

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 07/31/2007
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 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	76,327.11 694,195,065.45 76.33%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.3680% 10/24/2007 852.014087 Gross 724.211974 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/24/2007 "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	4.5480% 10/24/2007 1,162.266667 Gross 987.926667 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	4.7780% 10/24/2007 1,221.044444 Gross 1,037.887777 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	7.7280% 10/24/2007 1,974.933333 Gross 1,678.693333 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca		
Total		734,695,065.45	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	Date									
				Date									
Series A	With optional redemption *	Average life	Years	01/05/2015	06/05/2014	09/07/2013	07/11/2012	12/04/2012	10/23/2011	06/06/2011	02/02/2011		
				16.01	14.52	13.01	11.76	10.51	9.51	8.76	8.01		
Series A	Without optional redemption *	Average life	Years	10/10/2015	10/22/2014	02/01/2014	01/05/2013	06/10/2012	04/13/2012	11/14/2011	06/07/2011		
				28.52	28.52	28.52	28.52	28.52	28.52	28.52	28.52		
Series B	With optional redemption *	Average life	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		
				10.89	9.58	8.45	7.52	6.70	6.04	5.50	5.02		
Series B	Without optional redemption *	Average life	Years	02/16/2017	02/16/2017	01/01/2016	01/26/2015	04/04/2014	04/08/2013	01/18/2013	07/30/2012		
				16.01	14.52	13.01	11.76	10.51	9.51	8.76	8.01		
Series C	With optional redemption *	Average life	Years	02/24/2019	09/11/2017	05/10/2016	10/29/2015	09/01/2015	04/05/2014	09/30/2013	03/30/2013		
				28.52	28.52	28.52	28.52	28.52	28.52	28.52	28.52		
Series C	Without optional redemption *	Average life	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		
				10.89	9.58	8.45	7.52	6.70	6.04	5.50	5.02		
Series D	With optional redemption *	Average life	Years	03/05/2019	09/01/2018	10/31/2016	12/11/2015	12/18/2014	03/28/2014	04/09/2013	02/21/2013		
				16.01	14.52	13.01	11.76	10.51	9.51	8.76	8.01		
Series D	Without optional redemption *	Average life	Years	08/25/2025	03/02/2025	08/30/2024	04/28/2024	01/21/2024	01/11/2023	08/26/2023	01/07/2023		
				28.27	28.27	28.27	28.27	28.27	28.27	28.27	28.27		

* 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	94.49%	694,195,065.45	5.59%	95.74%	909,500,000.00
Series B	2.89%	21,200,000.00	2.66%	2.23%	21,200,000.00
Series C	1.28%	9,400,000.00	1.37%	0.99%	9,400,000.00
Series D	1.35%	9,900,000.00	1.04%		9,900,000.00
Issue of Bonds		734,695,065.45			950,000,000.00
Reserve Fund	1.37%	9,900,000.00	1.05%		9,900,000.00

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		13,994,701.25	4.181%
Servicer ppal collect not yet credited		2,318,574.88	
Servicer ints collect not yet credited		455,483.26	
Liabilities	Available	Balance	Interest
Start-up Loan		658,173.64	6.228%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		10,130	12,241
Principal			
Principal outstanding		719,045,040.15	940,242,690.85
Average loan		70,981.74	76,810.94
Minimum		80.46	3,356.13
Maximum		475,737.77	496,461.58
Interest rate			
Weighted average (wac)		4.81%	3.11%
Minimum		3.50%	1.00%
Maximum		7.00%	5.25%
Final maturity			
Weighted average (WARM) (months)		224	239
Minimum		08/04/2007	01/04/2007
Maximum		12/20/2035	11/05/2035
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR		0.01%	0.01%
1-year EURIBOR/MIBOR		2.47%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)		97.48%	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%	0.57	7.32	0.29	7.77
10.01 - 20%	2.72	15.76	1.93	15.83
20.01 - 30%	5.73	25.59	3.82	25.38
30.01 - 40%	10.00	35.20	6.58	35.62
40.01 - 50%	13.01	45.35	10.97	45.35
50.01 - 60%	17.91	55.29	15.89	55.36
60.01 - 70%	25.87	65.30	22.49	65.47
70.01 - 80%	24.08	73.31	38.04	75.26
80.01 - 90%	0.09	85.37		
90.01 - 100%	0.02	97.23		
Weighted average (WALTV)		55.90		60.76
Minimum		0.06		2.08
Maximum		97.23		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)	0.96%	0.93%	0.91%	0.91%	0.92%
Annual Percentage Rate (CPR)	10.94%	10.59%	10.35%	10.37%	10.52%

Geographic distribution		
	Current	At constitution date
Andalucia	4.63%	4.64%
Aragon	6.25%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.45%	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	0.82%	0.83%
Madrid	7.24%	7.40%
Murcia	13.42%	13.14%
Navarra	0.41%	0.43%
Valencia	65.59%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	429	105,380.90	111,458.77	0.00	216,839.67	36.13	31,246,860.48	31,463,700.15	62.83	51.01
1 to 2 months	135	70,727.79	78,676.90	0.00	149,404.69	24.89	10,457,443.28	10,606,847.97	21.18	49.14
2 to 3 months	96	73,620.73	74,042.60	0.00	147,663.33	24.60	6,462,471.39	6,610,134.72	13.20	50.63
3 to 6 months	7	7,588.09	10,329.91	0.00	17,918.00	2.99	501,251.68	519,169.68	1.04	61.24
6 to 12 months	8	13,750.18	15,671.17	0.00	29,421.35	4.90	471,425.50	500,846.85	1.00	49.41
12 to 18 months	4	19,077.42	19,895.88	0.00	38,973.30	6.49	341,411.33	380,384.63	0.76	49.99
Total	679	290,145.11	310,075.23	0.00	600,220.34		49,480,863.66	50,081,084.00		50.62

Each range includes the beginning but not the ending time

Additional information