VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: **08/31/2010**
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) 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	52,505.45 477,537,067.75 52.51%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.0240% 10/25/2010 135.907440 Gross 110.085026 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/25/2010 "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	1.2040% 10/25/2010 304.344444 Gross 246.519000 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	1.4340% 10/25/2010 362.483333 Gross 293.611500 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	4.3840% 10/25/2010 1,108.177778 Gross 897.624000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca
Total		518,037,067.75	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	7.18	6.32	5.63	4.99	4.51	4.05	3.72	3.38
			Date	02/11/2017	12/24/2016	04/16/2016	08/26/2015	05/03/2015	09/16/2014	05/20/2014	01/16/2014
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017
	Without optional redemption *	Average life	Years	7.87	7.03	6.31	5.70	5.18	4.73	4.34	4.00
			Date	07/13/2018	08/09/2017	12/21/2016	12/05/2016	04/11/2015	05/23/2015	01/01/2015	08/29/2014
		Final Maturity	Years	29.42	29.42	29.42	29.42	29.42	29.42	29.42	29.42
			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
Series B	With optional redemption *	Average life	Years	7.75	6.83	6.08	5.39	4.88	4.38	4.03	3.65
			Date	05/31/2018	06/27/2017	09/27/2016	01/18/2016	07/16/2015	01/14/2015	09/09/2014	04/24/2014
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017
	Without optional redemption *	Average life	Years	8.51	7.60	6.82	6.16	5.60	5.12	4.70	4.32
			Date	03/03/2019	03/04/2018	06/24/2017	10/27/2016	06/04/2016	12/10/2015	12/05/2015	12/24/2014
		Final Maturity	Years	29.42	29.42	29.42	29.42	29.42	29.42	29.42	29.42
			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
Series C	With optional redemption *	Average life	Years	7.76	6.83	6.08	5.39	4.88	4.38	4.03	3.65
			Date	05/31/2018	06/27/2017	09/27/2016	01/18/2016	07/16/2015	01/14/2015	09/09/2014	04/24/2014
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017
	Without optional redemption *	Average life	Years	8.51	7.60	6.82	6.17	5.60	5.12	4.70	4.32
			Date	03/03/2019	03/04/2018	06/24/2017	10/28/2016	06/04/2016	12/10/2015	12/05/2015	12/25/2014
		Final Maturity	Years	29.42	29.42	29.42	29.42	29.42	29.42	29.42	29.42
			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
Series D	With optional redemption *	Average life	Years	8.66	7.71	6.98	6.16	5.64	5.02	4.68	4.21
			Date	04/25/2019	05/16/2018	08/20/2017	10/27/2016	04/19/2016	06/09/2015	03/05/2015	11/16/2014
		Final Maturity	Years	13.16	11.90	10.90	9.65	8.90	7.90	7.41	6.65
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	07/24/2018	01/24/2018	04/24/2017
	Without optional redemption *	Average life	Years	16.87	16.56	16.33	16.15	16.00	15.89	15.79	15.71
			Date	10/07/2027	03/19/2027	12/24/2026	10/19/2026	08/28/2026	07/17/2026	12/06/2026	05/14/2026
		Final Maturity	Years	29.17	29.17	29.17	29.17	29.17	29.17	29.17	29.17
			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

* 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	% CE		At issue date	% CE
Series A	92.18%	477,537,067.75	7.97%	95.74%	909,500,000.00	4.31%
Series B	4.09%	21,200,000.00	3.80%	2.23%	21,200,000.00	2.05%
Series C	1.81%	9,400,000.00	1.95%	0.99%	9,400,000.00	1.05%
Series D	1.91%	9,900,000.00		1.04%	9,900,000.00	
Issue of Bonds		518,037,067.75			950,000,000.00	
Reserve Fund	1.95%	9,900,000.00		1.05%	9,900,000.00	

Other finantial operations (current)

Assets		Balance	Interest
Treasury Account		51,207,363.54	0.821%
Servicer ppal collect not yet credited		81,155.69	
Servicer ints collect not yet credited		17,608.41	
Liabilities	**Available**	**Balance**	**Interest**
Start-up Loan L/T		0.00	
Start-up Loan S/T		94,024.84	
Swap collateralized amount	**Amount**	**Credited**	
CSA *	0.00		
Cash		34,083,869.00	
Securities		0.00	

* Credit Support Amount in favour of the Fund

Europea de Titulización publishes this report to supplement the information laid down in the Offering Circular for the Bond Issue by this Securitisation Fund.
Only the information communicated by Europea de Titulización, in pursuance of the provisions of the Offering Circular, shall be considered for third-party publicity and dissemination purposes.

Additional information

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Official register CNMV: C/ Miguel Angel, 11 - 28010 Madrid ☎ +34 91 585 15 00 www.cnmv.com

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Europea de Titulización
Sociedad Gestora de Fondos de Titulización

Brief report

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Collateral: Residential mortgage loans

General

	Current	At constitution date
Count	8,222	12,241
Principal		
Principal outstanding	506,328,402.75	940,242,690.85
Average loan	61,582.15	76,810.94
Minimum	45.01	3,356.13
Maximum	436,421.68	496,461.58
Interest rate		
Weighted average (wac)	2.10%	3.11%
Minimum	1.50%	1.00%
Maximum	5.25%	5.25%
Final maturity		
Weighted average (WARM) (months)	197	239
Minimum	09/01/2010	01/04/2007
Maximum	01/05/2040	11/05/2035
Index (principal outstanding distribution)		
3-month EURIBOR/MIBOR	0.01%	0.00%
1-year EURIBOR/MIBOR	2.18%	2.05%
1-year EURIBOR/MIBOR (Mortgage Market)	97.78%	97.95%
Mortgage Market: All Institutions	0.03%	0.00%

LTV Distribution

	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.03	6.84	0.29	7.77
10.01 - 20%	4.44	15.76	1.93	15.83
20.01 - 30%	8.48	25.47	3.82	25.38
30.01 - 40%	12.39	35.23	6.58	35.62
40.01 - 50%	16.81	45.20	10.97	45.35
50.01 - 60%	24.20	55.37	15.89	55.36
60.01 - 70%	27.62	64.88	22.49	65.47
70.01 - 80%	5.03	71.48	38.04	75.26
Weighted average (WALTV)		49.81		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)	0.21%	0.35%	0.38%	0.42%	0.66%
Annual Percentage Rate (CPR)	2.53%	4.09%	4.49%	4.94%	7.69%

Geographic distribution

	Current	At constitution date
Andalucia	4.75%	4.64%
Aragon	6.73%	6.24%
Asturias		0.00%
Balearic Islands	0.50%	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	0.73%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia		0.01%
La Rioja	0.88%	0.83%
Madrid	6.86%	7.40%
Murcia	13.87%	13.14%
Navarra	0.35%	0.43%
Valencia	64.96%	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	317	97,997.26	27,205.27	0.00	125,202.53	6.41	19,307,194.34	19,432,396.87	35.32	42.24
from > 1 to ≤ 2 months	151	94,541.44	35,490.04	0.00	130,031.48	6.66	10,421,660.88	10,551,692.36	19.18	47.58
from > 2 to ≤ 3 months	154	174,273.67	65,329.32	0.00	239,602.99	12.28	11,761,998.19	12,001,601.18	21.81	47.47
from > 3 to ≤ 6 months	14	20,976.26	6,957.16	0.00	27,933.42	1.43	693,988.99	721,922.41	1.31	45.96
from > 6 to < 12 months	46	63,422.16	29,063.21	0.00	92,485.37	4.74	3,101,659.26	3,194,144.63	5.80	45.13
from ≥ 12 to < 18 months	26	107,893.26	88,749.18	0.00	196,642.44	10.07	2,099,167.06	2,295,809.50	4.17	59.77
from ≥ 18 to < 24 months	31	189,848.97	188,418.44	0.00	378,267.41	19.38	2,736,562.92	3,114,830.33	5.66	52.28
from ≥ 2 years	38	357,951.22	403,810.79	0.00	761,762.01	39.03	2,950,502.84	3,712,264.85	6.75	71.40
Subtotal	777	1,106,904.24	845,023.41	0.00	1,951,927.65	100.00	53,072,734.48	55,024,662.13	100.00	46.99
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	777	1,106,904.24	845,023.41	0.00	1,951,927.65		53,072,734.48	55,024,662.13		46.99

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