

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 12/31/2008
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	1,44
		% Annual equivalent CPR		2,00	4,00	6,00	8,00	10,00	12,00	16,00
Series A	With optional redemption *	Average life	Years	8.58	7.45	6.51	5.75	5.10	4.57	4.15
		Final Maturity	Years	16.01	14.50	13.01	11.76	10.50	9.50	8.75
		Date		08/20/2017	06/07/2016	07/29/2015	10/24/2014	02/28/2014	08/20/2013	03/17/2013
	Without optional redemption *	Average life	Years	9.10	8.01	7.10	6.35	5.71	5.16	4.70
		Final Maturity	Years	31.02	31.02	31.02	31.02	31.02	31.02	31.02
		Date		01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017
Series B	With optional redemption *	Average life	Years	10.61	9.26	8.11	7.17	6.36	5.70	5.18
		Final Maturity	Years	16.01	14.50	13.01	11.76	10.50	9.50	8.75
		Date		08/31/2019	04/25/2018	02/03/2017	03/23/2016	02/06/2015	05/10/2014	03/28/2014
	Without optional redemption *	Average life	Years	11.29	9.98	8.88	7.94	7.14	6.47	5.89
		Final Maturity	Years	31.02	31.02	31.02	31.02	31.02	31.02	31.02
		Date		06/05/2020	01/15/2019	08/12/2017	12/30/2016	03/15/2016	11/07/2015	12/14/2014
Series C	With optional redemption *	Average life	Years	10.61	9.26	8.11	7.17	6.36	5.70	5.18
		Final Maturity	Years	16.01	14.50	13.01	11.76	10.50	9.50	8.75
		Date		08/31/2019	04/26/2018	02/03/2017	03/24/2016	02/06/2015	05/10/2014	03/28/2014
	Without optional redemption *	Average life	Years	11.29	9.98	8.88	7.94	7.15	6.47	5.89
		Final Maturity	Years	31.02	31.02	31.02	31.02	31.02	31.02	31.02
		Date		07/05/2020	01/15/2019	08/12/2017	12/30/2016	03/16/2016	12/07/2015	12/14/2014
Series D	With optional redemption *	Average life	Years	11.49	10.15	8.96	8.00	7.11	6.40	5.86
		Final Maturity	Years	16.01	14.50	13.01	11.76	10.50	9.50	8.75
		Date		07/19/2020	03/19/2019	09/01/2018	01/22/2017	02/03/2016	06/17/2015	01/12/2014
	Without optional redemption *	Average life	Years	19.07	18.50	18.06	17.73	17.47	17.27	17.10
		Final Maturity	Years	30.77	30.77	30.77	30.77	30.77	30.77	30.77
		Date		02/15/2028	07/19/2027	11/02/2027	10/13/2026	10/07/2026	04/27/2026	02/25/2026

* 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		30,558,079.25	5.050%
Servicer ppal collect not yet credited		310,129.85	
Servicer ints collect not yet credited		59,595.22	
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	9,098	12,241
Principal		
Principal outstanding	607,205,029.31	940,242,690.85
Average loan	66,740.50	76,810.94
Minimum	43.13	3,356.13
Maximum	460,206.08	496,461.58
Interest rate		
Weighted average (wac)	5.72%	3.11%
Minimum	3.50%	1.00%
Maximum	7.63%	5.25%
Final maturity		
Weighted average (WARM) (months)	211	239
Minimum	01/05/2009	01/04/2007
Maximum	12/05/2039	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%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.78	7.11	0.29	7.77
10.01 - 20%	3.39	15.81	1.93	15.83
20.01 - 30%	7.24	25.43	3.82	25.38
30.01 - 40%	10.91	35.28	6.58	35.62
40.01 - 50%	14.55	45.25	10.97	45.35
50.01 - 60%	19.96	55.26	15.89	55.36
60.01 - 70%	28.95	65.22	22.49	65.47
70.01 - 80%	14.13	72.42	38.04	75.26
80.01 - 90%	0.06	84.34		
90.01 - 100%	0.02	94.77		
Weighted average (WALTV)		53.08		60.76
Minimum		0.03		2.08
Maximum		94.77		80.00

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.59%	0.52%	0.54%	0.60%	0.78%
Annual Percentage Rate (CPR)	6.86%	6.07%	6.34%	6.94%	9.02%

Geographic distribution		
	Current	At constitution date
Andalucia	4.69%	4.64%
Aragon	6.50%	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	0.85%	0.83%
Madrid	7.06%	7.40%
Murcia	13.72%	13.14%
Navarra	0.40%	0.43%
Valencia	65.18%	65.64%

Current delinquency									
Aging	Assets	Overdue debt					Outstanding debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			
<i>Delinquencies</i>									
Up to 1 month	382	93,130.10	110,196.81	0.00	203,326.91	16.72	25,550,114.93	25,753,441.84	45.68
from > 1 to ≤ 2 months	141	76,551.60	92,821.49	0.00	169,373.09	13.93	10,525,948.65	10,695,321.74	18.97
from > 2 to ≤ 3 months	119	88,264.67	133,501.32	0.00	221,765.99	18.23	9,726,685.96	9,948,451.95	17.64
from > 3 to ≤ 6 months	31	34,935.24	62,371.12	0.00	97,306.36	8.00	3,018,789.86	3,116,096.22	5.53
from > 6 to < 12 months	32	56,870.33	72,490.31	0.00	129,360.64	10.64	2,120,651.09	2,250,011.73	3.99
from ≥ 12 to < 18 months	47	111,062.50	183,538.46	0.00	294,600.96	24.22	3,712,619.98	4,007,220.94	7.11
from ≥ 18 to < 24 months	4	19,423.77	20,054.22	0.00	39,477.99	3.25	197,867.65	237,345.64	0.42
from ≥ 2 years	3	20,427.80	40,618.93	0.00	61,046.73	5.02	314,383.92	375,430.65	0.67
Subtotal	759	500,666.01	715,592.66	0.00	1,216,258.67	100.00	55,167,062.04	56,383,320.71	100.00
<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
Total	759	500,666.01	715,592.66	0.00	1,216,258.67		55,167,062.04	56,383,320.71	49.31