

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 02/28/2007
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

IAIF 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) Current Original		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption Final maturity (legal) Next		Rating Fitch / Moody's Current Original	
		Series A ES0382745000	12/12/2005 9,095			82,859.40 753,606,243.00	100,000.00 909,500,000.00	Floating 3-M Euribor + 0.140% 24.Jan/Apr/Jul/Oct	3.8950% 04/24/2007 806.843408 Gross 685.816897 Net
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	4.0750% 04/24/2007 1,018.750000 Gross 865.937500 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	100,000.00 9,400,000.00	Floating 3-M Euribor + 0.550% 24.Jan/Apr/Jul/Oct	4.3050% 04/24/2007 1,076.250000 Gross 914.812500 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	100,000.00 9,900,000.00	Floating 3-M Euribor + 3.500% 24.Jan/Apr/Jul/Oct	7.2550% 04/24/2007 1,813.750000 Gross 1,541.687500 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		794,106,243.00	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	% Monthly CPR (SMM)									
				% Annual equivalent CPR									
Series A	With optional redemption *	Average life	10.33	0.00	0.51	0.69	0.87	1.06	1.25	1.44	1.64		
		Final Maturity	06/26/2017	12/11/2013	01/21/2013	05/17/2012	05/11/2011	05/22/2011	12/26/2010	08/27/2010			
		Date	10/24/2026	01/24/2022	07/24/2020	01/24/2019	01/24/2018	01/24/2017	01/24/2016	04/24/2015			
	Without optional redemption *	Average life	10.67	7.13	6.34	5.68	5.12	4.65	4.25	3.90			
		Final Maturity	10/28/2017	04/14/2014	06/29/2013	01/11/2012	12/04/2012	10/22/2011	05/27/2011	01/19/2011			
		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	14.79	9.99	8.83	7.83	7.04	6.35	5.75	5.25			
		Final Maturity	08/12/2021	02/23/2017	12/27/2015	12/24/2014	11/03/2014	05/07/2013	11/24/2012	05/26/2012			
		Date	10/24/2026	01/24/2022	07/24/2020	01/24/2019	01/24/2018	01/24/2017	01/24/2016	04/24/2015			
	Without optional redemption *	Average life	15.37	10.71	9.58	8.61	7.78	7.07	6.46	5.93			
		Final Maturity	10/07/2022	12/11/2017	09/25/2016	07/10/2015	08/12/2014	03/24/2014	08/13/2013	01/30/2013			
		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	14.79	10.00	8.83	7.83	7.04	6.36	5.75	5.25			
		Final Maturity	08/12/2021	02/23/2017	12/27/2015	12/24/2014	12/03/2014	05/07/2013	11/25/2012	05/26/2012			
		Date	10/24/2026	01/24/2022	07/24/2020	01/24/2019	01/24/2018	01/24/2017	01/24/2016	04/24/2015			
	Without optional redemption *	Average life	15.37	10.71	9.58	8.61	7.78	7.07	6.46	5.93			
		Final Maturity	10/07/2022	12/11/2017	09/25/2016	08/10/2015	08/12/2014	03/25/2014	08/13/2013	01/30/2013			
		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	15.58	10.90	9.68	8.57	7.77	7.03	6.33	5.79			
		Final Maturity	09/22/2022	01/18/2018	01/11/2016	09/21/2015	05/12/2014	10/03/2014	06/27/2013	10/12/2012			
		Date	10/24/2026	01/24/2022	07/24/2020	01/24/2019	01/24/2018	01/24/2017	01/24/2016	04/24/2015			
	Without optional redemption *	Average life	20.25	17.97	17.52	17.16	16.87	16.64	16.44	16.28			
		Final Maturity	05/26/2027	02/13/2025	08/31/2024	04/22/2024	07/01/2024	10/14/2023	03/08/2023	05/06/2023			
		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)						
Series	Current	% CE	At issue date			
			% CE		% CE	
Series A	94.90%	753,606,243.00	5.16%	95.74%	909,500,000.00	4.31%
Series B	2.67%	21,200,000.00	2.46%	2.23%	21,200,000.00	2.05%
Series C	1.18%	9,400,000.00	1.26%	0.99%	9,400,000.00	1.05%
Series D	1.25%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		794,106,243.00			950,000,000.00	
Reserve Fund	1.26%	9,900,000.00	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	27,666,110.02	3.714%	
Servicer ppal collect not yet credited	1,907,725.35		
Servicer ints collect not yet credited	567,424.44		
Liabilities	Available	Balance	Interest
Start-up Loan	752,198.44	5.755%	

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	10,631	12,241	
Principal			
Principal outstanding	767,622,857.47	940,242,690.85	
Average loan	72,206.08	76,810.94	
Minimum	107.50	3,356.13	
Maximum	480,764.65	496,461.58	
Interest rate			
Weighted average (wac)	4.25%	3.11%	
Minimum	2.75%	1.00%	
Maximum	6.42%	5.25%	
Final maturity			
Weighted average (WARM) (months)	228	239	
Minimum	03/05/2007	01/04/2007	
Maximum	12/19/2035	11/05/2035	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.01%	0.01%	
1-year EURIBOR/MIBOR	2.53%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.43%	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%	0.52	7.32	0.29	7.77
10.01 - 20%	2.74	15.69	1.93	15.83
20.01 - 30%	5.16	25.63	3.82	25.38
30.01 - 40%	9.44	35.25	6.58	35.62
40.01 - 50%	12.58	45.39	10.97	45.35
50.01 - 60%	17.28	55.26	15.89	55.36
60.01 - 70%	25.43	65.37	22.49	65.47
70.01 - 80%	26.73	73.78	38.04	75.26
80.01 - 90%	0.10	85.51		
90.01 - 100%	0.02	97.98		
Weighted average (WALTV)	56.83		60.76	
Minimum	0.11		2.08	
Maximum	97.98		80.00	

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.86%	0.96%	0.92%	0.92%	0.92%
Annual Percentage Rate (CPR)	9.86%	10.97%	10.54%	10.49%	10.55%

Geographic distribution

	Current	At constitution date
Andalucia	4.64%	4.64%
Aragon	6.31%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.42%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.33%	0.36%
Castilla-Leon	0.04%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.32%	7.40%
Murcia	13.32%	13.14%
Navarra	0.41%	0.43%
Valencia	65.57%	65.64%

Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
Up to 1 month	519	139,251.24	125,666.34	0.00	264,917.58	46.37	37,626,772.51	37,891,690.09	69.78	50.90
1 to 2 months	149	79,236.92	69,351.51	0.00	148,588.43	26.01	10,206,154.65	10,354,743.08	19.07	47.46
2 to 3 months	64	50,854.06	49,797.71	0.00	100,651.77	17.62	4,639,305.39	4,739,957.16	8.73	49.43
3 to 6 months	14	14,731.46	14,171.67	0.00	28,903.13	5.06	884,402.60	913,305.73	1.68	62.85
6 to 12 months	5	9,282.04	10,195.39	0.00	19,477.43	3.41	295,030.80	314,508.23	0.58	41.80
12 to 18 months	1	5,201.01	3,617.37	0.00	8,818.38	1.54	78,741.55	87,559.93	0.16	52.15
Total	752	298,556.73	272,799.99	0.00	571,356.72		53,730,407.50	54,301,764.22		50.18

Each range includes the beginning but not the ending time

Additional information