

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 08/31/2006
Currency: EUR

Date of constitution
12/07/2005

VAT Reg. no.
G84530526

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

Originator
Banco de Valencia

Servicer
Banco de Valencia

Lead Managers
Bancaja
Deutsche Bank

Bond Underwriters and Placement Agents
Bancaja
Deutsche Bank
Dexia
Fortis 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

Issued securities: Mortgage-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 ES0382745000	12/12/2005 9,095	90,263.03 820,942,257.85 90.26%	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	3.2570% 10/24/2006 751.299316 Gross 638.604419 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/24/2006 "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	3.4370% 10/24/2006 878.344444 Gross 746.592777 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	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	3.6670% 10/24/2006 937.122222 Gross 796.553889 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	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	6.6170% 10/24/2006 1,691.011111 Gross 1,437.359444 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		861,442,257.85	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	0,69	0,87	1,06	1,25	1,44	1,64
		% Annual equivalent CPR		0,00	8,00	10,00	12,00	14,00	16,00	18,00
Series A	With optional redemption *	Average life	Years	10.40	5.92	5.27	4.71	4.25	3.88	3.55
		Final Maturity	Years	01/22/2017	07/31/2012	12/05/2011	05/15/2011	11/29/2010	07/15/2010	03/17/2010
	Without optional redemption *	Average life	Years	20.16	13.66	12.41	11.16	10.16	9.41	8.65
		Final Maturity	Years	10/24/2026	04/24/2020	01/24/2019	10/24/2017	10/24/2016	01/24/2016	04/24/2015
Series B	With optional redemption *	Average life	Years	10.72	6.34	5.68	5.12	4.64	4.24	3.89
		Final Maturity	Years	05/17/2017	12/30/2012	05/02/2012	10/12/2011	04/21/2011	11/25/2010	07/20/2010
	Without optional redemption *	Average life	Years	29.42	29.42	29.42	29.42	29.42	29.42	29.42
		Final Maturity	Years	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
Series C	With optional redemption *	Average life	Years	15.47	9.28	8.29	7.42	6.71	6.11	5.59
		Final Maturity	Years	02/12/2022	12/10/2015	12/12/2014	01/28/2014	05/13/2013	10/09/2012	04/01/2012
	Without optional redemption *	Average life	Years	20.16	13.66	12.41	11.16	10.16	9.41	8.65
		Final Maturity	Years	10/24/2026	04/24/2020	01/24/2019	10/24/2017	10/24/2016	01/24/2016	04/24/2015
Series D	With optional redemption *	Average life	Years	16.05	10.06	9.05	8.18	7.44	6.79	6.23
		Final Maturity	Years	09/14/2022	09/20/2016	09/17/2015	11/03/2014	02/06/2014	06/12/2013	11/20/2012
	Without optional redemption *	Average life	Years	29.42	29.42	29.42	29.42	29.42	29.42	29.42
		Final Maturity	Years	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036

* 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	95.30%	820,942,257.85	4.76%	95.74%	909,500,000.00
Series B	2.46%	21,200,000.00	2.27%	2.23%	21,200,000.00
Series C	1.09%	9,400,000.00	1.16%	0.99%	9,400,000.00
Series D	1.15%	9,900,000.00		1.04%	9,900,000.00
Issue of Bonds		861,442,257.85			950,000,000.00
Reserve Fund	1.16%	9,900,000.00		1.05%	9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	28,768,505.99	3.064%	
Servicer ppal collect not yet credited	2,003,876.04		
Servicer ints collect not yet credited	424,517.11		
Liabilities	Available	Balance	Interest
Start-up Loan		846,223.24	5.117%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		11,217	12,241
Principal			
Principal outstanding		833,716,959.50	940,242,690.85
Average loan		74,326.20	76,810.94
Minimum		131.29	3,356.13
Maximum		486,910.49	496,461.58
Interest rate			
Weighted average (wac)		3.67%	3.11%
Minimum		2.65%	1.00%
Maximum		5.75%	5.25%
Final maturity			
Weighted average (WARM) (months)		232	239
Minimum		09/05/2005	01/04/2007
Maximum		12/05/2035	11/05/2035
Index (distribution)			
3-month EURIBOR/MIBOR		0.01	0.01
1-year EURIBOR/MIBOR		2.38	2.19
1-year EURIBOR/MIBOR (Mortgage Market)		97.58	97.78
Mortgage Market: Banks		0.01	0.01
Mortgage Market: All Institutions		0.02	0.02

LTV Distribution				
		Current	At constitution date	
		% Pool	% LTV	% LTV
0.01 - 10%		0.44	7.38	0.29
10.01 - 20%		2.45	15.89	1.93
20.01 - 30%		4.59	25.59	3.82
30.01 - 40%		8.85	35.36	6.58
40.01 - 50%		11.93	45.44	10.97
50.01 - 60%		16.57	55.34	15.89
60.01 - 70%		23.88	65.47	22.49
70.01 - 80%		31.18	74.31	38.04
80.01 - 90%		0.09	85.53	
90.01 - 100%		0.03	95.33	
Weighted average (WALT)		58.22		60.76
Minimum		0.08		2.08
Maximum		99.02		80.00

Europa de Titulización publishes this report to supplement the information laid down in the Offering Circular for the Bond Issue by this Securitisation Fund.
Only the information communicated by Europa de Titulización, in pursuance of the provisions of the Offering Circular, shall be considered for third-party publicity and dissemination purposes.

Additional information

Europa de Titulización: C/ Lagasca, 120 - 28006 Madrid ☎ +34 91 411 84 67 📠 +34 91 411 84 68 🌐 www.edt-sg.com ✉ info@eurotitulizacion.com
Official register CNMV: Pº de la Castellana, 19 - 28046 Madrid ☎ +34 91 585 15 00 🌐 www.cnmv.com

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 08/31/2006
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 Underwriters and Placement Agents
Bancaja
Deutsche Bank
Dexia
Fortis 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

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.78%	0.91%	0.90%		0.91%
Annual Percentage Rate (CPR)	8.94%	10.37%	10.28%		10.43%

Geographic distribution		
	Current	At constitution date
Andalucia	4.69%	4.64%
Aragon	6.26%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.40%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.34%	0.36%
Castilla-Leon	0.04%	0.03%
Catalonia	0.76%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.39%	7.40%
Murcia	13.18%	13.14%
Navarra	0.45%	0.43%
Valencia	65.63%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	491	122,782.83	99,679.59	0.00	222,462.42	42.82	35,497,857.90	35,720,320.32	68.12	51.64
1 to 2 months	136	76,207.03	54,926.26	0.00	131,133.29	25.24	9,434,457.47	9,565,590.76	18.24	45.61
2 to 3 months	67	57,093.32	44,375.46	0.00	101,468.78	19.53	5,054,153.64	5,155,622.42	9.83	50.81
3 to 6 months	20	21,206.37	22,962.43	0.00	44,168.80	8.50	1,507,572.42	1,551,741.22	2.96	60.17
6 to 12 months	5	12,039.38	8,223.64	0.00	20,263.02	3.90	421,983.99	442,247.01	0.84	47.39
Total	719	289,328.93	230,167.38	0.00	519,496.31		51,916,025.42	52,435,521.73		50.52