

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 12/31/2009
Currency: EUR

Date of constitution
12/07/2005

VAT Reg. no.
V84530526

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
Banco Cooperativo

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Banco Popular Español S.A

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	57,786.51 525,568,308.45 57.79%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	0.8730% 01/25/2010 127.520381 Gross 104.566712 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/25/2010 "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	1.0530% 01/25/2010 266.175000 Gross 218.263500 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	1.2830% 01/25/2010 324.313889 Gross 265.937389 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	4.2330% 01/25/2010 1,070.008333 Gross 877.406833 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Ca	CC- Ca
Total		566,068,308.45	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							
				0.17	0.34	0.51	0.69	0.87	1.06	1.25	1.44
Series A	With optional redemption *	Average life	Years	7.63	6.71	5.93	5.25	4.70	4.26	3.88	3.53
		Final Maturity	Years	14.02	12.77	11.52	10.27	9.27	8.52	7.77	7.02
			Date	01/24/2024	10/24/2022	07/24/2021	04/24/2020	04/24/2019	07/24/2018	10/24/2017	01/24/2017
	Without optional redemption *	Average life	Years	8.27	7.35	6.58	5.93	5.37	4.89	4.48	4.12
		Final Maturity	Years	30.28	30.28	30.28	30.28	30.28	30.28	30.28	30.28
			Date	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040
Series B	With optional redemption *	Average life	Years	8.65	7.61	6.72	5.96	5.34	4.85	4.40	4.00
		Final Maturity	Years	14.02	12.77	11.52	10.27	9.27	8.52	7.77	7.02
			Date	01/24/2024	10/24/2022	07/24/2021	04/24/2020	04/24/2019	07/24/2018	10/24/2017	01/24/2017
	Without optional redemption *	Average life	Years	9.39	8.36	7.48	6.75	6.11	5.57	5.09	4.69
		Final Maturity	Years	30.28	30.28	30.28	30.28	30.28	30.28	30.28	30.28
			Date	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040
Series C	With optional redemption *	Average life	Years	8.65	7.61	6.72	5.97	5.34	4.85	4.40	4.00
		Final Maturity	Years	14.02	12.77	11.52	10.27	9.27	8.52	7.77	7.02
			Date	01/24/2024	10/24/2022	07/24/2021	04/24/2020	04/24/2019	07/24/2018	10/24/2017	01/24/2017
	Without optional redemption *	Average life	Years	9.39	8.36	7.48	6.75	6.11	5.57	5.09	4.69
		Final Maturity	Years	30.28	30.28	30.28	30.28	30.28	30.28	30.28	30.28
			Date	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040
Series D	With optional redemption *	Average life	Years	9.54	8.52	7.60	6.74	6.06	5.53	5.04	4.56
		Final Maturity	Years	14.02	12.77	11.52	10.27	9.27	8.52	7.77	7.02
			Date	01/24/2024	10/24/2022	07/24/2021	04/24/2020	04/24/2019	07/24/2018	10/24/2017	01/24/2017
	Without optional redemption *	Average life	Years	17.75	17.37	17.07	16.85	16.67	16.53	16.41	16.31
		Final Maturity	Years	30.04	30.04	30.04	30.04	30.04	30.04	30.04	30.04
			Date	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040

* 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	92.85%	525,568,308.45	7.14%	95.74%	909,500,000.00
Series B	3.75%	21,200,000.00	3.33%	2.23%	21,200,000.00
Series C	1.66%	9,400,000.00	1.64%	0.99%	9,400,000.00
Series D	1.75%	9,900,000.00	1.04%		9,900,000.00
Issue of Bonds		566,068,308.45			950,000,000.00
Reserve Fund	1.64%	9,101,602.81	1.05%		9,900,000.00

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		51,941,449.11	0.693%
Service ppal collect not yet credited		283,045.24	
Service ints collect not yet credited		25,997.11	
Liabilities			
Start-up Loan	Available	47,012.44	2.733%
Swap collateralized amount	Amount		Credited
CSA *	0.00		
Cash		26,810,000.00	
Securities		0.00	
* Credit Support Amount in favour of the Fund			

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Swap Collateral
Bancaja

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Banco de Valencia

Fund Auditors
Ernst&Young

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	8,569	12,241	
Principal			
Principal outstanding	546,820,901.90	940,242,690.85	
Average loan	63,813.85	76,810.94	
Minimum	17.40	3,356.13	
Maximum	448,037.79	496,461.58	
Interest rate			
Weighted average (wac)	2.84%	3.11%	
Minimum	1.73%	1.00%	
Maximum	7.28%	5.25%	
Final maturity			
Weighted average (WARM) (months)	203	239	
Minimum	01/05/2010	01/04/2007	
Maximum	01/05/2040	11/05/2035	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.01%	0.01%	
1-year EURIBOR/MIBOR	2.18%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.78%	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%	0.93	7.03	0.29 7.77
10.01 - 20%	4.07	15.83	1.93 15.83
20.01 - 30%	7.91	25.53	3.82 25.38
30.01 - 40%	11.50	35.31	6.58 35.62
40.01 - 50%	15.77	45.22	10.97 45.35
50.01 - 60%	22.20	55.43	15.89 55.36
60.01 - 70%	28.92	65.14	22.49 65.47
70.01 - 80%	8.70	71.86	38.04 75.26
Weighted average (WALTV)	51.31		60.76
Minimum	0.02		2.08
Maximum	79.99		80.00

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.72%	0.47%	0.44%	0.45%	0.70%
Annual Percentage Rate (CPR)	8.30%	5.48%	5.13%	5.28%	8.12%

Geographic distribution			
	Current	At constitution date	
Andalucia	4.77%	4.64%	
Aragon	6.65%	6.24%	
Asturias		0.00%	
Balearic Islands	0.51%	0.41%	
Basque Country	0.01%	0.04%	
Canary Islands	0.01%	0.01%	
Castilla-La Mancha	0.30%	0.36%	
Castilla-Leon	0.02%	0.03%	
Catalonia	0.73%	0.77%	
Ceuta	0.03%	0.03%	
Extremadura	0.02%	0.01%	
Galicia		0.01%	
La Rioja	0.85%	0.83%	
Madrid	6.86%	7.40%	
Murcia	13.84%	13.14%	
Navarra	0.35%	0.43%	
Valencia	65.07%	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	232	66,240.34	32,249.52	0.00	98,489.86	4.40	14,393,126.24	14,491,616.10	16.73	46.25
from > 1 to ≤ 2 months	249	101,688.93	73,692.98	0.00	175,381.91	7.83	19,550,502.97	19,725,884.88	22.77	48.52
from > 2 to ≤ 3 months	369	202,840.37	125,639.05	0.00	328,479.42	14.66	24,432,172.00	24,760,651.42	28.59	45.23
from > 3 to ≤ 6 months	170	151,355.63	106,500.30	0.00	257,855.93	11.51	12,666,350.87	12,924,206.80	14.92	47.65
from > 6 to < 12 months	52	142,765.45	141,245.42	0.00	284,010.87	12.68	4,711,901.33	4,995,912.20	5.77	50.86
from ≥ 12 to < 18 months	37	129,173.62	182,087.21	0.00	311,260.83	13.89	3,228,996.17	3,540,257.00	4.09	53.48
from ≥ 18 to < 24 months	30	132,458.69	137,979.99	0.00	270,438.68	12.07	2,085,436.72	2,355,875.40	2.72	60.11
from ≥ 2 years	44	204,820.32	309,469.98	0.00	514,290.30	22.96	3,307,061.55	3,821,351.85	4.41	60.13
Subtotal	1,183	1,131,343.35	1,108,864.45	0.00	2,240,207.80	100.00	84,375,547.85	86,615,755.65	100.00	47.97
<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	1,183	1,131,343.35	1,108,864.45	0.00	2,240,207.80		84,375,547.85	86,615,755.65		47.97