

Magellan Mortgages No. 4 plc

Euro 1,413,750,000 Class A Mortgage Backed Floating Rate Notes due 2059

Euro 33,750,000 Class B Mortgage Backed Floating Rate Notes due 2059

Euro 18,750,000 Class C Mortgage Backed Floating Rate Notes due 2059

Euro 33,750,000 Class D Mortgage Backed Floating Rate Notes due 2059

Euro 21,750,000 Class E Floating Rate Notes due 2059

Euro 250,000 Class F Notes due 2059

Investor Report October 2006

(Revised version at 13.11.2006)



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

1. Security Level Information

Issuer Name	Magellan Mortgage No. 4 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	XS0260784318	XS0260784821	XS0260787840	XS0260788657	XS0260789382
Bloomberg Ticker	MAGEL 4 A	MAGEL 4 B	MAGEL 4 C	MAGEL 4 D	MAGEL 4 E
Issue Date	13 Jul 2006	13 Jul 2006	13 Jul 2006	13 Jul 2006	13 Jul 2006
Maturity Date	20 July 2059	20 July 2059	20 July 2059	20 July 2059	20 July 2059
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	Aa3	A2	Baa2	Ba2
Currency	Euro	Euro	Euro	Euro	Euro
Total Original Balance	1.413.750.000,00	33.750.000,00	18.750.000,00	33.750.000,00	21.750.000,00
Total Beginning Balance Prior to Distribution	1.413.750.000,00	33.750.000,00	18.750.000,00	33.750.000,00	21.750.000,00
Total Ending Balance Subsequent to Distribution	1.378.806.341,25	33.750.000,00	18.750.000,00	33.750.000,00	15.595.989,75
Total Principal Distribution	34.943.658,75	0,00	0,00	0,00	6.154.010,25
Pool Factor	97,528300000%	100,000000000%	100,000000000%	100,000000000%	71,705700000%
Principal Deficiency Ledger	0,00	0,00	0,00	0,00	n/a
Total Interest Distributions	12.577.073,44	304.889,06	173.507,81	338.301,56	259.885,31
Payment Date	20 Out 2006	20 Out 2006	20 Out 2006	20 Out 2006	20 Out 2006
Quarterly Collection Date	29-Sep-06	29-Sep-06	29-Sep-06	29-Sep-06	29-Sep-06
Calculation Period	1	1	1	1	1
Accrual Beginning Date	13 Jul 2006	13 Jul 2006	13 Jul 2006	13 Jul 2006	13 Jul 2006
Accrual Ending Date	20 Out 2006	20 Out 2006	20 Out 2006	20 Out 2006	20 Out 2006
Accrual Period	99 days	99 days	99 days	99 days	99 days
Accrual Rate	3,235 %	3,285 %	3,365 %	3,645 %	4,345 %
Euro Reference Rate	3,095 %	3,095 %	3,095 %	3,095 %	3,095 %
Spread (bps)	14	19	27	55	125
Denomination	10.000,00	10.000,00	10.000,00	10.000,00	10.000,00
Day Basis	Act/360	Act/360	Act/360	Act/360	Act/360
Reset Rate Effective Date	18 Oct 2006	18 Oct 2006	18 Oct 2006	18 Oct 2006	18 Oct 2006
New Denomination for the next period	9.752,83	10.000,00	10.000,00	10.000,00	7.170,57

(Amounts in Euro)

2. Collateral Level Information

CP ending 29 Sep 2006

Mortgage Asset Portfolio

	Amount	Nr of Loans
Beginning Principal Outstanding Balance	1.500.000.016,28	21.946
Principal Redemption	34.944.662,42	314
Scheduled Principal Redemption	9.432.292,17	
Prepayments	25.512.370,25	
CPR	6,67%	
Deemed Principal Losses	0,00	
Retired Mortgages Assets in excess of substitute loans	0,00	0
Principal Adjustments	204.806,36	29
Ending Principal Outstanding Balance	1.465.260.160,22	21.661
Ending Principal Outstanding Balance at Closing Date	1.491.707.242,68	

	21 Jun 06	29 Sep 06
WA Interest Rate	3,95271 %	4,35568 %
WA Current LTV (Outstanding Loan Amount/Initial Valuation)	77,4%	76,6%
WA Original LTV (Initial Loan Amount/Initial Valuation)	81,5%	81,3%
Average Loan Balance	68.349,59	67.645,11
Maximum Loan Balance	397.636,93	396.451,53
Minimum Loan Balance	59,10	254,01

Delinquent Mortgage Loans

	Amount	Nr of Loans
30 - 59 days	1.573.755,81	19
60 - 89 days	231.670,02	2
90 - 179 days	480.191,40	5
180 - 269 days	0,00	0
270 - 365 days	0,00	0
> 365 days	0,00	0
	<u>2.285.617,23</u>	<u>26</u>

Number of loans in Legal Proceedings	0
(of which the mortgage loan is current*)	0

* proceedings initiated by other creditors

Retired Mortgages Asset Pool

	Amount	Nr of Loans
Breach of Reps. & Warranties	0,00	0
Non Permitted Variations	8.568.092,11	119

Substitute Mortgage Asset Pool

	Amount	Trigger	Result
Current Period	8.772.898,47		
Cumulative during 1 year from the Closing Date	8.772.898,47	75.000.000,81	Pass
Cumulative since Closing Date	8.772.898,47	150.000.001,63	Pass
Current WA Spread for the Pool	0,99%	0,90%	Pass

Permitted Variations

	Amount	Trigger	Result
Cumulative since Closing Date	41.377.576,57	300.000.003,26	Pass

Provisioning

	Loans in arrear	%	Amount
Principal Outstanding Balance to be provisioned			0,00
Amount to be provisioned	>= 24 months	35%	0,00
	>= 36 months	35%	0,00
	>= 48 months	30%	0,00

(Amounts in Euro)

3. Triggers and Tests Determinations

Portfolio Trigger Event

Mortgage Loans in arrears (90 - 365 days)	480.191,40
Aggregate Principal Outstanding Balance of the Mortgage Loans on 21 June 2005 (CDD)	1.500.000.016,28
Ratio	0,03%
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	0,00
Aggregate Principal Outstanding Balance of the Mortgage Assets as at the CDD	1.500.000.016,28
Ratio	0,00%
Trigger (less than)	15,00%
Result	PASS

Pro-Rata Test**FAIL**

(a) Principal Amount Outstanding of the Class A Notes	1.378.806.341,25
Principal Amount Outstanding of the Class A Notes as at the Closing Date	1.413.750.000,00
Ratio	97,53%
Trigger (less or equal)	75,00%
Result	FAIL
(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)	480.191,40
Principal Outstanding Balance of the Mortgage Loans as at the CDD	1.500.000.016,28
Ratio	0,03%
Trigger (less)	1,80%
Result	PASS

Contingent Liquidity Event**NO****(Amounts in Euro)**

4. Unit Waterfall

Unit Interest Waterfall	FDD
	18 Oct 2006
Opening Balance	<u>0,00</u>
Additions to Interest Waterfall	
Interest Collections Proceeds	19.701.940,50
Interest on Fund Account	<u>201.549,89</u>
	<u>19.903.490,39</u>
Deductions from Interest Waterfall	
Incorrect Payments to Originators	0,00
Fund Expenses (see detail below)	412.819,85
Unit Distribution - Interest Component	<u>19.490.670,54</u>
	<u>19.903.490,39</u>
Closing Balance	<u>0,00</u>
Unit Principal Waterfall	FDD
	18 Oct 2006
Opening Balance	<u>0,00</u>
Additions to Principal Waterfall	
Principal Collections Proceeds	<u>34.944.662,42</u>
	<u>34.944.662,42</u>
Deductions from Principal Waterfall	
Unit Distribution - Principal Component	<u>34.944.662,42</u>
	<u>34.944.662,42</u>
Closing Balance	<u>0,00</u>
Fund Expenses:	
Supervision Fee due and payable by the Fund to the C.M.V.M.	20.003,60
Fund Manager Fees and Liabilities	32.734,69
Custodian Fees and Liabilities	32.734,69
Servicer Fees and Expenses	<u>327.346,87</u>
	<u>412.819,85</u>

(Amounts in Euro)

5. Interest Distribution

IPD
20 October 2006

Available Interest Distribution Amount	
Unit Distributions - Interest Component	19.490.670,54
Receipts under the Swap Agreement	241.855,11
Gains on Authorised Investments	0,00
Cash Reserve Drawing	13.500.000,00
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	3.002,92
Interest accrued and credited to the Cash Reserve Account	109.778,63
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	33.345.307,20
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)	37.632,61
(4th) Amounts due and payable to the Contingent Liquidity Facility Provider	0,00
(5th i) Payments under Hedge Provider (except for an Early Termination of Hedge Agreem.)	0,00
(6th i) Class A Notes unpaid interest	12.577.073,44
(6th ii) Amounts due and payable to the Hedge Provider	0,00
(7th) Reduction of the debit balance on the Class A Principal Deficiency Ledger	0,00
(8th) Class B Notes unpaid interest	304.889,06
(9th) Reduction of the debit balance on the Class B Principal Deficiency Ledger	0,00
(10th) Class C Notes unpaid interest	173.507,81
(11th) Reduction of the debit balance on the Class C Principal Deficiency Ledger	0,00
(12th) Class D Notes unpaid interest	338.301,56
(13th) Reduction of the debit balance on the Class D Principal Deficiency Ledger	0,00
(14th) Class E Notes unpaid interest	259.885,31
(15th) Payment to the Cash Reserve Account	13.500.000,00
(16th) Payments under Hedge Provider (under Interest Rate Cap Transaction)	0,00
(17th) Payments under Hedge Provider (in case of default by Hedge Provider)	0,00
(18th) Payment of Principal Amount Outstanding on the Class E Notes (see detail below)	6.154.010,25
(19th) Class F Notes Distribution Amount	0,00
(20th) Release of the Balance (if any) to the Issuer	0,00
Total Pre-Enforcement Interest Payment Priorities	33.345.300,04
Issuer Expenses	
Agent Bank and Paying Agents fees and Liabilities (including Principal Paying Agent and	0,00
Transaction Manager fees and Liabilities	25.833,33
Account Bank fees	0,00
Corporate Services Provider fees and Liabilities	11.799,28
Third Party Expenses	0,00
	37.632,61
Payment of Principal Amount Outstanding on the Class E Notes	
Residual Available Interest Distribution Amount	6.154.017,41
Number of outstanding Class E Notes	2.175
Class E Notes Principal Payment - per Note	2.829,43
Class E Notes Principal Payment	6.154.010,25
Residual Interest Component due to rounding	7,16

(Amounts in Euro)

6. Principal Distribution

IPD
20 October 2006

Available Principal Distribution Amounts	
Unit Distribution - Principal Component (see detail below)	34.944.662,42
Available Interest Distribution Amount used to reduce PDL's	0,00
Residual Principal Component re. previous period	0,00
Less, Principal Draw Amount	0,00
Total Available Principal Distribution Amount	<u>34.944.662,42</u>
Pre-Enforcement Principal Payment Priorities	
Pro-Rata Test Satisfied (TRUE/FALSE)	FALSE
Where the Pro-Rata Test has not been satisfied, payment of:	
Principal Amount Outstanding of Class A Notes (see detail below)	34.943.658,75
Principal Amount Outstanding of Class B Notes	0,00
Principal Amount Outstanding of Class C Notes	0,00
Principal Amount Outstanding of Class D Notes	0,00
Total Pre-Enforcement Principal Payment Priorities	<u>34.943.658,75</u>
Unit Distribution - Principal Component	34.944.662,42
Interest Addition Amount	0,00
Number of outstanding Class A Notes	141.375
Class A Notes Principal Payment - per Note	247,17
Class A Notes Principal Payment	34.943.658,75
Residual Principal Component due to rounding	1.003,67

(Amounts in Euro)

	IPD
	<u>20 October 2006</u>
7. Cash Reserve	
Opening Balance	<u>0,00</u>
Additions to Cash Reserve	
Class E Notes Proceeds (excl. unit purchase amount and up-front expenses)	13.500.000,00
Interest accrued on Issuer Cash Reserve Account	<u>109.778,63</u>
	<u>13.609.778,63</u>
Deductions from Cash Reserve	
Interest on Issuer Cash Reserve Account transf. to Issuer Account	<u>109.778,63</u>
	<u>109.778,63</u>
Closing Balance	<u>13.500.000,00</u>
Cash Reserve Account Required Balance	13.500.000,00

(Amounts in Euro)

	IPD
	20 October 2006
Opening Balance	<u>0,00</u>
Additions to Interest Rate Cap Cash Reserve Account	
Pre-Enforcement Interest Payments Priorities	0,00
Interest accrued on Interest Rate CapCash Reserve Account	<u>0,00</u>
	<u>0,00</u>
Deductions from Interest Rate Cap Cash Reserve Account	
Transf. to Issuer Account	0,00
	<u>0,00</u>
Closing Balance	<u>0,00</u>

(Amounts in Euro)

9. Contacts

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