

VALENCIA HIPOTECARIO 1 Fondo de Titulización de Activos

Brief report

Date: 08/31/2006
Currency: EUR

Date of constitution
04/23/2004

VAT Reg. no.
G83975060

Management Company
Europa de Titulización S.G.F.T

Originator
Banco de Valencia

Servicer
Banco de Valencia

Lead Managers
Bancaja
JP Morgan

Bond Paying Agent
Bancaja

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Bancaja

Subordinated Loan
Banco de Valencia

Start-up Loan
Banco de Valencia

Swap
Banco de Valencia

Swap Collateral
Bancaja

Assets Custodian
Banco de Valencia

Fund Auditors
Ernst&Young

Issued securities: Residential Mortgages Backed Bonds

Bonds issue									
Series ISIN Code	Issue date Nº bonds	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating Fitch / Moody's	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0382744003	04/28/2004 4,543	68,348.66 310,507,962.38 68.35%	100,000.00 454,300,000.00	Floating 3-M Euribor + 0.185% 24.Feb/May/Aug/Nov	3.4340% 11/24/2006 599.812652 Gross 509.840754 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	11/24/2006 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0382744011	04/28/2004 118	100,000.00 11,800,000.00 100.00%	100,000.00 11,800,000.00	Floating 3-M Euribor + 0.530% 24.Feb/May/Aug/Nov	3.7790% 11/24/2006 965.744444 Gross 820.882777 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	A+ A2	A+ A2
Series C ES0382744029	04/28/2004 59	100,000.00 5,900,000.00 100.00%	100,000.00 5,900,000.00	Floating 3-M Euribor + 1.050% 24.Feb/May/Aug/Nov	4.2990% 11/24/2006 1,098.633333 Gross 933.838333 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+ Baa	BBB+ Baa
Total		328,207,962.38	472,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0.00	0.43	0.51	0.60	0.69	0.78	0.87	0.97
		% Annual equivalent CPR		0.00	5.00	6.00	7.00	8.00	9.00	10.00	11.00
Series A	With optional redemption *	Average life	Years	7.81	5.83	5.52	5.24	4.97	4.72	4.48	4.30
		Final Maturity	Years	06/21/2014	06/28/2012	03/08/2012	11/24/2011	08/19/2011	05/19/2011	02/22/2011	12/16/2010
		Date	14.74	11.99	11.49	10.99	10.49	9.99	9.49	9.24	
		Date	05/24/2021	08/24/2018	02/24/2018	08/24/2017	02/24/2017	08/24/2016	02/24/2016	11/24/2015	
	Without optional redemption *	Average life	Years	8.23	6.28	5.97	5.69	5.43	5.18	4.95	4.74
		Final Maturity	Years	11/19/2014	12/08/2012	08/18/2012	05/07/2012	02/01/2012	11/03/2011	08/12/2011	05/27/2011
		Date	26.75	26.75	26.75	26.75	26.75	26.75	26.75	26.75	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	
Series B	With optional redemption *	Average life	Years	10.16	7.68	7.30	6.92	6.57	6.25	5.93	5.69
		Final Maturity	Years	10/24/2016	05/05/2014	12/15/2013	07/31/2013	03/25/2013	11/26/2012	08/03/2012	05/08/2012
		Date	14.74	11.99	11.49	10.99	10.49	9.99	9.49	9.24	
		Date	05/24/2021	08/24/2018	02/24/2018	08/24/2017	02/24/2017	08/24/2016	02/24/2016	11/24/2015	
	Without optional redemption *	Average life	Years	10.75	8.32	7.93	7.56	7.22	6.90	6.60	6.32
		Final Maturity	Years	05/26/2017	12/23/2014	08/04/2014	03/22/2014	11/16/2013	07/24/2013	04/04/2013	12/24/2012
		Date	26.75	26.75	26.75	26.75	26.75	26.75	26.75	26.75	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	
Series C	With optional redemption *	Average life	Years	10.16	7.68	7.30	6.92	6.57	6.25	5.93	5.69
		Final Maturity	Years	10/24/2016	05/05/2014	12/15/2013	07/31/2013	03/25/2013	11/26/2012	08/03/2012	05/08/2012
		Date	14.74	11.99	11.49	10.99	10.49	9.99	9.49	9.24	
		Date	05/24/2021	08/24/2018	02/24/2018	08/24/2017	02/24/2017	08/24/2016	02/24/2016	11/24/2015	
	Without optional redemption *	Average life	Years	10.75	8.32	7.93	7.56	7.22	6.90	6.60	6.32
		Final Maturity	Years	05/26/2017	12/23/2014	08/04/2014	03/22/2014	11/16/2013	07/24/2013	04/04/2013	12/24/2012
		Date	26.75	26.75	26.75	26.75	26.75	26.75	26.75	26.75	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	

* Optional clean up call when the amount of the outstanding balance of the securitised assets is less than 10 per 100 of the initial outstanding balance.
Hypothesis of delinquency and default assumptions of the securitised assets: 0%

Credit enhancement and financial operations

Credit enhancement (CE)					
Current			At issue date		
	% CE		% CE		% CE
Series A	94.61%	310,507,962.38	7.34%	96.25%	454,300,000.00
Series B	3.60%	11,800,000.00	3.74%	2.50%	11,800,000.00
Series C	1.80%	5,900,000.00	1.94%	1.25%	5,900,000.00
Issue of Bonds		328,207,962.38			472,000,000.00
Reserve Fund	1.94%	6,372,000.00	1.35%		6,372,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	7,111,186.62	3.209%	
Servicer ppal collect not yet credited	800,123.43		
Servicer ints collect not yet credited	238,716.68		
Liabilities	Available	Balance	Interest
Subordinated Loan		6,372,000.00	8.349%
Start-up Loan		532,041.87	5.249%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	6,868	8,531	
Principal			
Principal outstanding	326,816,695.16	472,014,960.65	
Average loan	47,585.42	55,329.38	
Minimum	163.71	15,204.47	
Maximum	276,943.38	294,287.37	
Interest rate			
Weighted average (wac)	3.73%	3.35%	
Minimum	2.62%	2.08%	
Maximum	6.25%	6.50%	
Final maturity			
Weighted average (WARM) (months)	178	201	
Minimum	09/12/2006	05/28/2004	
Maximum	03/06/2033	03/06/2033	
Index (distribution)			
3-month EURIBOR/MIBOR	0.01	0.00	
6-month EURIBOR/MIBOR	0.00	0.00	
1-year EURIBOR/MIBOR	22.48	18.17	
1-year EURIBOR/MIBOR (Mortgage Market)	62.68	66.44	
Mortgage Market: Banks	1.32	0.01	
Mortgage Market: All Institutions	13.52	15.38	

LTV Distribution			
	Current	At constitution date	
	% Pool	% LTV	% LTV
0.01 - 10%	0.43	7.43	8.04
10.01 - 20%	3.08	16.17	16.55
20.01 - 30%	7.12	25.64	25.48
30.01 - 40%	11.25	35.13	35.40
40.01 - 50%	17.72	45.31	45.44
50.01 - 60%	23.61	55.23	55.31
60.01 - 70%	30.18	65.00	65.27
70.01 - 80%	6.62	71.47	74.12
Weighted average (WALT)	51.72	59.45	
Minimum	0.23	5.82	
Maximum	74.37	79.28	

Additional information

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Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.50%	0.81%	0.78%	0.80%	0.79%
Annual Percentage Rate (CPR)	5.84%	9.25%	8.92%	9.23%	9.12%

Geographic distribution		
	Current	At constitution date
Andalucia	5.37%	5.81%
Aragon	3.80%	3.32%
Balearic Islands	0.00%	0.01%
Basque Country	0.01%	0.03%
Canary Islands	0.02%	0.01%
Castilla-La Mancha	0.20%	0.21%
Castilla-Leon	0.00%	0.01%
Catalonia	0.21%	0.22%
La Rioja	0.37%	0.40%
Madrid	6.26%	6.59%
Murcia	20.16%	20.53%
Navarra	0.52%	0.45%
Valencia	63.06%	62.40%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	208	52,018.56	29,587.65	0.00	81,606.21	41.60	10,322,415.11	10,404,021.32	69.97	47.50
1 to 2 months	45	20,468.54	12,891.37	0.00	33,359.91	17.01	2,343,259.79	2,376,619.70	15.98	55.66
2 to 3 months	21	20,303.02	12,493.41	0.00	32,796.43	16.72	1,378,771.94	1,411,568.37	9.49	54.27
3 to 6 months	5	3,517.45	3,255.45	0.00	6,772.90	3.45	200,432.53	207,205.43	1.39	48.65
6 to 12 months	5	10,489.59	7,001.89	0.00	17,491.48	8.92	250,346.09	267,837.57	1.80	65.88
12 to 18 months	3	9,004.99	6,088.48	0.00	15,093.47	7.69	129,605.58	144,699.05	0.97	51.86
18 to 24 months	1	2,135.91	767.54	0.00	2,903.45	1.48	13,179.15	16,082.60	0.11	40.97
Over 2 years	1	2,709.74	3,423.82	0.00	6,133.56	3.13	35,885.94	42,019.50	0.28	75.99
Total	289	120,647.80	75,509.61	0.00	196,157.41		14,673,896.13	14,870,053.54		49.60

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