

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 09/30/2012
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
Barclays Bank PLC

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Barclays Bank PLC

Start-up Loan
Banco de Valencia

Swap
Banco de Valencia

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	41,687.05 379,143,719.75 41.69%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	0.5910% 10/24/2012 62.961341 Gross 50.998686 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/24/2012 "Pass-Through"	AA-sf A3sf	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	0.7710% 10/24/2012 197.033333 Gross 159.597000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+sf A3sf	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	1.0010% 10/24/2012 255.811111 Gross 207.207000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	BB+sf Ba1sf	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	3.9510% 10/24/2012 1,009.700000 Gross 817.857000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Csf	CCC- Ca
Total		419,643,719.75	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	6.16	5.46	4.87	4.35	3.94	3.61	3.29	3.07	
			Date	09/10/2018	01/08/2018	06/05/2017	11/28/2016	06/30/2016	03/04/2016	11/05/2015	08/18/2015	
		Final Maturity	Years	11.26	9.26	7.51	6.25	5.00	4.00	3.25	2.50	6.00
			Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018	
	Without optional redemption *	Average life	Years	6.51	5.80	5.20	4.69	4.27	3.90	3.59	3.31	
			Date	01/24/2019	05/09/2018	10/03/2017	04/02/2017	06/16/2016	02/22/2016	11/14/2015		
Final Maturity		Years	15.76	15.01	14.01	12.76	12.01	11.01	10.26	9.51		
		Date	04/24/2028	07/24/2027	07/24/2026	04/24/2025	07/24/2024	07/24/2023	10/24/2022	01/24/2022		
Series B	With optional redemption *	Average life	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
			Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018	
		Final Maturity	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
		Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018		
	Without optional redemption *	Average life	Years	17.26	16.26	15.33	14.41	13.47	12.57	11.74	10.98	
			Date	10/23/2029	10/22/2028	11/20/2027	12/16/2026	01/08/2026	02/14/2025	04/16/2024	07/13/2023	
Final Maturity		Years	19.52	18.26	17.26	16.26	15.51	14.76	13.76	13.01		
	Date	01/24/2032	10/24/2030	04/24/2029	10/24/2028	01/24/2028	04/24/2027	04/24/2026	07/24/2025			
Series C	With optional redemption *	Average life	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
			Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018	
		Final Maturity	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
		Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018		
	Without optional redemption *	Average life	Years	21.39	20.53	19.56	18.62	17.73	16.89	16.06	15.24	
			Date	12/07/2033	01/28/2033	02/09/2032	03/02/2031	04/12/2030	06/08/2029	08/10/2028	10/18/2027	
Final Maturity		Years	27.27	27.27	27.27	27.27	27.27	27.27	27.27	27.27		
	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			
Series D	With optional redemption *	Average life	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
			Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018	
		Final Maturity	Years	11.26	10.26	9.26	8.26	7.51	7.00	6.25	6.00	
		Date	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	07/24/2019	10/24/2018	07/24/2018		
	Without optional redemption *	Average life	Years	27.27	27.27	27.27	27.27	27.27	27.27	27.27	27.27	
			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	
Final Maturity		Years	27.27	27.27	27.27	27.27	27.27	27.27	27.27	27.27		
	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		At issue date	
			% CE		% CE
Series A	90.35%	379,143,719.75	9.88%	95.74%	4.31%
Series B	5.05%	21,200,000.00	4.71%	2.23%	2.05%
Series C	2.24%	9,400,000.00	2.42%	0.99%	1.05%
Series D	2.36%	9,900,000.00			
Issue of Bonds		419,643,719.75		950,000,000.00	
Reserve Fund	2.42%	9,900,000.00	1.05%	9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	39,548,666.44	0.427%	
Servicer ppal collect not yet credited	361,514.01		
Servicer ints collect not yet credited	62,320.91		
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		11,850,000.00	
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	7,312	12,241
Principal		
Principal outstanding	403,763,677.32	940,242,690.85
Average loan	55,219.32	76,810.94
Minimum	85.82	3,356.13
Maximum	400,315.84	496,461.58
Interest rate		
Weighted average (wac)	2.50%	3.11%
Minimum	1.34%	1.00%
Maximum	5.34%	5.25%
Final maturity		
Weighted average (WARM) (months)	180	239
Minimum	10/01/2012	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	2.09%	2.05%
1-year EURIBOR/MIBOR (Mortgage Market)	97.87%	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)	0.28%	0.32%	0.30%	0.30%	0.55%
Annual Percentage Rate (CPR)	3.27%	3.74%	3.56%	3.57%	6.41%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.33	6.73	0.29	7.77
10.01 - 20%	5.03	15.68	1.93	15.83
20.01 - 30%	9.63	25.27	3.82	25.38
30.01 - 40%	15.56	35.22	6.58	35.62
40.01 - 50%	22.18	45.43	10.97	45.35
50.01 - 60%	28.15	55.07	15.89	55.36
60.01 - 70%	18.00	63.56	22.49	65.47
70.01 - 80%	0.11	74.83	38.04	75.26
Weighted average (WALTV)	45.89		60.76	
Minimum	0.06		2.08	
Maximum	79.66		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.54%	4.64%
Aragon	6.94%	6.24%
Asturias		0.00%
Balearic Islands	0.50%	0.41%
Basque Country	0.01%	0.04%
Canary Islands		0.01%
Castilla-La Mancha	0.24%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.76%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia		0.01%
La Rioja	0.83%	0.83%
Madrid	6.82%	7.40%
Murcia	14.19%	13.14%
Navarra	0.33%	0.43%
Valencia	64.79%	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	345	109,846.29	33,810.39	0.00	143,656.68	6.85	20,629,027.79	20,772,684.47	38.60	41.02
from > 1 to ≤ 2 months	148	89,818.70	30,204.19	0.00	120,022.89	5.72	8,275,233.26	8,395,256.15	15.60	40.13
from > 2 to ≤ 3 months	184	179,998.16	75,459.18	0.00	255,457.34	12.18	12,002,258.90	12,257,716.24	22.78	45.42
from > 3 to ≤ 6 months	26	37,381.78	20,377.77	0.00	57,759.55	2.75	1,897,868.46	1,955,628.01	3.63	53.43
from > 6 to < 12 months	43	166,971.67	78,446.04	0.00	245,417.71	11.70	3,419,055.29	3,664,473.00	6.81	51.03
from ≥ 12 to < 18 months	23	149,306.06	72,681.10	0.00	221,987.16	10.59	2,026,470.62	2,248,457.78	4.18	52.78
from ≥ 18 to < 24 months	9	84,797.34	32,366.00	0.00	117,163.34	5.59	565,294.98	682,458.32	1.27	45.63
from ≥ 2 years	47	612,537.98	323,092.88	0.00	935,630.86	44.62	2,905,577.14	3,841,208.00	7.14	55.25
Subtotal	825	1,430,657.98	666,437.55	0.00	2,097,095.53	100.00	51,720,786.44	53,817,881.97	100.00	44.08
<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	825	1,430,657.98	666,437.55	0.00	2,097,095.53		51,720,786.44	53,817,881.97		44.08