

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 02/28/2007
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

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	82,859.40 753,606,243.00 82.86%	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	3.8950% 04/24/2007 806.843408 Gross 685.816897 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/24/2007 "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	4.0750% 04/24/2007 1,018.750000 Gross 865.937500 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	4.3050% 04/24/2007 1,076.250000 Gross 914.812500 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	7.2550% 04/24/2007 1,813.750000 Gross 1,541.687500 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		794,106,243.00	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
				% Monthly CPR (SMM)							
				% Annual equivalent CPR							
Series A	With optional redemption *	Average life	Years	10.33	6.71	5.90	5.22	4.69	4.23	3.83	3.50
		Final Maturity	Years	19.67	14.92	13.41	11.91	10.91	9.91	8.91	8.16
	Without optional redemption *	Average life	Years	10.67	7.13	6.34	5.68	5.12	4.65	4.25	3.90
		Final Maturity	Years	10/28/2017	04/14/2014	06/29/2013	01/11/2012	12/04/2012	10/22/2011	05/27/2011	01/19/2011
Series B	With optional redemption *	Average life	Years	15.37	10.71	9.58	8.61	7.78	7.07	6.46	5.93
		Final Maturity	Years	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
	Without optional redemption *	Average life	Years	14.79	9.99	8.83	7.83	7.04	6.35	5.75	5.25
		Final Maturity	Years	08/12/2021	02/23/2017	12/27/2015	12/24/2014	11/03/2014	05/07/2013	11/24/2012	05/26/2012
Series C	With optional redemption *	Average life	Years	15.37	10.71	9.58	8.61	7.78	7.07	6.46	5.93
		Final Maturity	Years	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
	Without optional redemption *	Average life	Years	15.37	10.71	9.58	8.61	7.78	7.07	6.46	5.93
		Final Maturity	Years	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036
Series D	With optional redemption *	Average life	Years	15.58	10.90	9.68	8.57	7.77	7.03	6.33	5.79
		Final Maturity	Years	09/22/2022	01/18/2018	01/11/2016	09/21/2015	05/12/2014	10/03/2014	06/27/2013	10/12/2012
	Without optional redemption *	Average life	Years	20.25	17.97	17.52	17.16	16.87	16.64	16.44	16.28
		Final Maturity	Years	05/26/2027	02/13/2025	08/31/2024	04/22/2024	07/01/2024	10/14/2023	03/08/2023	05/06/2023

* 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	94.90%	753,606,243.00	5.16%	95.74%	909,500,000.00	4.31%
Series B	2.67%	21,200,000.00	2.46%	2.23%	21,200,000.00	2.05%
Series C	1.18%	9,400,000.00	1.26%	0.99%	9,400,000.00	1.05%
Series D	1.25%	9,900,000.00			9,900,000.00	
Issue of Bonds		794,106,243.00			950,000,000.00	
Reserve Fund	1.26%	9,900,000.00		1.05%	9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	27,666,110.02	3.714%	
Servicer ppal collect not yet credited	1,907,725.35		
Servicer ints collect not yet credited	567,424.44		
Liabilities	Available	Balance	Interest
Start-up Loan		752,198.44	5.755%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		10,631	12,241
Principal			
Principal outstanding		767,622,857.47	940,242,690.85
Average loan		72,206.08	76,810.94
Minimum		107.50	3,356.13
Maximum		480,764.65	496,461.58
Interest rate			
Weighted average (wac)		4.25%	3.11%
Minimum		2.75%	1.00%
Maximum		6.42%	5.25%
Final maturity			
Weighted average (WARM) (months)		228	239
Minimum		03/05/2007	01/04/2007
Maximum		12/19/2035	11/05/2035
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR		0.01%	0.01%
1-year EURIBOR/MIBOR		2.53%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)		97.43%	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%	0.52	7.32	0.29	7.77
10.01 - 20%	2.74	15.69	1.93	15.83
20.01 - 30%	5.16	25.63	3.82	25.38
30.01 - 40%	9.44	35.25	6.58	35.62
40.01 - 50%	12.58	45.39	10.97	45.35
50.01 - 60%	17.28	55.26	15.89	55.36
60.01 - 70%	25.43	65.37	22.49	65.47
70.01 - 80%	26.73	73.78	38.04	75.26
80.01 - 90%	0.10	85.51		
90.01 - 100%	0.02	97.98		
Weighted average (WALTV)		56.83		60.76
Minimum		0.11		2.08
Maximum		97.98		80.00

Additional information

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.86%	0.96%	0.92%	0.92%	0.92%
Annual Percentage Rate (CPR)	9.86%	10.97%	10.54%	10.49%	10.55%

Geographic distribution

	Current	At constitution date
Andalucia	4.64%	4.64%
Aragon	6.31%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.42%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.33%	0.36%
Castilla-Leon	0.04%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.32%	7.40%
Murcia	13.32%	13.14%
Navarra	0.41%	0.43%
Valencia	65.57%	65.64%

Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	519	139,251.24	125,666.34	0.00	264,917.58	46.37	37,626,772.51	37,891,690.09	69.78	50.90
1 to 2 months	149	79,236.92	69,351.51	0.00	148,588.43	26.01	10,206,154.65	10,354,743.08	19.07	47.46
2 to 3 months	64	50,854.06	49,797.71	0.00	100,651.77	17.62	4,639,305.39	4,739,957.16	8.73	49.43
3 to 6 months	14	14,731.46	14,171.67	0.00	28,903.13	5.06	884,402.60	913,305.73	1.68	62.85
6 to 12 months	5	9,282.04	10,195.39	0.00	19,477.43	3.41	295,030.80	314,508.23	0.58	41.80
12 to 18 months	1	5,201.01	3,617.37	0.00	8,818.38	1.54	78,741.55	87,559.93	0.16	52.15
Total	752	298,556.73	272,799.99	0.00	571,356.72		53,730,407.50	54,301,764.22		50.18

Each range includes the beginning but not the ending time

Additional information