by them. They cannot be held responsible under any circumstances for the accuracy of this information, or that it is complete, and,

(ii) Do not constitute and, therefore, in no way could they be interpreted as, an invitation, recommendation or incitement targeted at investors so that they proceed to carry out any operation over the Bonds and, in particular, to acquire, keep, burden or sell said Bonds.

The final rating granted can be revised, suspended or retired at any time by the Rating Agencies, by reason of any information that comes to their knowledge. Such situations, which will not constitute events of early settlement of the fund, shall immediately be brought to the attention of both the CNMV and the holders of the Bonds, in accordance with the provisions of Section 4 of the Addendum.

In order to carry out the rating process and follow-up procedure, the ratings agencies rely on the accuracy and completeness of the information provided by the Fund Manager, the auditors, the legal advisers and other experts.

The Fund Manager, in representation of the Fund, undertakes to provide the Ratings Agencies with periodic information about the status of the Fund and of the Mortgage Loans. It shall likewise provide said information whenever reasonably requested to do so and in any case, whenever their is a modification to the conditions of the fund or to the contracts approved through the fund manager or to the interested parties.

SUPPLEMENTAL ADDENDUM TO THE PROSPECTUS SCHEDULE
(Appendix VIII of Commission Regulation (EC) No. 809/2004 of 29 April 2004)

Minimum revelation requirements for the additional module of asset-guaranteed securities

1. SECURITIES

1.1 DENOMINATION OF THE ISSUE

The Fund, represented by the Fund Manager, shall be formed with the Mortgage Loans that Banco Pastor shall assign to the same in constitution thereof, and the total amount shall be equal to or, by default, as close as possible to seven hundred million (700,000,000) euros.

1.2 CONFIRMATION THAT THE INFORMATION ON A COMPANY OR DEBTOR NOT PARTICIPATING IN THE ISSUE HAS BEEN REPRODUCED.

Not applicable.

2. UNDERLYING ASSETS

2.1 CONFIRMATION OF THE ABILITY OF THE SECURITISED ASSETS TO PRODUCE FUNDS PAYABLE ON THE SECURITIES.

In accordance with the information provided by the Assignor, the Fund Manager confirms that the features of the securitised Mortgage Loans demonstrate the ability to produce funds and to make the payments due and payable on the Bonds issued.

However, in order to cover possible non-payment by debtors of the securitised assets, a series of credit-enhancing operations has been arranged in accordance with the applicable regulations to augment the security or regularity in the payment of the Bonds and to mitigate or neutralise differences in the interest rates on the assets and the Bonds in each series. Even so, under exceptional circumstances the credit-improving operations could turn out to be insufficient.

The credit-enhancing operations are described in part 3.4.2., 3.4.3 and 3.4.4 of this Supplemental Addendum.

Not all of the bonds issued have the same risk of non-payment, as reflected in the credit ratings assigned by the Ratings Agencies to the bonds in each one of the series detailed in part 7.5. of the prospectus schedule.

If (i) in the opinion of the Fund Manager, the existence of circumstances of any nature were to lead to a substantial alteration or permanent distortion or were to make it impossible or extremely difficult to maintain the equity balance of the Fund or if (ii) non-payment indicative of a serious and permanent imbalance in relation to the Bonds were to occur or if it were expected to occur, the Fund Manager shall be able proceed with the Clean-up Call of the Fund and early redemption of the Bond Issue in the terms set forth in part 4.4.3. of the Registration Document.

2.2 ASSETS SUPPORTING THE BOND ISSUE

The Credit Rights to be pooled into the Fund's assets are derived from Mortgage Loans granted by Banco Pastor to natural and legal persons, with mortgage guarantees on properties located in Spain, the granting of which was subject to Spanish law, for a total amount equal to or, by default, as close as possible to seven hundred million (700,000,000) euros.

Audit of the Mortgage Loans Securitised in the Fund

The Mortgage Loans were subject to an audit performed Deloitte, S.L., with registered office in Plaza Pablo Ruiz Picasso, 1, 28020 Madrid, Spain, holder of Corporate Tax Code B-79104469 and filed with the Official Register of Accounts Auditors (R.O.A.C.) under number S0692, dated 7 June 2007, in due compliance with the provisions laid down in article 5 of Royal Decree 926/1998.

The Audit Report has been produced using sampling techniques, which constitute a generally accepted method for the verification of the registries that an entity maintains in relation with a group of entries ("population"), and allows the extraction of a conclusion about the said population by means of the analysis of a number of entries ("samples") smaller than the total group. The reliability level indicates the probability that the real number of entries with deviations from a rule existing in a population does not exceed a previously determined limit ("precision"). The chosen sample size and level of confidence determine that the non-existence of errors in the sample corresponds with a maximum of inferred errors for the population, always different than zero. The verification discusses a series of attributes, both quantitative and qualitative, about the operations of the sample, and specifically about the following: identification of the obligor; ownership; transfer of the assets; initial amount of the Mortgage Loans, purpose; execution date; maturity date; nature of the Mortgage Loans; current balance of the Mortgage Loans; interest rate and reference index; interest rate differential; interest rate applied; arrears in payments; appraisal value; ratio between the current balance of the Mortgage Loan and the appraisal value; address of the mortgaged property or properties and the mortgage guarantee.

The Mortgage Loans selected with errors detected in the verification of the sample will not be assigned to the Fund.

2.2.1 Legislation governing the securitized assets.

The securitised assets are governed by Spanish law.

2.2.2 Description of the general characteristics of the debtors and the economic environment, as well as the overall statistics of the securitized assets.

The debtors of the Mortgage Loans are individuals and bodies corporate to which mortgage loans have been awarded for the acquisition, construction or refurbishment of residential buildings located in Spain, in the case of individuals, and for whatsoever purpose, in the case of bodies corporate, where all of them are guaranteed by means of a property mortgage duly registered with the Property Register.

a) Information about the distribution of the pending capital of the selected Mortgage Loans.

The following table shows the distribution of the Outstanding Balance of the selected Mortgage Loans at intervals of 100,000 euros, as well as the average, minimum and maximum amounts by obligor.

Mortgage Loan Portfolio at 29.05.07 Classification by Intervals of Outstanding Principal					
		Mortgage Loans.		Outstanding Principal	
Interval		No.	%	Amount	%
0.00	99,999.99	1,965	32.98%	134,277,482.75	14.29%
100,000.00	199,999.99	2,669	44.80%	387,581,228.21	41.26%
200,000.00	299,999.99	886	14.87%	213,331,322.03	22.71%
300,000.00	399,999.99	247	4.15%	84,936,851.19	9.04%
400,000.00	499,999.99	85	1.43%	37,736,040.69	4.02%
500,000.00	599,999.99	40	0.67%	21,886,122.06	2.33%
600,000.00	699,999.99	18	0.30%	11,769,294.88	1.25%
700,000.00	799,999.99	11	0.18%	8,376,370.70	0.89%
800,000.00	899,999.99	7	0.12%	6,099,435.36	0.65%
900,000.00	999,999.99	9	0.15%	8,538,578.00	0.91%
1,000,000.00	1,099,999.99	10	0.17%	10,445,182.25	1.11%
1,100,000.00	1,199,999.99	4	0.07%	4,545,770.08	0.48%
1,200,000.00	1,299,999.99	1	0.02%	1,266,708.32	0.13%
1,300,000.00	1,399,999.99	3	0.05%	4,071,746.94	0.43%
1,400,000.00	1,499,999.99	2	0.03%	2,882,917.95	0.31%
1,600,000.00	1,699,999.99	1	0.02%	1,699,985.45	0.18%
Total Portfolio		**5,958**	**100%**	**939,445,036.86**	**100.00%**
		Average principal		157,677.92	
		Minimum principal		7,320.66	
		Maximum principal		1,699,985.45	

b) Information on the execution of the selected Mortgage Loans

The following chart shows the breakdown of the selected Mortgage Loans according to the execution date in intervals of 6 months, as well as the average, minimum and maximum age.

Mortgage Loan Portfolio at 29.05.07 Classification by intervals of Formation Dates					
		Mortgage Loans		Outstanding Principal	
Interval		No.	%	Amount	%
01/01/2000	30/06/2000	1	0.02%	84,547.27	0.01%
01/01/2001	30/06/2001	1	0.02%	25,412.91	0.00%
01/01/2002	30/06/2002	2	0.03%	330,016.89	0.04%
01/07/2002	31/12/2002	5	0.08%	953,356.97	0.10%
01/07/2003	31/12/2003	1	0.02%	152,772.15	0.02%
01/01/2004	30/06/2004	8	0.13%	1,686,002.69	0.18%
01/07/2004	31/12/2004	58	0.97%	10,424,419.33	1.11%
01/01/2005	30/06/2005	126	2.11%	27,605,918.67	2.94%
01/07/2005	31/12/2005	330	5.54%	57,380,026.88	6.11%
01/01/2006	30/06/2006	3,466	58.17%	524,380,085.44	55.82%
01/07/2006	31/12/2006	1,960	32.90%	316,422,477.66	33.68%
Total Portfolio		**5.958**	**100.00%**	**939,445,036.86**	**100.00%**

Seasoning	1.078 years
Maximum Age	18/04/2000
Minimum Age	29/12/2006

c) Information on the applicable nominal interest rates: maximum, minimum and average rates for the selected Mortgage Loans

The following chart shows the breakdown of the selected Mortgage Loans at intervals of the applicable Nominal Interest Rate expressed as percentage on 29.05.07, as well as the average, minimum and maximum values.

Mortgage Loan Portfolio at 29.05.07 Classification by intervals of interest rates					
		Mortgage Loans.		Outstanding Principal	
Interval		No.	%	Amount	%
2.5	2.99	5	0.08%	1,489,508.39	0.16%
3	3.49	179	3.00%	33,976,146.38	3.62%
3.5	3.99	1,566	26.28%	259,211,745.65	27.59%
4	4.49	1,965	32.98%	300,557,243.43	31.99%
4.5	4.99	1,470	24.67%	239,501,576.00	25.49%
5	5.49	336	5.64%	52,212,748.68	5.56%
5.5	5.99	176	2.95%	23,844,908.35	2.54%
6	6.49	255	4.28%	28,250,981.56	3.01%
6.5	6.99	5	0.08%	276,327.66	0.03%
7.5	7.99	1	0.02%	123,850.76	0.01%
Total Portfolio		**5,958**	**100.00%**	**939,445,036.86**	**100.00%**

Weighted Average	4.3289%
Minimum	2.8500%
Maximum	7.5000%

d) Information on the character of the interest rate and reference indexes applicable for the determination of the variable interest rates applicable to the selected Mortgage Loans.

The selected Mortgage Loans have either variable or fixed interest rates. The following table shows the distribution of the Mortgage Loans based on the applicable reference indices used to determine the Nominal Interest Rate for both variable rate and fixed rate Mortgage Loans.

Mortgage Loan Portfolio at 29.05.07 Classification by Reference Indices				
	Mortgage Loans.		**Outstanding Principal**	
Reference Index	**No.**	**%**	**Amount**	**%**
EURIBOR	5,851	98.20%	923,771,544.82	98.33%
IRMH	100	1.68%	13,118,739.72	1.40%
MIBOR	6	0.10%	2,430,901.56	0.26%
FIXED RATE	1	0.02%	123,850.76	0.01%
Total Portfolio	**5,958**	**100.00%**	**939,445,036.86**	**100.00%**

e) Information on the Legal Final Maturity of the selected Mortgage Loans

The following chart shows the distribution of the selected Mortgage Loans according to the Legal Final Maturity in annual intervals, as well as the adjusted average total residual life and the minimum and maximum final due dates.

Mortgage Loan Portfolio at 29.05.07 Classification by Final Amortisation Date				
	Mortgage Loans.		Outstanding Principal	
Year	**No.**	**%**	**Amount**	**%**
2008	2	0.03%	570,400.00	0.06%
2009	2	0.03%	24,909.55	0.00%
2010	5	0.08%	965,790.43	0.10%
2011	10	0.17%	843,844.40	0.09%
2012	8	0.13%	369,879.12	0.04%
2013	19	0.32%	1,879,728.37	0.20%
2014	36	0.60%	2,423,679.43	0.26%
2015	19	0.32%	3,808,622.27	0.41%
2016	149	2.50%	23,392,695.70	2.49%
2017	25	0.42%	3,077,949.03	0.33%
2018	240	4.03%	27,319,724.43	2.91%
2019	28	0.47%	7,187,727.70	0.77%
2020	41	0.69%	5,356,526.77	0.57%
2021	618	10.37%	89,566,759.84	9.53%
2022	30	0.50%	4,316,190.19	0.46%
2023	38	0.64%	5,416,236.08	0.58%
2024	107	1.80%	12,909,636.67	1.37%
2025	53	0.89%	8,436,462.81	0.90%
2026	476	7.99%	58,786,488.47	6.26%
2027	32	0.54%	4,749,138.71	0.51%
2028	38	0.64%	4,845,536.36	0.52%
2029	50	0.84%	8,584,809.34	0.91%
2030	79	1.33%	12,177,182.88	1.30%
2031	690	11.58%	96,375,693.82	10.26%
2032	31	0.52%	3,812,020.42	0.41%
2033	51	0.86%	7,969,947.03	0.85%
2034	93	1.56%	17,057,122.68	1.82%
2035	230	3.86%	44,027,017.13	4.69%
2036	1,628	27.32%	281,505,668.96	29.97%
2037	9	0.15%	1,188,425.67	0.13%
2038	10	0.17%	1,812,316.85	0.19%
2039	28	0.47%	5,549,280.38	0.59%
2040	143	2.40%	28,060,139.81	2.99%
2041	939	15.76%	164,963,436.44	17.56%
2043	1	0.02%	114,049.12	0.01%
Total Portfolio	**5,958**	**100.00%**	**939,445,036.86**	**100.00%**

Minimum maturity date	31/05/2008
Maximum maturity date	30/06/2043
Weighted average maturity	25.23 years

f) Information on geographic distribution by province

The following table shows the distribution of the Mortgage Loans by Province, according to the addresses of the obligors.

Mortgage Loan Portfolio at 29.05.07 Classification by Province					
		Mortgage Loans.		Outstanding Principal	
Province	Autonomous Region	No.	%	Amount	%
ALAVA	PAIS VASCO	12	0.20%	2,037,242.48	0.22%
ALBACETE	CASTILLA-MANCHA	26	0.44%	3,881,396.38	0.41%
ALICANTE	REGION OF VALENCIA	204	3.42%	27,341,363.85	2.91%
ALMERIA	ANDALUCIA	58	0.97%	9,198,154.43	0.98%
ASTURIAS	REGION OF ASTURIAS	195	3.27%	22,088,309.06	2.35%
BADAJOZ	EXTREMADURA	56	0.94%	5,568,170.33	0.59%
BALEARES	BALEARES	87	1.46%	14,260,760.32	1.52%
BARCELONA	CATALONIA	935	15.69%	187,912,500.14	20.00%
BURGOS	CASTILLA Y LEON	15	0.25%	2,610,477.90	0.28%
CACERES	EXTREMADURA	8	0.13%	1,046,239.53	0.11%
CADIZ	ANDALUCIA	75	1.26%	16,701,123.01	1.78%
CASTELLON	REGION OF VALENCIA	81	1.36%	14,446,122.68	1.54%
CEUTA	CEUTA	1	0.02%	296,141.94	0.03%
CIUDAD REAL	CASTILLA-MANCHA	8	0.13%	909,550.88	0.10%
CORDOBA	ANDALUCIA	18	0.30%	3,035,004.79	0.32%
CUENCA	CASTILLA-MANCHA	3	0.05%	296,094.25	0.03%
GIRONA	CATALONIA	82	1.38%	13,561,549.74	1.44%
GRANADA	ANDALUCIA	55	0.92%	7,643,889.26	0.81%
GUADALAJARA	CASTILLA-MANCHA	23	0.39%	4,544,027.86	0.48%
GUIPUZCOA	PAIS VASCO	17	0.29%	3,572,768.73	0.38%
HUELVA	ANDALUCIA	24	0.40%	3,367,204.91	0.36%
HUESCA	ARAGON	2	0.03%	122,675.27	0.01%
JAEN	ANDALUCIA	14	0.23%	2,064,013.10	0.22%
LA CORUÑA	GALICIA	559	9.38%	61,220,425.86	6.52%
LA RIOJA	LA RIOJA	8	0.13%	1,083,229.40	0.12%
LAS PALMAS	CANARIAS	108	1.81%	14,495,811.71	1.54%
LEON	CASTILLA Y LEON	152	2.55%	19,465,117.41	2.07%
LLEIDA	CATALONIA	70	1.17%	9,620,162.08	1.02%
LUGO	GALICIA	115	1.93%	11,956,213.23	1.27%
MADRID	REGION OF MADRID	867	14.55%	169,441,975.68	18.04%
MÁLAGA	ANDALUCIA	111	1.86%	21,196,231.97	2.26%
MURCIA	REGION OF MURCIA	192	3.22%	30,421,149.78	3.24%
NAVARRA	REGION OF NAVARRE	13	0.22%	2,885,650.35	0.31%
ORENSE	GALICIA	111	1.86%	10,178,738.61	1.08%
PALENCIA	CASTILLA Y LEON	7	0.12%	918,891.26	0.10%
PONTEVEDRA	GALICIA	390	6.55%	49,171,304.82	5.23%
SALAMANCA	CASTILLA Y LEON	16	0.27%	1,891,733.80	0.20%
SANTANDER	CANTABRIA	40	0.67%	5,532,110.45	0.59%
SEGOVIA	CASTILLA Y LEON	3	0.05%	607,125.09	0.06%
SEVILLA	ANDALUCIA	398	6.68%	57,458,616.65	6.12%
SORIA	CASTILLA Y LEON	1	0.02%	161,857.76	0.02%
TARRAGONA	CATALONIA	74	1.24%	11,182,421.82	1.19%
TENERIFE	CANARIAS	54	0.91%	7,499,536.05	0.80%
TERUEL	ARAGON	2	0.03%	347,320.33	0.04%

Mortgage Loan Portfolio at 29.05.07 Classification by Province					
Province	Autonomous Region	Mortgage Loans. No.	%	Outstanding Principal Amount	%
TOLEDO	CASTILLA-MANCHA	66	1.11%	9,632,048.52	1.03%
VALENCIA	REGION OF VALENCIA	324	5.44%	50,131,418.39	5.34%
VALLADOLID	CASTILLA Y LEON	50	0.84%	6,675,537.73	0.71%
VIZCAYA	PAIS VASCO	127	2.13%	24,456,497.43	2.60%
ZAMORA	CASTILLA Y LEON	5	0.08%	696,428.52	0.07%
ZARAGOZA	ARAGON	96	1.61%	14,612,701.32	1.56%
Total Portfolio		**5.958**	**100.00%**	**939,445,036.86**	**100.00%**

g) Information on the existence of late payments of the principal or interest on the selected Mortgage Loans and, if so, amount of the principal of the Mortgage Loans currently more than 30, 60 and 90 days late.

The following table shows the number of Mortgage Loans, the outstanding principal not yet due and the due and unpaid principal of those selected Mortgage Loans which, on 29.05.07, had some delay in the payment of the due and payable amounts.

Mortgage Loan Portfolio at 29.05.07 Late Payments of Instalments Due						
	Mortgage Loans.		Unpaid Principal Due		Outstanding Principal Not Due	
Day Interval	No. of Operations	%	Amount	%	Amount	%
Up to date with payment	5,684	95.40%	0.00	0%	900,779,104.05	95.88%
Less than 90 days	274	4.60%	94,857.99	100%	38,665,932.81	4.12%
More than 90 days	0.00	0%	0.00	0%	0.00	0%
Total Portfolio	**5,958**	**100%**	**94,857.99**	**100%**	**939,445,036.86**	**100.00%**

h) Information about the purpose of the Mortgage Loans

Mortgage Loan Portfolio at 29.05.07 Rating by the purpose of the Mortgage Loan				
Objective	Mortgage Loans. No.	%	Outstanding Principal Amount	%
Acquisition, construction or refurbishment of residential building located in Spain	5,298	88.92%	820,762,704.87	87.37%
Whatsoever purpose	660	11.08%	118,682,331.99	12.63%
Total Portfolio	**5,958**	**100%**	**939,445,036.86**	**100.00%**

2.2.3 Legal nature of the assets

The assets are composed of Mortgage Loans, all of which are executed through the granting of the corresponding public deed.

The Mortgage Loans shall be pooled into the assets of the Fund's balance sheet through the issuance of Mortgage Transfer Certificates by the Assignor and the subscription thereof by the Fund, represented by the Fund Manager in the latter case, in accordance with the provisions of the Fifth Additional Provision of Law 3/1994 in the draft given by Law 44/2002, in Law 2/1981 and in Royal Decree 685/1982, all as summarised in Section 3.3 of this Addendum.

2.2.4 Maturity or expiration date or dates of the assets

Each of the selected Mortgage Loans has a due date, notwithstanding the periodical partial payments made pursuant to the special conditions of each loan.

At any given moment in the life of the Mortgage Loans, the obligors may repay part or all of the capital pending amortisation in advance, halting the accrual of interest on the part cancelled in advance, from the date on which repayment occurs.

The final due date of the More good Loans range between 31 May 2008 and 30 June 2043.

The Final Maturity Date of the Fund is 30 June 2043.

Section 2.2.2.e) above contains a table that shows the breakdown of the selected Mortgage Loans according to the due date of each loan.

2.2.5 Value of the Assets:

The Fund's assets shall be composed of Mortgage Transfer Certificates assigned and issued by Banco Pastor and selected from among the Mortgage Loans comprising the audited portfolio up to an amount that equals or is as close as possible by default to 700,000,000 euros.

The portfolio of selected Mortgage Loans from which the Mortgage Loans to be assigned to the Fund on the date of constitution shall be drawn is made up of

5,958 Mortgage Loans whose outstanding principal on 29.05.07 amounted to 939,445,036.86 euros (“**Initial Balance**”).

Section 2.2.2.a) above contains a table that shows the distribution of the selected Mortgage Loans based on the principal pending maturity of each one.

2.2.6 Ratio of Outstanding Balance of the principal of Mortgage Loans to the appraised value or level of over-collateralisation.

There were selected 5,958 Mortgage Loans on 29 May 2007, and their outstanding principal amounted to 939,445,036.86 euros.

The ratio, expressed as a percentage, between the amount of the outstanding principal as of 29.05.07 and the appraised value of the property guaranteed by the selected Mortgage Loans was between 1.25% and 99.87% with a weighted average of outstanding principal on each mortgage loan of 64.81%.

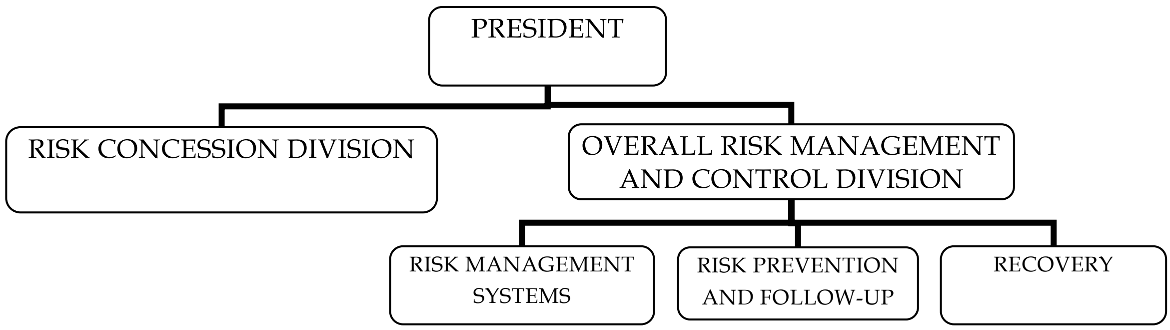
Mortgage Loan Portfolio at 29.05.07 Classification by outstanding principal/appraisal value ratio								
Interval of Ratio		Mortgage Loans.		Outstanding Principal		Assessment value		
		Number	%	Amount (euros)	%	Amount (euros)	%	
0 %	9.99%	42	0.70%	4,266,244.59	0.45%	52,235,643.14	3.12%	
10%	19.99%	209	3.51%	14,804,694.97	1.58%	95,283,826.53	5.69%	
20%	29.99%	327	5.49%	30,725,847.41	3.27%	123,541,997.58	7.38%	
30%	39.99%	463	7.77%	51,887,667.97	5.52%	147,508,723.10	8.81%	
40%	49.99%	593	9.95%	83,641,182.44	8.90%	184,137,129.83	11.00%	
50%	59.99%	691	11.60%	115,437,420.52	12.29%	208,865,865.39	12.48%	
60%	69.99%	974	16.35%	177,179,204.07	18.86%	271,620,708.52	16.23%	
70%	79.99%	2208	37.06%	370,634,825.16	39.45%	484,408,511.13	28.94%	
80%	89.99%	391	6.56%	80,703,540.44	8.59%	95,166,517.91	5.69%	
90%	100.00%	60	1.01%	10,164,409.29	1.08%	10,810,700.85	0.65%	
>100%		0	0.00%	0.00	0.00%	0.00	0.00%	
Total Portfolio		**5,958**	**100.00%**	**939,445,036.86**	**100.00%**	**1,673,579,623.98**	**100.00%**	
			Weighted average			64.81%		
			Minimum			1.25%		
			Maximum			99.87%		

2.2.7 Asset Creation Method

The loans selected for assignment to the Fund have been assigned by Banco Pastor, S.A. following its usual procedures for credit risk analysis and assessment for granting Mortgage Loans to natural and legal persons. The procedures used by Banco Pastor, S.A. are described below:

<u>1. INTRODUCTION</u>

Credit operations are approved through the Risk Division. The organisational structure of the Risk Division is shown below, with a description of the terms of reference of the various units.



The Risk Division performs the following functions:
- Direct and coordinate all credit risk management for the Bank as well as for the companies in the financial group, ensuring a unified and global overview to handle plans for growth in a stable and sustained manner while improving efficiency.
_ Propose operating lines to define the credit risk policy.
- Manage and administrate the credit risk policy.
- Define and assign responsibilities for credit risk administration in accordance with the mandate assigned.
In order to help achieve two inalienable objectives over time:

- Guarantee the solvency of the Group
- Provide value to shareholders

<u>Risk Concession Division</u>

- - Analysis, evaluation and/or approval of the risk operations that, in accordance with current levels of responsibility, cannot be resolved by the corresponding business units.
- - Support for the arrangement of Developer Loan operations and control of partial drawdowns.
- - Advice Business Units on risk analysis and evaluation aspects.

<u>Overall Risk Management and Control Division</u>

- In addition to integrating the functions assigned to Risk Management systems, the Division is charged with proposing and managing the Master Risk Plan of the Bank and Financial Group in coordination with the Risk Concession Division.
- It is also entrusted with improving Risk Control, assuming responsibility for Risk Prevention and Follow-up and Recovery.
- Submit the risk policy and responsibilities to the Risk Committee according to levels of responsibility and assets products.
- Proposal, control and follow-up both within the Bank and the Companies of the Financial Group to ensure that the risk structures are appropriate at all times and provide maximum efficiency, both from the aspect of security and as a rapid and efficient response as a differentiating factor over competitors.

The following units also report to the overall risk management and control division:

1 – <u>Risk Management Systems Unit</u>:

Planning and development of specifications, maintenance, follow-up and control of:

- Statistical models for credit risk management.
- Procedures for handling information from pertinent sources and risk operations (analysis, concession, cycles …).
- Control procedure for risk formalisation.
- Internal Model for Credit Risk
- System of assignment and supervision of risk responsibilities.
- Adherence to the regulations on concession and management.

<u>2 -Risk Prevention and Follow-up</u>

- Proposing and administering the risk follow-up policy of the Bank and Financial Group.
- Permanent analysis of the risk portfolio to anticipate strategies for customers with problems.
- Implement, together with the Recovery Unit, the appropriate actions to be initiated both in the Regional Divisions as well as central units, to handle operations identified as problematic.
- Development of early warning systems designed to strengthen the control function.

<u>3 - Recovery</u>

- Proposing and administering the recovery policy of the Bank and Financial Group.
- Analysis of default proposals, definition of recovery strategies and decision-making.
- Direct assumption of recovery management for operations considered appropriate.
- Management of assets awarded in payment of debt (administrative processing and sale).
- Advising Business Units on recovery and management of real estate assets.

2- RESOLUTION BODIES AND DELEGATED POWERS

The hierarchical superior body for resolving risk operations is the Risk Committee, which meets weekly, is not limited to the quantity it can authorise and it consists of:
- The President of the Bank.
- The Chief Executive Officer of the Bank.
- The Commercial Director General.
- The Director of the Risk Assignment Unit.
- The Director of the Overall Risk Management and Control Unit.

The Committee handles operations which exceed the authority of the other decision-making bodies in the hierarchy, establishes strategic risk policies, assesses their performance and application and determines the corrective measures it deems most appropriate in each case.

3. ASSIGNMENT PROCEDURES

The offices are responsible for initiating a risk study file based on a customer application. If the authority of the office for processing the file is sufficient, the branch itself is responsible for authorising the operation.

When an operation, together with the risk that a customer or his business group currently has, exceeds the authorities assigned to a certain deciding body (office, regional division, etc.), said deciding body analyses the risk, issues its opinion and then transfers the proposal to the next, hierarchically superior deciding body, and so on until it reaches the body with the sufficient authority to make a decision.

<u>4 METHODOLOGY FOR MORTGAGE ANALYSIS OPERATIONS</u>

<u>4.1 Scoring and Analysis of Granting Mortgages to private individuals:</u>

The scoring system for mortgage assessment was introduced by Banco Pastor as a **mandatory process** for this type of operations throughout all its branches **in July 1997**.

Depending on the overall rating which the scoring systems assigns to the operation, the offices are required to adhere to the following instructions for a definitive decision on the same:

- **Granting and Doubt:** The operation must be revised by the Local Risk Committee which shall decide whether to authorise or reject it.
- **Probable Refusal and Refusal**: These cannot be authorised by the branch, and in the exceptional case where there are circumstances which recommend possible authorisation not included in the system, these must be sent to the corresponding Regional Division (requests classified as Probable Refusal or Refusal for a value equal or less than 200,000 euros) or to the Risk Assignment Division (requests classified as Probable Refusal or Refusal for a value greater than 200,000 euros), the supporting documentation for the possible concession which, if the case is considered appropriate, shall enter the corresponding authorisation code to allow definitive approval of the operation.

<u>Mortgage deeds</u>

All mortgage lending is formalised in a public deed which is entered in the Property Register. The deed specifies an initial interest rate for the first period (normally 1 year) and thereafter this is reviewed annually depending on the benchmark rate (in the majority of cases the Euribor) to which a differential is added. This differential allows a number of preferential offers depending on the commercial products agreed with the obligor (salary paid into bank, two utility bills, credit card, 4B debit card, home insurance, pension plan, life assurance).

<u>Ordinary Interest</u>:

Some variable interest rate, which is revised annually, is applied to every loan. During the first interest period (from approval of the operation to the date of the first review) the rate to apply is a concrete figure, negotiated and accepted by the client, for example, 3.5%, 4%, etc… After the first revision successive reviews are carried out annually, for the expired years, until the process is concluded.

Variable interest rate:

During the second and successive periods, the loan shall be subject to a variable interest rate determined as follows:

- Base benchmark rate: The base benchmark rate shall be the Euribor rate or a composition of units. In the majority of cases, Banco Pastor uses the Euribor rate.
- Differential: The overall interest rate is determined by adding a differential of 1.25 percentage points (current standard rate) to the value of the basic reference rate.

This differential is linked to preferential offers which apply as from the first revision date if the obligors comply with a number of conditions uninterruptedly for the 12 months prior to each review date of the interest rate.

4.2 Scoring and Concession Analysis for Companies and Self-Employed.

All information referring to any physical or legal person who is exercising any of the activities listed in the CNAE (National Classification of Economic Activities), independent of the size of the business (self-employed, independent professionals, small, medium and large companies, etc.) is included in the system of **Agreements and Proposals**, consisting of the following IT applications:

- **Balance Sheets / Land and Buildings:**

This allows the financial status to be recorded and analysed and comparisons made with previous years, automatically providing the calculation of ratios and their rating as well as automatic comments.

Furthermore, it contains an automatic evaluation system which assesses both the financial and economic structures of the company, as well as the company as a whole.

The essential data of the assets of the person under analysis are entered in the Land and Buildings application (description, ownership, valuation, verified register entry, encumbrances, etc.).

- **Business reports:** Allows the most important aspects to be recorded on the reports available on the person and their business.
- **Business Groups Application:** It allows for automatic formation, modification or deletion of business groups in ownership relationships between people (which can be both for corporate shareholdings and non-shareholdings). Furthermore, via a link to other applications, it can offer aggregated information, broken down for each member of the group, regarding rights of contract, assignment, Cirbe (Bank of Spain Credit Reporting Agency), Balances and Land.

- **Application of Guaranties:** It records the different guarantee documents collected by the bank to cover the risks granted to our customers.
- **Application of Risk Files:** This is designed as the core of the Agreements and Proposals system and coordinates information from other applications, since via this application:
    1. The main data on the risk operations under study are entered here, as well as the opinions and reports produced by the various bodies involved in the process.
    2. It initiates automatic capture and presentation of information from other applications which is required for an analysis (Alarms, Balances, Land, Rights of Contract, Guarantees…).

Once this process is completed, the system automatically compiles the risk file.

<u>Implementation of Statistical Scoring-Rating:</u>
For calculating the variables and preparing the conclusions, the system automatically takes the information that it needs from the Risk Files and from all other applications related to company information.

Once the evaluation is made, a finding is given, which classifies the operation as follows: grant, doubt, probable refusal and refusal.

- **Denial:** The authority to approve these operations lies solely with the Risk Concession Unit.
- **Probable denial:** As from July 2004, the Regional Divisions are those that can favourably approve these operations.
- **Doubt:** For SME's and Large Enterprises, the Regional Divisions will be responsible for favourably approving these operations. For Firm Types that are smaller (micro-enterprises and freelancers), the offices will be responsible for approving said risks.

<u>Automatic comments considered by the findings of the scoring:</u> As complementary information to the scoring decision and as a fundamental decision element, the system presents a series of automatic comments in the form of short messages. Their purpose is to inform the deciding centres about the main weaknesses that have affected the analysis, so that, before issuing the finding, the same are adequately weighed and they do not fail to consider certain essential aspects of the analysis.

In December 2005 these were re-evaluated. Re-evaluation meant adjusting some segmentation criteria for homogeneous risk groups:

- **Self-employed workers**: All physical persons with a business activity.

- **Micro-enterprises**: Legal person with sales ≤ 750,000 euros and also where the Global Risk in BP of the company or group does not exceed 1,000,000 euros.
- **SMEs**: Legal person with sales > 750,000 euros and ≤ 6,000,000 euros; or sales > 750,000 euros but with a Global Risk in BP of the company or group > 1,000,000 euros
- **Large companies**: Legal person with sales > 6,000,000 euros, independent of the risk volume

A Company Rating and Scoring has been elaborated for the SME segment, as for large companies, in order to incorporate the requirements of the Basle Agreement.

Definition of default used in analysis:

A delinquent operation is one which was in arrears at any one time, in accordance with the definition of the same issued by the Bank of Spain in its Circular 4/2004.

5 -RISK PREVENTION AND FOLLOW-UP

Risk control starts in the networks of branches. The functional responsibility lies with the Local Risk Committee. The Regional Directors are responsible for investment control in the branches in their charge. This function is the direct responsibility of the Regional Director in charge of a dedicated member of staff who is responsible for performing this function.

The Risk Prevention and Follow-up Unit not only identifies and supervises the most important time lags for the bank, its prime task is to prevent delinquency and to anticipate in good time possible problems facing obligors as well as understand the evolution and concentration of the different risk portfolios of the bank according to differing aspects: By product, geographic zone, sector, etc.

6 – RECOVERY:

Managing Doubtful Assets

From the point of view of accounting delinquent operations, Banco Pastor adheres strictly to the regulations contained in circular 4/2004 from the Bank of Spain, with the new criteria established by the regulatory authority.

Nevertheless, internally the bank distinguishes two situations regarding doubtful assets:

- **Technical default**: This term is applied to operations reported automatically as Doubtful Assets when more than 3 months has passed since its maturity or partial non-fulfilment but where a normalisation process has been agreed or where immediate normalisation is expected, in addition to there being no doubts as to the positive financial status of the customer.
- **Doubtful operations**: This term is applied to all operations of customers whose situation is considered problematic and therefore our investment is compromised.

Recovery

- **Branch Risk Committee:** In general the Commission has a maximum of 60 days from the date of non-fulfilment to procure an amicable resolution for the delay. If a positive result cannot be achieved, the file is passed to the corresponding Regional Division to be classified as delinquency, together with any additional documentation.
- **Regional Divisions:** Once the documentation has been received, it is reviewed, filling in any information that may have been omitted by the branch, and immediately afterwards loading the data relative to the file in a application for managing doubtful matters (hereinafter SGR) for joint use with the Recovery Unit.

Items managed by Acción de Cobro, S.A.U. (100% Banco Pastor): All euro loans to individuals (physical persons and self-employed), in arrears to an amount greater than 60 euros, shall be transferred on day 20 of every month, independent of the amount. At day 75 from the initial date of arrears, if the matter has not been resolved, Acción de Cobro shall transfer all items of the customer to the bank which shall resume management again.

Items managed by the Recovery Unit

- All operations with negative circumstances identified by the bank which require rapid intervention by the Recovery Unit, although these may be items included in the preceding paragraph since an automatic process does not offer the necessary flexibility.
- All operations not included in the preceding paragraph once 60 days have passed since the first non-fulfilment, which time the branch has to manage recovery.

- All operations which have been managed by Acción de Cobro but without resolution and where the only way of recovery is by legal action.

2.2.8 Representations of the Issuer in relation to the assets

The Fund Manager has obtained declarations and guarantees regarding the characteristics from the Assignor, both regarding the Mortgage Loans and the Mortgage Transfer Certificates as well as the Assignor. These are described in this section and shall be ratified in the Deed of Constitution:

Regarding the Assignor

1) That it is an entity duly formed in accordance with current law, entered in the Commercial Register and the Bank of Spain's Record of Credit Entities and is authorised to grant financing to physical and legal persons and to operate in the mortgage market.

2) That it was not and has never been since its constitution, from the incorporation date of the Fund in the CNMV registers or anytime thereafter, in a situation of insolvency which could lead to bankruptcy proceedings.

3) That it has obtained all necessary administrative and corporate authorisations required to validly execute the Deed of Constitution, to assume the commitments referred to therein and in the rest of the contracts related to the incorporation of the Fund.

4) That it is in possession of the audited annual accounts for the last three financial years which closed on 31 December 2004, 31 December 2005 and 31 December 2006, with the approval of the auditors. These annual accounts have been filed with the CNMV.

5) That the Assignor complies with current legislation regarding data protection.

Regarding Mortgage Loans

1) That all Mortgage Loans are valid and enforceable in accordance with applicable legislation, all applicable statutory provisions having been observed in granting them.

2) The purpose of the Mortgage Loans that have been awarded to individuals is the acquisition, construction or refurbishment of residential buildings located in Spain and the Mortgage Loans that have been awarded to corporates or self-employed workers have been awarded for whatsoever purpose.

3) That the Assignor is the rightful owner of the totality of the Mortgage Loans, free from liens or claims, and there exists no impediment whatsoever to their being assigned to the Fund.

4) That the data regarding the Mortgage Loans included in this Prospectus and to be included in the Deed of Constitution and the data included in the Multiple Titles reflect and shall reflect correctly the status of these on the date of constitution, as reported in the data files provided for said loans, and that these data are correct, complete and are not conducive to error. Any other additional information about the characteristics of the Mortgage Loans portfolio of the Assignor provided in the Prospectus is correct, complete and not conducive to error.

5) That all the Mortgage Loans are guaranteed by real estate mortgages formed with full ownership of each and every one of the mortgaged properties, without them being subject to prohibitions of conveyance, administrative orders or any other limitation of ownership. That said properties are not encumbered with any lien which might confer a current preferential obligation with regard to said mortgages.

6) That all mortgages are duly constituted and entered in the corresponding Property Registers, the details of which correspond to those in the pertinent Deed and Multiple Title. The registration of the mortgaged properties is up to date and without any discrepancy and is not subject to any pre-emptive limitation on the mortgage, in accordance with applicable law.

7) That the mortgages are granted on properties with absolute ownership and in their totality belong to the obligors and mortgagors and that they meet the provisions of Article 27 of Royal Decree 685/1982. Furthermore, that the Issuing Entity has no

record of the existence of any legal action regarding the ownership of said properties.

8) That all of the mortgaged properties are finished properties and have been valued by valuation companies duly registered with the Bank of Spain and that the corresponding certificates have been issued for all valuations. The valuations comply with all of the legal requirements applicable to the real estate market. Specifically, the valuation of housing which has a maximum legal value of sale due to its classification as subsidised housing shall take this maximum legal value into consideration.

9) That the Outstanding Balance for each of the Mortgage Loans shall not exceed 100% of the valuation amount for the mortgaged properties as guarantee for the corresponding Mortgage Loan, on the issue date of the Certificates.

10) That the Issuing Entity has no knowledge of a depreciation in the value of any mortgaged property of more than 20% of the valuation amount.

11) That all properties with a guarantee of Mortgage Loans at the time of their issuance are covered at least by an insurance policy against damages where the sum assured is not less than the valuation amount of the mortgaged property or properties, excluding elements which by their nature cannot be insured.

12) That the properties mortgaged under the Mortgage Loans are not of the type of property that is excluded from being used as collateral according to article 31.1.d) of Royal Decree 685/1982, nor do they show any characteristics of loans excluded or restricted by article 32 of Royal Decree 685/1982 as collateral for issuing mortgages.

13) That the process of granting Mortgage Loans has followed the criteria contained in the document "Internal Memorandum on Mortgage Loans" which is included as annex to the Deed of Constitution and which is summarised in Section 2.2.7 in the Addendum. Said criteria are those used habitually by the Assignor when granting Mortgage Loans, and are legal.

14) That the Mortgage Loans have been recorded in a public deed.

15) That all mortgage deeds have been duly deposited in the registered offices of the Assignor at the disposal of the Fund Manager. That all Mortgage Loans are clearly identified, both on data media and in the deeds and are subject to analysis and monitoring by the Assignor.

16) That all the Mortgage Loans have been and are being administered by the Assignor in accordance with the procedures normally used by said entity in the administration of Mortgage Loans.

17) That there are no legal actions in relation to the Mortgage Loans that could jeopardise their validity or give rise to the application of article 1535 of the Civil Code or that the existence of any circumstances are known that could render void the purchase contract of the property mortgaged as guarantee for the Mortgage Loans.

18) That on the Constitution Date of the Fund, none of the Mortgage Loans have payments pending for a period exceeding 45 days, and that the amount of the Mortgage Loans with non-payment in excess of 30 days does not exceed 1% of the Initial Balance.

19) That the Assignor has not knowledge that any Obligor, as owner of some credit right vis-à-vis the Assignor, is prepared to oppose compensation, without prejudice to the provisions of Section 3.3.7 of the Addendum and by virtue of Article 1198 of the Civil Code.

20) That none of the Obligors can raise any objection whatsoever to the Assignor against the payment of any Mortgage Loan amount.

21) That no circumstance exists which may prevent execution of the mortgage guarantee regarding the Mortgage Loans.

22) That no person has any preferential right over the Fund, as a holder of the Certificates, to the collection of amounts derived therefrom with the exception of legally established preferential rights.

23) That with regard to the portfolio conceded by the Assignor, the maximum level of risk granted to a sole Obligor (defined as the sum of the Outstanding Balances of all Mortgage Loans granted to a single Obligor) does not exceed €1,823,038.16 on 29 May 2007.

24) That the Mortgage Loans are not subject to the issuance of mortgage Bonds and after issue of the Certificates shall not be subject to any issue of mortgage certificates, mortgage Bonds, mortgage shares or other certificates.

25) That the Mortgage Transfer Certificates shall be issued for a period of time equivalent to the time remaining until the due date and at the same interest rate of each one of the Mortgage Loans to which they refer.

26) That on the date of constitution, the Unmatured Outstanding Nominal Balance of each of the Mortgage Loans shall be equivalent to the amount of capital of the corresponding Certificate.

27) That the Legal Final Maturity of the Mortgage Loans is no later than 30 June 2043.

28) That the information on the Mortgage Transfer Certificates and the Mortgage Loans contained in the Prospectus is an accurate and faithful reflection of the real situation.

29) That all the Mortgage Loans are denominated in euros and are payable exclusively in euros.

30) That none of the Mortgage Loans contains clauses which allow deferral of regular payments neither for interest nor for the principal, in contrast to the grace period for the principal which can exist from the data of formalising each Mortgage Loan.

31) That the payment obligations of all Mortgage Loans are done by direct debit.

32) That on the date of constitution, each one of the Mortgage Loans has had at least two matured interest instalments.

33) That the whole of the capital of the Mortgage Loans is available.

34) That all Mortgage Loans were formalised before 29.12.06.

35) That on the date of constitution, at least 80% of the sum of the Mortgage Loans assigned to the Fund belong to individuals resident in Spain.

36) That all the Mortgage Loans are guaranteed by first priority property mortgages.

37) That in conformity with the internal registers, none of the Mortgage Loans corresponds to grants to property developers for the construction or rehabilitation of housing and/or commercial premises destined for sale.

38) None of the obligors of the Mortgage Loans has a CNAE classification for Financial Brokerage.

39) None of the Mortgage Loans have been granted to employees of Banco Pastor.

Regarding the Mortgage Transfer Certificates

1) That the Certificates are issued in accordance with Law 2/1981, Royal Decree 685/1982 and Additional Provision 5 of Law 3/1994 in its wording given in Article 18 of Law 44/2002 and other applicable legislation and complies with all requirements established therein for the issuance of Mortgage Transfer Certificates and in particular that the issue of Mortgage Transfer Certificates complies with the provisions of Article 59 and 62 of Royal Decree 685/1982 with regard to the volume of mortgage certificates issued by the Assignor.

2) That the corresponding business unit of the Assignor has undertaken all agreements needed for the issue of the Certificates.

2.2.9 Substitution of the securitised assets

If at any time during the term of the Mortgage Loans it is discovered that any of them do not conform to the representations made in Section 2.2.8 of this

Addendum at the time of constitution of the Fund, the Assignor, with the Fund Manager's approval, undertakes:

a) To remedy the defect within 30 days of becoming aware of the defect or being notified by the Fund Manager of the existence of the defect.

b) If such remedy as described in part a) is not possible, the Fund Manager shall request that the Assignor replace the corresponding Mortgage Transfer Certificate with others of similar financial characteristics (with regard to the amount, term, guarantee, interest rate, payment frequency, and internal rating of the corresponding obligor, priority of mortgages and ratio between the Outstanding Balance of Principal and the property valuation amount) which must be accepted by the Fund Manager within 30 days, provided that the ratings awarded to the Bonds by the Ratings Agencies are not affected.

The Assignor, as soon as it becomes aware that a Mortgage Loan has a hidden defect, including the case that it does not conform to the aforementioned declarations, shall inform the Fund Manager and indicate which Mortgage Loan it proposes as cover to substitute the Certificate affected.

When a Certificate is replaced, the Assignor shall demonstrate that the replacement Certificate and the Mortgage Loan comply with the representations contained in Section 2.2.8. of this Addendum.

The Assignor undertakes to formalise the issue of the replacement Certificate in a notarised document in the manner and period established by the Fund Manager and to provide whatever information relative to them which Fund Manger deems necessary.

In the exceptional case that it is not possible to substitute one or more Certificates by other Certificates with a Nominal Outstanding Balance together with the Nominal Outstanding Balance of the replaced Certificate, the Assignor shall provide the Fund with a contribution of an amount equal to the difference, which shall form part of the Available Resources.

In addition to the obligations in a) and b) above and for those cases, also exceptionally, where the hidden defect, including cases which do not adhere to the declarations mentioned, was not resolved within the said period and cannot be resolved or where substitution is not possible in the considered opinion of the Fund Manager and communicated to the Assignor and the CNMV, the Assignor undertakes to return, in cash, the Outstanding Balance of the corresponding Certificate and the interest on the corresponding Certificate accrued and not paid to date.

In any of the aforementioned cases, the CNMV shall be informed of the substitution of the Certificates or, where appropriate, the repayment of the corresponding cash amount.

2.2.10 Insurance policies on the securitised assets.

Not applicable.

2.2.11 Information on debtors in those cases where the securitised assets comprise the obligations of 5 or fewer debtors who are legal entities or if one debtor represents 20% or more of the assets or if one debtor represents a substantial part of the assets.

Not applicable.

2.2.12 Detail of the relationship between the issuer, the guarantor and the debtor, if this is important for the issue

There is no relationship between the Fund, the Assignor, the Fund Manager and the other participants in the operation other than those described in 5.2 of the Registration Document.

2.2.13 If the assets comprise fixed-income securities, a description of the main terms

Not applicable.

2.2.14 If the assets comprise variable-income securities, a description of the main terms

Not applicable.

2.2.15 If the assets comprise variable-income securities that are not traded on a regulated market or equivalent in the event that they represent more than ten (10) per cent of the securitised assets, a description of the main terms

Not applicable.

2.2.16 Property appraisal reports and cash/revenue flows in those cases where a significant part of the assets are guaranteed by real estate.

The valuation amounts of the properties in guarantee of the Mortgage Loans described in Section 2.2.2 of this Addendum correspond to the valuations made by the valuation agencies at the time the Mortgage Loan was granted.

2.3 ACTIVELY MANAGED ASSETS BACKING THE ISSUE

Not applicable.

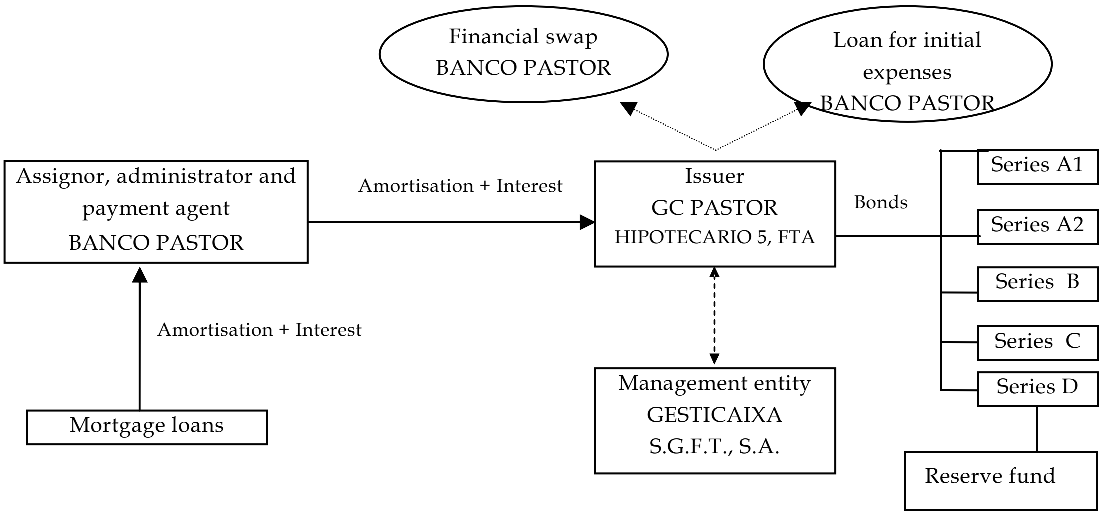
2.4 DECLARATION IF THE ISSUER PROPOSES ISSUING NEW SECURITIES BACKED BY THE SAME ASSETS AND DESCRIPTION OF HOW THE HOLDER OF THAT SERIES WILL BE INFORMED.

Not applicable.

3. STRUCTURE AND TREASURY

3.1 DESCRIPTION OF THE OPERATION STRUCTURE, INCLUDING A DIAGRAM WHERE NECESSARY.

Diagram



Initial Balance Sheet of the Fund

The balance for the Fund in euros at the end of the Disbursement Date will be as follows:

ASSET		LIABILITIES	
Fixed Assets		**Note Issue**	
Mortgage Loans.	700,000,000	Bond Series A1	175,000,000
		Bond Series A2	492,800,000
Initial Expenses (*)	871,000	Bond Series B	24,900,000
		Bond Series C	7,300,000
		Series D Bonds (***)	10,500,000
Current Assets	**700,871,000**	**Other Long-Term Liabilities**	**710,500,000**
Treasury Account (**)	10,500,000	Loan for Initial Expenses (**)	871,000
Total Assets	**711,371,000**	**Total Liabilities**	**711,371,000**

(*) The estimated initial expenses are shown in part 6.1 of the Prospectus Schedule.

(**) It is assumed that all initial expenses of the Fund and Bond Issue are paid on the Disbursement Date and are therefore recorded on the balance sheet shown above.
(**) The Initial Reserve Fund.

3.2 DESCRIPTION OF THE ENTITIES THAT ARE TAKING PART IN THE ISSUE AND THE DUTIES THEY ARE TO PERFORM

The description of the entities that participate in the issue and the functions that they exercise are included in section 5.2 of the Registration Document.

3.3 DESCRIPTION OF THE METHOD AND DATE OF THE SALE, TRANSFER, NOVATION OR ASSIGNMENT OF THE ASSETS OR ANY OBLIGATION AND/OR RIGHT TO THE ASSETS TO THE ISSUER.

3.3.1 Formalisation of the assignment of the Mortgage Loans

The issue of the Mortgage Transfer Certificates by Banco Pastor, whereby the assignment of the Mortgage Loans is made and they are subscribed by the Fund, shall be formalised through the execution of a Deed of Constitution, effective on that date.

The obligors shall not be notified of the full and unconditional assignment of the Mortgage Loans by Banco Pastor. For these purposes, notification is not a requirement for the Mortgage Loan assignments to be valid. In the event that any of the obligors of the Mortgage Loans maintain a right to a cash credit, due and demandable against the Servicer and, as such it ensues that any of the Mortgage Loans is offset, in whole or in part, against such a credit right, the Servicer shall remedy such circumstance or, if it is not possible to remedy it, the Servicer shall proceed to deposit in the Fund the amount compensated plus the interest accrued that would have corresponded to the Fund up to the day on which the deposit is made, calculated in accordance with the applicable conditions of the corresponding Mortgage Loan.

However, in the event of bankruptcy or any indication of receivership by the Bank of Spain, of settlement or replacement of the Servicer or if the Fund Manager considers it reasonably justified, the Fund Manager may require the Servicer to notify the obligors, and if appropriate the depositories of the goods or securities, as well as third party guarantors and insurance companies providing the damage insurance on the mortgaged properties or as guarantee of the Mortgage Loans of the transmission of the outstanding Mortgage Loans to the Fund and of the fact that the payments associated therewith will only release them from their obligations if made to the Treasury Account open in the Fund's name. Notwithstanding the foregoing, both in the case where the Administrator has failed to notify the debtors, third-party guarantees and insurance companies corresponding to the insurance for damages to the mortgaged properties or in guarantee of the Mortgage Loans within the term of five (5) business days after the reception of the requirement, and in the case of bankruptcy of the Administrator, the Management Agent shall directly notify the debtors, third-party guarantees and insurance companies corresponding to the insurance for damages to the mortgaged properties or in guarantee of the Mortgage Loans.

3.3.2 Assignment of the mortgage loans

On the date of constitution the Assignor shall issue and the Fund shall subscribe the Mortgage Transfer Certificates backed by the Mortgage Loans, the Initial Balance of which on said date shall equal by default 700,000,000 euros or a close as possible.

Each Mortgage Transfer Certificate shall form, from the date of constitution, part of 100% of the Initial Balance for each of the Mortgage Loans from the date of constitution and for the remaining maturity period for said Mortgage Loans, since no repurchase agreement exists, without prejudice to the provisions of section 4.4.3 of the Registration Document. Each Mortgage Transfer Certificate accrues an interest rate equal to the Nominal Interest Rate which the corresponding Mortgage Loan accrues at any time. The aforementioned notwithstanding, the Certificates shall only return ordinary interest to the benefit of the Fund from the date of constitution (inclusive), whereby all ordinary interest returned by the Mortgage Loans up to this date shall pertain to the Assignor. In accordance with the provisions of section 3.3.7. of the Addendum, the default interest on the Mortgage Loans shall not be assigned.

3.3.3 Effectiveness of the assignment

The assignment of the Mortgage Loans and the issue of the Mortgage Transfer Certificates shall take full effect between the parties from the date of constitution.

3.3.4 Price of the assignment

The price of the assignment of the Mortgage Loans shall be equal to the amount, on the date of constitution, of the sum of the Initial Balance (hereinafter "**Initial Balance**") of the Mortgage Loans, which on the date of constitution shall be as close as possible to 700,000,000 euros, which shall be paid by the Fund Manager on behalf of the Fund to the Assignor on the closing date, with the same value date, once the Fund has received the subscription price of the Bonds. The difference between the subscription price of the Bonds of Series A1, A2, B and C and the Initial Balance of the Mortgage Loans shall be deposited into the Treasury Account. The sum required to set up the Initial Reserve Fund will be charged to the disbursement of the subscription of the D Series Bonds.

In the calculation of the price of the assignment of the Loans, the amount that Banco Pastor has a right to receive through the ordinary interest accrued by the assigned Loans from the last date of settlement of the interest of each one of them until the Constitution Date (the "accrued interest") has not been taken into account. Said amounts shall be previously deducted from the balances to be paid by Banco Pastor.

3.3.5 Liability of the Assignor as the Assignor of the Mortgage Loans

The Assignor, pursuant to Article 348 of the Commercial Code, is only liable to the Fund for the existence and legitimacy of the Mortgage Loans under the terms and conditions declared in the Fund Constitution Deed and in the Prospectus, which form part of this document, as well as for the personality whereby the assignment is made, but does not assume any liability for non-payment of the Mortgage Loans, whether of the principal or the interest or any other amount that could be owed by virtue of these.

The Assignor does not assume any liability for the effectiveness of the ancillary guarantees of the Mortgage Loans. Neither will it assume, in any other way, responsibility for directly or indirectly guaranteeing the successful outcome of the operation, nor execute guarantees or security, nor enter into pacts for the repurchase or substitution of the Mortgage Loans, in accordance with the provisions of section 2.2.9. of this Addendum, in due fulfilment of the provisions of Royal Decree 926/1998 and other applicable legislation.

All of this notwithstanding the Assignor's liability for the administration of the assigned Mortgage Loans pursuant to the provisions of the Administration Agreement and Initial Expense Loan Agreement, without prejudice to the liability derived from the representations made by the Assignor and contained in part 2.2.8. of this Addendum. Until the Formation Date, the Assignor will continue to assume the risk of insolvency of the debtors.

If the Fund is obliged to pay third parties any sums in connection with the assignment of the Mortgage Loans not paid on the date of constitution due to the fact that the information on the Mortgage Loan provided by the Assignor was incomplete, the Assignor shall be liable to the Fund for any damages, costs, taxes or fines levied on the Fund.

3.3.6 Advance Payment of Funds

The Assignor shall not make any advance payment to the Fund on behalf of the obligors, be it for the principal or interest or any other concept derived from the Mortgage Loans.

3.3.7 Rights Conferred on the Fund by the Assignment of the Mortgage Loans

The Fund, as owner of the Certificates, shall have the rights recognised by law applicable to the owners of mortgage shareholdings. More specifically, it shall be entitled to receive all payments made by Obligors starting on the date of constitution and all other payments associated with the Mortgage Loans.

In addition to the payments made by the Obligors regarding the principal of the Mortgage Loans and interest from the Mortgage Loans, any other payment the Assignor receives from the Mortgage Loans shall belong to the Fund, including those derived for any subsidiary right, such as indemnifications from insurance policies, payments made by possible guarantors, etc., with the exception of late interest, commissions for claiming unpaid amounts, subrogation commissions, commissions for Early Amortisation/cancellation as well as any other commission or provision which is due to the Assignor.

The Assignor undertakes to issue any necessary notifications so that said payments are made to the Fund Manager.

3.4 EXPLANATION OF THE FLOW OF FUNDS

3.4.1 How the flow of assets will enable the issuer to fulfil its obligations to the bondholders

Payment by the Assignor to the Fund of the amounts received through the Mortgage Loans that it administers shall be made in the following way:

The Assignor shall transfer to the Fund's Treasury Account all sums received for any item to which the Fund is entitled on the Mortgage Loans it administers. Said transfer shall be made during the first 5 Business Days of the following month.

If the Fund Manager considers it necessary in order to better defend the interests of the bondholders, and only in the event of the mandatory replacement of the Servicer as the collection manager for the Mortgage Loans, the Fund Manager shall instruct the Assignor to notify each and every one of the obligors of the Mortgage Loans that, as of the date of the notice, they should make all payments owed by virtue of the Mortgage Loans directly into the Treasury Account. However, both in the event that the Administrator fails to notify the Debtors within five (5) business days of being required to do so or in the event of intervention by the Bank of Spain concerning bankruptcy of the administrator, the Fund Manager itself will notify the Debtors directly.
Under no circumstances shall the Assignor pay any amount whatsoever into the Fund that it has not received from the obligors as payment of the Mortgage Loans.

Every quarter, on the payment date, the fund manager shall proceed to the payment to the bondholders of the accrued interest and repayment of principal on the bonds in accordance with the conditions set forth for each series in sections 4.8 and 4.9 of the prospectus schedule and the payment priority order set forth in section 3.4.6 of this supplemental addendum.

On each Payment Date, the "**Funds Available**" for the Issuer's obligations with the bondholders shall be the returns obtained from the Mortgage Loans as principal and interest calculated on each Determination Date between the final day of the previous calendar month prior to the previous Determination Date, not inclusive, and the final day of the calendar month on the current Determination Date, inclusive, except for the first Determination Date, which will be those obtained between the date of constitution, inclusive, and the final day of the calendar month prior to the current Determination Date, inclusive; the interest accrued from the Treasury Account; the net amount in favour of the Fund by virtue of the Interest Rate Swap Agreement; the amount of the Reserve Fund; the result of the liquidation, if and when applicable, of the Fund’s assets; other returns from obligors for concepts other than principal and interests of the Mortgage Loans; and any other amounts that may be received by the Fund, including the result of disposal or use, if and when applicable, of the real estate allocated to the Fund or any other asset of the same.

The Fund Manager will prepare monthly and quarterly reports on the progress of the Fund, the portfolio and the Bonds.

3.4.2 Information on credit improvements

3.4.2.1 Description of Credit Enhancements

For the purpose of consolidating the financial structure of the Fund, increasing security or regularity in payment of the Bonds, covering time lapses between the flows of principal and interest of the Mortgage Loans and the Bonds, or transforming the financial characteristics of the Bonds issued, the following credit enhancement operations have been established:

– Treasury Account: The Fund Manager shall open a current account at a guaranteed interest rate at Banco Pastor, thereby guaranteeing a minimum return from the balances in the account.

– Reserve fund: set up following the disbursement of the D class Bonds to enable the Fund to meet its payment obligations in the event of losses due to unpaid or Defaulted Mortgage Loans.

– Interest swap which seeks to cover the following: (i) the interest rate risk faced by the Fund due to the fact that the Mortgage Loans are subject to adjustable interest rates pegged to difference benchmark indices and adjustment periods than those established for the Bonds and (ii) the risk posed by the fact that the Mortgage Loans can be renegotiated to lower interest rates.

– Subordination and deferral of Series B and C: Resulting from the position they occupy in the application of the Available Funds, as well as the distribution rules of the Available Funds for amortisation.

– Subordinated Loan for Initial Expenses: is intended for payment of expenses for constitution of the Fund and the Bonds issue

3.4.2.2 Reserve fund

As a guarantee mechanism against possible losses due to unpaid or Defaulted Mortgage Loans and for the purposes of permitting the payments to be made by the Fund in accordance with the cash flow waterfall described in Section 3.4.6. of this Addendum, a deposit shall be formed called the Reserve Fund (hereinafter **"Reserve Fund"**).

The **"initial Reserve Fund".** The Reserve Fund will be set up on the Disbursement Date against the subscription of the D Series Bonds in the amount of ten million five hundred thousand (10,500,000) euros.

On each payment date the reserve fund shall be applied to the satisfaction of the payment obligations contained in the payment priority rules or, if applicable, in accordance with the settlement payment priority rules, set forth in section 3.4.6. of this additional module.

In accordance with the Payment Priority Order, on each Payment Date the Reserve Fund will be replenished to reach the minimum required level (hereinafter, the **"Minimum Required Level of the Reserve Fund"**) according to the rules established below.

The Minimum Level of the Reserve Fund shall be the lower of the following amounts:

- An amount equal to ten million five hundred thousand (10,500,000) euros.
- 3% of the Outstanding Balance of the Series A1, A2, B and C Bonds.

However, the Reserve Fund cannot be reduced under any of the following circumstances on a Payment Date:

- The first two (2) years have not elapsed since the Fund Formation Date.
- That on the previous Payment Date, the Reserve Fund had not been reached the Minimum Level Reserve Fund amount required on that Payment Date.
- On the Determination Date prior to the Payment Date in question, the Outstanding Balance of the non-Defaulted Mortgage Loans with payments overdue by ninety (90) days or more is greater than 1% of the Outstanding Balance of the non-Defaulted Mortgage Loans.

Under no circumstance can the Minimum Level of the Reserve Fund be less than five million two hundred and fifty thousand (5,250,000) euros.

The amount of the reserve fund shall remain deposited in the treasury account, remunerated in the terms of the account opening contract at a guaranteed rate of interest (treasury account).

3.4.3 Details of subordinate debt financing

The Fund Manager warrants that the summarised descriptions of the contracts by means of which the operations were formalised, contained in the corresponding parts of the prospectus, which it shall subscribe in the name and on behalf of the Fund, contain the most substantial and relevant information on each one of the contracts and faithfully reflect the contents.

3.4.3.1 Loan for Initial Expenses.

The Fund Manager, on behalf of the Fund, will sign a subordinate loan contract of a commercial nature with Banco Pastor (hereinafter the "**Loan for Initial Expenses**") to the amount of eight hundred and seventy-one thousand (871,000) euros.

Delivery of the amount of the Loan for Initial Expenses shall be made on the closing date by the deposit thereof into the Treasury Account opened at Banco Pastor".

The amount of the Loan for Initial Expenses will be used by the fund manager to pay the formation expenses of the fund and the issue of the bonds ("initial expenses"), as per section 6 of the prospectus schedule.

The remuneration of the Loan for Initial Expenses shall consist of annual nominal interest, variable and payable quarterly for each interest accrual period, which shall be equal to the Benchmark Interest Rate of the Bonds applicable at any given time plus a margin of 400 base points (4%). The payment of said interests shall be subject to the Priority Payment Order set forth in section 3.4.6. below.

The Payment Dates of the interest on the Loan for Initial Expenses shall coincide with the Payment Dates of the Bonds in accordance with the provisions in the Deed of Formation and in the Informative Prospectus.

The accrued interest to be paid on a determined Payment Date shall be calculated based on a calendar year consisting of 360 days and considering the effective days existing in each Interest Accrual Period.

The interest on the Loan for Initial Expenses shall be settled and be enforceable at the maturity of each Interest Accrual Period, on each one of the Payment Dates and until the full amortisation of the Loan for Initial Expenses. The first settlement date shall coincide with the first Payment Date.

The quota for the amortisation of the Loan for Initial Expenses shall be constant, in accordance with the official accounting of the Fund, and in any event during the maximum period of five (5) years as from the formation of the Fund. The first amortisation shall take place on the first Payment Date, 21.09.07, and the remaining amortisations on the following Payment Dates, all pursuant to the Payment Priority Order established in the following section 3.4.6.

All the amounts which are due to the Assignor, both as interest accrued and for amortisation of the principal, accrued on the Loan for Initial Expenses, shall be subject to the cash flow waterfall established in Section 3.4.6 below.

All the amounts which, by virtue of the provisions set forth in the previous paragraphs, have not been surrendered to the Assignor shall be paid on the next Payment Dates when the Available Funds allow said payment in accordance with the cash flow waterfall established in Section 3.4.6. below.

Amounts owed to the Assignor and unpaid by virtue of the provisions set forth in the previous paragraphs shall not accrue late-payment interest in favour of said party.

This Loan for Initial Expenses shall be terminated in the event that the provisional rankings awarded by the rating agencies are not confirmed as final prior to the commencement of the subscription period.

3.4.3.2. Subordination of the Bonds

The Series B Bonds are deferred in respect to the payment of interest and the repayment of the principal on Series A1 and A2 Bonds, in accordance with the cash flow waterfall rules and cash flow waterfall for liquidation set forth in Section 3.4.6 below.

The Series C Bonds are deferred in respect to the payment of interest and the repayment of the principal on Series A1, A2 and B Bonds, in accordance with the cash flow waterfall rules and cash flow waterfall for liquidation set forth in Section 3.4.6 below.

Notwithstanding the aforementioned, section 4.9.4. of the Securities Prospectus describes the circumstances under which the series A1, A2, B and C Bonds may, exceptionally, be amortised on a prorated basis.

The details of the order in which the interest and principal on the bonds of each series are paid according to the fund payment priority order are shown in parts 4.6.1. and 4.6.2 of the prospectus schedule.

3.4.4 Parameters for the investment of temporary surpluses and parties responsible for such investments

Temporary cash surpluses shall be deposited in the Treasury Account, remunerated at a guaranteed interest rate as described below.

3.4.4.1 Treasury Account

In the name of the Fund, the Fund Manager shall have available, in accordance with the provisions laid down in the paying agency agreement, a bank account opened in the name of the Fund by the Fund Manager and called the "Treasury Account", through which, on each collection date, all the returns the Fund should receive from the Assignor from the Mortgage Loans shall be made, by virtue of which the Paying Agent shall guarantee a variable return in accordance with the amounts deposited in the said account.

All the cash amounts received by the Fund, which shall mainly come from the following concepts, shall be deposited in the Amortisation Account:

(i) Cash amount through the subscription payment of the Bond issue.

(ii) Drawdown of the principal of the Loan for Initial Expenses;

(iii) The amount of the Reserve Fund at any given time.

(iv) the amounts that are paid to the Fund derived from the Interest Rate Swap Agreement;

(v) the amounts of the returns obtained through the balances in the Treasury Account;

(vi) the amounts of the withholdings on account for the yield of the movable principal that on each Payment Date has to be made for the interest of the Notes paid by the Fund, until the moment on which they must be paid to the Tax Authority.

(vii) Repaid principal and interest collected from the Mortgage Loans plus whatsoever other amount corresponding to the Mortgage Loans.

All payments of the Fund shall be made through the Amortisation Account, in accordance with the instructions given by the Fund Manager.

The Treasury Account cannot have a negative balance against the Fund. The balance of the Amortisation Account shall be maintained in cash.

Banco Pastor guarantees an annual nominal interest rate, variable on a quarterly basis with monthly accrual and settlement, except for the first period of interest accrual, which shall have a shorter duration (between the date of formation and the last day of the calendar month in which it falls), applicable to each period of interest accrual (calendar months, different to the established interest accrual periods for the bonds) through the positive daily balances of the cash account, equal to the reference rate of interest of the bonds determined for each interest accrual period, and applicable from the first day of the calendar month following each payment date (except in the first interest accrual period that applies from the date of formation). The accrued interest to be settled during the first five (5) Business Days shall be calculated based on the following: (i) the effective days of each interest accrual period and (ii) a three-hundred-and-sixty-five (365) day year. The first interest settlement date will take place between 02.07.07 and 06.07.07, thereby accruing interest from 26.06.07 until 30.06.07, inclusive.

In the event that the unsubordinated and unsecured short-term debt of Banco Pastor were at any time during the life of the Bonds to experience a decrease in its rating below P-1 according to the rating scales of Moody's or A-1 in the case of S&P, or an equivalent rating specifically recognised by S&P, the Fund Manager must exercise, within the maximum term of thirty (30) Business Days for Moody's and sixty (60) days for S&P and from the moment that such a situation occurs, any of the options described below that allow an adequate guarantee level to be maintained regarding the commitments arising from this agreement:

a) Obtain a first-demand warrantee from a financial entity with a minimum credit rating for its unsecured and unsubordinated short-term debt of P-1 and A1, according to the rating scales of Moody's and S&P, respectively, that secures the timely payment by Banco Pastor of its refund obligations for the amounts deposited in the Treasury Account, during the time that the situation of loss of the P-1 and/or A1 ratings exists on the part of Banco Pastor, where the guarantee shall be in accordance with the criteria of S&P.

b) Move the Treasury Account of the Fund to an entity whose unsecured and unsubordinated short-term debt has a minimum credit rating of P-1 and A1, according to the rating scales of Moody's and S&P, respectively, and arrange the maximum return for its balances, although this may be different to that agreed with Banco Pastor by virtue of the aforementioned agreement.

c) In case options a) and b) above are not possible, obtain from Banco Pastor or from a third party a pledge guarantee in favour of the Fund for financial assets with a credit quality no lower than that of the Spanish State Public Debt, for an amount sufficient to guarantee the commitments assumed in this Contract and which do not impair the ratings assigned to the Bonds by the Rating Agencies.

d) Furthermore, should the above options not be possible under the established terms, the Fund Manager may invest the balances in short-term fixed income assets in euros issued by entities that have a minimum short-term debt rating of P-1 and A-1, according to the ratings scales of Moody's and S&P, respectively, for periods of less than thirty (30) days for Moody's and sixty (60) days for S&P (as long as the maturity date is prior to the next Payment Date of the Bonds). The remuneration of these assets, net of costs and commissions, may not be less than the remuneration of the initial Treasury Account.

e) In both situations b) and d) , the Fund Manager shall be entitled to move the balances back to Banco Pastor under the Treasury Account Agreement in the event that the unsubordinated and unsecured short-term debt of Banco Pastor once again reaches the P-1 and A-1 ratings, in accordance with the Moody's and S&P scales, respectively.

3.4.5 Collection by the Fund of payments on the assets

The Servicer shall manage the collection process for all amounts payable by the obligors deriving from the Mortgage Loans, as well as any other item, including the amounts associated with the property damage insurance agreements on the mortgaged properties as a guarantee of the Mortgage Loans.

The Servicer shall use due diligence so that the payments to be made by the Obligors is collected in accordance with the contractual terms and conditions of the Mortgage Loans.

The Servicer shall transfer to the Fund's Treasury Account all sums received for any item to which the Fund is entitled on the Mortgage Loans it administers. Said transfer shall be made during the first 5 Business Days of the following month.

Notwithstanding the foregoing, in the event of a fall in the Administrator's debt rating in the short term not subordinated and not guaranteed below P-1 or A-2 according to the rating scales of Moody's and S&P, respectively, the Management Agent, by written notice to the Administrator, shall issue the instructions for the said amounts to be paid in advance into the Cash Account at least weekly and also possibly on the same day on which they were received by the Administrator.

Under no circumstances shall the Servicer pay any amount whatsoever into the Fund that it has not first received from the obligors as payments toward the Mortgage Loans.

3.4.6 Priority order of payments made by the Issuer

Ordinary and exceptional rules governing priority and fund allocation

On the disbursement date

1. Origin.

On the disbursement date, the Fund shall have assets available for the following items:

(i) Funds received through the issue and placement on the market of the Notes.

(ii) Funds received in connection with the Loan for Initial Expenses.

2. Application

On the disbursement date, the Fund shall allocate the previously mentioned funds to payment of the following:

(i) Payments for the purchase of the Mortgage Transfer Certificates pooled in the Fund.

(ii) Payment of the initial expenses in accordance with that set forth in section 3.4.3.1 of this supplemental addendum.

(iii) Endowment of the Initial Reserve Fund.

Starting on the Fund Disbursement Date and through the Fund Settlement Date or Extinction of the Fund, exclusive

On each payment date that is not the final payment date or that on which the early liquidation of the fund takes place, the fund manager shall successively apply the funds available in the payments priority order laid down as follows for each one.

1. Fund origin

The funds available on each payment date for the payment or retention obligations listed as follows shall be the amounts deposited in the treasury account, corresponding to the following items:

(i) Income earned on the Mortgage Loans in the form of principal and interest calculated on each Determination Date as follows: the income earned between the last day of the calendar month prior to and excluding the previous Determination Date and the last day of the calendar month prior to and including the current Determination Date, except for the first Determination Date, which shall be the income earned between the Formation Date, inclusive, and the last day of the calendar month prior to the current Determination Date, inclusive.

(ii) If applicable, other revenue from the obligors which is different from current principal and interests of the Mortgage Loans.

(iii) Income on the balances of the Treasury Account.

(iv) The amount corresponding to the Reserve Fund required on the Determination Date preceding the corresponding Payment Date.

(v) Where applicable, the net amounts received by the Fund under the Interest Swap Contract and the net amounts of the settlement received by the Fund if the Contract is terminated.

(vi) The product of the liquidation, if applicable, and whenever appropriate, of the Fund assets.

(vii) Whatsoever other amounts that the Fund receives, hereby including the product from the disposal or operation, if and when applicable, of the properties awarded to the Fund, or of any other asset of the same.

2. Application of Funds

In general, the funds available shall be applied on each payment date to the following concepts in accordance with the following payments priority order:

(i) Payment of ordinary and extraordinary taxes and expenses corresponding to the Fund, including the commission of the Fund Manager and the Paying Agent, excluding the payment to the Servicer of the commission corresponding to the administration of the Mortgage Loans (except in the case of substitution laid down in Section 3.7.2.4 of this Addendum), which shall be subordinate and ranked at number (xvii) of this cash flow waterfall.

(ii) Payment of the net amount due under the Financial Swap Contract and payment of the net settlement amount, but only if the agreement is terminated because of circumstances attributable to the Fund.

(iii) Payment of the interest accrued by the Series A1 and A2 Bonds.

(iv) Payment of the interest of the Series B bonds, except for the deferral of this payment to (viii) place in the order of priority. The deferral of this payment to (vii) place shall take place in the event that on the corresponding Payment Date the Outstanding Balance of the unpaid Mortgage Loans is greater than 10% of the initial amount of the Bond Issue, excluding Series D, and providing that the complete redemption of the Series A1 and A2 Bonds has not occurred and is not going to occur on the corresponding Payment Date.

(v) Payment of the interest of the Series C bonds, except for the deferral of this payment to 8th place in the order of priority. The deferral of this payment to (viii) place shall take place in the event that on the corresponding Payment Date the Outstanding Balance of the unpaid Mortgage Loans is greater than 6.70% of the initial amount of the Bond Issue, excluding Series D, and providing that the complete redemption of the Series A1, A2 and B

Bonds has not occurred and is not going to occur on the corresponding Payment Date.

(vi) Retention of the Funds Available for Amortisation. The Bonds will be amortised according to the rules established in part 4.9 of the Securities Prospectus.

(vii) Payment of the interest accrued by the Series C Bonds when this payment is down-ranked to (iv) place in the Payment Priority Order as established in the said section.

(viii) Payment of the interest accrued by the Series C Bonds when this payment is down-ranked to (v) place in the Payment Priority Order as established in the said section.

(ix) Retention of the amount sufficient to maintain the minimum reserve fund level required at the corresponding payment date.

(x) Payment of the interest accrued on the Series D bonds

(xi) Redemption of the principal of the Series D Bonds by the corresponding amount, in accordance with the rules set forth in section 4.9 of the Securities Prospectus.

(xii) Payment of the amount due as a result of the termination of the Financial Swap, except under the circumstances indicated in (ii) above.

(xiii) Payment of interest accrued from the loan for initial expenses.

(xiv) Repayment of the principal of the Loan for Initial Expenses.

(xv) Payment of the administration commission. Should the Servicer of the loans be replaced by another entity, the administration commission payment, which shall accrue in favour of the new third-party Servicer, shall occupy the position contained in order (i) above, together with the remaining payments included there.

(xvi) Payment of Financial Brokerage Fee:

The following shall be considered <u>Ordinary Expenses of the Fund</u>:

a) Expenses that can derive from the obligatory verifications, inscriptions and administrative authorisations.

b) Fees of the rating agencies for monitoring and maintaining the ratings of the bonds.

c) Expenses relative to the carrying out of the accounting registry of the bonds through their representation via account entries and for their admittance to trading on the secondary securities markets, and upkeep of the foregoing.

d) The cost of auditing the annual accounts.

e) Paying Agent Commission.

f) Commission of the Fund Manager.

g) Expenses derived from the amortisation of the Notes.

h) Expenses derived from the announcements and notifications related to the fund and/or the bonds.

The following shall be considered Extraordinary Expenses of the Fund:

a) If necessary, the expenses associated with preparing and formalising modifications to the Deed of Formation and contracts, as well as for any additional contracts.

b) Expenses required to carry out the execution of the mortgage loans and those derived from recovery actions that are necessary.

c) Expenses for auditing and legal advice;

d) Any remaining initial costs of the constitution of the fund and the bond issue that exceed the amount of the loan for initial expenses.

e) In general, any other necessary extraordinary expenses borne by the Fund or by the Fund Manager in representation and on behalf of the same.

3. Other rules

In the event that the Available Funds were not sufficient to cover any of the amounts mentioned in the preceding paragraphs, the following rules will apply:

- When a priority order has debits for different items, the remainder of the available Funds will be applied on a prorated basis to the amounts required of each one, distributing the amount applied to each item based on the order of the maturity of demandable debits.

- The available funds will be applied to the different items mentioned in the previous section in accordance with the established payment priority order, distributed on a prorated basis among those items entitled to receive payment.

- The amounts that remain unpaid will be placed, on the following payment date, in a priority position immediately before that of the item in question.

- Any amounts owed by the Fund and unpaid on their respective Payment Dates will not accrue additional interest.

On the Fund Settlement Date

The Fund Manager shall proceed to liquidate the Fund when the Fund is liquidated on the Legal Final Maturity or the Payment Date on which the clean-up call takes place as provided for in Sections 4.4.3 of the Registration Document, by applying the Funds Available for Liquidation: (i) the available funds and (ii) the sums obtained by the Fund from the disposal of the Funds remaining assets, according to the following Payment Priority Order :

(i) Reserve to cover the final tax, administrative or advertising expenses at the time of settlement.

(ii) Payment of ordinary and extraordinary Fund expenses and taxes, including the Fund Manager's commission and that of the Paying Agent.

(iii) Payment of the net amount due under the Interest Swap Agreement and payment of the settlement amount, but only if the agreement is terminated because of a breach by the Fund.

(iv) Payment of the interest accrued by the Series A1 and A2 Bonds.

(v) Amortisation of the principal of the Bonds of Series A1 and A2 until its complete amortisation in accordance with Section 4.9.4 of the Securities Prospectus.

(vi) Payment of the interest accrued by the Series B Bonds

(vii) Repayment of the principal of the class B bonds until they are fully repaid.

(viii) Payment of the interest accrued by the Series C Bonds.

(ix) Repayment of the principal of the series C bonds until they are fully repaid.

(x) Payment of the interest accrued on the Series D bonds

(xi) Repayment of the principal of the class D bonds until they are fully repaid.

(xii) Interest accrued on the Loan for Initial Expenses.

(xiii) Repayment of the principal of the Loan for Initial Expenses.

(xiv) Payment of the amount payable by the Fund for the settlement of the interest rate swap, except under the circumstances described in (iii) above.

(xv) Payment of the Servicer's commission for administering the Mortgage Loans.

(xvi) Payment of Financial Brokerage Fee:

When a priority order has debits for different items and the Funds available for settlement are not sufficient to meet the payments due, the remainder of the Funds available for settlement will be applied on a prorated basis, distributing the amount applied to each item based on the order of the maturity of demandable debits.

3.4.7 Other agreements governing the payment of principal and interest to investors

3.4.7.1 Financial Interest Swap Contract (*"Swap"*)

The Fund Manager shall sign, on behalf of the Fund, an Interest Rate Swap Agreement or *Swap* with Banco pastor, the most relevant terms of which are described below.

Part A: The Fund, represented by the Fund Manager

Part B: Banco Pastor

- Settlement Dates: the settlement dates will coincide with the Bond Payment Dates.

- Notional of the Swap: on each settlement date, this shall be the average daily balance of the Mortgage Loans that are up to date with payments during the three calendar months prior to the aforementioned settlement date. In exceptional circumstances, the notional amount of the swap for the first settlement date shall be the average daily balance of the Mortgage Loans that are up to date with payment during the period between the Fund's Constitution Date (inclusive) and the last day of the month prior to the first Payment Date (inclusive).

  In order to calculate the average daily balance of the Mortgage Loans, consideration shall be given to the date on which Banco Pastor receives the payments from the debtors of the said Loans and not the payment by Banco Pastor into the Fund Treasury Account.

- Settlement Period for Party A: the days that have effectively elapsed during the three (3) calendar months prior to the aforementioned settlement date. In exceptional circumstances, the first settlement period shall have a duration equivalent to the days elapsed between the Fund's Constitution Date (inclusive) and the final day of the month prior to the first Payment Date (inclusive).

- Amount to be paid by Party A: This shall be equal to the interest charged by Banco Pastor to the Debtors of the Mortgage Loans with an effective date during the Settlement Period of Part A.

- Settlement Period for Party B: the days actually elapsed between two (2) consecutive settlement dates, including the first and excluding the last. Exceptionally, the first settlement period shall have a duration equivalent to the days elapsed between the closing date (included) and the first settlement date (excluded).

- Amount to be paid by Party B: is calculated by applying the interest rate payable by Party B depending on the number of days of the settlement period of Party B to the notional of the swap.

- Interest rate payable by Party B: for each settlement period of Party B this shall be the weighted average Nominal Interest Rate on the Bonds, excluding those in Series D, plus a margin of 0.60%. This margin shall be increased by the current cost of the new Servicer in the case of substitution.

- The settlement basis shall be Act/360 days.

The amounts payable under the Interest Swap Contract will be settled in such a way that if both the parties must make reciprocal payments, the part that owes the higher amount will make the payment in the amount of the excess.

Breach of the Interest Swap Agreement

If on any Payment Date the Fund (Part A) did not have sufficient liquidity to pay the entire net amount owed to Part B, the unpaid amount will be paid on the next Payment Date, provided part A has sufficient liquidity according to the Payment Priority Order. If the Fund were to fail to pay on two consecutive Payment Dates, the Interest Swap Contract may be terminated at the request of Part B. In the event of termination, Part A shall assume, where applicable, the obligation to the final settlement amount as foreseen in the terms of the Swap Contract in accordance with the Payment Priority Order. Notwithstanding the above, except in a situation of permanent alteration of the financial balance of the Part A, the Fund Manager, on behalf of the Fund, will attempt to sign a new interest swap contract under essentially identical conditions.

If Part B were to fail to meet its payment obligations for the full amount payable to part A on any Payment Date, the Fund Manager may choose to terminate the Interest Swap Contract. In this case, Part B would assume, where applicable, the obligation to pay the settlement amount foreseen in the Contract. If the Fund Manager were to exercise the early cancellation option, it must look for an alternative financial entity to replace Part B as quickly as possible.

The settlement amount will be calculated by the Fund Manager, as the calculation agent, based on the market value of the Interest Swap Contract.

The date of maturity shall be the first of the following dates:

(a) The legal date of maturity of the fund; or

(b) The date of payment on which the Fund Manager extinguishes the Fund in accordance with Section 4.4 of the Registration Document of the Prospectus.

Lowering of Party B's credit rating

Moody's criteria:

Party B shall assume the following irrevocable commitments in accordance with the Protection Contract:

(i) If, at any time during the life of the Bond Issue, neither Part B nor any of its Guarantors has the required first level rating ("breach of the first level rating"), Part B shall implement the following measures within the term of thirty (30) business days from the occurrence of the said circumstance:

1) Obtain a Replacement with the Top Rating Level required (or if the Replacement has an Underwriter with the Top Level Rating Required).

2) Obtain an Underwriter with the Top Level of Rating Required

3) Set up a cash or securities deposit in favour of the Fund at a bank with a rating for its subordinate and unsecured short-term debt equal to P-1 of Moody's rating scale, in accordance with the terms and conditions laid down in the Credit Guarantee Annexe.

(ii) If, at any time during the life of the Bond Issue, neither Part B nor any of its Guarantors has the required second level rating (**"breach of the second level rating"**), Part B shall diligently seek, within the shortest possible term, (a) to obtain a Guarantor with the required second level rating or (b) obtain a Replacement with the required second level rating (or ensure that the Replacement has a Guarantor with the required second level rating).

Until the alternatives set forth previously have been carried out, Party B must set up a cash or securities deposit in favour of the Fund at an institution with an unsubordinated and unsecured short-term debt rating equal to P-1 in accordance with Moody's rating scale, within a period of thirty (30) Business Days of the occurrence of the non-fulfilment of the second level of rating, in accordance with the terms and conditions laid down in the Credit Guarantee Annexe.

The obligations of Party B under foregoing Sections (i) and (ii) as well as the reasons for clean-up calls that derive from these, shall only come into effect while the reasons behind the non-fulfilment of the top level of rating or non-fulfilment of the second level of rating, respectively, remain in force. The amount of the deposit made by Party B under foregoing Sections (1) and (ii) shall be returned to Party B when the reasons that caused non-fulfilment of the top level of rating or non-fulfilment of the second level of rating, respectively, cease.

All costs, expenses and taxes incurred in the fulfilment of the above obligations will be charged to Part B.

"Guarantor" means the entity that provides an unconditional, irrevocable and callable guarantee upon first request with regard to the present and future obligations of Party B (the "Guarantee"), and providing that (A) a firm of lawyers provides a legal opinion confirming that none of the payments made by this entity to Party A under the Guarantee is subject to interim deductions or tax withholdings; or (B) the Guarantee determines that, if the aforementioned deduction or withholding does exist, the payment made by this entity shall be increased by the amount required to enable the net payment received by Party A to be equal to the amount that Party A would have received had the deduction or withholding not been made.

"Substitute" means an entity which subrogates in the contractual status of Party B in the Swap Agreement of subscribes a new swap contract with Party A in terms essentially identical to the Swap Agreement (the which shall be confirmed by Party A, acting in a diligent manner) and providing that (A) a firm of lawyers provides a legal opinion confirming that none of the payments made by this entity to Party A under the Guarantee is subject to interim deductions or tax withholdings; or (B) if the aforementioned deduction or withholding does exist, the payment made by this entity shall be increased by the amount required to enable the net payment received by Party A to be equal to the amount that Party A would have received had the deduction or withholding not been made. For all purposes, this entity shall be considered as Party B in the Protection Contract or in the new protection contract that is signed.

An entity shall have the **"required first level rating"** (A) if the said entity has a Moody's rating for its non-subordinated and nonguaranteed short-term debt, if the said rating is P-1, and the Moody's rating for its non-subordinated and nonguaranteed long-term debt is equal to or higher than A2, and (B) if the said entity does not have a Moody's rating for its non-subordinated and nonguaranteed short-term debt, if the Moody's rating for its non-subordinated and nonguaranteed long-term debt is equal to or higher than A1.

An entity shall have the **"required second level rating"** (A) if the said entity has a Moody's rating for its non-subordinated and nonguaranteed short-term debt, if the said rating is P-2, and the Moody's rating for its non-subordinated and nonguaranteed long-term debt is equal to or higher than A3, and (B) if the said entity does not have a Moody's rating for its non-subordinated and nonguaranteed short-term debt, if the Moody's rating for its non-subordinated and nonguaranteed long-term debt is equal to or higher than A3.

<u>S&P criteria:</u>

Party B shall assume the irrevocable commitment where, should at any time throughout the life of the Bond issue, the non-subordinated and nonguaranteed short-term debt rating of Party B fall below A-1, it shall adopt one of the following measures within the term of sixty (60) days to maintain the ratings are signed to each series:

(i) that a third-party entity with a credit rating for its unsubordinated and unsecured short-term debt equal to or higher than A-1 guarantees the fulfilment of its contractual obligations under the Interest Rate Swap Agreement, all in accordance with the criteria of S&P;

(ii) that a third party entity with the same ratings as required for option (i) above assumes its contractual position and replaces it in the Interest Rate Swap Agreement or, if applicable, a new Interest Rate Swap Agreement will be signed with the third-party entity under the same terms and conditions as the Interest Rate Swap Agreement; or

Should neither of the above two options (i) or (ii) be possible, to provide additional collateral on 100% of the market value multiplied by a collateralisation rate, in accordance with the terms and conditions laid down in the criteria published by S&P on 8 May 2007 called "Revised Framework for Applying Counterparty and Supporting Party Criteria" (specifically in table 4 of page 18) under the terms and conditions laid down by S&P within the term of sixty (60) days after the date on which the said loss of rating took place.

All costs, expenses and taxes incurred in the fulfilment of the preceding obligations shall be payable by Party B.

3.4.8 Financial brokerage contract

Finally, the Fund Manager, in representation and on behalf of the Fund, shall pay Banco Pastor for the financial brokerage activities performed which have facilitated the definitive financial transformation of the Fund's activity, the acquisition of the Mortgage Loans and the subscription by the Fund of the Mortgage Transfer Certificates and the satisfactory rating assigned to each bond Series.

The remuneration paid to Banco Pastor under this heading consists of a variable amount that is subject to the difference between the annual income and expenses, according to the Fund's official accounting records, less any negative tax bases from previous tax years which may be used to compensate the accounting results of the tax year for the purposes of the annual Corporate Income Tax payment.

This amount will accrue annually at the end of each financial year of the Fund. Notwithstanding the above, this fee will be paid in instalments on each one of the Payment Dates.

The Financial Brokerage Margin (between the amounts paid in advance and the Fund's results at the end of the financial year) shall be adjusted on the first Payment Date of the next year, in accordance with the cash flow waterfall and the cash flow waterfall for liquidation shown in Section 3.4.6 of this Addendum, when the result of such adjustment is an amount payable by the Fund to Banco Pastor.

3.5 NAME, ADDRESS AND SIGNIFICANT ECONOMIC ACTIVITIES OF THE ASSIGNOR OF THE SECURITISED ASSETS

Banco Pastor is the assignor of the Mortgage Loans. Banco Pastor is a financial entity constituted in Spain and registered with the Companies Register of La Coruña, under volume 91, folio 107, section 3, page 33, entry 1. Similarly, it is registered with the Official Register of the Bank of Spain under B.E. code 0072. Its registered office is at Cantón Pequeño 1, La Coruña (Spain). Its corporate taxpayer number is A-15000128. The Articles of Association and other public information about the entity can be consulted at the Banco Pastor Central Services, at the registered office, and on its website www.bancopastor.es.

What follows is financial information for the Banco Pastor Group referring to the financial year 2006 and a comparison with the year before. The corresponding information at 31 December 2006 and 31 December 2005 was prepared pursuant to International Financial Information Standards (hereinafter "*IFIS*") applicable according to EC Regulation 1606/2002 and the Bank of Spain's Circular 4/2004.

	Mar 07	Mar 06	Mar 07/06 %
Balance (figures in thousands of €)			
Commercial Turnover	36,876,661	29,447,129	25.2%
Client credits	21,164,097	16,718,005	26.6%
Of which: With real residents guarantee	12,113,742	9,962,013	21.6%
Total client deposits	11,682,951	9,548,475	22.4%
Promissory notes commercialised over the net	1,309,100	557,221	134.9%
Client resources outside balance	2,720,513	2,623,428	3.7%
Total Assets	25,299,973	20,178,093	25.4%
Net equity	1,440,820	1,182,662	21.8%
Risk management:			
Default index	0.69	0.74	(0.05) p.p.
Coverage index	282.0	261.0	21.05 p.p.
Results			
Brokerage margin (without instr. capital yield)	124,022	101,293	22.4%
Brokerage margin	124,759	104,387	19.5%
Basic margin	164,358	139,097	18.2%
Ordinary margin	178,429	151,035	18.1%
Operating margin	102,953	82,727	24.4%
Result before Tax	76,347	60,045	27.1%
Consolidated Group profits	52,776	40,163	31.4%
Profitability and efficiency %			
Efficiency ratio	39.7	42.7	(3.07) p.p.
ROA	0.86	0.81	0.05 p.p.
ROE	19.0	16.7	2.31 p.p.
Solvency %			
BIS ratio	11.85	13.04	(1.19) p.p.
Of which: TIER 1	7.03	7.60	(0.57) p.p.
Capitalisation share (1)			
Number of shares	261,685,468	261,685,468	0.0%
Price close of the year (euros)	17.25	11.99	43.8%
Stock market capitalisation (thousands of euros)	4,514,074	3,138,263	43.8%
Result attributed to the Group by share (annualised)	0.81	0.61	31.4%
PER (price result of Group by share) (annualised)	21.38	19.53	9.5%
Other data			
Number of shareholders	73,484	72,100	1.9%
Number of employees	4,373	4,164	5.0%
Number of offices	610	570	7.0%

3.6 YIELD AND/OR RETURN ON SECURITIES RELATED TO OTHERS THAT ARE NOT THE ASSIGNOR'S ASSETS

Not applicable.

3.7 ADMINISTRATOR, CALCULATION AGENT OR SIMILAR

3.7.1 Management, administration and representation of the Fund and the bondholders.

GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS shall be constituted by GestiCaixa, S.G.F.T., S.A. as the Fund Manager empowered to act as such and, consequently, to act as the Servicer and legal representative of the Fund pursuant to the provisions of Royal Decree 926/1998 of 14 May, which regulates asset securitisation Funds and the managers of asset securitisation Funds.

The Fund Manager will perform for the Fund those functions attributable to it in Royal Decree 926/1998.

The Fund Manager, as the manager of unrelated business, shall also represent and defend the interests of the bondholders and of the rest of the ordinary creditors of the same. Consequently, the Fund Manager will limit its actions to the defence of those interests in accordance with the laws in force at any given time.

The bondholders and other ordinary creditors of the Fund will not have any action against the Fund Manager, except for the breach of its duties or the failure to observe the provisions set forth in the Deed of Formation and the Prospectus.

3.7.1.1 Administration and representation of the Fund

The obligations and actions of the Fund Manager in fulfilment of its administrative and legal representation functions include but are not limited to the following:

(i) Manage the Fund with the objective that its patrimonial value be null at every moment;

(ii) Carry out the accounting of the Fund, with due separation from its own accounting, effectuate the rendering of accounts and carry out the fiscal obligations or any other legal obligations corresponding to the Fund.

(iii) Verify that the revenues received by the Fund match the revenues which the Fund should receive pursuant to the different agreements from which those revenues are derived. If necessary, take legal or extra-judicial actions to protect the rights of the Fund and those of the Bondholders.

(iv) Use the Fund’s revenues to satisfy the Fund's payment obligations in accordance with the Deed of Formation and the Prospectus.

(v) Extend or modify the agreements signed in the Fund’s name to permit the Fund to operate in the terms set out in the Deed of Formation and the Prospectus, in compliance with current legislation at all times. In whatsoever case, the said actions shall require the prior authorisation of the competent authorities, where applicable, and notification thereof to the rating agencies, as long as the said actions do not damage the interests of the bondholders or the rating awarded to the bonds by the rating agencies.

(vi) Perform the calculations it is obliged to perform under the Interest Swap Contract.

(vii) Replace each one of the Fund service providers, in the terms set forth in the Deed of Formation and the Prospectus, providing that this is allowed through the legislation in force at any given time. In whatsoever case, the said actions shall require the prior authorisation of the competent authorities, where applicable, and notification thereof to the rating agencies, as long as the said actions do not damage the interests of the bondholders or the rating awarded to the bonds by the rating agencies. In particular, should the Assignor default on its obligations as the Servicer of the Loans, the Fund Manager shall take the measures necessary to ensure the proper administration of the Mortgage Loans.

(viii) To issue the corresponding instructions to the payment agent with regard to the Treasury account and ensure that the amounts deposited in the said account produce the returns agreed in the contract.

(ix) Issue the pertinent instructions to the payment agent in relation to the payments to be made to Bondholders and any other entities to whom payments must be made.

(x) Determine and make payments of the principal and interest of the Loan for Initial Expenses.

(xi) Appoint and, if necessary, replace the Fund auditors with the prior approval of the CNMV if required.

(xii) Prepare and forward any information reasonably requested by the ratings agencies, the CNMV or any other supervisory body.

(xiii) Prepare and submit to governing bodies all documents and information which must be submitted as established by the CNMV; prepare and forward all legally-required information to bondholders.

(xiv) Take the opportune decision in relation to the settlement of the Fund, including the decision to settle the fund early and to redeem the bond issue early. Likewise, adopt the appropriate decisions in the case of the termination of the formation of the Fund.

(xvi) Determine the interest rate applicable to each series of Bonds for each Interest Accrual Period and the principal of each series to be amortised on each Payment Date.

(xvii) Exercise the rights inherent to the ownership of the mortgage transfer certificates acquired by the Fund.

(xviii) To provide the Bondholders, CNMV and Rating Agencies any and all information and notices required by law.

The Fund Manager will have available for the public all the documentation and information necessary in accordance with the Deed of Formation and the Prospectus.

3.7.1.2 Resignation and substitution of the Management Company

Substitution of the Fund Manager

The Management Company will be substituted in the administration and representation of the Fund, in accordance with articles 18 and 19 of Royal Decree

926/1998 that are reproduced below and with the subsequent provisions that may be established as regulations to that effect.

In the event of resignation,

(i) The Fund Manager may resign from its duties of administration and legal representation of all or part of the funds that it manages when it deems appropriate, by written request to the CNMV, in which it is stated the designation of the Fund Manager to substitute. The said document shall be accompanied by another one from the new Fund Manager in which it declares its acceptance of such duties and incorporates the corresponding authorisation.

(ii) The authorisation of the substitution on the part of the CNMV will be conditioned by the fulfilment of the following requirements:

a) The delivery to the new management company of the accounting and electronic registries by the substituted Management Company. Such delivery will only be considered to have taken place when the new Fund Manager can fully assume its role and communicates this circumstance to the CNMV.

b) The ratings assigned to the Bonds by Rating Agencies shall not be diminished as a consequence of the proposed substitution.

(iii) In no case shall the Fund Manager resign from the exercise of its duties until all the requisites and procedures have been fulfilled so that its substitute is able to assume its duties.

(iv) The expenses that result from the substitution will be charged to the resigning Fund Manager and in no case shall be imputed to the Fund.

(v) The substitution shall be published, in a period of fifteen days, by means of an advertisement placed in two newspapers of national circulation and in the bulletin of the organised secondary market where the bonds issued by the Fund are listed. Likewise, the Fund Manager should notify the Rating Agencies of the substitution.

In the case of mandatory replacement,

(i) When the Fund Manager is declared in receivership, it shall proceed to find a Fund Manager to replace it, in accordance with that foreseen by the above paragraph.

(ii) Always where, in accordance with the previous section, four months have elapsed since the determining event for substitution and a new fund manager has not been found willing to take on the management, the Fund will be settled early and the Bonds issued against the Fund and of Loans will be amortised early.

The Fund Manager will be obliged to grant the public and private documents necessary to proceed with the replacement by the other Fund Manager, in conformity with the foreseen regime of the prior paragraphs of this section. The replacement Fund Manager shall assume all of the rights and obligations which, pursuant to the Deed of Formation and the Prospectus, correspond to the Fund Manager. Likewise, the Fund Manager should hand over to the substituting Fund Manager as many documents and accounting and computer registries to the Fund as are in its power and possession.

3.7.1.3 Subcontracting

The Fund Manager will be authorised to subcontract or delegate in third-parties of recognised solvency and capacity, the rendering of any of the services that must be performed in the course of its duties as legal representative and administrator of the Fund, in accordance with that established in the Deed of Formation, always where the subcontractor or delegate has waived the right of any action of demand of responsibility against the Fund. In any case, subcontracting or delegation of any service: (i) may not involve any additional cost or expense to the fund, (ii) must be legally possible, (iii) will not give rise to a downgrade in the rating granted to any of the series of bonds by the rating agencies, and (iv) will be notified to the CNMV, having, when necessary by law, its previous authorisation. Notwithstanding any subcontracting or delegation, the Fund Manager will not be exonerated or liberated by such subcontracting or delegation in any of its responsibilities assumed by virtue of the Deed of Formation that are attributable or demandable by law.

3.7.1.4 Remuneration of the Fund Manager

In consideration of the functions to be performed by the Fund Manager, the Fund shall pay it an administration commission composed of:

1. An initial commission which shall accrue on the constitution of the Fund and which shall be satisfied on the Closing Date.

2. A management commission which shall be paid quarterly equal to a fixed part plus a variable part calculated on the basis of the balance of the outstanding principal of the Bonds on the Payment Date immediately preceding.

Said commission shall be understood as gross, in the sense that it shall include any direct or indirect tax or withholding applicable thereto.

If the Fund Manager is replaced as provided for in the next section, the payments mentioned therein may be modified as a consequence of the selection of a replacement Fund Manager, but only after the new conditions are agreed with the Assignor.

3.7.2 Administration and custody of the securitised assets

Banco Pastor, as the Assignor of the loans to be acquired by the Fund pursuant to the provisions of Article 2.2.b) of Royal Decree 926/1998 and in respect of the Mortgage Transfer Certificates in Article 61.3 of Royal Decree 685/1982, shall continue to be responsible, as the Fund's agent represented by the Fund Manager, for the administration and management of the loans (hereinafter, the "*Servicer*"). The relationship between Banco Pastor and the Fund, represented by the Fund Manager, inasmuch as the custody and administration of the loans and the deposit of the Mortgage Transfer Certificates are concerned, is regulated in the Administration Agreement.

Within the framework of its mandate, Banco Pastor may take any actions it considers reasonably necessary or appropriate, employing the same diligence and procedures to recover the due and unpaid amounts of the loans as it would were the credit rights part of its own portfolio. To this end, it may take the usual actions in this type of situation.
The Administration, by reason of its mandates, undertakes as follows:

(i) To exercise the administration and management of the Loans acquired by the Fund in the terms of the regime and ordinary procedures of administration and management set forth in part 2.2.7. of this Supplemental Addendum and Annex 8 of the Deed of Formation.

(ii) To continue administrating the Loans, dedicating the same time and attention to them and the same level of skill, care and diligence in the administration of same that it would dedicate and exercise in the administration of its own loans. Under all circumstances it shall exercise an adequate level of skill, care and diligence in the provision of services within the bounds of that mandate.

(iii) That the procedures that it applies and will apply for the administration and management of the Loans are and will continue to be in conformity with the applicable laws and legal regulations in force.

(iv) To comply with the instructions which, if applicable, are given by the Fund Manager in accordance with the provisions set forth in the Deed of Constitution and the Prospectus.

(v) To indemnify the Fund for damages that may derive through breach of the contractual obligations.

The essential terms of the administration and management mandate are given below.

The Administrator hereby waives the powers and privileges lawfully conferred upon it as the Fund's collections manager, as Administrator of the Loans and as repository of the corresponding contracts; specifically in accordance with the provisions of articles 1,730 and 1,780 of the Civil Code and 276 of the Commercial Code.

3.7.2.1. Regime and ordinary procedures of administration and management of the Loans

The succinct description and summary of the regime and ordinary procedures of administration and management of the Loans regulated through the Administration Contract is the following:

1. Custody of deeds, documents and files

The Administrator will keep all deeds, contracts, documents, and data files relative to the Loans and will not abandon the possession, custody or control of same without prior written consent from the Fund Manager to that effect, except when a document is required to initiate proceedings for the demand of a Loan, or it is demanded by any other competent authority, informing the Fund Manager.

The Administrator will reasonably facilitate the access, at all times, to said deeds, contracts, documents and registries, to the Fund Manager or the Fund auditors, duly authorized to this effect. Likewise, if the Fund Manager requests it, the Administrator will facilitate, at no charge, and within fifteen (15) Business Days following the request, a copy or photocopy of any of the said deeds, contracts and documents.

2. Collections Management

The Administrator will continue with the collection management of all amounts that should be satisfied by the Debtors deriving from the Loans, as well as any other concept including those that correspond to the property damage insurance contracts on the mortgaged property securing the Mortgage Loans. The Administrator shall exercise due diligence so that the payment that the Debtors should make is collected in accordance with the contractual terms and conditions of the Loans.

Payment by the Fund Servicer of the amounts received through the Loans that it administers shall be made in the manner described in part 3.4.5 above.

Notwithstanding the foregoing, in the event of a fall in the Administrator's debt rating in the short term not subordinated and not guaranteed below P-1 or A-2 according to the rating scales of Moody's and S&P, respectively, the Management Agent, by written notice to the Administrator, shall issue the instructions for the said amounts to be paid in advance into the Cash Account at least weekly and also possibly on the same day on which they were received by the Administrator.

3. Fixing of the interest rate

With regard to the Loans that have a variable interest rate, the Servicer shall continue fixing said interest rates in agreement with the provisions of the corresponding agreements, drawing up the communications and notifications required for this purpose.

4. Information

The Administrator must periodically notify the Fund Manager of the information relating to the individual characteristics of each one of the Loans with regard to compliance by the Debtors of their payment obligations of the Loans, with regard to the situation of arrears, with regard to the changes made to the characteristics of the Loans and with regard to the actions of demanding payment in the case of arrears and of legal actions.
Likewise, in the event of non-payment, the Administrator must prepare and surrender whatsoever additional information reasonably requested by the Fund Manager with regard to the Loans or the rights derived from same.

5. Subrogation of the Loans

The Servicer shall be authorised to allow substitutions of the position of the Obligor in the Loan contracts, exclusively in the cases where the characteristics of the new Obligor are similar to those of the old Obligor and they fit the criteria for granting the loans as described in the corresponding memorandum governing the criteria for the granting of loans, annexed to the Deed of Constitution of the Fund and in section 2.2.7 of the Addendum, and providing that the expenses derived from this modification are paid in their entirety by the Obligors.

The Fund Manager can limit in whole or in part this legal authority of the Administrator or establish conditions to the same, when said substitutions could negatively affect the ratings granted to the Bonds by the Rating Agency.

With regard to the Mortgage Loans, the Debtor may instigate the subrogation of the Administrator in the aforementioned Mortgage Loans under the protection of the provisions set forth in Law 2/1994. The subrogation of a new creditor in the Mortgage Loan and the resulting payment of the amount owed will produce the early amortisation of the Mortgage Loan and of the corresponding Mortgage Transfer Certificate.

6. Powers and actions in relation to the renegotiation of the Loans.

The Administrator cannot voluntarily cancel the Loans or their guarantees for any reason apart from the payment of the Loan, surrender or compromise these, nor cancel in whole or in part or extend them, nor in general realise any other act that diminishes the legal effectiveness or economic value of the Loans or the guarantees, without prejudice to attending to the petitions of the Debtors with the same diligence and procedure that it would if the Loans were its own.

The Assignor shall be authorised, as Administrator of the loans and from the Fund formation date onwards, providing that the rating awarded to the Bonds is not jeopardised any way whatsoever, does not affect the declarations regarding the Mortgage Loans as per section 2.2.8 above, and this does not effect the payments to be made to the Fund in a negative fashion, and the Fund Manager is notified and the Fund Manager in turn notifies the Rating Agencies, to:

I. Allow subrogations in the Loan contracts, exclusively in the cases where the characteristics of the new debtor are similar to those of the old debtor and they fit the criteria for granting the loans as described in the corresponding memorandum governing the criteria for the granting of loans, annexed to the Deed of Constitution of the Fund and in section 2.2.7 of the Addendum, and providing that the expenses derived from this modification are paid in their entirety by the debtors. In this event, the Assignor shall issue a new multiple certificate which includes the subrogation carried out.

II. To agree amendments to the interest rates and the final maturity of the loans with the debtors, in the manner set forth in the following points.

Renegotiation of the Interest Rates of the Loans

In accordance with the provisions laid down in the Deed of Constitution, the interest rate of the loans may be renegotiated in accordance with the following rules and limitations:

1. In no case will the Administrator be able to open renegotiations of the interest rate that could result in a decrease in the interest rate applicable to a Loan on its own initiative, without a request from the Debtor. The Administrator, without encouraging renegotiation of the interest rate, should act in relation to said renegotiation with the interests of the Fund ever present.

2. Without prejudice to the provisions determined in the following section 3, the Administrator may renegotiate the clause of the rate of interest of the Loans in conditions that are considered to be market conditions and are not different to those that the Administrator would apply in the renegotiating or in the granting of its credits and loans at either a fixed or variable rate of

interest. For these purposes, the rate of interest shall be taken as the market rate of interest offered by the Servicer in the Spanish market for loans and credits for similar amounts and featuring conditions that are substantially similar to the Mortgage Loans.

3. In no case can the possible renegotiation of the interest rate applicable to a loan be carried out in the event that (i) the modification is to a variable rate of interest with a reference index for determination other than the Euribor or Mibor or of the rates or reference index of the mortgage market set forth in section 3 of regulation 6b of the Bank of Spain Circular 8/1990, dated 7 September, of the Bank of Spain, and (ii) that the average interest rate weighted by the balance pending maturity of the loans pending repayment is less than 60 basic points over the Euribor at three (3) months.

4. Whatever the case, once the mortgage loan interest rate clause has been modified, the ordinary interest accruing as from the said modification shall correspond to the Fund.

The Fund Manager, on behalf of the Fund, may at any time during the term of the life of the Fund, cancel or suspend the Servicer's authority to modify the interest rate, providing it has grounds for doing so.

Extension of the maturity date

Legal Final Maturity or the last amortisation date of the Loans can be deferred subject to the following rules and regulations:

i) In no case will the Administrator be able to begin by it own initiative, that is, without being by request of the Debtor, the modification of the final due date of the Loan, from which could result the extension of the same. The Administrator, without encouraging the extension of the due date, should act in relation to said extension always with the interests of the Fund in mind.

ii) The amount that is the sum of the initial balance of the Loans assigned to the Fund over which a deadline extension occurs shall not exceed 10% of the initial balance of all the Loans assigned to the Fund.

iii) The extension of the due date for any particular Loan may be carried out so long as the following requirements are met:

a) In all cases, the frequency of the instalment payments of the capital or principal of the Loan shall be maintained or reduced, while maintaining the same amortisation system.

b) That the new final due date or date of final amortisation will, at the latest, be 30.06.43.

c) That there will have been no delay in the payment of due debits greater than ninety (90) days during the last six months prior to the extension of the repayment date.

The Fund Manager, on behalf of the Fund, may at any time during the term during the life of the Fund, cancel or suspend the Servicer's authority to modify the term of maturity, providing it has grounds for doing so.

When any renegotiation of a Loan takes place, the Administrator will communicate immediately to the Fund Manager the conditions resulting from each renegotiation. Said communication will take place through the electronic registry foreseen for the updating of the Loans conditions.

The contractual documents that document the novation of the renegotiated Loans will be entrusted with the Administrator in conformity to that established in paragraph 1 of the present section.

7. Extension of the mortgage.

If, at any time, the Servicer becomes aware for any reason that the value of a mortgaged property that was guaranteeing a Mortgage Loan has decreased by more than the legally allowed percentages, then the Servicer, in accordance with Articles 26 and 29 of Royal Decree 685/1982, must request the following from the mortgagor in question, in the lawfully prescribed manner:

a) The extension of the mortgage to include other assets that are sufficient to cover the required ratio between the value of the asset and the loan it guarantees; or

b) The repayment of the entire mortgage loan or the part that exceeds the amount resulting from applying the percentage initially used to determine the amount of the current valuation.

If the Obligor does not extend the mortgage or repay the part of the Mortgage Loan referred to in the preceding paragraph within two (2) months of being requested to do so, it shall be understood that the obligor has chosen to repay the total amount of the Mortgage Loan. Said payment shall be immediately demanded by the Servicer.

8. Action against Debtors in case of Loan default

Action in the case of delay

The Servicer shall apply equal diligence and procedures to claim the amounts owed and not satisfied as it would for the rest of the loans in its portfolio.

In the case of breach on the payment obligations by the Debtor, the Administrator will carry out the actions described in the Administration Contract, adopting to that effect the measures that it would normally take if the loans of its own portfolio were involved and acting in accordance with good banking use and practice for the collection of the amounts owed. In this case the Administrator shall be obliged to meet those expenses necessary to carry forth said actions, without prejudice to the right to reimbursement from the Fund. Such actions include all judicial or extrajudicial actions that the Administrator considers necessary for the claim and collection of the amounts due by the Debtors.

Judicial Actions

The Servicer, by virtue of the fiduciary title to the Loans or by virtue of its powers that are described in the following paragraph, shall exercise the corresponding actions against the Obligors that default on their payment obligations derived from the Loans, applying due legal executive recourse in accordance with the provisions of articles 517 et seq of the Civil Procedure Act.

For the foregoing purposes and for the purposes of the provisions in articles 581.2 and 686.2 of the Civil Procedure Act, as well as wherever necessary, the Fund Manager in the Deed of Constitution bestows power of attorney as wide-ranging as may be required by law in favour of Banco Pastor so that the latter, acting through any of its representatives with sufficient authority to that end, may, in the name of and as representative of the Fund, or even in its own name but on behalf of the Fund Manager as legal representative of the Fund, demand, through any judicial or extra-judicial means, that the Obligor of any of the Loans pay its debt. Furthermore, Banco Pastor shall be empowered to carry out legal action against same, in addition to other faculties required for the exercise of its functions as Servicer. These faculties may be extended or modified through another deed if necessary.

In relation to the credit rights derived from the Loans, the Servicer should, in general, present the corresponding claim, as applicable as indicated in section 3.7.2 of this Addendum, if during a period of six (6) months, the Obligor of a Loan that has defaulted on its payment obligations and has not resumed payments to the Servicer and the Servicer, with the consent of the Fund Manager, fails to obtain promise of payment satisfactory for the interests of the Fund. The Servicer, in any case, should proceed immediately to present the corresponding claim, as appropriate, if the Fund Manager, as representative of the Fund, and the preliminary analysis of the specific circumstances, deem it appropriate.

If six (6) months have elapsed from the earliest date of default, without the Obligor resuming the payments or without restructuring of same, and the Servicer has failed to present the corresponding claim, as in accordance with section 3.7.2, without sufficient justification for such failure, then the Fund Manager, as representative of the Fund, shall proceed immediately to initiate legal proceedings corresponding to the total demand of the debt.

The Administrator shall provide the Fund Manager with the information and documentation that this party reasonably requests with regard to the payment requirements, judicial actions and any other circumstances that affect collection of the amounts matured and pending payment of the loans.

For the case of the Mortgage Transfer Certificates grouped together in the Fund, the Management Agent, on behalf of the Fund, may exercise all the faculties laid down in article 66 of Royal Decree 685/1982. Accordingly, the Administrator, with regard to the Mortgage Loans it administrates, shall authorise the Management Agent so that, on behalf of the Fund, it may require the payment from the mortgage debt, all without prejudice to the remaining faculties that correspond to the fund by virtue of article 66 of Royal Decree 685/1982.

The Fund Manager may likewise proceed with the Administrator in the process initiated by the latter for the purpose of claiming amounts that correspond to the Fund, and do so with equal rights. In this regard, and in so far as the Mortgage Transfer Certificates are concerned, this party may, under the terms set forth in current regulations, request the adjudication of the mortgaged property in payment of the loan. The Fund Manager will proceed to the sale of the adjudicated real estate within the briefest period possible in market conditions.

The Assignor shall have the right to first refusal for the purchase of those properties that had been mortgaged in guarantee of the Loans that it administers and which are awarded to the Fund, within a period of ten (10) business days from the date on which notification is given through the Fund Manager of the intention to transfer the property. The right of first refusal shall imply that the Assignor may acquire the property under the same terms that have been offered to the Fund Manager (which must have been carried out under market conditions).

9. Insurance for damage to the mortgaged real estate

The Administrator shall not take or fail to take any measure when such action would result in the cancellation of any fire or property damage insurance policy on the mortgaged real estate or that would result in the reduction of the amount to be paid in any claim on the same. The Administrator must exercise due diligence and, in any case, exercise the rights that the insurance policies or that the Loans confer on it with the object of maintaining said policies in force with full effect (or any other policy that grants equivalent cover) in relation to each Mortgage Loan and the corresponding property.

Whenever the Administrator becomes aware that the payment of the policy premiums has not been made by a debtor, it shall proceed to request the debtor to make payment of the same and may even take out fire and damage insurance on behalf of the debtor, if qualified to do so through the Mortgage Loan deed, on behalf of the Fund, as a last resort, contracting payment of the premiums without prejudice to obtaining repayment from the Fund of the amounts paid.

The Administrator, in case of an accident, should coordinate the collection of the indemnities derived from the fire and property damage insurance policies on the mortgaged property in accordance with the terms and conditions of the Loans and the policies themselves, depositing to the Fund, in its case, the amounts collected.

Although all mortgaged properties may be covered with a damage insurance policy at the time of granting the Mortgage Loans assigned to the Fund, there is no guarantee that at the time of their assignment to the Fund all these policies are in force. However, Banco Pastor shall bear the costs incurred as a result of (i) the non-existence of a property damage insurance policy or (ii) non-payment of any insurance policy premiums on the mortgaged properties.

10. Compensation

In the event that any of the Debtors maintains a right to a cash credit, due and demandable against the Administrator and, as such it results that any of the Loans is offset, in whole or in part, against such right of credit, the Administrator will remedy such circumstance or, if it is not possible to remedy it, the Administrator will proceed to deposit to the Fund the amount that had been offset plus the interest accrued that would have corresponded to the Fund up until the day on which the deposit is made, calculated in accordance with the applicable conditions of the corresponding Loan.

10. Subcontracting

The Administrator may subcontract any of the services that it has agreed to provide by virtue of the foregoing and the Deed of Formation, except for those that cannot be delegated under applicable law. Said subcontracting shall not in any case suppose additional cost or expense to the Fund or the Fund Manager, and shall not cause a lowering of the rating granted to each of the Series of Bonds by the Rating Agencies. Notwithstanding any subcontracting or delegation, the Administrator will not be released or relieved through such subcontracting or delegation from any of its assumed liabilities or any liabilities that may legally attributed to it or demanded of it..

11. Notifications

The Fund Manager and the Assignor have agreed not to notify the debtors of the assignment. Notification is not a prerequisite for the validity of the assignment of the mortgage and non-Mortgage Loans or for the issue of the Mortgage Transfer Certificates.

However, the Assignor will shall grant the broadest powers allowed by law to the Fund Manager so that the latter may, on behalf of the Fund, notify the debtors of the assignment when it deems appropriate.

However, in the event of bankruptcy or any indication of receivership by the Bank of Spain, of settlement or replacement of the Servicer or if the Fund Manager considers it reasonably justified, the Fund Manager may require the Servicer to notify the obligors, and if appropriate the depositories of the goods or securities, as well as third party guarantors and insurance companies providing the damage insurance on the mortgaged properties or as guarantee of the Mortgage Loans and, in turn, transmission of the outstanding Mortgage Loans to the Fund and of the fact that the payments associated therewith shall only release them from their obligations if made to the Treasury Account open in the Fund's name. However, if the Administrator fails to notify the Debtors or other parties within three (3) business days of being required to do so or in the event of the bankruptcy of the administrator, the Fund Manager itself will notify the Debtors or other parties indicated above directly and, if applicable, the depositories of the goods or securities and guarantors. The Fund Manager will issue the notice as quickly as possible.

The Assignor shall assume the expenses for notifying the Debtors and, where applicable, the depositories of the assets or securities, third party guarantors and insurance companies corresponding to damages to the mortgaged properties or in guarantee of the Mortgage Loans, where applicable, even when the said notification
is made by the Fund Manager.

3.7.2.2. Term and substitution

The services will be rendered by the Administrator until, once the totality of the Loans acquired by the Fund are amortized, the obligations assumed by the Administrator are extinguished, or when the settlement of the Fund in concluded, without prejudice to the possible early revocation of its mandate in conformity with the terms set forth below.

Mandatory replacement: Should the Fund Manager verify a breach by the Assignor, as the Administrator of the loans, of its obligations assumed as such or the occurrence of events which, in the opinion of the Fund Manager, constitute an danger or risk for the financial structure of the Fund or the rights and interests of the Bondholders, the Fund Manager may, as long as it is legally allowed, (i) replace the Assignor as the Administrator of the loans or (ii) demand that the Assignor subcontract or delegate its obligations in a third party who, in the Fund

Manager's opinion, has the technical capacity needed to perform the functions. The Fund Manager shall consider the Assignor's proposals regarding the designation of its replacement. The Assignor shall be bound to perform the said subcontracting or delegation.

Furthermore, in the event of a corporate, regulatory or court decision ordering the settlement, dissolution or receivership of the Assignor, or if the Assignor were to file for bankruptcy or if a request filed by a third party were admitted, the Fund Manager would be entitled to replace the Assignor as the Administrator of the loans provided that such replacement is permitted under the law.

The new Administrator of the loans will be appointed by the Fund Manager following consultation with the competent administrative authorities so that the ratings assigned to the Bonds by the Rating Agencies are not jeopardised. The Rating Agencies will be informed of the new appointment. The Fund Manager may
agree with the new Servicer on the amount to be received and against the Fund.

Voluntary replacement: If the law allows, the Assignor may ask to be replaced as the administered of the loans. The Fund Manager shall authorise the replacement provided always that the Assignor has found a replacement to act as the Administrator and that the ratings assigned by the Rating Agencies will not be affected. The Rating Agencies shall be duly notified.

In the event of replacement, either mandatory or voluntary, the Assignor shall make all necessary and corresponding documentation and computer records available to the new administrator so that it may perform its functions.

The mandate granted by the Fund Manager, on behalf of the Fund, to the Servicer shall be terminated if the Ratings Agencies fail to confirm as final the provisional ratings of each of the Series before the start of the subscription period.

Any additional cost or expense derived therefrom will be covered by the Administration but never by the Fund or the Fund Manager.

3.7.2.3. Responsibility of the Administrator and indemnification

In no case will the Administrator have any responsibility in relation to the obligations of the Fund Manager in its capacity as administrator of the Fund and manager of the interests of the Bondholders, or in relation to the obligations of the Debtors derived from the Loans. This is without prejudice to the responsibilities assumed by it in the Formation Deed as Assignor of the Loans acquired by the Fund.

In accordance with that set forth in Royal Decree 926/1998 and in Law 19/1992, the Noteholders will run the risk of default on the Loans. As such, the Assignor shall not assume any responsibility for default of the Obligors, whether this is owed on the principal or the interest deriving from the Mortgage Loans.

The Servicer assumes the obligation to indemnify the Fund or the Fund Manager for any damage, loss or expense these may have incurred by reason of a breach by the Servicer of its obligations of administration, management and information relating to the Loans and custody of the Mortgage Transfer Certificates

The Fund Manager, in representation and on behalf of the Fund, as holder of the Mortgage Transfer Certificates, shall have right of enforcement proceedings against Banco Pastor as Issuer of the Mortgage Transfer Certificates for the effectiveness of the due dates of the Mortgage Transfer Certificates for principal and interest, when the breach of the payment obligation for said items is not a consequence of a failure to pay by the Obligors of the Mortgage Loans.

Neither the Bondholders nor any other creditor of the Fund will have any right of action against the Assignor. Rather, the Fund Manager, as representative of the Fund that owns the loans, holds the rights to such actions.

3.7.2.4. Remuneration of the Administrator

In consideration for the custody, administration and management of the loans, the Administrator will be remunerated quarterly on each Payment Date in an amount equal to 0.02% of the outstanding balance of the loans on the Fund Payment Date immediately prior to the current Payment Date. This commission is understood as gross in the sense that it includes any direct or indirect taxes or withholdings that could encumber the same.

If the Assignor is replaced as the Servicer, the administration commission, which may be higher, would be moved to number (i) of the cash flow waterfall of the Fund described in section 3.4.6 above.

3.8 NAME, ADDRESS AND BRIEF DESCRIPTION OF ANY COUNTERPARTY FOR SWAP, CREDIT, LIQUIDITY OR ACCOUNT OPERATIONS:

Banco Pastor is the Fund's counterparty in the operations listed below.

(i) <u>Cash Account:</u>
Account opening contract at guaranteed interest rate (treasury account). A description of the same is contained in Section 3.4.4.1 of the Addendum.

(ii) <u>Loan for Initial Expenses:</u>
Loan contract for initial expenses. A description of the same is contained in Section 3.4.3.1 of the Addendum.

(iii) <u>Interest Swap</u>
Finance Interest Swap Contract. A description of the same is contained in Section 3.4.7.1 of the Addendum.

The data pertaining to Banco Pastor and its activities are included in Section 5.2 of the Registration Document and in Section 3.1 of the Securities Prospectus, respectively.

4. POST ISSUE INFORMATION

4.1 OBLIGATIONS AND PERIODS FOR MAKING PERIODIC ECONOMIC-FINANCIAL INFORMATION ON THE FUND AVAILABLE TO THE PUBLIC AND FOR PRESENTATION TO THE NATIONAL SECURITIES MARKET COMMISSION.

The Fund Manager, as the administrator and manager of the Fund, undertakes to provide, as quickly as possible or by the established deadlines, the information described below and any additional information reasonably requested of it.

4.1.1 Ordinary periodic notifications

The fund manager will have all the documentation and information necessary in accordance with the deed of formation available for the public.

1. In the period between the Determination Date and a maximum of three (3) Business Days following each Payment Date, the Fund Manager shall proceed to communicate to the bondholders the Nominal Interest Rate applicable to each class of Bonds for the following interest accrual period.

2. Every quarter, a minimum of one (1) business day before each payment date, the fund, through its fund manager, shall notify the bondholders of the interest from the bonds of each class, together with the redemption of same, as appropriate, as well as:

   (i) the real early redemption fees of the Mortgage Loans of the preceding Determination Date;

   (ii) the estimated average residual life of the Bonds with the hypothesis of maintaining said early repayment rate on the loan principal and with the rest of the hypotheses set forth in Section 4.10 of the Securities Prospectus;

   (iii) The balances of Outstanding Payment Principal, following the redemption to be settled on each Payment Date of each Note Series, and the percentages that said balances of Outstanding Payment Principal represent over the initial face value of the Notes.

   (iv) If appropriate, the Bondholders shall be informed of the amounts of interest and redemption accrued but unpaid due to a shortage of Available Funds, in accordance with the Priority Payment Rules.

   The previous notifications will be likewise communicated to Iberclear, CNMV, the payment agent and fixed-return AIAF market at least two (2) Business Days before each Payment Date.

3. Within four (4) months of the end of the accounting period, the fund manager will issue a report containing:

   (i) A report on the portfolio of Mortgage Loans pooled into the Fund, the balance of the Treasury Account, the balance sheets, the profit and loss account, the auditor's report and an annex specifying the accounting principles applied.

   (ii) A management report containing:

a) Outstanding Balance of the Mortgage Loans.
b) The percentage of early redemption loans.
c) The changes produced in the early-redemption fee.
d) The amount of unpaid Mortgage Loans.
e) The amount of Defaulted Mortgage Loans and the percentage they represent over the total.
f) The average life of the Mortgage Loans portfolio.
g) The average rate of the Mortgage Loans portfolio.
h) The Outstanding Principal Balance of the Notes.
i) If applicable, the amount of unpaid accrued interest on the Bonds.
j) A detailed analysis of the evolution of the Fund and the factors that have affected said result.
k) The amount and the variations of the expenses and management fees produced during the accounting period.

4. The Fund Manager shall provide a quarterly report to the CNMV and to the AIAF Fixed Income Market within the month following the end of each quarter on the evolution of the Mortgage Loans incorporated into the Fund, the balance of the Treasury Account and relevant information on the Fund and the incorporated Mortgage Loans.

All information of a public nature regarding the Fund can be found at the address of the Fund Manager, on the web page of the Fund Manager (www.gesticaixa.com) and on the websites of the Lead Manager and Underwriters, the AIAF Fixed Income Market (www.aiaf.es) and in the CNMV Register.

4.1.2 Extraordinary notifications

1. For the purposes of the formation of the Fund and the issue of the Bonds, once the Deed of Formation has been granted, the Fund Manager, on behalf of the Fund, shall proceed to make the requisite notification of the formation of the Fund and of the issue of the Bonds, as well as the Nominal Interest Rate on the series of Bonds applicable to the first Accrual Period of Interest, which shall be taken as the period between the Disbursement Date and the first Payment Date. The foregoing notification shall be made in accordance with the procedure set forth in this Prospectus. Any calendar day is appropriate for said publication, whether

or not a business day.

2. The Fund Manager, on behalf of the Fund, will inform the Bondholders of all relevant events that may take place in relation to the Bonds, the Fund and the Fund Manager itself, which could influence the trading of the Bonds in an appreciable manner and, in general, of any relevant modification in the assets or liabilities of the Fund. The fund manager, on behalf of the fund, will inform the holders of the bonds of the possible decision of early redemption of the bonds for any of the reasons set forth in this prospectus. In this event, the fund manager will forward the notarised deed of liquidation to the CNMV along with an indication of the settlement procedure followed.

All of the foregoing circumstances will be reported to the CNMV and Rating Agencies in advance.

4.1.3 Procedure for notifying bondholders.

All notifications that the Fund Manager must make to the Bondholders about the Fund as a result of the aforementioned shall be made as follows:

1. <u>Ordinary notifications</u>
The ordinary notifications shall be carried out through publication either in the daily newsletter of the AIAF Fixed returns Market, or any other that replaces this, or of similar characteristics, or through publication in a popular newspaper in Spain, whether of an economic/financial nature or of a general nature. In addition, the Fund Manager or the Paying Agent may release such information, or other information of interest to the bondholders, through the channels and systems of the financial markets, such as Reuters, Bloomberg or any other with similar characteristics.

2. <u>Extraordinary notifications</u>
Extraordinary notifications must be made through publication in a newspaper with broad distribution in Spain. Said newspaper may be of a financial/economic or of a general nature. These notifications shall be considered given on the date of publication thereof and are valid for any day of the calendar, whether or not a Business Day (in accordance with the provisions set forth in this Prospectus).

Exceptionally, the Nominal Interest Rate determined for the Bonds for each of the Series for the first interest accrual period shall be notified in writing by the Fund

Manager before the start of the subscription period to the underwriters and placement agents so that they may notify investors interested in subscribing to the Bonds. In addition, the fund manager shall notify the CNMV, the payment agency, the AIAF fixed return market and Iberclear.

3. Notifications and other information.
The fund manager may make notifications and other information of interest to bondholders available to them on its own website or other tele-transmission methods of similar characteristics.

4.1.4 Information to the National Securities Market Commission

The Fund Manager shall inform the CNMV of the notifications and information made available in accordance with the provisions set forth in the previous sections. This applies to both ordinary information and extraordinary information as well as any other information required by the CNMV or by the laws in force at any given time.

4.1.5 Information to Rating Agencies.

The Fund Manager shall provide Rating Agencies periodically with information on the Fund’s status and the performance of the Mortgage Loans to enable them to track the bond ratings and make the pertinent extraordinary notifications. It shall likewise provide said information whenever reasonably requested to do so and in any case, whenever there may be a significant modification to the conditions of the fund or to the contracts approved through the Fund Manager or to the interested parties.

Xavier Jaumandreu Patxot, on behalf of GESTICAIXA, S.G.F.T., S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN as its Managing Director, has signed this Prospectus on 19 June 2007.

GLOSSARY OF DEFINITIONS

"Servicer" means the entity responsible for managing and administering the Mortgage Loans and for holding the titles representing the Mortgage Transfer Certificates on deposit pursuant to the Administration Contract, i.e., Banco Pastor.

"Rating Agencies" mean Moody's Investors Service España, S.A. and Standard & Poor's España, S.A.

"Payment Agent" means the entity that provides the financial services for the Bonds. The Paying Agent shall be Banco Pastor.

"Early Redemption" means the redemption of the Bonds on a date before the Legal Due Date in the Cases of Early Settlement of the Fund in conformity with the requirements established in part 4.4.3 of the Registration Document.

"***ABN AMRO"*** means ABN AMRO Bank, N.V., branch office in Spain.

"Series A1 Bonds" or "Series A1" means the Bonds corresponding to Series A1 issued on the account of the Fund for a total nominal amount of one hundred and seventy-five million (175,000,000) euros.

"Series A2 Bonds" or "Series A2" means the Bonds corresponding to Series A2 issued on the account of the Fund for a total nominal amount of four hundred and ninety-two million eight hundred thousand (492,800,000) euros.

"Series B Bonds" or "Series B" means the Bonds corresponding to Series B issued on the account of the Fund for a total nominal amount of twenty four million nine hundred thousand (24,900,000) euros.

"Series C Bonds" or "Series C" means the Bonds corresponding to Series C issued on the account of the Fund for a total nominal amount of seven million three hundred thousand (7,300,000) euros.

"Series D Bonds" or "Series D" means the Bonds corresponding to Series D issued on the account of the Fund for a nominal total amount of ten million five hundred thousand (10,500,000) of euros.

"Bonds" means the Bonds of Series A1, the Bonds of Series A2, the Bonds of Series B, the Bonds of Series C and the Bonds of Series D issued by the Fund.

"Assignor", means Banco Pastor, the Assignor of the Mortgage Loans.

"Mortgage Transfer Certificates" means the negotiable securities whereby the Mortgage Loans are assigned to the Fund, pursuant to the provisions in the Fifth Additional Provision of Law 3/1994 in the version contained in Law 44/2002, Law 2/1981 and Royal Decree 685/1982.

"*CET*" means Central European Time.

"Underwriting Commissions" means the fees paid to Underwriter and Placement Agents for the performance of their functions by virtue of the Management, Underwriting and Placement Agreement for the Bond Issue.

"*CNMV*" means the National Securities Market Commission.

"Administration Contract" means the contract that regulates the custody and administration of the Mortgage Loans and the deposit of the titles representing the Mortgage Transfer Certificates.

"Paying Agency Contract" means the contract that regulates the financial service of the Bonds and which is entered into between the Fund Manager, on behalf of and representing the Fund, and Banco Pastor as the Paying Agent.

"Guaranteed Interest Rate Deposit Agreement (Treasury Account)" **or** *"Treasury Account Agreement"* means the guaranteed interest rate deposit agreement (Treasury Account) signed by the Fund Manager, on behalf of and in the name of the Fund, and Banco Pastor.

"Management, Underwriting and Placement Agreement for the Bond Issue " means the management, underwriting and placement agreement for the Bond Issue entered into between the Fund Manager, on behalf of and representing the Fund, Banco Pastor or ABN AMRO and IXIS CIB as the Underwriters and Insurance and Placement Agents.

"Financial Brokerage Contract", means the contract which regulates the payment by the Fund Manager, on behalf of the Fund, to Banco Pastor for the financial brokerage activities performed which have enabled the definitive financial transformation of the Fund's activity, the acquisition of the Mortgage Loans, the subscription of the Mortgage Transfer Certificates and the satisfactory rating of each bond class.

"Swap Agreement" or "Interest Rate Swap Agreement" means the agreement entered into between the Fund Manager, on behalf of and representing the Fund, and Banco Pastor whereby the Fund shall make payments to Banco Pastor calculated on the mortgage loan interest rates, in exchange for which Banco Pastor shall make payments to the Fund calculated on the interest rate

determined for the Bonds plus a margin, all according to the provisions set forth in Section 3.4.7.1 of the Addendum.

"Loan for Initial Expenses Agreement" means the agreement signed between the Fund Manager on behalf of the Fund and Banco Pastor, by virtue of which the Fund shall make payment for the Initial Expenses shown in Section 6 of the Securities Prospectus.

"Business Day" means any day other than (i) a holiday in Madrid, or (ii) a non-business day on the TARGET (*Trans European Automated Real-Time Gross Settlement Express Transfer System*) calendar.

"Distribution of Funds Available for Amortisation" means the applicable rules of the Funds available for amortisation for each one of the A1, A2, B and C Series on each Payment Date, as established in Section 4.9.4 of the Securities Prospectus.

"Registration Document" means the registration document of asset-guaranteed securities, the minimum disclosure requirements of which are contained in Appendix VII of Regulation 809/2004.

"Bond Issue" means the securitisation bonds issued against the Fund for an amount equal to seven hundred and ten million five hundred thousand (710,500,000) euros, composed of seven thousand one hundred and five (7,105) bonds with a face value of one hundred thousand (100,000) euros each, pooled into the following classes: Series A1, Series A2, Series B, Series C and Series D.

"Issuer" means GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS.

"Underwriter and Placement Agents" means Banco Pastor, ABN AMRO, IXIS CIB and all entities which, under the provisions of Section 4 of the Securities Prospectus, shall be underwriter agents of the issue.

"Management Entities" means Banco Pastor, ABN AMRO and IXIS CIB.

"Deed of Constitution" means the public Deed of Constitution of the Fund, the assignment to the Fund by Banco Pastor of Mortgage Loans by issuing Mortgage Transfer Certificates and the issue of the Bonds by the Fund.

"EURIBOR" means the *Euro Interbank Offered Rate*, which is the interbank term deposit rate in euros calculated as the daily average of the quotes provided for fifteen maturity dates by a panel composed of 57 Banks that are among the most active in the Euro zone. The rate is quoted based on the calculation of the calendar days to maturity and on a 360-day year, and it is fixed at 11:00 AM (CET) and carried to three (3) decimal positions.

"Formation Date" means date on which the Formation Deed is signed, that is, 26.06.07.

"Disbursement Date" means 28.06.07, the day on which the cash amount for subscription of the Bonds must be paid and on which the face value of the subscribed Mortgage transfer certificates must be paid.

"Determination Date" means, for each interest accrual period, the third Business Day prior to the Payment Date that marks the start of the corresponding interest accrual period.

"***Setting Date***" means the second business day before the Payment Date that marks the commencement of the corresponding Interest Accrual Period. For the first interest accrual period, the Benchmark Interest Rate shall be set on the second Business Day prior to the closing date.

"Liquidation Date" or "Early Liquidation Date" means the date on which the Fund Manager liquidates the Fund as a consequence of any of the Early Liquidation Circumstances enumerated in section 4.4.3 of the Registration Document.

"Payment Date" means 21 March, June, September and December of each year or the next Business Day if any of these dates does not fall on a Business Day. The first Payment Date shall be 21.09.07.

"Final Maturity Date" means the last ordinary maturity date of the Fund's assets.

"Legal Maturity Date" means thirty-six (36) months after the maturity of the Fund's Asset with the longest maturity period, viz., 30.06.46.

"Prospectus" or "Informative Prospectus" means the document composed of the Registration Document, the Supplemental addendum, the Prospectus Schedule and the Glossary of Terms regulated in Regulation 809/2004.

"Fund" means GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACIÓN DE ACTIVOS.

"Reserve Fund" means the guarantee mechanism against possible losses due to unpaid or Defaulted Mortgage Loans, for the purpose of enabling payments to be made by the Fund in accordance with the cash flow waterfall and the cash flow waterfall for liquidation, as appropriate.

"Initial Reserve Fund" means the Reserve Fund set up on the Disbursement Date and charged to the disbursement of the subscription of Series D Bonds, for an amount equal to ten million five hundred thousand (10,500,000) euros.

"Available Funds" means:

a) On each payment date, the amounts allocated to meet the Fund's payment obligations or withholdings that will have been deposited in the Treasury Account.
b) And, where applicable, the proceeds from the liquidation of the Fund's assets.

"Amount Available for Redemption" means the amount allocated for the redemption of the principal of the Series A1, A2, B and C Bonds.

"Funds Available for Liquidation" means:

a) The available Funds.
b) The amounts that the Fund may obtain from the disposal of the assets corresponding to the remaining Mortgage Loans in the case of a clean-up call.

"Extraordinary Expenses" means the expenses detailed in Section 3.4.6 of the Addendum.

"Initial Expenses", means the expenses pursuant to part 6.1 of the Securities Note.

"Ordinary Expenses" means the expenses detailed in Section 3.4.6 of the Addendum.

"Periodic Expenses" means the expenses pursuant to section 6.1 of the Securities Note.

"Iberclear" means the entity "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A."

"Theoretical Redemption Amount" means the positive difference on a Payment Date between (a) the Outstanding Balance of Principal of the Bonds of Series A1, A2, B and C and (b) the sum of the Outstanding Balance of the Mortgage Loans corresponding to the final day of the month prior to that of the Payment Date.

"Total Amount of the Bond Issue", shall be equal, as close as possible, to a maximum of 700,000,000 euros.

"IXIS CIB" means IXIS Corporate & Investment Bank.

"Law 2/1981" means Law 2/1981 of 25 March on the Regulation of the Mortgage Market.

"Law 19/1992" means Law 19/1992 of 7 July on the Regulation of Real Estate Investment Funds and Companies and Mortgage Securitization Funds.

"Act 2/1994" means Act 2/1994 of 30 March on Subrogation and Modification of Mortgage Loans.

"Law 3/1994" means Law 3/1994 of 14 April which adapted Spanish legislation on the subject of credit entities to comply with the Second Directive on Banking Coordination and introduced relevant changes into the financial system.

"Act 44/2002" means Act 44/2002, of 22 November, on Reform Measures of the Financial System.

"Early Settlement" means the settlement of the Fund and with it the early redemption of the Bond issue on a date prior to the Final Maturity Date under the circumstances and pursuant to the procedures established in section 4.4.3 of the Registration Document.

"Financial Brokerage Margin" means the remuneration received by Banco Pastor for the process of financial brokering that allows the definitive financial transformation of the Fund's activity, the acquisition of the Mortgage Transfer Certificates and the satisfactory rating granted to each one of the Series of Bonds.

"Supplemental Addendum" means the supplemental addendum of asset-guaranteed securities, the minimum disclosure requirements of which are included in Appendix VIII of Regulation 809/2004.

"Moody's" means Moody's Investors Services España, S.A.

"IFRS" means the International Financial Reporting Standards.

"The Minimum Level of the Reserve Fund" means the lesser of the following amounts:

a) An amount equal to ten million five hundred thousand (10,500,000) euros.
b) 3% of the Outstanding Balance of the Series A1, A2, B and C Bonds.

Under no circumstance can the Minimum Level of the Reserve Fund be less than five million two hundred and fifty thousand (5,250,000) euros.

"Swap Notional" *means the average daily balance of the Mortgage Loans for each settlement period that are up-to-date with payment during the three months prior to each settlement date.*

"Prospectus Schedule" means the schedule of debenture securities with a unit denomination equal to or greater than 50,000 euros, the minimum disclosure requirements of which are Included in Appendix VIII of Regulation 809/2004.

"Payment Order Priority", means the order in which the Available Funds will be applied with respect to the payment or withholding obligations of the Fund, as per section 3.4.6 of the prospectus.

"Settlement Payment Order Priority" means the order in which the funds available for settlement will be applied with respect to the payment or withholding obligations of the Fund on the settlement date, as per section 3.4.6 of the Prospectus.

"Determination Period", means the actual number of days between two consecutive Payment Dates, exuding in each Determination Period the Initial Payment date and including the Final Payment Date. The first Determination Period will have a duration equal to the number of days elapsed between the day of Fund Formation, inclusive, and the first Determination Date.

"Interest Accrual Period" means the actual number of days between two consecutive Payment Dates, including the initial Payment date and excluding the Final Payment Date. The first Interest Accrual Period will commence on the Disbursement Date, inclusive, and will end on the first Payment Date, excluded.

"Subscription Period" means the subscription period of the bonds, which is between 10:00 o'clock (CET) and 13:00 o'clock (CET) on 27.06.07.

"Interest Rate Swap" means the interest rate swap intended to cover the interest rate risk to which the Fund is exposed due to the fact that the Mortgage Loans are subject to variable interest rates pegged to different reference indices and different revision periods than those established for the Bonds. In addition, the interest rate swap is intended to cover the implicit risk that the Mortgage Loans can be renegotiated and the agreed interest rates reduced. It is regulated in the Interest Swap Contract.

"Mortgage Loans" means the loans granted by Banco Pastor to physical and legal persons, with a real estate mortgage guarantee on real estate located within the national territory of Spain, the granting of which is regulated by Spanish law, and assigned by Banco Pastor, S.A. to the Fund via the issue by Banco Pastor, S.A. and the subscription by the Fund of Mortgage Transfer Certificates.

"Doubtful Mortgage Loans" means those Mortgage Loans which have payments pending for a period equal to or greater than ninety (90) days.

"Defaulted Mortgage Loans" means those Mortgage Loans which Banco Pastor does not consider recoverable or loans where payments are pending for a period equal to or greater than 18 months.

"Loan for Initial Expenses" means the loan granted by Banco Pastor to the Fund in accordance with the provisions set forth in the Subordinated Loan Agreement.

"Royal Decree 685/1982" means Royal Decree 685/1982, of 17 March, which developed certain aspects of Act 2/1981, of 25 March, regulating the mortgage market, and certain aspects of Royal Decree 1289/1991, of 2 August, which modified certain articles of the former decree.

"Royal Decree 926/1998" means Royal Decree 926/1998, of 14 May, which regulated asset securitisation funds and the managers of securitisation funds.

"Regulation 809/2004" means Commission Regulation (EC) number 809/2004, of 29 April 2004, pertaining to Directive 2003/71/EC of the European Parliament and of the Council as regards the information contained in prospectuses, as well as the format, incorporation by reference and publication of said prospectuses and advertising.

"Outstanding Balance of Principal of the Series" means the sum of the outstanding balances of the unamortized principal of the Bonds in the series, including the principal which should have been amortised but was not due to insufficient Funds Available according to the Payment Priority Order.

Combined, the Outstanding Balance of Principal of the Bond Issue shall be the sum of the Outstanding Balance of Principal of each one of the Series.

"***Initial Balance***" means the sum of the capital or principal pending maturity of the Mortgage Loans on the date of constitution.

"Outstanding Balance" means the total of the capital or principal not yet due and payable on the Mortgage Loans on a specific date and the capital or principal due but not yet paid to the Fund, without including Defaulted Mortgage Loans.

" Series " means Series A1, Series A2, Series B, Series C and Series D jointly.

"Fund Manager" means GestiCaixa, S.G.F.T., S.A.

"Standard & Poor's" or "S&P", means Standard and Poor's España, S.A.

"Early Liquidation Circumstances" are those enumerated in section 4.4.3 of the Registration Document.

"Swap" means Interest Rate Swap.

"*Interest Rate of Reference*" means the reference interest rate of the Bonds as laid down in section 4.8 of the Prospectus Schedule.

"Nominal Interest Rate" means the interest rate of reference, plus a margin applicable to each Bond series.

"IRR" means the internal rate of return as defined in section 4.10 of the Prospectus Schedule.

"Multiple Title" means the security title representing the Mortgage Transfer Certificates issued by Banco Pastor on the Mortgage Loans.