

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 12/31/2010
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 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	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)		0.17		0.34		0.51		0.69	
		% Annual equivalent CPR		2.00		4.00		6.00		8.00	
Series A	With optional redemption *	Average life	Years	6.75	5.91	5.24	4.67	4.18	3.78	3.43	3.15
		Final Maturity	Years	10/21/2017	12/21/2016	04/20/2016	09/25/2015	03/29/2015	11/03/2014	06/28/2014	03/17/2014
			Date	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
	Without optional redemption *	Average life	Years	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
		Final Maturity	Years	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
			Date	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
Series B	With optional redemption *	Average life	Years	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
		Final Maturity	Years	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
			Date	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
	Without optional redemption *	Average life	Years	18.65	17.58	16.57	15.53	14.48	13.48	12.56	11.72
		Final Maturity	Years	09/12/2029	08/19/2028	08/16/2027	07/30/2026	07/12/2025	07/13/2024	08/14/2023	10/10/2022
			Date	21.01	19.51	18.51	17.51	16.51	15.51	14.76	13.76
Series C	With optional redemption *	Average life	Years	10/24/2032	07/24/2030	07/24/2029	07/24/2028	07/24/2027	07/24/2026	10/24/2025	10/24/2024
		Final Maturity	Years	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
			Date	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
	Without optional redemption *	Average life	Years	22.68	21.77	20.74	19.75	18.82	17.90	16.99	16.08
		Final Maturity	Years	09/24/2033	10/24/2032	10/16/2031	10/19/2030	11/12/2029	12/13/2028	01/15/2028	02/18/2027
			Date	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77
Series D	With optional redemption *	Average life	Years	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039
		Final Maturity	Years	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
			Date	10/24/2023	07/24/2022	07/24/2021	07/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017
	Without optional redemption *	Average life	Years	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77
		Final Maturity	Years	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	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77

* 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	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			
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)			
		Balance	Interest
Assets			
Treasury Account		60,072,932.12	0.985%
Servicer ppal collect not yet credited		171,057.33	
Servicer ints collect not yet credited		15,485.99	
Liabilities			
Start-up Loan L/T	Available		0.00
Start-up Loan S/T		47,012.44	
Swap collateralized amount	Amount		Credited
CSA *	0.00		
Cash		37,836,330.00	
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	8,086	12,241	
Principal			
Principal outstanding	488,254,189.81	940,242,690.85	
Average loan	60,382.66	76,810.94	
Minimum	115.18	3,356.13	
Maximum	430,535.41	496,461.58	
Interest rate			
Weighted average (wac)	2.14%	3.11%	
Minimum	1.50%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	194	239	
Minimum	01/05/2011	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)	0.56%	0.34%	0.31%	0.38%	0.64%
Annual Percentage Rate (CPR)	6.46%	3.96%	3.62%	4.46%	7.44%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.99	6.75	0.29	7.77
10.01 - 20%	4.05	15.69	1.93	15.83
20.01 - 30%	7.79	25.46	3.82	25.38
30.01 - 40%	12.64	35.46	6.58	35.62
40.01 - 50%	17.88	45.27	10.97	45.35
50.01 - 60%	25.67	55.32	15.89	55.36
60.01 - 70%	26.80	64.67	22.49	65.47
70.01 - 80%	4.18	71.00	38.04	75.26
Weighted average (WALTV)	49.76		60.76	
Minimum	0.10		2.08	
Maximum	79.99		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.75%	4.64%
Aragon	6.77%	6.24%
Asturias		0.00%
Balearic Islands	0.51%	0.41%
Basque Country	0.01%	0.04%
Canary Islands		0.01%
Castilla-La Mancha	0.27%	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	0.89%	0.83%
Madrid	6.84%	7.40%
Murcia	13.91%	13.14%
Navarra	0.33%	0.43%
Valencia	64.91%	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	283	80,448.62	22,856.35	0.00	103,304.97	5.18	15,503,581.08	15,606,886.05	31.02		40.91
from > 1 to ≤ 2 months	138	89,156.66	29,118.78	0.00	118,275.44	5.93	9,461,723.24	9,579,998.68	19.04		48.66
from > 2 to ≤ 3 months	163	186,958.88	69,502.95	0.00	256,461.83	12.86	12,943,204.87	13,199,666.70	26.23		47.29
from > 3 to ≤ 6 months	13	21,597.42	9,715.79	0.00	31,313.21	1.57	1,055,647.69	1,086,960.90	2.16		54.61
from > 6 to < 12 months	23	58,094.06	26,965.72	0.00	85,059.78	4.27	1,630,204.25	1,715,264.03	3.41		50.75
from ≥ 12 to < 18 months	29	100,625.14	52,029.59	0.00	152,654.73	7.65	1,832,909.50	1,985,564.23	3.95		42.45
from ≥ 18 to < 24 months	25	175,710.28	141,079.45	0.00	316,789.73	15.89	2,246,555.15	2,563,344.88	5.09		60.75
from ≥ 2 years	49	452,659.25	477,692.19	0.00	930,351.44	46.65	3,652,004.60	4,582,356.04	9.11		65.27
Subtotal	723	1,165,250.31	828,960.82	0.00	1,994,211.13	100.00	48,325,830.38	50,320,041.51	100.00		47.01
<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	723	1,165,250.31	828,960.82	0.00	1,994,211.13		48,325,830.38	50,320,041.51			47.01