

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



## Brief report

Date: 07/31/2006  
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 Underwriters and Placement Agents  
Bancaja  
Deutsche Bank  
Dexia  
Fortis 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

### Issued securities: Mortgage-Backed Bonds

| Bonds issue              |                        |   |                              |  |   |   |  |                           |              |
|--------------------------|------------------------|---|------------------------------|--|---|---|--|---------------------------|--------------|
| Series<br>ISIN Code      | Issue date<br>Nº bonds | Principal outstanding<br>(Bond Unit / Series Total / %Factor) |                              | Interest type<br>Reference rate and margin<br>Payment Date | Interest Rate<br>Next coupon                                    | Redemption                                    |  | Rating<br>Fitch / Moody's |              |
|                          |                        | Current   | Original                     |  |   | Final maturity (legal)                        | Next   | Current                   | Original     |
| Series A<br>ES0382745000 | 12/12/2005<br>9,095    | 90,263.03<br>820,942,257.85<br>90.26%                         | 100,000.00<br>909,500,000.00 | Floating<br>3-M Euribor + 0.140%<br>24.Jan/Apr/Jul/Oct     | 3.2570%<br>10/24/2006<br>751.299316 Gross<br>638.604419 Net     | 01/24/2043<br>Quarterly<br>24.Jan/Apr/Jul/Oct | 10/24/2006<br>"Pass-Through"   | AAA<br>Aaa                | AAA<br>Aaa   |
| Series B<br>ES0382745018 | 12/12/2005<br>212      | 100,000.00<br>21,200,000.00<br>100.00%                        | 100,000.00<br>21,200,000.00  | Floating<br>3-M Euribor + 0.320%<br>24.Jan/Apr/Jul/Oct     | 3.4370%<br>10/24/2006<br>878.344444 Gross<br>746.592777 Net     | 01/24/2043<br>Quarterly<br>24.Jan/Apr/Jul/Oct | To be determined<br>"Pass-Through"<br>Pro rata<br>deferred start /<br>Sequential | A+<br>A1                  | A+<br>A1     |
| Series C<br>ES0382745026 | 12/12/2005<br>94       | 100,000.00<br>9,400,000.00<br>100.00%                         | 100,000.00<br>9,400,000.00   | Floating<br>3-M Euribor + 0.550%<br>24.Jan/Apr/Jul/Oct     | 3.6670%<br>10/24/2006<br>937.122222 Gross<br>796.553889 Net     | 01/24/2043<br>Quarterly<br>24.Jan/Apr/Jul/Oct | To be determined<br>"Pass-Through"<br>Pro rata<br>deferred start /<br>Sequential | BBB+<br>Baa3              | BBB+<br>Baa3 |
| Series D<br>ES0382745034 | 12/12/2005<br>99       | 100,000.00<br>9,900,000.00<br>100.00%                         | 100,000.00<br>9,900,000.00   | Floating<br>3-M Euribor + 3.500%<br>24.Jan/Apr/Jul/Oct     | 6.6170%<br>10/24/2006<br>1,691.011111 Gross<br>1,437.359444 Net | 01/24/2043<br>Quarterly<br>24.Jan/Apr/Jul/Oct | To be determined<br>Due to Cash<br>Reserve reduction                             | CCC-<br>Ca                | CCC-<br>Ca   |
| Total                    |                        | 861,442,257.85  | 950,000,000.00               |  |   |   |  |                           |              |

| Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR) |                            |              |                       |                        |                     |            |      |      |       |       |       |       |  |  |
|---|----------------------------|--------------|-----------------------|------------------------|---------------------|------------|------|------|-------|-------|-------|-------|--|--|
| Series  | Option                     | Redemption   | Average life<br>Years | Final Maturity<br>Date | % Monthly CPR (SMM) |            |      |      |       |       |       |       |  |  |
|   |                            |              |                       |                        | 0.00                | 0.60       | 0.69 | 0.78 | 0.87  | 0.97  | 1.06  | 1.15  |  |  |
| Series A  | With optional redemption * | Average life | 10.61                 | 03/06/2017             | 0.00                | 7.00       | 8.00 | 9.00 | 10.00 | 11.00 | 12.00 | 13.00 |  |  |
|   |                            |              | 6.44                  | 01/04/2013             | 6.05                | 08/15/2012 | 5.69 | 5.38 | 5.08  | 4.82  | 4.58  |       |  |  |
| Series B  | With optional redemption * | Average life | 10.87                 | 06/11/2017             | 0.00                | 7.00       | 8.00 | 9.00 | 10.00 | 11.00 | 12.00 | 13.00 |  |  |
|   |                            |              | 6.79                  | 05/14/2013             | 6.41                | 08/18/2012 | 6.06 | 5.74 | 5.44  | 5.17  | 4.92  |       |  |  |
| Series C  | With optional redemption * | Average life | 15.67                 | 03/30/2022             | 0.00                | 7.00       | 8.00 | 9.00 | 10.00 | 11.00 | 12.00 | 13.00 |  |  |
|   |                            |              | 10.03                 | 08/07/2016             | 9.45                | 06/23/2015 | 8.90 | 8.44 | 7.97  | 7.57  | 7.19  |       |  |  |
| Series D  | With optional redemption * | Average life | 16.17                 | 09/25/2022             | 0.00                | 7.00       | 8.00 | 9.00 | 10.00 | 11.00 | 12.00 | 13.00 |  |  |
|   |                            |              | 10.99                 | 04/06/2017             | 10.12               | 02/29/2016 | 9.59 | 9.10 | 8.65  | 8.22  | 7.83  |       |  |  |

\* 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          | % CE           | % CE  |
| Series A                | 95.30%  | 820,942,257.85 | 4.76% | 95.74%        | 909,500,000.00 | 4.31% |
| Series B                | 2.46%   | 21,200,000.00  | 2.27% | 2.23%         | 21,200,000.00  | 2.05% |
| Series C                | 1.09%   | 9,400,000.00   | 1.16% | 0.99%         | 9,400,000.00   | 1.05% |
| Series D                | 1.15%   | 9,900,000.00   |       | 1.04%         | 9,900,000.00   |       |
| Issue of Bonds          |         | 861,442,257.85 |       |               | 950,000,000.00 |       |
| Reserve Fund            | 1.16%   | 9,900,000.00   |       | 1.05%         | 9,900,000.00   |       |

| Other financial operations (current)   |               |          |  |
|--|---------------|----------|--|
|  | Balance       | Interest |  |
| Assets                                 |               |          |  |
| Treasury Account                       | 14,706,834.06 | 3.077%   |  |
| Servicer ppal collect not yet credited | 3,605,562.11  |          |  |
| Servicer ints collect not yet credited | 414,754.17    |          |  |
| Liabilities                            |               |          |  |
| Available                              |               |          |  |
| Start-up Loan                          | 846,223.24    | 5.117%   |  |

### Collateral: Residential mortgage loans

| General                                |                |                      |  |
|--|----------------|----------------------|--|
|  | Current        | At constitution date |  |
| Count                                  | 11,305         | 12,241               |  |
| Principal                              |                |                      |  |
| Principal outstanding                  | 843,616,503.55 | 940,242,690.85       |  |
| Average loan                           | 74,623.31      | 76,810.94            |  |
| Minimum                                | 6.81           | 3,356.13             |  |
| Maximum                                | 488,113.61     | 496,461.58           |  |
| Interest rate                          |                |                      |  |
| Weighted average (wac)                 | 3.60%          | 3.11%                |  |
| Minimum                                | 2.60%          | 1.00%                |  |
| Maximum                                | 5.75%          | 5.25%                |  |
| Final maturity                         |                |                      |  |
| Weighted average (WARM) (months)       | 233            | 239                  |  |
| Minimum                                | 08/23/2006     | 01/04/2007           |  |
| Maximum                                | 12/05/2035     | 11/05/2035           |  |
| Index (distribution)                   |                |                      |  |
| 3-month EURIBOR/MIBOR                  | 0.01           | 0.01                 |  |
| 1-year EURIBOR/MIBOR                   | 2.35           | 2.19                 |  |
| 1-year EURIBOR/MIBOR (Mortgage Market) | 97.61          | 97.78                |  |
| Mortgage Market: Banks                 | 0.01           | 0.01                 |  |
| Mortgage Market: All Institutions      | 0.02           | 0.02                 |  |

| LTV Distribution         |         |       |                      |       |
|--------------------------|---------|-------|----------------------|-------|
|                          | Current |       | At constitution date |       |
|                          | % Pool  | % LTV | % Pool               | % LTV |
| 0.01 - 10%               | 0.44    | 7.53  | 0.29                 | 7.77  |
| 10.01 - 20%              | 2.42    | 15.92 | 1.93                 | 15.83 |
| 20.01 - 30%              | 4.50    | 25.52 | 3.82                 | 25.38 |
| 30.01 - 40%              | 8.68    | 35.41 | 6.58                 | 35.62 |
| 40.01 - 50%              | 11.72   | 45.44 | 10.97                | 45.35 |
| 50.01 - 60%              | 16.63   | 55.35 | 15.89                | 55.36 |
| 60.01 - 70%              | 23.66   | 65.50 | 22.49                | 65.47 |
| 70.01 - 80%              | 31.85   | 74.43 | 38.04                | 75.26 |
| 80.01 - 90%              | 0.09    | 85.71 |                      |       |
| 90.01 - 100%             | 0.03    | 95.50 |                      |       |
| Weighted average (WALTV) | 58.47   |       | 60.76                |       |
| Minimum                  | 0.01    |       | 2.08                 |       |
| Maximum                  | 99.19   |       | 80.00                |       |

Europa de Titulización publishes this report to supplement the information laid down in the Offering Circular for the Bond Issue by this Securitisation Fund.  
Only the information communicated by Europa de Titulización, in pursuance of the provisions of the Offering Circular, shall be considered for third-party publicity and dissemination purposes.

#### Additional information

Europa de Titulización: C/ Lagasca, 120 - 28006 Madrid ☎ +34 91 411 84 67 📠 +34 91 411 84 68 🌐 www.edt-sg.com ✉ info@eurotitulizacion.com  
Official register CNMV: Pº de la Castellana, 19 - 28046 Madrid ☎ +34 91 585 15 00 🌐 www.cnmv.com

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

**Date:** 07/31/2006  
**Currency:** EUR

**Date of constitution**  
 12/07/2005

**VAT Reg. no.**  
 G84530526

**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**

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

### Prepayments

|                              | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
|------------------------------|---------------|---------------|---------------|----------------|------------|
| Single month. mort. (SMM)    | 1.02%         | 0.92%         | 0.90%         |                | 0.93%      |
| Annual Percentage Rate (CPR) | 11.55%        | 10.54%        | 10.25%        |                | 10.62%     |

### Geographic distribution

|                    | Current | At constitution date |
|--------------------|---------|----------------------|
| Andalucia          | 4.68%   | 4.64%                |
| Aragon             | 6.28%   | 6.24%                |
| Asturias           | 0.00%   | 0.00%                |
| Balearic Islands   | 0.39%   | 0.41%                |
| Basque Country     | 0.03%   | 0.04%                |
| Canary Islands     | 0.01%   | 0.01%                |
| Castilla-La Mancha | 0.34%   | 0.36%                |
| Castilla-Leon      | 0.03%   | 0.03%                |
| Catalonia          | 0.76%   | 0.77%                |
| Ceuta              | 0.03%   | 0.03%                |
| Extremadura        | 0.01%   | 0.01%                |
| Galicia            | 0.01%   | 0.01%                |
| La Rioja           | 0.82%   | 0.83%                |
| Madrid             | 7.39%   | 7.40%                |
| Murcia             | 13.19%  | 13.14%               |
| Navarra            | 0.45%   | 0.43%                |
| Valencia           | 65.58%  | 65.64%               |

### Current delinquency

| Aging          | Assets     | Overdue debt      |                   |             |                   | Total | %                    | Outstanding debt     | Total debt | %            | % Total debt / Appraisal Value |
|----------------|------------|-------------------|-------------------|-------------|-------------------|-------|----------------------|----------------------|------------|--------------|--------------------------------|
|                |            | Principal         | Interest          | Other       |                   |       |                      |                      |            |              |                                |
| Up to 1 month  | 485        | 123,914.71        | 94,129.91         | 0.00        | 218,044.62        | 44.02 | 34,889,255.66        | 35,107,300.28        | 66.48      | 51.84        |                                |
| 1 to 2 months  | 136        | 76,562.69         | 59,634.25         | 0.00        | 136,196.94        | 27.50 | 11,003,549.70        | 11,139,746.64        | 21.09      | 50.26        |                                |
| 2 to 3 months  | 70         | 51,993.38         | 39,726.81         | 0.00        | 91,720.19         | 18.52 | 4,572,311.67         | 4,664,031.86         | 8.83       | 52.08        |                                |
| 3 to 6 months  | 18         | 18,201.48         | 17,604.87         | 0.00        | 35,806.35         | 7.23  | 1,509,392.87         | 1,545,199.22         | 2.93       | 63.97        |                                |
| 6 to 12 months | 4          | 8,029.38          | 5,545.93          | 0.00        | 13,575.31         | 2.74  | 342,203.03           | 355,778.34           | 0.67       | 46.49        |                                |
| <b>Total</b>   | <b>713</b> | <b>278,701.64</b> | <b>216,641.77</b> | <b>0.00</b> | <b>495,343.41</b> |       | <b>52,316,712.93</b> | <b>52,812,056.34</b> |            | <b>51.76</b> |                                |

#### Additional information