

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 05/31/2010
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	CCCR 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	7.30	6.42	5.72	5.07	4.54	4.12	3.74	3.45								
		Final Maturity	Years	09/15/2017	10/30/2016	02/17/2016	06/24/2015	12/13/2014	12/07/2014	02/24/2014	08/11/2013								
			Date	13.41	12.16	11.16	9.91	8.90	8.15	7.41	6.90								
	Without optional redemption *	Average life	Years	7.98	7.12	6.39	5.76	5.23	4.77	4.38	4.03								
		Final Maturity	Years	05/23/2018	10/07/2017	10/16/2016	03/03/2016	08/22/2015	08/03/2015	10/14/2014	09/06/2014								
			Date	29.92	29.92	29.92	29.92	29.92	29.92	29.92	29.92								
Series B	With optional redemption *	Average life	Years	8.07	7.10	6.32	5.61	5.03	4.55	4.14	3.81								
		Final Maturity	Years	06/22/2018	05/07/2017	09/24/2016	06/01/2016	09/06/2015	12/17/2014	07/18/2014	03/22/2014								
			Date	13.41	12.16	11.16	9.91	8.90	8.15	7.41	6.90								
	Without optional redemption *	Average life	Years	8.83	7.88	7.07	6.38	5.80	5.28	4.84	4.46								
		Final Maturity	Years	03/28/2019	04/13/2018	06/22/2017	10/15/2016	03/16/2016	09/09/2015	03/04/2015	11/15/2014								
			Date	29.92	29.92	29.92	29.92	29.92	29.92	29.92	29.92								
Series C	With optional redemption *	Average life	Years	8.07	7.10	6.32	5.61	5.03	4.55	4.14	3.81								
		Final Maturity	Years	06/22/2018	05/07/2017	09/24/2016	07/01/2016	09/06/2015	12/17/2014	07/18/2014	03/22/2014								
			Date	13.41	12.16	11.16	9.91	8.90	8.15	7.41	6.90								
	Without optional redemption *	Average life	Years	8.83	7.88	7.07	6.38	5.80	5.28	4.84	4.46								
		Final Maturity	Years	03/29/2019	04/14/2018	06/22/2017	10/15/2016	03/16/2016	09/09/2015	03/04/2015	11/15/2014								
			Date	29.92	29.92	29.92	29.92	29.92	29.92	29.92	29.92								
Series D	With optional redemption *	Average life	Years	8.95	7.98	7.22	6.39	5.73	5.22	4.74	4.40								
		Final Maturity	Years	10/05/2019	05/21/2018	08/17/2017	10/18/2016	02/20/2016	08/19/2015	02/25/2015	10/24/2014								
			Date	13.41	12.16	11.16	9.91	8.90	8.15	7.41	6.90								
	Without optional redemption *	Average life	Years	17.29	16.95	16.70	16.50	16.34	16.22	16.11	16.03								
		Final Maturity	Years	09/09/2027	09/05/2027	05/02/2027	11/25/2026	09/29/2026	08/14/2026	07/07/2026	06/06/2026								
			Date	29.67	29.67	29.67	29.67	29.67	29.67	29.67	29.67								

* 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%	95.74%	4.31%
Series B	3.99%	21,200,000.00	3.31%	2.23%	2.05%
Series C	1.77%	9,400,000.00	1.50%	0.99%	1.05%
Series D	1.86%	9,900,000.00	1.04%		
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		42,587,005.43	0.604%
Servicer ppal collect not yet credited		433,368.73	
Servicer ints collect not yet credited		61,901.04	
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		26,780,000.00	
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		8,348	12,241	
Principal				
Principal outstanding		520,900,379.12	940,242,690.85	
Average loan		62,398.22	76,810.94	
Minimum		15.54	3,356.13	
Maximum		440,796.43	496,461.58	
Interest rate				
Weighted average (wac)		2.21%	3.11%	
Minimum		1.50%	1.00%	
Maximum		5.57%	5.25%	
Final maturity				
Weighted average (WARM) (months)		199	239	
Minimum		06/04/2010	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%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.99	6.92	0.29	7.77
10.01 - 20%	4.26	15.72	1.93	15.83
20.01 - 30%	8.32	25.46	3.82	25.38
30.01 - 40%	11.95	35.23	6.58	35.62
40.01 - 50%	16.33	45.13	10.97	45.35
50.01 - 60%	23.43	55.33	15.89	55.36
60.01 - 70%	28.90	65.05	22.49	65.47
70.01 - 80%	5.82	71.77	38.04	75.26
Weighted average (WALTV)	50.38		60.76	
Minimum	0.01		2.08	
Maximum	79.99		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.51%	0.42%	0.49%	0.44%	0.68%
Annual Percentage Rate (CPR)	5.98%	4.90%	5.74%	5.17%	7.86%

Geographic distribution		
	Current	At constitution date
Andalucia	4.75%	4.64%
Aragon	6.66%	6.24%
Asturias		0.00%
Balearic Islands	0.49%	0.41%
Basque Country	0.01%	0.04%
Canary Islands		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	0.87%	0.83%
Madrid	6.88%	7.40%
Murcia	13.85%	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	%			%	
<i>Delinquencies</i>										
Up to 1 month	320	92,908.55	30,816.07	0.00	123,724.62	5.66	19,535,059.34	19,658,783.96	28.93	43.54
from > 1 to ≤ 2 months	114	74,462.96	27,925.35	0.00	102,388.31	4.68	7,901,409.88	8,003,798.19	11.78	45.38
from > 2 to ≤ 3 months	125	130,564.59	57,652.85	0.00	188,217.44	8.61	9,367,105.88	9,555,323.32	14.06	48.95
from > 3 to ≤ 6 months	41	34,260.23	12,516.70	0.00	46,776.93	2.14	2,233,057.53	2,279,834.46	3.35	43.32
from > 6 to < 12 months	215	196,910.24	109,102.99	0.00	306,013.23	13.99	16,260,634.43	16,566,647.66	24.38	46.23
from ≥ 12 to < 18 months	40	161,009.33	154,414.81	0.00	315,424.14	14.43	3,584,365.15	3,899,789.29	5.74	52.90
from ≥ 18 to < 24 months	34	192,012.40	213,856.75	0.00	405,869.15	18.56	3,118,969.29	3,524,838.44	5.19	60.02
from ≥ 2 years	53	315,952.09	382,263.21	0.00	698,215.30	31.93	3,776,188.93	4,474,404.23	6.58	62.57
Subtotal	942	1,198,080.39	988,548.73	0.00	2,186,629.12	100.00	65,776,790.43	67,963,419.55	100.00	47.26
<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	942	1,198,080.39	988,548.73	0.00	2,186,629.12		65,776,790.43	67,963,419.55		47.26