

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 10/31/2010
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
Banco Popular Español S.A

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 N° 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	51,002.56 463,868,283.20 51.00%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.1650% 01/24/2011 150.195456 Gross 121.658319 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/24/2011 "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	1.3450% 01/24/2011 339.986111 Gross 275.388750 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	1.5750% 01/24/2011 398.125000 Gross 322.481250 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	4.5250% 01/24/2011 1,143.819444 Gross 926.493750 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Ca	CCC- Ca
Total		504,368,283.20	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									
Series A	With optional redemption *	Average life	Years	7.20	6.34	5.65	5.00	4.53	4.10	3.73	3.43
		Final Maturity	Years	10/01/2018	02/03/2017	06/22/2016	10/31/2015	09/05/2015	07/12/2014	07/22/2014	05/04/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
			Date	09/28/2018	11/23/2017	07/03/2017	07/27/2016	01/18/2016	07/08/2015	03/16/2015	11/11/2014
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
	Without optional redemption *	Average life	Years	7.92	7.07	6.35	5.75	5.22	4.77	4.38	4.03
		Final Maturity	Years	09/28/2018	11/23/2017	07/03/2017	07/27/2016	01/18/2016	07/08/2015	03/16/2015	11/11/2014
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
			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
			Date	05/25/2018	06/30/2017	09/10/2016	02/02/2016	03/08/2015	02/23/2015	02/10/2014	12/06/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
Series B	With optional redemption *	Average life	Years	7.57	6.67	5.95	5.26	4.76	4.32	3.92	3.62
		Final Maturity	Years	05/25/2018	06/30/2017	09/10/2016	02/02/2016	03/08/2015	02/23/2015	02/10/2014	12/06/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
			Date	02/24/2019	07/04/2018	08/07/2017	11/13/2016	04/27/2016	06/11/2015	09/06/2015	01/29/2015
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
	Without optional redemption *	Average life	Years	8.33	7.44	6.69	6.04	5.49	5.02	4.61	4.25
		Final Maturity	Years	02/24/2019	07/04/2018	08/07/2017	11/14/2016	04/27/2016	06/11/2015	09/06/2015	01/29/2015
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
			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
			Date	05/25/2018	01/07/2017	09/10/2016	02/02/2016	03/08/2015	02/23/2015	02/10/2014	12/06/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
Series C	With optional redemption *	Average life	Years	7.57	6.67	5.95	5.26	4.76	4.32	3.93	3.62
		Final Maturity	Years	05/25/2018	01/07/2017	09/10/2016	02/02/2016	03/08/2015	02/23/2015	02/10/2014	12/06/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
			Date	02/24/2019	07/04/2018	08/07/2017	11/14/2016	04/27/2016	06/11/2015	09/06/2015	01/29/2015
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
	Without optional redemption *	Average life	Years	8.33	7.44	6.69	6.04	5.50	5.02	4.61	4.25
		Final Maturity	Years	02/24/2019	07/04/2018	08/07/2017	11/14/2016	04/27/2016	06/11/2015	09/06/2015	01/29/2015
			Date	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25
			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
			Date	04/22/2019	05/18/2018	08/26/2017	06/11/2016	01/05/2016	05/11/2015	05/19/2015	01/18/2015
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
Series D	With optional redemption *	Average life	Years	8.48	7.55	6.83	6.02	5.51	5.02	4.55	4.22
		Final Maturity	Years	04/22/2019	05/18/2018	08/26/2017	06/11/2016	01/05/2016	05/11/2015	05/19/2015	01/18/2015
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
			Date	07/07/2027	03/21/2027	12/30/2026	10/28/2026	09/09/2026	07/30/2026	06/28/2026	05/31/2026
			Date	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00
	Without optional redemption *	Average life	Years	16.69	16.40	16.18	16.01	15.87	15.76	15.67	15.59
		Final Maturity	Years	07/07/2027	03/21/2027	12/30/2026	10/28/2026	09/09/2026	07/30/2026	06/28/2026	05/31/2026
			Date	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00
			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
			Date	05/25/2018	01/07/2017	09/10/2016	02/02/2016	03/08/2015	02/23/2015	02/10/2014	12/06/2014
			Date	12.99	11.74	10.74	9.49	8.73	7.99	7.24	6.73

* 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	% CE	% CE
Series A	91.97%	463,868,283.20	8.16%	95.74%	4.31%
Series B	4.20%	21,200,000.00	3.87%	2.23%	2.05%
Series C	1.86%	9,400,000.00	1.97%	0.99%	1.05%
Series D	1.96%	9,900,000.00	1.04%		
Issue of Bonds		504,368,283.20		950,000,000.00	
Reserve Fund	1.97%	9,757,370.67	1.05%	9,900,000.00	

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		45,627,375.33	0.960%
Servicer ppal collect not yet credited		247,614.76	
Servicer ints collect not yet credited		50,912.67	
Liabilities	Available	Balance	Interest
Start-up Loan L/T		0.00	
Start-up Loan S/T		47,012.44	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		34,261,583.00	
Securities		0.00	
* Credit Support Amount in favour of the Fund			

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Ernst & Young (hasta ejercicio 2008)

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	8,156	12,241	
Principal			
Principal outstanding	498,029,263.14	940,242,690.85	
Average loan	61,062.93	76,810.94	
Minimum	116.66	3,356.13	
Maximum	433,486.57	496,461.58	
Interest rate			
Weighted average (wac)	2.11%	3.11%	
Minimum	1.50%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	196	239	
Minimum	11/05/2010	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)	97.77%	97.95%	
Mortgage Market: All Institutions	0.03%	0.00%	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.27%	0.25%	0.35%	0.41%	0.65%
Annual Percentage Rate (CPR)	3.19%	2.97%	4.11%	4.85%	7.54%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.09	6.95	0.29	7.77
10.01 - 20%	4.48	15.80	1.93	15.83
20.01 - 30%	8.55	25.42	3.82	25.38
30.01 - 40%	12.67	35.21	6.58	35.62
40.01 - 50%	17.16	45.20	10.97	45.35
50.01 - 60%	24.47	55.31	15.89	55.36
60.01 - 70%	27.01	64.73	22.49	65.47
70.01 - 80%	4.58	71.26	38.04	75.26
Weighted average (WALTV)	49.45		60.76	
Minimum	0.11		2.08	
Maximum	79.99		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.77%	4.64%
Aragon	6.76%	6.24%
Asturias		0.00%
Balearic Islands	0.51%	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	6.87%	7.40%
Murcia	13.85%	13.14%
Navarra	0.33%	0.43%
Valencia	64.92%	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	382	117,191.90	33,951.98	0.00	151,143.88	7.20	24,166,246.38	24,317,390.26	40.69	42.44
from > 1 to ≤ 2 months	147	93,976.38	32,602.24	0.00	126,578.62	6.03	9,642,821.84	9,769,400.46	16.35	46.23
from > 2 to ≤ 3 months	157	184,170.08	65,119.72	0.00	249,289.80	11.87	12,201,549.45	12,450,839.25	20.83	46.58
from > 3 to ≤ 6 months	20	30,852.05	14,880.19	0.00	45,732.24	2.18	1,607,496.30	1,653,228.54	2.77	55.89
from > 6 to < 12 months	24	56,607.18	23,078.58	0.00	79,685.76	3.80	1,666,939.76	1,746,625.52	2.92	48.32
from ≥ 12 to < 18 months	37	119,112.25	75,177.64	0.00	194,289.89	9.25	2,498,186.76	2,692,476.65	4.51	46.31
from ≥ 18 to < 24 months	26	158,534.05	146,436.39	0.00	304,970.44	14.52	2,114,383.07	2,419,353.51	4.05	55.98
from ≥ 2 years	47	458,866.90	489,175.14	0.00	948,042.04	45.15	3,764,097.22	4,712,139.26	7.88	65.42
Subtotal	840	1,219,310.79	880,421.88	0.00	2,099,732.67	100.00	57,661,720.78	59,761,453.45	100.00	46.30
<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	840	1,219,310.79	880,421.88	0.00	2,099,732.67		57,661,720.78	59,761,453.45		46.30