

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 04/30/2010
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

Servicer
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
Deloitte (ejercicios 2009 a actual)
Ernst & Young (hasta ejercicio 2008)

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	53,977.25 490,923,088.75 53.98%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	0.7840% 07/26/2010 106.970915 Gross 86.646441 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/26/2010 "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	0.9640% 07/26/2010 243.677778 Gross 197.379000 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	1.1940% 07/26/2010 301.816667 Gross 244.471500 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	4.1440% 07/26/2010 1,047.511111 Gross 848.484000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca
Total		531,423,088.75	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	7.45	6.54	5.82	5.15	4.60	4.17	3.78	3.48	3.17	2.92	2.67	2.44	2.22	2.01	1.81	1.62	
		Final Maturity	Years	13.50	12.25	11.25	10.00	9.00	8.25	7.50	7.00	6.50	6.00	5.50	5.00	4.50	4.00	3.50	3.00	
	Without optional redemption *	Average life	Years	8.14	7.24	6.48	5.84	5.29	4.82	4.41	4.05	3.70	3.42	3.14	2.88	2.62	2.37	2.12	1.88	
		Final Maturity	Years	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	
	Series B	With optional redemption *	Average life	Years	8.21	7.22	6.42	5.69	5.08	4.61	4.18	3.85	3.52	3.24	2.96	2.69	2.42	2.16	1.90	1.65
			Final Maturity	Years	13.50	12.25	11.25	10.00	9.00	8.25	7.50	7.00	6.50	6.00	5.50	5.00	4.50	4.00	3.50	3.00
Series C	Without optional redemption *	Average life	Years	8.99	8.00	7.17	6.46	5.85	5.33	4.88	4.49	4.09	3.70	3.31	2.92	2.53	2.14	1.75	1.36	
		Final Maturity	Years	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	
	Series B	With optional redemption *	Average life	Years	8.21	7.22	6.42	5.69	5.08	4.61	4.18	3.85	3.52	3.24	2.96	2.69	2.42	2.16	1.90	1.65
			Final Maturity	Years	13.50	12.25	11.25	10.00	9.00	8.25	7.50	7.00	6.50	6.00	5.50	5.00	4.50	4.00	3.50	3.00
	Without optional redemption *	Average life	Years	8.99	8.00	7.17	6.46	5.85	5.33	4.88	4.49	4.09	3.70	3.31	2.92	2.53	2.14	1.75	1.36	
		Final Maturity	Years	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	30.02	
Series D	With optional redemption *	Average life	Years	9.08	8.09	7.31	6.47	5.80	5.29	4.80	4.46	4.12	3.78	3.44	3.10	2.76	2.42	2.08	1.74	
		Final Maturity	Years	13.50	12.25	11.25	10.00	9.00	8.25	7.50	7.00	6.50	6.00	5.50	5.00	4.50	4.00	3.50	3.00	
	Without optional redemption *	Average life	Years	17.42	17.06	16.79	16.58	16.42	16.28	16.18	16.08	15.98	15.88	15.78	15.68	15.58	15.48	15.38	15.28	
		Final Maturity	Years	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77	
	Series D	With optional redemption *	Average life	Years	8.21	7.22	6.42	5.69	5.08	4.61	4.18	3.85	3.52	3.24	2.96	2.69	2.42	2.16	1.90	1.65
			Final Maturity	Years	13.50	12.25	11.25	10.00	9.00	8.25	7.50	7.00	6.50	6.00	5.50	5.00	4.50	4.00	3.50	3.00

* 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	92.38%	490,923,088.75	7.37%	909,500,000.00	4.31%
Series B	3.99%	21,200,000.00	3.31%	21,200,000.00	2.05%
Series C	1.77%	9,400,000.00	1.50%	9,400,000.00	1.05%
Series D	1.86%	9,900,000.00	1.04%	9,900,000.00	
Issue of Bonds		531,423,088.75		950,000,000.00	
Reserve Fund	1.50%	7,848,649.63	1.05%	9,900,000.00	

Other financial operations (current)			
Assets		Balance	Interest
	Treasury Account	36,269,393.56	0.604%
	Servicer ppal collect not yet credited	209,559.51	
	Servicer ints collect not yet credited	48,895.29	
Liabilities	Available	Balance	Interest
	Start-up Loan L/T		0.00
	Start-up Loan S/T	141,037.24	
Swap collateralized amount	Amount	Credited	
	CSA *	0.00	
	Cash	26,920,000.00	
	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	8,402	12,241
Principal		
Principal outstanding	526,501,070.77	940,242,690.85
Average loan	62,663.78	76,810.94
Minimum	20.70	3,356.13
Maximum	442,249.68	496,461.58
Interest rate		
Weighted average (wac)	2.27%	3.11%
Minimum	1.72%	1.00%
Maximum	5.57%	5.25%
Final maturity		
Weighted average (WARM) (months)	200	239
Minimum	05/05/2010	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	2.20%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)	97.76%	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)	0.26%	0.39%	0.48%	0.44%	0.68%
Annual Percentage Rate (CPR)	3.02%	4.61%	5.56%	5.13%	7.89%

LTV Distribution			
	Current		At constitution date
	% Pool	% LTV	% Pool % LTV
0.01 - 10%	0.95	6.88	0.29 7.77
10.01 - 20%	4.27	15.74	1.93 15.83
20.01 - 30%	8.21	25.46	3.82 25.38
30.01 - 40%	11.81	35.19	6.58 35.62
40.01 - 50%	16.40	45.18	10.97 45.35
50.01 - 60%	23.23	55.41	15.89 55.36
60.01 - 70%	29.01	65.13	22.49 65.47
70.01 - 80%	6.13	71.84	38.04 75.26
Weighted average (WALTV)	50.56		60.76
Minimum	0.01		2.08
Maximum	79.99		80.00

Geographic distribution		
	Current	At constitution date
Andalucia	4.77%	4.64%
Aragon	6.63%	6.24%
Asturias		0.00%
Balearic Islands	0.49%	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	0.74%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia		0.01%
La Rioja	0.86%	0.83%
Madrid	6.92%	7.40%
Murcia	13.83%	13.14%
Navarra	0.35%	0.43%
Valencia	65.04%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Delinquencies										
Up to 1 month	289	86,160.12	32,297.41	0.00	118,457.53	5.19	18,481,522.19	18,599,979.72	26.82	45.05
from > 1 to ≤ 2 months	139	94,891.95	36,698.58	0.00	131,590.53	5.76	9,208,460.70	9,340,051.23	13.47	45.46
from > 2 to ≤ 3 months	137	133,800.73	58,225.25	0.00	192,025.98	8.41	9,384,168.42	9,576,194.40	13.81	44.95
from > 3 to ≤ 6 months	58	40,174.48	21,610.67	0.00	61,785.15	2.71	4,922,597.53	4,984,382.68	7.19	48.08
from > 6 to < 12 months	203	220,132.13	126,101.52	0.00	346,233.65	15.16	14,206,402.19	14,552,635.84	20.98	44.77
from ≥ 12 to < 18 months	43	170,839.15	173,082.05	0.00	343,921.20	15.06	3,740,318.42	4,084,239.62	5.89	51.79
from ≥ 18 to < 24 months	40	211,374.34	212,664.62	0.00	424,038.96	18.57	3,074,618.92	3,498,657.88	5.04	50.88
from ≥ 2 years	53	283,136.38	382,143.70	0.00	665,280.08	29.14	4,051,598.38	4,716,878.46	6.80	61.18
Subtotal	962	1,240,509.28	1,042,823.80	0.00	2,283,333.08	100.00	67,069,686.75	69,353,019.83	100.00	46.71
Doubt debts (subjectives)										
	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	962	1,240,509.28	1,042,823.80	0.00	2,283,333.08		67,069,686.75	69,353,019.83		46.71