

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 10/31/2008
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

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) Current Original		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption Final maturity (legal) Next		Rating Fitch / Moody's Current Original	
Series A ES0382745000	12/12/2005 9,095	64,898.51 590,251,948.45 64.90%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	5.0760% 01/26/2009 860.164852 Gross 705.335179 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/26/2009 "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	5.2560% 01/26/2009 1,372.400000 Gross 1,125.368000 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	5.4860% 01/26/2009 1,432.455556 Gross 1,174.613556 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	8.4360% 01/26/2009 2,202.733333 Gross 1,806.241333 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		630,751,948.45	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44
		% Annual equivalent CPR		2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00
Series A	With optional redemption *	Average life	Years	8.63	7.50	6.56	5.79	5.14	4.61	4.19	3.77
			Date	06/16/2017	04/30/2016	05/21/2015	08/15/2014	12/20/2013	10/06/2013	06/01/2013	08/08/2012
		Final Maturity	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
	Without optional redemption *		Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016
		Average life	Years	9.14	8.04	7.13	6.36	5.72	5.17	4.71	4.30
			Date	12/19/2017	12/11/2016	12/14/2015	11/03/2015	07/19/2014	01/01/2014	07/14/2013	02/17/2013
Series B	With optional redemption *	Final Maturity	Years	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
			Date	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039
		Average life	Years	10.89	9.51	8.34	7.38	6.55	5.88	5.33	4.81
	Without optional redemption *		Date	09/19/2019	04/05/2018	02/03/2017	03/16/2016	05/19/2015	09/15/2014	02/28/2014	08/21/2013
		Final Maturity	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
			Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016
Series C	With optional redemption *	Average life	Years	11.57	10.24	9.10	8.14	7.33	6.63	6.03	5.52
			Date	05/25/2020	01/22/2019	05/12/2017	12/19/2016	02/28/2016	06/17/2015	10/11/2014	08/05/2014
		Final Maturity	Years	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
	Without optional redemption *		Date	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039
		Average life	Years	10.89	9.52	8.34	7.38	6.55	5.88	5.33	4.81
			Date	09/19/2019	05/05/2018	02/03/2017	03/16/2016	05/19/2015	09/15/2014	01/03/2014	08/22/2013
Series D	With optional redemption *	Final Maturity	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
			Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016
		Average life	Years	11.77	10.41	9.20	8.22	7.32	6.60	6.04	5.40
	Without optional redemption *		Date	04/08/2020	03/27/2019	09/01/2018	01/17/2017	02/22/2016	04/06/2015	11/15/2014	03/23/2014
		Final Maturity	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
			Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016
	With optional redemption *	Average life	Years	19.22	18.62	18.17	17.82	17.55	17.34	17.16	17.02
			Date	01/15/2028	11/06/2027	12/27/2026	08/22/2026	05/16/2026	02/26/2026	12/25/2025	03/11/2025
		Final Maturity	Years	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75
	Without optional redemption *		Date	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039
		Average life	Years	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039
		Final Maturity	Years	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039

* 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	93.58%	590,251,948.45	6.52%	95.74%	909,500,000.00
Series B	3.36%	21,200,000.00	3.11%	2.23%	21,200,000.00
Series C	1.49%	9,400,000.00	1.59%	0.99%	9,400,000.00
Series D	1.57%	9,900,000.00	1.04%		9,900,000.00
Issue of Bonds		630,751,948.45			950,000,000.00
Reserve Fund	1.59%	9,900,000.00	1.05%		9,900,000.00

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		13,046,322.33	5.050%
Servicer ppal collect not yet credited		154,313.48	
Servicer ints collect not yet credited		58,320.24	
Liabilities	Available	Balance	Interest
Start-up Loan		423,111.64	6.936%
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		0.00	
Securities		0.00	
* Credit Support Amount in favour of the Fund			

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Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,204	12,241	
Principal			
Principal outstanding	619,051,485.20	940,242,690.85	
Average loan	67,258.96	76,810.94	
Minimum	31.63	3,356.13	
Maximum	461,903.55	496,461.58	
Interest rate			
Weighted average (wac)	5.64%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.57%	5.25%	
Final maturity			
Weighted average (WARM) (months)	212	239	
Minimum	11/02/2008	01/04/2007	
Maximum	07/12/2039	11/05/2035	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.01%	0.01%	
1-year EURIBOR/MIBOR	2.36%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.60%	97.78%	
Mortgage Market: Banks	0.00%	0.01%	
Mortgage Market: All Institutions	0.03%	0.02%	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.51%	0.50%	0.55%	0.66%	0.80%
Annual Percentage Rate (CPR)	5.95%	5.78%	6.46%	7.59%	9.14%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.76	7.17	0.29	7.77
10.01 - 20%	3.33	15.89	1.93	15.83
20.01 - 30%	7.01	25.47	3.82	25.38
30.01 - 40%	10.81	35.28	6.58	35.62
40.01 - 50%	14.36	45.28	10.97	45.35
50.01 - 60%	19.75	55.26	15.89	55.36
60.01 - 70%	28.71	65.25	22.49	65.47
70.01 - 80%	15.17	72.47	38.04	75.26
80.01 - 90%	0.07	83.90		
90.01 - 100%	0.02	95.05		
Weighted average (WALTV)	53.41		60.76	
Minimum	0.02		2.08	
Maximum	95.05		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.70%	4.64%
Aragon	6.47%	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	0.29%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia		0.01%
La Rioja	0.84%	0.83%
Madrid	7.07%	7.40%
Murcia	13.68%	13.14%
Navarra	0.41%	0.43%
Valencia	65.24%	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	401	98,745.82	117,575.60	0.00	216,321.42	17.37	27,855,749.47	28,072,070.89	49.53	47.92
from > 1 to ≤ 2 months	142	72,323.83	87,165.41	0.00	159,489.24	12.81	10,292,905.79	10,452,395.03	18.44	52.94
from > 2 to ≤ 3 months	107	79,278.34	117,960.77	0.00	197,239.11	15.84	8,420,628.20	8,617,867.31	15.21	48.14
from > 3 to ≤ 6 months	27	30,789.28	41,325.52	0.00	72,114.80	5.79	2,066,974.63	2,139,089.43	3.77	47.66
from > 6 to < 12 months	43	68,201.11	97,096.09	0.00	165,297.20	13.28	3,050,793.12	3,216,090.32	5.67	49.67
from ≥ 12 to < 18 months	39	86,057.82	135,657.82	0.00	221,715.64	17.81	2,591,370.76	2,813,086.40	4.96	58.69
from ≥ 18 to < 24 months	13	60,830.42	77,045.98	0.00	137,876.40	11.07	809,419.27	947,295.67	1.67	49.99
from ≥ 2 years	4	32,112.56	42,872.58	0.00	74,985.14	6.02	338,472.74	413,457.88	0.73	73.37
Subtotal	776	528,339.18	716,699.77	0.00	1,245,038.95	100.00	55,426,313.98	56,671,352.93	100.00	49.52
<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	776	528,339.18	716,699.77	0.00	1,245,038.95		55,426,313.98	56,671,352.93		49.52