

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 02/29/2008
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

Service
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	71,356.47 648,987,094.65 71.36%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.4700% 04/24/2008 806.267647 Gross 661.139471 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/24/2008 "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	4.6500% 04/24/2008 1,175.416667 Gross 963.841667 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	4.8800% 04/24/2008 1,233.555556 Gross 1,011.515556 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	7.8300% 04/24/2008 1,979.250000 Gross 1,622.985000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		689,487,094.65	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
Series	With optional redemption *	% Monthly CPR (SMM)		0.17		0.34		0.51		0.69	
		% Annual equivalent CPR		2.00		4.00		6.00		8.00	
		Average life	Years	Date	Date	Date	Date	Date	Date	Date	Date
Series A	With optional redemption *	Average life	Years	8.68	7.54	6.59	5.79	5.14	4.61	4.15	3.78
		Final Maturity	Years	02/11/2016	11/09/2015	09/30/2014	12/12/2013	04/18/2013	08/10/2012	04/24/2012	09/12/2011
		Final Maturity	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41
	Without optional redemption *	Average life	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
Series B	With optional redemption *	Average life	Years	11.67	10.21	8.97	7.90	7.01	6.30	5.67	5.17
		Final Maturity	Years	10/30/2019	05/14/2018	02/14/2017	01/20/2016	04/03/2015	06/16/2014	10/29/2013	01/05/2013
		Final Maturity	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41
	Without optional redemption *	Average life	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
Series C	With optional redemption *	Average life	Years	12.35	10.92	9.71	8.68	7.80	7.06	6.41	5.87
		Final Maturity	Years	03/07/2020	01/28/2019	12/11/2017	01/11/2016	12/16/2015	03/19/2015	07/28/2014	11/01/2014
		Final Maturity	Years	27.92	27.92	27.92	27.92	27.92	27.92	27.92	27.92
	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
		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
		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	12.54	11.11	9.85	8.70	7.77	7.02	6.32	5.78
		Final Maturity	Years	09/09/2020	08/04/2019	03/01/2018	10/11/2016	04/12/2015	06/03/2015	06/23/2014	07/12/2013
		Final Maturity	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41
	Without optional redemption *	Average life	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016

* 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	94.13%	648,987,094.65	5.96%	95.74%	4.31%
Series B	3.07%	21,200,000.00	2.84%	2.23%	2.05%
Series C	1.36%	9,400,000.00	1.46%	0.99%	1.05%
Series D	1.44%	9,900,000.00	1.04%	9,900,000.00	
Issue of Bonds		689,487,094.65		950,000,000.00	
Reserve Fund	1.46%	9,900,000.00	1.05%	9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	24,701,920.76	4.290%	
Service ppal collect not yet credited	1,241,372.24		
Service ints collect not yet credited	578,928.22		
Liabilities	Available	Balance	Interest
Start-up Loan		564,148.84	6.330%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		9,669	12,241
Principal			
Principal outstanding		667,176,972.10	940,242,690.85
Average loan		69,001.65	76,810.94
Minimum		0.00	3,356.13
Maximum		469,206.34	496,461.58
Interest rate			
Weighted average (wac)		5.26%	3.11%
Minimum		3.50%	1.00%
Maximum		7.29%	5.25%
Final maturity			
Weighted average (WARM) (months)		218	239
Minimum		03/01/2008	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		2.43%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)		97.53%	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	% Pool	% LTV	
0.01 - 10%	0.66	7.12	0.29	7.77	
10.01 - 20%	3.05	15.81	1.93	15.83	
20.01 - 30%	6.38	25.58	3.82	25.38	
30.01 - 40%	10.45	35.35	6.58	35.62	
40.01 - 50%	13.73	45.35	10.97	45.35	
50.01 - 60%	18.70	55.21	15.89	55.36	
60.01 - 70%	27.33	65.27	22.49	65.47	
70.01 - 80%	19.59	72.86	38.04	75.26	
80.01 - 90%	0.08	84.50			
90.01 - 100%	0.02	96.18			
Weighted average (WALT)	54.61			60.76	
Minimum	0.00			2.08	
Maximum	96.18			80.00	

Additional information

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Originator
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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
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Swap Collateral
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Ernst&Young

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.71%	0.82%	0.74%	0.79%	0.86%
Annual Percentage Rate (CPR)	8.23%	9.37%	8.51%	9.07%	9.89%

Geographic distribution		
	Current	At constitution date
Andalucia	4.66%	4.64%
Aragon	6.40%	6.24%
Asturias		0.00%
Balearic Islands	0.47%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.32%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.74%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.84%	0.83%
Madrid	7.07%	7.40%
Murcia	13.55%	13.14%
Navarra	0.41%	0.43%
Valencia	65.44%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
<i>Delinquencies</i>										
Up to 1 month	429	104,653.56	113,702.64	0.00	218,356.20	27.18	29,458,265.20	29,676,621.40	56.62	49.24
1 to 2 months	143	70,503.06	83,756.30	0.00	154,259.36	19.20	10,048,503.32	10,202,762.68	19.47	49.31
2 to 3 months	84	62,849.93	82,220.43	0.00	145,070.36	18.06	6,605,411.61	6,750,481.97	12.88	50.87
3 to 6 months	34	30,486.39	46,182.10	0.00	76,668.49	9.54	2,724,861.52	2,801,530.01	5.35	54.73
6 to 12 months	24	34,779.98	45,985.51	0.00	80,765.49	10.05	1,774,185.06	1,854,950.55	3.54	60.86
12 to 18 months	11	30,593.86	40,247.95	0.00	70,841.81	8.82	661,109.11	731,950.92	1.40	51.96
18 to 24 months	3	17,168.16	22,750.60	0.00	39,918.76	4.97	259,378.03	299,296.79	0.57	50.47
Over 2 years	1	9,892.42	7,562.56	0.00	17,454.98	2.17	74,050.14	91,505.12	0.17	54.50
Subtotal	729	360,927.36	442,408.09	0.00	803,335.45	100.00	51,605,763.99	52,409,099.44	100.00	50.12
<i>Doubt debts (subjectives)</i>										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	729	360,927.36	442,408.09	0.00	803,335.45		51,605,763.99	52,409,099.44		50.12

Each range includes the beginning but not the ending time