

Brief report

Date: 10/31/2010  
 Currency: EUR

Date of constitution  
 04/23/2004

VAT Reg. no.  
 V83975060

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

Originator  
 Banco de Valencia

Servicer  
 Banco de Valencia

Lead Managers  
 Banca  
 JP Morgan

Bond Paying Agent  
 Banco Cooperativo

Market  
 AIAF Mercado de Renta Fija

Register of Book Securities  
 Iberclear

Treasury Account  
 Banco Popular Español S.A

Subordinated Loan  
 Banco de Valencia

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: 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	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0382744003	04/28/2004 4,543	36,821.04 167,277,984.72 36.82%	100,000.00 454,300,000.00	Floating 3-M Euribor+0.185% 24.Feb/May/Aug/Nov	1.0750% 11/24/2010 101.155579 Gross 81.936019 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	11/24/2010 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0382744011	04/28/2004 118	76,627.57 9,042,053.26 76.63%	100,000.00 11,800,000.00	Floating 3-M Euribor+0.530% 24.Feb/May/Aug/Nov	1.4200% 11/24/2010 278.072937 Gross 225.239079 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	AA- A2	A+ A2
Series C ES0382744029	04/28/2004 59	76,627.57 4,521,026.63 76.63%	100,000.00 5,900,000.00	Floating 3-M Euribor+1.050% 24.Feb/May/Aug/Nov	1.9400% 11/24/2010 379.902464 Gross 307.720996 Net	02/24/2036 Quarterly 24.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+ Baa3	BBB+ Baa3
Total		180,841,064.61	472,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
Series	Option	Average life	Years	% Monthly CPR (SMM)						Final Maturity	Years
				0.17	0.34	0.51	0.69	0.87	1.06		
		% Annual equivalent CPR									
		2.00								16.00	
Series A	With optional redemption *	Average life	4.85	4.38	3.95	3.62	3.32	3.05	2.86	2.62	
		Final Maturity	06/09/2015	03/17/2015	11/10/2014	06/14/2014	02/24/2014	11/16/2013	07/09/2013	11/06/2013	
	Without optional redemption *	Average life	5.72	5.25	4.84	4.47	4.15	3.86	3.60	3.36	
		Final Maturity	07/17/2016	01/29/2016	08/31/2015	04/20/2015	12/22/2014	07/09/2014	04/06/2014	11/03/2014	
	Series B	With optional redemption *	Average life	4.85	4.38	3.95	3.62	3.32	3.05	2.86	2.62
			Final Maturity	06/09/2015	03/17/2015	11/10/2014	06/14/2014	02/24/2014	11/16/2013	07/09/2013	11/06/2013
Without optional redemption *		Average life	5.72	5.25	4.84	4.47	4.15	3.86	3.60	3.36	
		Final Maturity	07/17/2016	01/29/2016	08/31/2015	04/20/2015	12/22/2014	07/09/2014	04/06/2014	11/03/2014	
Series C		With optional redemption *	Average life	4.85	4.38	3.95	3.62	3.32	3.05	2.86	2.62
			Final Maturity	06/09/2015	03/17/2015	11/10/2014	06/14/2014	02/24/2014	11/16/2013	07/09/2013	11/06/2013
	Without optional redemption *	Average life	5.72	5.25	4.84	4.47	4.15	3.86	3.60	3.36	
		Final Maturity	07/17/2016	01/29/2016	08/31/2015	04/20/2015	12/22/2014	07/09/2014	04/06/2014	11/03/2014	

\* 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	92.50%	167,277,984.72	10.20%	96.25%	454,300,000.00
Series B	5.00%	9,042,053.26	5.20%	2.50%	11,800,000.00
Series C	2.50%	4,521,026.63	2.70%	1.25%	5,900,000.00
Issue of Bonds		180,841,064.61			472,000,000.00
Reserve Fund	2.70%	4,882,708.74	1.35%		6,372,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	20,540,866.42	0.849%	
Servicer ppal collect not yet credited	171,709.08		
Servicer ints collect not yet credited	31,654.88		
Liabilities	Available	Balance	Interest
Subordinated Loan L/T		4,379,864.58	4.389%
Subordinated Loan S/T		502,844.16	
Start-up Loan L/T		0.00	
Start-up Loan S/T		0.00	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		10,313,266.00	
Securities		0.00	

\* Credit Support Amount in favour of the Fund

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	5,070	8,531	
Principal			
Principal outstanding	176,175,881.43	472,014,960.65	
Average loan	34,748.69	55,329.38	
Minimum	388.97	15,204.47	
Maximum	247,322.53	294,287.37	
Interest rate			
Weighted average (wac)	2.32%	3.35%	
Minimum	1.50%	2.08%	
Maximum	5.00%	6.50%	
Final maturity			
Weighted average (WARM) (months)	141	201	
Minimum	11/01/2010	05/28/2004	
Maximum	02/26/2034	03/06/2033	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.07%	0.00%	
1-year EURIBOR/MIBOR	22.11%	18.17%	
1-year EURIBOR/MIBOR (Mortgage Market)	63.24%	66.44%	
Mortgage Market: Banks	1.38%	0.01%	
Mortgage Market: All Institutions	13.20%	15.38%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	2.15	7.15	0.06	8.04
10.01 - 20%	7.74	15.59	0.96	16.55
20.01 - 30%	13.51	25.28	3.66	25.48
30.01 - 40%	18.41	35.46	7.60	35.40
40.01 - 50%	25.42	45.04	11.69	45.44
50.01 - 60%	25.17	54.72	19.11	55.31
60.01 - 70%	7.59	62.28	27.17	65.27
70.01 - 80%			29.75	74.12
Weighted average (WALTV)	41.25		59.45	
Minimum	0.27		5.82	
Maximum	67.07		79.28	

# VALENCIA HIPOTECARIO 1 Fondo de Titulización de Activos

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.27%	0.28%	0.34%	0.43%	0.67%
Annual Percentage Rate (CPR)	3.17%	3.34%	4.01%	5.09%	7.73%

### Geographic distribution

	Current	At constitution date
Andalucia	5.36%	5.81%
Aragon	4.09%	3.32%
Balearic Islands		0.01%
Basque Country	0.01%	0.03%
Canary Islands	0.02%	0.01%
Castilla-La Mancha	0.27%	0.21%
Castilla-Leon	0.00%	0.01%
Catalonia	0.24%	0.22%
La Rioja	0.40%	0.40%
Madrid	5.97%	6.59%
Murcia	20.78%	20.53%
Navarra	0.67%	0.45%
Valencia	62.20%	62.40%

### 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	201	55,066.29	13,426.34	0.00	68,492.63	22.39	7,417,321.04	7,485,813.67	58.62	37.82
from > 1 to ≤ 2 months	56	33,365.67	6,738.33	0.00	40,104.00	13.11	1,885,811.27	1,925,915.27	15.08	35.25
from > 2 to ≤ 3 months	42	41,486.61	10,775.68	0.00	52,262.29	17.09	1,967,089.18	2,019,351.47	15.81	43.11
from > 3 to ≤ 6 months	10	10,020.17	4,331.66	0.00	14,351.83	4.69	403,435.48	417,787.31	3.27	56.59
from > 6 to < 12 months	12	16,191.91	5,798.06	0.00	21,989.97	7.19	305,102.65	327,092.62	2.56	38.63
from ≥ 12 to < 18 months	2	2,092.09	1,023.96	0.00	3,116.05	1.02	25,587.86	28,703.91	0.22	13.81
from ≥ 18 to < 24 months	4	25,936.16	18,087.48	0.00	44,023.64	14.39	273,945.89	317,969.53	2.49	51.19
from ≥ 24 months	5	31,922.86	29,592.37	0.00	61,515.23	20.11	185,746.94	247,262.17	1.94	59.65
Subtotal	332	216,081.76	89,773.88	0.00	305,855.64	100.00	12,464,040.31	12,769,895.95	100.00	38.97
<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	332	216,081.76	89,773.88	0.00	305,855.64		12,464,040.31	12,769,895.95		38.97

### Additional information