

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 08/31/2006
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 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	90,263.03 820,942,257.85 90.26%	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	3.2570% 10/24/2006 751.299316 Gross 638.604419 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/24/2006 "Pass-Through"	AAA Aaa	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	3.4370% 10/24/2006 878.344444 Gross 746.592777 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	A+ A1	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	3.6670% 10/24/2006 937.122222 Gross 796.553889 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+ Baa3	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	6.6170% 10/24/2006 1,691.011111 Gross 1,437.359444 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- 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	Average life Years	Final Maturity Date	% Monthly CPR (SMM)													
				0.00	0.69	0.87	1.06	1.25	1.44	1.64	1.84						
Series A	With optional redemption *	10.40	01/22/2017	5.92	07/31/2012	5.27	12/05/2011	4.71	05/15/2011	4.25	11/29/2010	3.88	07/15/2010	3.55	03/17/2010	3.25	11/30/2009
	Without optional redemption *	10.72	05/17/2017	6.34	12/30/2012	5.68	05/02/2012	5.12	10/12/2011	4.64	11/25/2010	4.24	07/20/2010	3.89	03/30/2010	3.58	03/30/2010
Series B	With optional redemption *	15.47	02/12/2022	9.28	12/10/2015	8.29	12/12/2014	7.42	01/28/2014	6.71	05/13/2013	6.11	10/08/2012	5.59	04/01/2012	5.14	10/18/2011
	Without optional redemption *	16.05	09/14/2022	10.06	09/20/2016	9.05	09/17/2015	8.18	11/03/2014	7.44	02/06/2014	6.79	06/12/2013	6.23	11/20/2012	5.75	05/30/2012
Series C	With optional redemption *	15.47	02/13/2022	9.28	12/10/2015	8.29	12/12/2014	7.42	01/28/2014	6.71	05/14/2013	6.11	10/08/2012	5.59	04/01/2012	5.14	10/18/2011
	Without optional redemption *	16.05	09/14/2022	10.06	09/20/2016	9.05	09/17/2015	8.18	11/03/2014	7.44	02/07/2014	6.79	06/12/2013	6.23	11/20/2012	5.75	05/30/2012
Series D	With optional redemption *	18.23	11/18/2022	10.07	09/22/2016	9.05	09/16/2015	8.11	10/07/2014	7.35	01/02/2014	6.76	06/01/2013	6.20	11/08/2012	5.67	04/28/2012
	Without optional redemption *	20.90	07/21/2027	18.03	09/06/2024	17.64	04/17/2024	17.33	12/25/2023	17.08	09/23/2023	16.86	07/08/2023	16.69	05/04/2023	16.53	03/09/2023

* 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
Series A	95.30%	820,942,257.85	4.76%	95.74%	909,500,000.00
Series B	2.46%	21,200,000.00	2.27%	2.23%	21,200,000.00
Series C	1.09%	9,400,000.00	1.16%	0.99%	9,400,000.00
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)			
Assets	Balance	Interest	
Treasury Account	28,768,505.99	3.064%	
Servicer ppal collect not yet credited	2,003,876.04		
Servicer ints collect not yet credited	424,517.11		
Liabilities	Available	Balance	Interest
Start-up Loan	846,223.24	5.117%	

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	11,217	12,241	
Principal			
Principal outstanding	833,716,959.50	940,242,690.85	
Average loan	74,326.20	76,810.94	
Minimum	131.29	3,356.13	
Maximum	486,910.49	496,461.58	
Interest rate			
Weighted average (wac)	3.67%	3.11%	
Minimum	2.65%	1.00%	
Maximum	5.75%	5.25%	
Final maturity			
Weighted average (WARM) (months)	232	239	
Minimum	09/05/2005	01/04/2007	
Maximum	12/05/2035	11/05/2035	
Index (distribution)			
3-month EURIBOR/MIBOR	0.01	0.01	
1-year EURIBOR/MIBOR	2.38	2.19	
1-year EURIBOR/MIBOR (Mortgage Market)	97.58	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	7.38	0.29	7.77
10.01 - 20%	2.45	15.89	1.93	15.83
20.01 - 30%	4.59	25.59	3.82	25.38
30.01 - 40%	8.85	35.36	6.58	35.62
40.01 - 50%	11.93	45.44	10.97	45.35
50.01 - 60%	16.57	55.34	15.89	55.36
60.01 - 70%	23.88	65.47	22.49	65.47
70.01 - 80%	31.18	74.31	38.04	75.26
80.01 - 90%	0.09	85.53		
90.01 - 100%	0.03	95.33		
Weighted average (WALTV)	58.22		60.76	
Minimum	0.08		2.08	
Maximum	99.02		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: 08/31/2006
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)	0.78%	0.91%	0.90%		0.91%
Annual Percentage Rate (CPR)	8.94%	10.37%	10.28%		10.43%

Geographic distribution

	Current	At constitution date
Andalucia	4.69%	4.64%
Aragon	6.26%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.40%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.34%	0.36%
Castilla-Leon	0.04%	0.03%
Catalonia	0.76%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.39%	7.40%
Murcia	13.16%	13.14%
Navarra	0.45%	0.43%
Valencia	65.63%	65.64%

Current delinquency

Aging	Assets	Overdue debt				Total	%	Outstanding debt	Total debt	%	% Total debt / Appraisal Value
		Principal	Interest	Other							
Up to 1 month	491	122,782.83	99,679.59	0.00	222,462.42	42.82	35,497,857.90	35,720,320.32	68.12	51.64	
1 to 2 months	136	76,207.03	54,926.26	0.00	131,133.29	25.24	9,434,457.47	9,565,590.76	18.24	45.61	
2 to 3 months	67	57,093.32	44,375.46	0.00	101,468.78	19.53	5,054,153.64	5,155,622.42	9.83	50.81	
3 to 6 months	20	21,206.37	22,962.43	0.00	44,168.80	8.50	1,507,572.42	1,551,741.22	2.96	60.17	
6 to 12 months	5	12,039.38	8,223.64	0.00	20,263.02	3.90	421,983.99	442,247.01	0.84	47.39	
Total	719	289,328.93	230,167.38	0.00	519,496.31		51,916,025.42	52,435,521.73		50.52	

Additional information