

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 01/31/2011
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	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0382745000	12/12/2005 9,095	49,453.75 449,781,856.25 49.45%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.1560% 04/26/2011 146.097367 Gross 118.338867 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/26/2011 "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	1.3360% 04/26/2011 341.422222 Gross 276.552000 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	1.5660% 04/26/2011 400.200000 Gross 324.162000 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	4.5160% 04/26/2011 1,154.088889 Gross 934.812000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca
Total		490,281,856.25	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	6.74	5.92	5.25	4.68	4.19	3.79	3.44	3.16
		Final Maturity	Years	10/19/2017	12/22/2016	04/22/2016	09/28/2015	04/02/2015	11/08/2014	07/03/2014	03/24/2014
			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
			Date	7.03	6.21	5.52	4.95	4.46	4.05	3.70	3.39
		Final Maturity	Years	02/03/2018	04/08/2017	07/31/2016	01/03/2016	07/10/2015	02/09/2015	10/03/2014	06/14/2014
Series B	With optional redemption *	Final Maturity	Years	17.26	16.26	15.01	14.01	13.01	12.01	11.01	10.25
			Date	04/24/2028	04/24/2027	01/24/2026	01/24/2025	01/24/2024	01/24/2023	01/24/2022	04/24/2021
		Average life	Years	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
	Without optional redemption *	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	12.76	11.50	10.50	9.50	8.50	7.75	7.01	6.50
		Average life	Years	18.64	17.58	16.57	15.53	14.48	13.49	12.58	11.73
Series C	With optional redemption *	Final Maturity	Years	09/11/2029	08/19/2028	08/17/2027	08/01/2026	07/15/2025	07/17/2024	08/19/2023	10/16/2022
			Date	21.01	19.51	18.51	17.51	16.51	15.76	14.76	13.76
		Average life	Years	01/24/2032	07/24/2030	07/24/2029	07/24/2028	07/24/2027	10/24/2026	10/24/2025	10/24/2024
	Without optional redemption *	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
		Average life	Years	22.69	21.77	20.74	19.75	18.82	17.91	17.00	16.09
Series D	With optional redemption *	Final Maturity	Years	09/25/2033	10/25/2032	10/16/2031	10/21/2030	11/14/2029	12/16/2028	01/19/2028	02/23/2027
			Date	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77
		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
	Without optional redemption *	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
		Average life	Years	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	91.74%	449,781,856.25	8.37%	95.74%	909,500,000.00
Series B	4.32%	21,200,000.00	3.95%	2.23%	21,200,000.00
Series C	1.92%	9,400,000.00	2.00%	0.99%	9,400,000.00
Series D	2.02%	9,900,000.00			9,900,000.00
Issue of Bonds		490,281,856.25			950,000,000.00
Reserve Fund	2.00%	9,592,934.05	1.05%		9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
	Treasury Account	44,729,650.85	0.974%
	Servicer ppal collect not yet credited	281,021.91	
	Servicer ints collect not yet credited	50,832.31	
Liabilities	Available	Balance	Interest
	Start-up Loan L/T	0.00	
	Start-up Loan S/T	0.00	
Swap collateralized amount	Amount	Credited	
	CSA *	0.00	
	Cash	33,874,156.00	
	Securities	0.00	
* Credit Support Amount in favour of the Fund			

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 01/31/2011
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)

Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	8,058	12,241
Principal		
Principal outstanding	484,150,967.33	940,242,690.85
Average loan	60,083.27	76,810.94
Minimum	0.92	3,356.13
Maximum	429,056.10	496,461.58
Interest rate		
Weighted average (wac)	2.16%	3.11%
Minimum	1.50%	1.00%
Maximum	5.25%	5.25%
Final maturity		
Weighted average (WARM) (months)	193	239
Minimum	02/01/2011	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)	97.78%	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)	0.23%	0.32%	0.29%	0.35%	0.64%
Annual Percentage Rate (CPR)	2.77%	3.82%	3.40%	4.16%	7.36%

Current delinquency									
Aging	Assets	Overdue debt					Outstanding debt	Total debt	
		Principal	Interest	Other	Total	%		%	% Total debt / Appraisal Value
<i>Delinquencies</i>									
Up to 1 month	324	94,526.11	30,158.46	0.00	124,684.57	6.12	20,000,279.87	20,124,964.44	36.67
from > 1 to ≤ 2 months	152	96,255.34	33,435.86	0.00	129,691.20	6.36	9,798,701.75	9,928,392.95	18.09
from > 2 to ≤ 3 months	160	182,567.20	69,817.97	0.00	252,385.17	12.38	12,851,542.06	13,103,927.23	23.88
from > 3 to ≤ 6 months	13	26,631.35	8,005.29	0.00	34,636.64	1.70	1,086,123.48	1,120,760.12	2.04
from > 6 to < 12 months	25	73,827.05	34,304.28	0.00	108,131.33	5.30	2,123,591.79	2,231,723.12	4.07
from ≥ 12 to < 18 months	24	89,145.12	48,432.69	0.00	137,577.81	6.75	1,441,824.35	1,579,402.16	2.88
from ≥ 18 to < 24 months	23	136,106.30	100,825.13	0.00	236,931.43	11.62	1,564,169.98	1,801,101.41	3.28
from ≥ 2 years	51	505,493.50	509,219.19	0.00	1,014,712.69	49.77	3,975,115.79	4,989,828.48	9.09
Subtotal	772	1,204,551.97	834,198.87	0.00	2,038,750.84	100.00	52,841,349.07	54,880,099.91	100.00
<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
Total	772	1,204,551.97	834,198.87	0.00	2,038,750.84		52,841,349.07	54,880,099.91	46.99

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.99	6.71	0.29	7.77
10.01 - 20%	4.09	15.68	1.93	15.83
20.01 - 30%	7.84	25.45	3.82	25.38
30.01 - 40%	12.83	35.43	6.58	35.62
40.01 - 50%	17.97	45.27	10.97	45.35
50.01 - 60%	26.00	55.29	15.89	55.36
60.01 - 70%	26.70	64.68	22.49	65.47
70.01 - 80%	3.58	70.96	38.04	75.26
Weighted average (WALTV)	49.57		60.76	
Minimum	0.00		2.08	
Maximum	79.88		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	0.86%	0.83%
Madrid	6.84%	7.40%
Murcia	13.92%	13.14%
Navarra	0.33%	0.43%
Valencia	64.94%	65.64%

Additional information