

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 03/31/2006  
Currency: EUR

Date of constitution  
12/07/2005

VAT Reg. no.  
G84530526  
Management Company  
Europa de Titulización, S.G.F.T

Originator  
Banco de Valencia

Servicer  
Banco de Valencia

Lead Managers  
Bancaja  
Deutsche Bank

Bond Paying Agent  
Bancaja

Market  
AIAF Mercado de Renta Fija

Register of Book Securities  
Iberclear

Treasury Account  
Bancaja

Start-up Loan  
Banco de Valencia

Swap  
Banco de Valencia

Swap Collateral  
Bancaja

Assets Custodian  
Banco de Valencia

Fund Auditors  
Ernst&Young

Bond Underwriters and Placement Agents  
Bancaja  
Deutsche Bank  
Dexia  
Fortis Bank

### Issued securities: Mortgage-Backed Bonds

Bonds Issue									
Series ISIN Code	Issue date N° 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	100,000.00 909,500,000.00	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	2.6610% 04/24/2006 983.091667 Gross 835.627917 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/24/2006 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0382745018	12/12/2005 212	100,000.00 21,200,000.00	100,000.00 21,200,000.00	Floating 3-M Euribor + 0.320% 24.Jan/Apr/Jul/Oct	2.8410% 04/24/2006 1,049.591667 Gross 892.152917 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	100,000.00 9,400,000.00	Floating 3-M Euribor + 0.550% 24.Jan/Apr/Jul/Oct	3.0710% 04/24/2006 1,134.563889 Gross 964.379306 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	100,000.00 9,900,000.00	Floating 3-M Euribor + 3.500% 24.Jan/Apr/Jul/Oct	6.0210% 04/24/2006 2,224.425000 Gross 1,890.761250 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		950,000,000.00		950,000,000.00					

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	With optional redemption *	Average life	Years	% Monthly CPR (SMM)									
				0,00	0,70	0,80	0,90	1,00	1,10	1,20	1,30		
				% Annual equivalent CPR									
				0,00	8,08	9,19	10,28	11,36	12,43	13,49	14,53		
Series A	With optional redemption *	Average life	Years	10.12	5.73	5.36	5.03	4.73	4.47	4.24	4.03		
		Final Maturity	Years	05/10/2016	12/20/2011	08/08/2011	04/09/2011	12/20/2010	09/19/2010	06/26/2010	04/10/2010		
		Date	10/24/2026	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017	01/24/2017	07/24/2016			
	Without optional redemption *	Average life	Years	10.40	6.09	5.72	5.39	5.10	4.83	4.58	4.36		
		Final Maturity	Years	08/21/2016	04/29/2012	12/17/2011	08/19/2011	05/03/2011	01/26/2011	10/29/2010	08/09/2010		
		Date	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036			
Series B	With optional redemption *	Average life	Years	16.01	9.64	9.05	8.49	7.99	7.57	7.20	6.83		
		Final Maturity	Years	03/30/2022	11/16/2015	04/14/2015	09/24/2014	03/24/2014	10/23/2013	06/08/2013	01/26/2013		
		Date	10/24/2026	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017	01/24/2017	07/24/2016			
	Without optional redemption *	Average life	Years	16.59	10.38	9.79	9.24	8.75	8.30	7.90	7.52		
		Final Maturity	Years	10/29/2022	08/14/2016	01/11/2016	06/25/2015	12/27/2014	07/16/2014	02/20/2014	10/05/2013		
		Date	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036			
Series C	With optional redemption *	Average life	Years	16.01	9.64	9.05	8.49	7.99	7.57	7.20	6.83		
		Final Maturity	Years	03/30/2022	11/16/2015	04/15/2015	09/24/2014	03/25/2014	10/23/2013	06/08/2013	01/27/2013		
		Date	10/24/2026	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017	01/24/2017	07/24/2016			
	Without optional redemption *	Average life	Years	16.59	10.38	9.79	9.24	8.75	8.30	7.90	7.52		
		Final Maturity	Years	10/30/2022	08/14/2016	01/11/2016	06/25/2015	12/27/2014	07/16/2014	02/21/2014	10/05/2013		
		Date	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036	01/24/2036			
Series D	With optional redemption *	Average life	Years	16.75	10.46	9.85	9.26	8.70	8.29	7.90	7.51		
		Final Maturity	Years	12/28/2022	09/12/2016	02/01/2016	07/03/2015	12/11/2014	07/12/2014	02/18/2014	10/01/2013		
		Date	10/24/2026	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017	01/24/2017	07/24/2016			
	Without optional redemption *	Average life	Years	21.43	18.42	18.19	17.98	17.80	17.64	17.50	17.37		
		Final Maturity	Years	08/29/2027	08/27/2024	06/03/2024	03/19/2024	01/13/2024	11/15/2023	09/24/2023	08/08/2023		
		Date	10/24/2035	10/24/2035	10/24/2035	10/24/2035	10/24/2035	10/24/2035	10/24/2035	10/24/2035			

\* 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	95.74%	909,500,000.00	4.31%	95.74%	909,500,000.00	4.31%
Series B	2.23%	21,200,000.00	2.05%	2.23%	21,200,000.00	2.05%
Series C	0.99%	9,400,000.00	1.05%	0.99%	9,400,000.00	1.05%
Series D	1.04%	9,900,000.00	1.04%	1.04%	9,900,000.00	1.04%
Issue of Bonds		950,000,000.00			950,000,000.00	
Reserve Fund	1.05%	9,900,000.00	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	66,243,425.58	2.481%	
Servicer ppal collect not yet credited	1,308,136.38		
Servicer ints collect not yet credited	385,698.07		
Liabilities	Available	Balance	Interest
Start-up Loan		1,400,000.00	4.521%

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 03/31/2006  
Currency: EUR

Date of constitution  
12/07/2005

VAT Reg. no.  
G84530526

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

### Originator

Banco de Valencia

### Servicer

Banco de Valencia

### Lead Managers

Bancaja

Deutsche Bank

### Bond Paying Agent

Bancaja

### Market

AIAF Mercado de Renta Fija

### Register of Book Securities

Iberclear

### Treasury Account

Bancaja

### Start-up Loan

Banco de Valencia

### Swap

Banco de Valencia

### Swap Collateral

Bancaja

### Assets Custodian

Banco de Valencia

### Fund Auditors

Ernst&Young

### Bond Underwriters and Placement Agents

Bancaja

Deutsche Bank

Dexia

Fortis Bank

## Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	11,738	12,241	
Principal			
Principal outstanding	890,199,748.37	940,242,690.85	
Average loan	75,839.13	76,810.94	
Minimum	28.31	3,356.13	
Maximum	492,899.65	496,461.58	
Interest rate			
Weighted average (wac)	3.23%	3.11%	
Minimum	2.50%	1.00%	
Maximum	5.28%	5.25%	
Final maturity			
Weighted average (WARM) (months)	236	239	
Minimum	04/05/2006	01/04/2007	
Maximum	12/05/2035	11/05/2035	
Index (distribution)			
3-month EURIBOR/MIBOR	0.01	0.01	
1-year EURIBOR/MIBOR	2.19	2.19	
1-year EURIBOR/MIBOR (Mortgage Market)	97.77	97.78	
Mortgage Market: Banks	0.01	0.01	
Mortgage Market: All Institutions	0.02	0.02	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.93%	0.87%			0.94%
Annual Percentage Rate (CPR)	10.66%	9.97%			10.72%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.37	7.69	0.29	7.77
10.01 - 20%	2.27	15.82	1.93	15.83
20.01 - 30%	4.23	25.48	3.82	25.38
30.01 - 40%	8.22	35.53	6.58	35.62
40.01 - 50%	11.21	45.48	10.97	45.35
50.01 - 60%	15.90	55.39	15.89	55.36
60.01 - 70%	22.84	65.46	22.49	65.47
70.01 - 80%	34.84	74.82	38.04	75.26
80.01 - 90%	0.10	86.22		
90.01 - 100%	0.03	96.16		
Weighted average (WALTV)	59.42		60.76	
Minimum	0.02		2.08	
Maximum	99.89		80.00	

Geographic distribution		
	Current	At constitution date
Andalucia	4.70%	4.64%
Aragon	6.22%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.42%	0.41%
Basque Country	0.03%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.37%	0.36%
Castilla-Leon	0.03%	0.03%
Catalonia	0.77%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.80%	0.83%
Madrid	7.44%	7.40%
Murcia	13.20%	13.14%
Navarra	0.44%	0.43%
Valencia	65.52%	65.64%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%		%		
Up to 1 month	449	113,043.48	79,661.96	0.00	192,705.44	49.93	32,231,601.48	32,424,306.92	70.05	54.89
1 to 2 months	133	70,662.69	50,312.77	0.00	120,975.46	31.34	10,359,471.73	10,480,447.19	22.64	56.25
2 to 3 months	50	43,630.15	26,659.90	0.00	70,290.05	18.21	3,264,546.03	3,334,836.08	7.20	49.60
3 to 6 months	1	1,476.44	541.96	0.00	2,018.40	0.52	49,056.85	51,075.25	0.11	32.67
Total	633	228,812.76	157,176.59	0.00	385,989.35		45,904,676.09	46,290,665.44		54.73

### Additional information