

Magellan Mortgages No. 3 plc

Euro 1,413,750,000 Class A Mortgage Backed Floating Rate Notes due 2058

Euro 33,750,000 Class B Mortgage Backed Floating Rate Notes due 2058

Euro 15,750,000 Class C Mortgage Backed Floating Rate Notes due 2058

Euro 36,750,000 Class D Mortgage Backed Floating Rate Notes due 2058

Euro 19,600,000 Class E Floating Rate Notes due 2058

Euro 250,000 Class F Notes due 2058

Investor Report May 2008



**Banco Comercial Português, S.A.
Transaction Manager, Custodian and Servicer**

1. Security Level Information

Issuer Name	Magellan Mortgage No. 3 plc				
	Class A	Class B	Class C	Class D	Class E
Security Class Name	Class A	Class B	Class C	Class D	Class E
ISIN	XS0222684655	XS0222691510	XS0222691940	XS0222698523	XS0222698952
Bloomberg Ticker	MAGEL 3 A	MAGEL 3 B	MAGEL 3 C	MAGEL 3 D	MAGEL 3 E
Issue Date	30 Jun 2005	30 Jun 2005	30 Jun 2005	30 Jun 2005	30 Jun 2005
Maturity Date	15 May 2058	15 May 2058	15 May 2058	15 May 2058	15 May 2058
Subordination Level	Senior	Subord. to Class A Notes	Subord. to Class B Notes	Subord. to Class C Notes	Subord. to Class D Notes
S&P Rating	AAA	AA	A	BBB	BB
Moodys Rating	Aaa	Aa2	A2	Baa2	Ba1
Currency	Euro	Euro	Euro	Euro	Euro
Total Original Balance	1,413,750,000.00	33,750,000.00	15,750,000.00	36,750,000.00	19,600,000.00
Total Beginning Balance Prior to Distribution	956,572,938.75	28,731,543.75	13,408,053.75	31,285,458.75	0.00
Total Ending Balance Subsequent to Distribution	907,842,390.00	27,267,840.00	12,724,992.00	29,691,648.00	0.00
Total Principal Distribution	48,730,548.75	1,463,703.75	683,061.75	1,593,810.75	0.00
Pool Factor	64.21520000%	80.79360000%	80.79360000%	80.79360000%	0.00000000%
Principal Deficiency Ledger	0.00	0.00	0.00	0.00	n/a
Total Interest Distributions	10,689,702.59	325,384.73	155,198.22	380,900.46	0.00
Payment Date	15/May/08	15/May/08	15/May/08	15/May/08	15/May/08
Quarterly Collection Date	30/Apr/08	30/Apr/08	30/Apr/08	30/Apr/08	30/Apr/08
Calculation Period	11	11	11	11	11
Accrual Beginning Date	15/Feb/08	15/Feb/08	15/Feb/08	15/Feb/08	15/Feb/08
Accrual Ending Date	15/May/08	15/May/08	15/May/08	15/May/08	15/May/08
Accrual Period	90 days	90 days	90 days	90 days	90 days
Accrual Rate	4.470 %	4.530 %	4.630 %	4.870 %	5.840 %
Euro Reference Rate	4.340 %	4.340 %	4.340 %	4.340 %	4.340 %
Spread (bps)	13	19	29	53	150
Denomination	6,766.21	8,513.05	8,513.05	8,513.05	0.00
Day Basis	Act/360	Act/360	Act/360	Act/360	Act/360
Reset Rate Effective Date	13/Feb/08	13/Feb/08	13/Feb/08	13/Feb/08	13/Feb/08
New Denomination for the next period	6,421.52	8,079.36	8,079.36	8,079.36	0.00

(Amounts in Euro)

2. Collateral Level Information

CP ending 30 Apr 08

Mortgage Asset Portfolio

	Amount	Nr of Loans
Beginning Principal Outstanding Balance	1,033,456,987.62	18,193
Beginning Principal Outstanding Balance (net of Deemed Losses)	1,030,671,406.54	
Principal Redemption	51,380,832.24	764
Scheduled Principal Redemption	4,778,862.53	
Prepayments	27,847,999.18	
Retired Mortgages Assets for non-permitted variations	18,753,970.53	
CPR	10.58%	
Deemed Principal Losses	1,091,379.98	
Principal Recoveries (to the extent of a debit balance recorded on the PDI)	222,263.42	
Retired Mortgages Assets in excess of substitute loans	0.00	0
Principal Adjustments	0.00	0
Ending Principal Outstanding Balance	982,076,155.38	17,429
Ending Principal Outstanding Balance (net of Deemed Losses)	978,421,457.74	

Ending Principal Outstanding Balance at Closing Date 1,495,358,931.35 24,378

	31-Jan-08	30-Apr-08
WA Interest Rate	5.81027 %	5.55301 %
WA Current LTV (Outstanding Loan Amount/Initial Valuation)	68.6 %	68.1 %
WA Original LTV (Initial Loan Amount/Initial Valuation)	74.2 %	73.9 %
Average Loan Balance	56,805.20	56,347.25
Maximum Loan Balance	237,996.83	237,520.02
Minimum Loan Balance	312.32	305.20

Delinquent Mortgage Loans

	Amount	Nr of Loans
30 - 59 days	10,491,602.35	181
60 - 89 days	6,076,710.58	108
90 - 179 days	12,246,390.61	231
180 - 269 days	7,333,876.78	125
270 - 365 days	4,972,316.50	97
> 365 days	12,606,113.98	229
	<u>53,727,010.80</u>	<u>971</u>

Number of loans in Legal Proceedings 2,743,774.82 45
(of which the mortgage loan is current*) 0

* proceedings initiated by other creditors

Retired Mortgages Asset Pool

	Amount	Nr of Loans
Breach of Reprs. & Warranties	0.00	0
Non Permitted Variations	0.00	0

Substitute Mortgage Asset Pool

	Amount	Trigger	Result
Current Period	0.00		
Cumulative during 1 year from the Closing Date	39,002,347.96	75,000,001.60	Pass
Cumulative since Closing Date	149,999,762.91	150,000,003.19	Pass
Current WA Spread for the Pool	1.03%	1.00%	Pass

Permitted Variations

	Amount	Trigger	Result
Cumulative since Closing Date	248,953,321.05	300,000,006.38	Pass

Provisioning

	Loans in arrear	%	Amount
Principal Outstanding Balance to be provisioned			1,091,379.98
Amount to be provisioned	>= 12 months	25%	837,343.30
	>= 24 months	50%	254,036.68
	>= 36 months	100%	0.00

(Amounts in Euro)

3. Triggers and Tests Determinations

Portfolio Trigger Event

Mortgage Loans in arrears (90 - 365 days)	24,552,583.89
Aggregate Principal Outstanding Balance of the Mortgage Loans on 21 June 2005 (CDD)	1,500,000,031.92
Ratio	1.64%
Trigger (maximum)	4.50%
Result	PASS

Net Cumulative Default Ratio

Aggregate Principal Outstanding Balance of the Defaulted Mortgage Assets net of collections + repurchase proceeds + recoveries in respect of defaulted mortgage assets	12,606,113.98
Aggregate Principal Outstanding Balance of the Mortgage Assets as at the CDD	1,500,000,031.92
Ratio	0.84%
Trigger (less than)	15.00%
Result	PASS

Pro-Rata Test**PASS**

(a) Principal Amount Outstanding of the Class A Notes	907,842,390.00
Principal Amount Outstanding of the Class A Notes as at the Closing Date	1,413,750,000.00
Ratio	64.22%
Trigger (less or equal)	75.00%
Result	PASS
(b) Cash Reserve Account	13,500,000.00
Cash Reserve Account Required Balance	13,500,000.00
Result	PASS
(c) Principal Outstanding Balance of the Mortgage Loans in arrears (90-365 days)	24,552,583.89
Principal Outstanding Balance of the Mortgage Loans as at the CDD	1,500,000,031.92
Ratio	1.64%
Trigger (less)	1.80%
Result	PASS

Cash Reserve Release Test**FAIL****Contingent Liquidity Event****NO**

(Amounts in Euro)

4. Unit Waterfall

Unit Interest Waterfall	FDD 13 May 2008
Opening Balance	<u>0.00</u>
Additions to Interest Waterfall	
Interest Collections Proceeds	14,177,832.74
Interest on Fund Account	<u>415,436.56</u>
	<u>14,593,269.30</u>
Deductions from Interest Waterfall	
Incorrect Payments to Originators	0.00
Fund Expenses (see detail below)	391,479.72
Unit Distribution - Interest Component	<u>14,201,789.58</u>
	<u>14,593,269.30</u>
Closing Balance	<u>0.00</u>
Unit Principal Waterfall	FDD 13 May 2008
Opening Balance	<u>0.00</u>
Additions to Principal Waterfall	
Principal Collections Proceeds	<u>51,380,832.24</u>
	<u>51,380,832.24</u>
Deductions from Principal Waterfall	
Unit Distribution - Principal Component	<u>51,380,832.24</u>
	<u>51,380,832.24</u>
Closing Balance	<u>0.00</u>
Fund Expenses:	
Supervision Fee due and payable by the Fund to the C.M.V.M.	21,363.75
Fund Manager Fees and Liabilities	85,915.30
Custodian Fees and Liabilities	25,836.42
Servicer Fees and Expenses	<u>258,364.25</u>
	<u>391,479.72</u>

(Amounts in Euro)

5. Interest Distribution

IPD 15 May 2008

Available Interest Distribution Amount	
Unit Distributions - Interest Component	14,201,789.58
Receipts under the Swap Agreement	0.00
Receipts under the Interest Rate Cap Agreement	0.00
Gains on Authorised Investments	0.00
Cash Reserve Drawing	0.00
Cash Reserve Account Release Amount	0.00
Principal Draw Amount	0.00
Contingent Liquidity Drawing	0.00
Interest accrued and credited to the Issuer Account	18,318.49
Interest accrued and credited to the Cash Reserve Account	141,750.00
Class F proceeds to the extent not used to fund initial up-front transaction expenses	0.00
Residual Interest Component re. previous period	0.00
Total Available Interest Distribution Amount	14,361,858.07
Pre-Enforcement Interest Payment Priorities	
(1st) Issuer's Liability to tax	0.00
(2nd) Trustee fees and Liabilities	0.00
(3rd) Issuer Expenses (See detail below)	22,218.10
(4th) Amounts due and payable to the Contingent Liquidity Facility Provider	0.00
(5th i) Payments under Swap Agreem. (except for an Early Termination of Swap Agreem.)	816,367.73
(5th ii) Payments under Interest Rate Cap Agreem. (except for an Early Termination of Interest Rate Cap .	0.00
(6th i) Class A Notes unpaid interest	10,689,702.59
(6th ii) Payments under Swap Agreem. (except for a default by the Swap Counterparty)	0.00
(6th iii) Payments under Interest Rate Cap Agreem. (except for a default by the Interest Rate Cap Counterp	0.00
(7th) Reduction of the debit balance on the Class A Principal Deficiency Ledger	0.00
(8th) Class B Notes unpaid interest	325,384.73
(9th) Reduction of the debit balance on the Class B Principal Deficiency Ledger	0.00
(10th) Class C Notes unpaid interest	155,198.22
(11th) Reduction of the debit balance on the Class C Principal Deficiency Ledger	0.00
(12th) Class D Notes unpaid interest	380,900.46
(13th) Reduction of the debit balance on the Class D Principal Deficiency Ledger	1,091,379.98
(14th) Class E Notes unpaid interest	0.00
(15th) Payment to the Cash Reserve Account	0.00
(16th i) Payments under Swap Agreem. (in case of default by Swap Count.)	0.00
(16th ii) Payments under Interest Rate Cap Agreem. (in case of default by Interest Rate Cap Count.)	0.00
(17th) Payment of Principal Amount Outstanding on the Class E Notes (see detail below)	0.00
(18th) Class F Notes Distribution Amount	880,706.26
(19th) Release of the Balance (if any) to the Issuer	0.00
Total Pre-Enforcement Interest Payment Priorities	14,361,858.07
Issuer Expenses	
Transaction Manager fees and Liabilities	12,878.10
Audit Fees	4,840.00
Corporate Services Provider fees and Liabilities	4,500.00
	<u>22,218.10</u>
Payment of Principal Amount Outstanding on the Class E Notes	
Residual Available Interest Distribution Amount	0.00
Number of outstanding Class E Notes	0
Class E Notes Principal Payment - per Note	0.00
Class E Notes Principal Payment	0.00
Residual Interest Component due to rounding	0.00

(Amounts in Euro)

6. Principal Distribution

IPD 15 May 2008

Available Principal Distribution Amount	
Unit Distribution - Principal Component	51,380,832.24
Available Interest Distribution Amount used to reduce PDL's	1,091,379.98
Residual Principal Component re. previous period	172.48
Less, Principal Draw Amount	0.00
Total Available Principal Distribution Amount	<u>52,472,384.70</u>
Pre-Enforcement Principal Payment Priorities	
Pro-Rata Test Satisfied (TRUE/FALSE)	TRUE
Where the Pro-Rata Test has been satisfied, payment of:	
Principal Amount Outstanding of Class A Notes (see detail below)	48,730,548.75
Principal Amount Outstanding of Class B Notes	1,463,703.75
Principal Amount Outstanding of Class C Notes	683,061.75
Principal Amount Outstanding of Class D Notes	1,593,810.75
Total Pre-Enforcement Principal Payment Priorities	<u>52,471,125.00</u>
Total Available Principal Distribution Amount	48,731,806.74
Number of outstanding Class A Notes	141,375
Class A Notes Principal Payment - per Note	344.69
Class A Notes Principal Payment	48,730,548.75
Residual Principal Component due to rounding	1,257.99
Total Available Principal Distribution Amount	1,463,704.42
Number of outstanding Class B Notes	3,375
Class B Notes Principal Payment - per Note	433.69
Class B Notes Principal Payment	1,463,703.75
Residual Principal Component due to rounding	0.67
Total Available Principal Distribution Amount	683,062.06
Number of outstanding Class C Notes	1,575
Class C Notes Principal Payment - per Note	433.69
Class C Notes Principal Payment	683,061.75
Residual Principal Component due to rounding	0.31
Total Available Principal Distribution Amount	1,593,811.48
Number of outstanding Class D Notes	3,675
Class D Notes Principal Payment - per Note	433.69
Class D Notes Principal Payment	1,593,810.75
Residual Principal Component due to rounding	0.73

(Amounts in Euro)

7. Cash Reserve Account	IPD 15 May 2008
Opening Balance	<u>13,500,000.00</u>
Additions to Cash Reserve Account	
Class E Notes Proceeds (excl. Unit Purchase Amount)	0.00
Replenishment of the Cash Reserve Account	0.00
Interest accrued on Issuer Cash Reserve Account	<u>141,750.00</u>
	<u>141,750.00</u>
Deductions from Cash Reserve Account	
Cash Reserve Drawing	0.00
Cash Reserve Release Amount	0.00
Interest on Issuer Cash Reserve Account tansf. to Issuer Account	<u>141,750.00</u>
	<u>141,750.00</u>
Closing Balance	<u>13,500,000.00</u>
 Cash Reserve Account Required Balance	 13,500,000.00

(Amounts in Euro)

8. Contacts

Transaction Manager, Custodian and Servicer

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