

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 12/31/2005
Currency: EUR

Date of constitution
12/07/2005

VAT Reg. no.
G84530526

Management Company
Europea de Titulización, S.G.F.T

Originator
Banco de Valencia

Servicer
Banco de Valencia

Lead Managers
Bancaja
Deutsche Bank

Bond Paying Agent
Bancaja

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Bancaja

Start-up Loan
Banco de Valencia

Swap
Banco de Valencia

Swap Collateral
Bancaja

Assets Custodian
Banco de Valencia

Fund Auditors
Ernst&Young

Bond Underwriters and Placement Agents
Bancaja
Deutsche Bank
Dexia
Fortis Bank

Issued securities: Mortgage-Backed Bonds

Bonds issue									
Series ISIN Code	Issue date N° 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 ES0382745000	12/12/2005 9,095	100,000.00 909,500,000.00 100.00%	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	2.6610% 04/24/2006 983.091667 Gross 835.627917 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/24/2006 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0382745018	12/12/2005 212	100,000.00 21,200,000.00 100.00%	100,000.00 21,200,000.00	Floating 3-M Euribor + 0.320% 24.Jan/Apr/Jul/Oct	2.8410% 04/24/2006 1,049.591667 Gross 892.152917 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	A+ A1	A+ A1
Series C ES0382745026	12/12/2005 94	100,000.00 9,400,000.00 100.00%	100,000.00 9,400,000.00	Floating 3-M Euribor + 0.550% 24.Jan/Apr/Jul/Oct	3.0710% 04/24/2006 1,134.563889 Gross 964.379306 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+ Baa3	BBB+ Baa3
Series D ES0382745034	12/12/2005 99	100,000.00 9,900,000.00 100.00%	100,000.00 9,900,000.00	Floating 3-M Euribor + 3.500% 24.Jan/Apr/Jul/Oct	6.0210% 04/24/2006 2,224.425000 Gross 1,890.761250 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		950,000,000.00	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)									
				% Monthly CPR (SMM)					
				0,00	0,70	0,80	0,90	1,00	1,30
				% Annual equivalent CPR					
				0,00	8,08	9,19	10,28	11,36	14,53
Series A	With optional redemption *	Average life	Years	10.67	6.02	5.63	5.28	4.97	4.21
		Final Maturity	Date	08/28/2016	01/04/2012	08/17/2011	04/12/2011	12/18/2010	03/17/2010
	Without optional redemption *	Average life	Years	14.32	14.32	13.57	12.82	12.07	10.82
		Final Maturity	Date	01/24/2027	04/24/2020	07/24/2019	10/24/2018	01/24/2018	04/24/2016
	With optional redemption *	Average life	Years	10.93	6.37	5.99	5.64	5.33	4.56
		Final Maturity	Date	12/01/2016	05/14/2012	12/25/2011	08/21/2011	04/29/2011	07/23/2010
Series B	With optional redemption *	Average life	Years	30.08	30.08	30.08	30.08	30.08	30.08
		Final Maturity	Date	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
	Without optional redemption *	Average life	Years	16.43	9.90	9.30	8.74	8.22	6.99
		Final Maturity	Date	06/01/2022	11/23/2015	04/17/2015	09/23/2014	03/19/2014	12/25/2012
	With optional redemption *	Average life	Years	21.08	14.32	13.57	12.82	12.07	10.82
		Final Maturity	Date	01/24/2027	04/24/2020	07/24/2019	10/24/2018	01/24/2018	04/24/2016
Series C	With optional redemption *	Average life	Years	16.97	10.65	10.04	9.48	8.97	7.72
		Final Maturity	Date	12/15/2022	08/21/2016	01/12/2016	06/21/2015	12/19/2014	09/16/2013
	Without optional redemption *	Average life	Years	30.08	30.08	30.08	30.08	30.08	30.08
		Final Maturity	Date	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
	With optional redemption *	Average life	Years	16.43	9.90	9.30	8.74	8.22	6.99
		Final Maturity	Date	06/01/2022	11/24/2015	04/17/2015	09/23/2014	03/20/2014	12/25/2012
Series D	With optional redemption *	Average life	Years	21.08	14.32	13.57	12.82	12.07	10.82
		Final Maturity	Date	01/24/2027	04/24/2020	07/24/2019	10/24/2018	01/24/2018	04/24/2016
	Without optional redemption *	Average life	Years	17.22	10.73	10.10	9.51	8.94	7.61
		Final Maturity	Date	03/18/2023	09/19/2016	02/04/2016	07/03/2015	12/08/2014	08/08/2013
	With optional redemption *	Average life	Years	14.32	14.32	13.57	12.82	12.07	10.82
		Final Maturity	Date	01/24/2027	04/24/2020	07/24/2019	10/24/2018	01/24/2018	04/24/2016

* 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
Series A	95.74%	909,500,000.00	4.31%	95.74%	909,500,000.00
Series B	2.23%	21,200,000.00	2.05%	2.23%	21,200,000.00
Series C	0.99%	9,400,000.00	1.05%	0.99%	9,400,000.00
Series D	1.04%	9,900,000.00	1.04%		9,900,000.00
Issue of Bonds		950,000,000.00			950,000,000.00
Reserve Fund	1.05%	9,900,000.00	1.05%		9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	18,378,684.27	2.481%	
Servicer ppal collect not yet credited	3,558,901.42		
Servicer ints collect not yet credited	399,079.48		
Liabilities	Available	Balance	Interest
Start-up Loan	1,400,000.00	4.521%	

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Bancaja

Deutsche Bank

Dexia

Fortis Bank

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	12,145	12,241	
Principal			
Principal outstanding	928,912,837.33	940,242,690.85	
Average loan	76,485.21	76,810.94	
Minimum	77.36	3,356.13	
Maximum	496,461.58	496,461.58	
Interest rate			
Weighted average (wac)	3.12%	3.11%	
Minimum	1.00%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	238	239	
Minimum	01/26/2006	01/04/2007	
Maximum	11/05/2035	11/05/2035	
Index (distribution)			
3-month EURIBOR/MIBOR	0.01	0.01	
1-year EURIBOR/MIBOR	2.18	2.19	
1-year EURIBOR/MIBOR (Mortgage Market)	97.81	97.78	
Mortgage Market: Banks	0.00	0.01	
Mortgage Market: All Institutions	0.00	0.02	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.15%				1.15%
Annual Percentage Rate (CPR)	12.92%				12.92%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.31	7.74	0.29	7.77
10.01 - 20%	2.04	15.82	1.93	15.83
20.01 - 30%	3.88	25.35	3.82	25.38
30.01 - 40%	7.03	35.56	6.58	35.62
40.01 - 50%	10.95	45.35	10.97	45.35
50.01 - 60%	15.93	55.32	15.89	55.36
60.01 - 70%	22.55	65.46	22.49	65.47
70.01 - 80%	37.32	75.19	38.04	75.26
Weighted average (WALTV)	60.42		60.76	
Minimum	0.06		2.08	
Maximum	80.00		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.66%	4.64%
Aragon	6.19%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.42%	0.41%
Basque Country	0.02%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.35%	0.36%
Castilla-Leon	0.03%	0.03%
Catalonia	0.77%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.40%	7.40%
Murcia	13.15%	13.14%
Navarra	0.43%	0.43%
Unknown	0.04%	
Valencia	65.67%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	460	112,247.72	74,998.20	0.00	187,245.92	100.00	30,067,607.56	30,254,853.48	100.00	53.97
Total	460	112,247.72	74,998.20	0.00	187,245.92		30,067,607.56	30,254,853.48		53.97

Additional information