

VALENCIA HIPOTECARIO 1 Fondo de Titulización de Activos

Brief report

Date: 10/31/2006
Currency: EUR

Date of constitution
04/23/2004

VAT Reg. no.
G83975060

Management Company
Europa de Titulización S.G.F.T

Originator
Banco de Valencia

Servicer
Banco de Valencia

Lead Managers
Bancaja
JP Morgan

Bond Paying Agent
Bancaja

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Bancaja

Subordinated Loan
Banco de Valencia

Start-up Loan
Banco de Valencia

Swap
Banco de Valencia

Swap Collateral
Bancaja

Assets Custodian
Banco de Valencia

Fund Auditors
Ernst&Young

Issued securities: Residential Mortgages 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 ES0382744003	04/28/2004 4,543	68,348.66 310,507,962.38 68.35%	100,000.00 454,300,000.00	Floating 3-M Euribor + 0.185% 24.Feb/May/Aug/Nov	3.4340% 11/24/2006 599.812652 Gross 509.840754 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	11/24/2006 "Pass-Through"	AAA Aaa	AAA Aaa	
Series B ES0382744011	04/28/2004 118	100,000.00 11,800,000.00 100.00%	100,000.00 11,800,000.00	Floating 3-M Euribor + 0.530% 24.Feb/May/Aug/Nov	3.7790% 11/24/2006 965.744444 Gross 820.882777 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Sequential	A+ A2	A+ A2	
Series C ES0382744029	04/28/2004 59	100,000.00 5,900,000.00 100.00%	100,000.00 5,900,000.00	Floating 3-M Euribor + 1.050% 24.Feb/May/Aug/Nov	4.2990% 11/24/2006 1,098.633333 Gross 933.838333 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+ Baa	BBB+ Baa	
Total		328,207,962.38		472,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
Series	With optional redemption *	Average life Years	Date	% Monthly CPR (SMM)							
				0.00	0.34	0.51	0.69	0.87	1.06	1.25	1.44
				% Annual equivalent CPR							
				0.00	4.00	6.00	8.00	10.00	12.00	14.00	16.00
Series A	With optional redemption *	Average life	Years	7.78	6.13	5.49	4.94	4.49	4.09	3.73	3.41
		Final Maturity	Years	08/31/2014	01/07/2013	05/20/2012	10/31/2011	05/19/2011	12/24/2010	08/17/2010	04/22/2010
			Date	05/24/2021	02/24/2019	02/24/2018	02/24/2017	05/24/2016	08/24/2015	11/24/2014	02/24/2014
	Without optional redemption *	Average life	Years	8.21	6.60	5.96	5.42	4.95	4.53	4.18	3.86
Final Maturity		Years	02/04/2015	06/27/2013	11/08/2012	04/23/2012	11/03/2011	06/06/2011	01/28/2011	10/02/2010	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	
Series B	With optional redemption *	Average life	Years	9.88	7.87	7.08	6.37	5.79	5.29	4.82	4.42
		Final Maturity	Years	10/09/2016	10/06/2014	12/19/2013	04/04/2013	09/05/2012	03/06/2012	09/19/2011	04/23/2011
			Date	05/24/2021	02/24/2019	02/24/2018	02/24/2017	05/24/2016	08/24/2015	11/24/2014	02/24/2014
	Without optional redemption *	Average life	Years	10.47	8.51	7.72	7.02	6.42	5.90	5.43	5.03
Final Maturity		Years	05/13/2017	05/28/2015	08/13/2014	11/30/2013	04/23/2013	10/15/2012	04/27/2012	12/02/2011	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	
Series C	With optional redemption *	Average life	Years	9.88	7.87	7.08	6.37	5.79	5.29	4.82	4.42
		Final Maturity	Years	10/09/2016	10/06/2014	12/19/2013	04/04/2013	09/05/2012	03/06/2012	09/19/2011	04/23/2011
			Date	05/24/2021	02/24/2019	02/24/2018	02/24/2017	05/24/2016	08/24/2015	11/24/2014	02/24/2014
	Without optional redemption *	Average life	Years	10.47	8.51	7.72	7.02	6.42	5.90	5.43	5.03
Final Maturity		Years	05/13/2017	05/28/2015	08/13/2014	11/30/2013	04/23/2013	10/15/2012	04/27/2012	12/02/2011	
		Date	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	05/24/2033	

* 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	94.61%	310,507,962.38	7.34%	96.25%	454,300,000.00
Series B	3.60%	11,800,000.00	3.74%	2.50%	11,800,000.00
Series C	1.80%	5,900,000.00	1.94%	1.25%	5,900,000.00
Issue of Bonds		328,207,962.38			472,000,000.00
Reserve Fund	1.94%	6,372,000.00	1.35%		6,372,000.00

Other financial operations (current)			
Assets		Balance	Interest
		Treasury Account	16,478,984.31
Servicer ppal collect not yet credited	1,370,108.69		
Servicer ints collect not yet credited	252,428.63		
Liabilities			
	Available	Balance	Interest
Subordinated Loan		6,372,000.00	8.613%
Start-up Loan		532,041.87	5.249%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
		Count	
Principal			
Principal outstanding		318,958,932.90	472,014,960.65
Average loan		47,071.86	55,329.38
Minimum		1,356.17	15,204.47
Maximum		275,858.54	294,287.37
Interest rate			
Weighted average (wac)		3.95%	3.35%
Minimum		2.62%	2.08%
Maximum		6.25%	6.50%
Final maturity			
Weighted average (WARM) (months)		177	201
Minimum		01/05/2007	05/28/2004
Maximum		03/06/2033	03/06/2033
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR		0.01%	0.00%
6-month EURIBOR/MIBOR		0.00%	0.00%
1-year EURIBOR/MIBOR		22.42%	18.17%
1-year EURIBOR/MIBOR (Mortgage Market)		62.75%	66.44%
Mortgage Market: Banks		1.32%	0.01%
Mortgage Market: All Institutions		13.51%	15.38%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.46	7.41	0.06	8.04
10.01 - 20%	3.18	16.06	0.96	16.55
20.01 - 30%	7.43	25.66	3.66	25.48
30.01 - 40%	11.64	35.17	7.60	35.40
40.01 - 50%	18.29	45.32	11.69	45.44
50.01 - 60%	23.49	55.22	19.11	55.31
60.01 - 70%	29.76	64.88	27.17	65.27
70.01 - 80%	5.76	71.30	29.75	74.12
Weighted average (WALTV)	51.22		59.45	
Minimum	1.34		5.82	
Maximum	74.04		79.28	

Additional information

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Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.81%	0.57%	0.72%	0.78%	0.78%
Annual Percentage Rate (CPR)	9.25%	6.67%	8.30%	9.00%	9.01%

Geographic distribution		
	Current	At constitution date
Andalucia	5.39%	5.81%
Aragon	3.82%	3.32%
Balearic Islands	0.00%	0.01%
Basque Country	0.02%	0.03%
Canary Islands	0.02%	0.01%
Castilla-La Mancha	0.19%	0.21%
Castilla-Leon	0.00%	0.01%
Catalonia	0.19%	0.22%
La Rioja	0.37%	0.40%
Madrid	6.28%	6.59%
Murcia	20.16%	20.53%
Navarra	0.53%	0.45%
Valencia	63.03%	62.40%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%		%		
Up to 1 month	208	51,981.72	31,818.75	0.00	83,800.47	45.12	10,783,638.21	10,867,438.68	72.65	48.79
1 to 2 months	47	27,250.36	15,985.59	0.00	43,235.95	23.28	2,708,040.64	2,751,276.59	18.39	48.75
2 to 3 months	17	11,322.97	7,360.05	0.00	18,683.02	10.06	841,700.47	860,383.49	5.75	56.46
3 to 6 months	3	2,565.99	1,197.26	0.00	3,763.25	2.03	92,105.46	95,868.71	0.64	56.15
6 to 12 months	3	8,418.49	7,098.74	0.00	15,517.23	8.35	210,193.55	225,710.78	1.51	70.93
12 to 18 months	2	6,485.52	4,515.33	0.00	11,000.85	5.92	88,626.75	99,627.60	0.67	56.98
18 to 24 months	1	2,208.27	893.47	0.00	3,101.74	1.67	12,805.86	15,907.60	0.11	58.80
Over 2 years	1	2,928.40	3,711.90	0.00	6,640.30	3.57	35,667.28	42,307.58	0.28	76.52
Total	282	113,161.72	72,581.09	0.00	185,742.81		14,772,778.22	14,958,521.03		49.51