

# 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 August 2014



**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	A- (sf)	BBB- (sf)	BB+ (sf)	B (sf)	-
Moodys Rating	Ba1 (sf)	B1 (sf)	B3 (sf)	Caa1 (sf)	-
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	454,821,753.75	13,660,818.75	6,375,048.75	14,875,113.75	0.00
Total Ending Balance Subsequent to Distribution	446,255,842.50	13,403,542.50	6,254,986.50	14,594,968.50	0.00
Total Principal Distribution	8,565,911.25	257,276.25	120,062.25	280,145.25	0.00
Pool Factor	31.56540000%	39.71420000%	39.71420000%	39.71420000%	0.00000000%
Principal Deficiency Ledger	0.00	0.00	0.00	0.00	n/a
Total Interest Distributions	714,133.32	25,775.31	15,393.09	54,759.01	0.00
Payment Date	18/Aug/14	18/Aug/14	18/Aug/14	18/Aug/14	18/Aug/14
Quarterly Collection Date	31/Jul/14	31/Jul/14	31/Jul/14	31/Jul/14	31/Jul/14
Calculation Period	36	36	36	36	36
Accrual Beginning Date	15/May/14	15/May/14	15/May/14	15/May/14	15/May/14
Accrual Ending Date	18/Aug/14	18/Aug/14	18/Aug/14	18/Aug/14	18/Aug/14
Accrual Period	95 days	95 days	95 days	95 days	95 days
Accrual Rate	0.595 %	0.715 %	0.915 %	1.395 %	1.835 %
Euro Reference Rate	0.335 %	0.335 %	0.335 %	0.335 %	0.335 %
Spread (bps)	26	38	58	106	150
Denomination	3,217.13	4,047.65	4,047.65	4,047.65	0.00
Day Basis	Act/360	Act/360	Act/360	Act/360	Act/360
Reset Rate Effective Date	13/May/14	13/May/14	13/May/14	13/May/14	13/May/14
New Denomination for the next period	3,156.54	3,971.42	3,971.42	3,971.42	0.00

(Amounts in Euro)

## 2. Collateral Level Information

CP ending 31 Jul 14

**Mortgage Asset Portfolio**

	Amount	Nr of Loans
Beginning Principal Outstanding Balance	513,658,088.19	11,339
Beginning Principal Outstanding Balance (net of Deemed Losses)	489,732,063.90	
Principal Redemption	8,661,922.36	106
Scheduled Principal Redemption	5,161,392.50	
Prepayments	1,786,767.85	
Retired Mortgages Assets for non-permitted variations	1,713,762.01	
CPR	1.40%	
Deemed Principal Losses	965,726.09	
Principal Recoveries (to the extent of a debit balance recorded on the PDL)	404,522.88	
Ending Principal Outstanding Balance	504,996,165.83	11,233
Ending Principal Outstanding Balance (net of Deemed Losses)	480,508,938.33	
Ending Principal Outstanding Balance at Closing Date	1,495,358,931.35	24,378

	30-Apr-14	31-Jul-14
WA Interest Rate	1.360 %	1.366 %
WA Current LTV (Outstanding Loan Amount/Initial Valuation)	57.4 %	57.0 %
WA Original LTV (Initial Loan Amount/Initial Valuation)	72.7 %	72.7 %
Average Loan Balance	45,300.16	44,956.52
Maximum Loan Balance	205,403.85	203,905.93
Minimum Loan Balance	100.17	137.32

**Delinquent Mortgage Loans**

	Amount	Nr of Loans
30 - 59 days	1,783,354.67	41
60 - 89 days	1,483,312.01	32
90 - 179 days	2,014,087.30	45
180 - 269 days	429,739.42	13
270 - 365 days	346,714.68	13
> 365 days	26,725,560.28	546
	<u>32,782,768.36</u>	<u>690</u>

Number of loans in Legal Proceedings ( of which the mortgage loan is current*)	26,324,149.62 0	548
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\* proceedings initiated by other creditors

**Retired Mortgages Asset Pool**

	Amount	Nr of Loans
Breach of Reps. & Warranties	0.00	0
Non Permitted Variations	1,713,762.01	47

**Substitute Mortgage Asset Pool**

	Amount	Trigger	Result
Current Period	<b>0.00</b>		
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

**Permitted Variations**

	Amount	Trigger	Result
Cumulative since Closing Date	299,749,804.30	300,000,006.38	Pass

**Provisioning**

	Loans in arrear	%	Amount
Principal Outstanding Balance to be provisioned			<b>965,726.09</b>
Amount to be provisioned	>= 12 months	25%	12,108.20
	>= 24 months	50%	362,658.14
	>= 36 months	100%	590,959.75

(Amounts in Euro)

## 3. Triggers and Tests Determinations

**Portfolio Trigger Event**

Mortgage Loans in arrears (90 - 365 days)	2,790,541.40
Aggregate Principal Outstanding Balance of the Mortgage Loans on 21 June 2005 (CDD)	1,500,000,031.92
Ratio	0.19%
Trigger (maximum)	<b>4.50%</b>
Result	<b>PASS</b>

**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	26,725,560.28
Aggregate Principal Outstanding Balance of the Mortgage Assets as at the CDD	1,500,000,031.92
Ratio	1.78%
Trigger (less than)	<b>15.00%</b>
Result	<b>PASS</b>

**Pro-Rata Test****PASS**

(a) Principal Amount Outstanding of the Class A Notes	446,255,842.50
Principal Amount Outstanding of the Class A Notes as at the Closing Date	1,413,750,000.00
Ratio	31.57%
Trigger (less or equal)	<b>75.00%</b>
Result	<b>PASS</b>
(b) Cash Reserve Account	9,000,000.00
Cash Reserve Account Required Balance	9,000,000.00
Result	<b>PASS</b>
(c) Principal Outstanding Balance of the Mortgage Loans in arrears (90-365 days)	2,790,541.40
Principal Outstanding Balance of the Mortgage Loans as at the CDD	1,500,000,031.92
Ratio	0.19%
Trigger (less)	<b>1.80%</b>
Result	<b>PASS</b>

**Cash Reserve Release Test****PASS****Contingent Liquidity Event****YES**

(Amounts in Euro)

## 4. Unit Waterfall

<b>Unit Interest Waterfall</b>	<b>FDD 13 Aug 2014</b>
Opening Balance	<u>0.00</u>
Additions to Interest Waterfall	
Interest Collections Proceeds	1,666,272.26
Interest on Fund Account	<u>233.92</u>
	<u>1,666,506.18</u>
Deductions from Interest Waterfall	
Incorrect Payments to Originators	0.00
Fund Expenses (see detail below)	178,639.96
Unit Distribution - Interest Component	<u>1,487,866.22</u>
	<u>1,666,506.18</u>
Closing Balance	<u>0.00</u>
<b>Unit Principal Waterfall</b>	<b>FDD 13 Aug 2014</b>
Opening Balance	<u>0.00</u>
Additions to Principal Waterfall	
Principal Collections Proceeds	<u>8,661,922.36</u>
	<u>8,661,922.36</u>
Deductions from Principal Waterfall	
Unit Distribution - Principal Component	<u>8,661,922.36</u>
	<u>8,661,922.36</u>
Closing Balance	<u>0.00</u>
Fund Expenses:	
Supervision Fee due and payable by the Fund to the C.M.V.M.	13,767.12
Fund Manager Fees and Liabilities	20,477.84
Custodian Fees and Liabilities	13,126.82
Servicer Fees and Expenses	<u>131,268.18</u>
	<u>178,639.96</u>

**(Amounts in Euro)**

## 5. Interest Distribution

IPD 18 Aug 2014

Available Interest Distribution Amount	
Unit Distributions - Interest Component	1,487,866.22
Principal Recoveries ( to the extent of a debit balance recorded on the PDI's)	404,522.88
Receipts under the Swap Agreement	207,012.07
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	2.79
Interest accrued and credited to the Cash Reserve Account	4,631.25
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
Excess of provision for Issuer Expenses	0.00
<b>Total Available Interest Distribution Amount</b>	<b><u>2,104,035.21</u></b>
Pre-Enforcement Interest Payment Priorities	
(1st) Issuer's Liability to tax	7,245.00
(2nd) Trustee fees and Liabilities	3,000.00
(3rd) Issuer Expenses (See detail below)	28,560.89
(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.)	0.00
(5th ii) Payments under Interest Rate Cap Agreem. (except for an Early Termination of Interest Rate Cap Agreem.)	0.00
(6th i) Class A Notes unpaid interest	714,133.32
(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 Counterparty)	0.00
(7th) Reduction of the debit balance on the Class A Principal Deficiency Ledger	0.00
(8th) Class B Notes unpaid interest	25,775.31
(9th) Reduction of the debit balance on the Class B Principal Deficiency Ledger	0.00
(10th) Class C Notes unpaid interest	15,393.09
(11th) Reduction of the debit balance on the Class C Principal Deficiency Ledger	0.00
(12th) Class D Notes unpaid interest	54,759.01
(13th) Reduction of the debit balance on the Class D Principal Deficiency Ledger	965,726.09
(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	289,442.50
(19th) Release of the Balance (if any) to the Issuer	0.00
<b>Total Pre-Enforcement Interest Payment Priorities</b>	<b><u>2,104,035.21</u></b>
Issuer Expenses	
Transaction Manager fees and Liabilities	6,260.89
Audit Fees	0.00
Corporate Services Provider fees and Liabilities	0.00
Rating Agencies Fees	15,000.00
Third Party Expenses	7,300.00
	<u>28,560.89</u>

(Amounts in Euro)

## 6. Principal Distribution

IPD 18 Aug 2014

Available Principal Distribution Amount	
Unit Distribution - Principal Component	8,661,922.36
Available Interest Distribution Amount used to reduce PDL's	965,726.09
Residual Principal Component re. previous period	703.01
Less Principal Recoveries (to the extent of a debit balance recorded on the PDL)	404,522.88
Less, Principal Draw Amount	0.00
<b>Total Available Principal Distribution Amount</b>	<b>9,223,828.58</b>
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)	8,565,911.25
Principal Amount Outstanding of Class B Notes	257,276.25
Principal Amount Outstanding of Class C Notes	120,062.25
Principal Amount Outstanding of Class D Notes	280,145.25
<b>Total Pre-Enforcement Principal Payment Priorities</b>	<b>9,223,395.00</b>
Total Available Principal Distribution Amount	8,566,300.74
Number of outstanding Class A Notes	141,375
Class A Notes Principal Payment - per Note	60.59
Class A Notes Principal Payment	8,565,911.25
Residual Principal Component due to rounding	389.49
Total Available Principal Distribution Amount	257,293.50
Number of outstanding Class B Notes	3,375
Class B Notes Principal Payment - per Note	76.23
Class B Notes Principal Payment	257,276.25
Residual Principal Component due to rounding	17.25
Total Available Principal Distribution Amount	120,070.30
Number of outstanding Class C Notes	1,575
Class C Notes Principal Payment - per Note	76.23
Class C Notes Principal Payment	120,062.25
Residual Principal Component due to rounding	8.05
Total Available Principal Distribution Amount	280,164.04
Number of outstanding Class D Notes	3,675
Class D Notes Principal Payment - per Note	76.23
Class D Notes Principal Payment	280,145.25
Residual Principal Component due to rounding	18.79

(Amounts in Euro)

<b>7. Cash Reserve Account</b>	<b>IPD 18 Aug 2014</b>
Opening Balance	<u>9,000,000.00</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>4,631.25</u>
	<u>4,631.25</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>4,631.25</u>
	<u>4,631.25</u>
Closing Balance	<u>9,000,000.00</u>
 <b>Cash Reserve Account Required Balance</b>	 <b>9,000,000.00</b>

**(Amounts in Euro)**



8. Contacts

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