

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

**Date:** 04/30/2007  
**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**  
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 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) Current Original		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating		
						Final maturity (legal) Next	Next	Fitch / Moody's Current Original		
Series A ES0382745000	12/12/2005 9,095	79,461.01 722,697,885.95 79.46%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.1280% 07/24/2007 829.149152 Gross 704.776779 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/24/2007 "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	4.3080% 07/24/2007 1,088.966667 Gross 925.621667 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secutorial	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	4.5380% 07/24/2007 1,147.105556 Gross 975.039723 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secutorial	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	7.4880% 07/24/2007 1,892.800000 Gross 1,608.880000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca	
<b>Total</b>		<b>763,197,885.95</b>	<b>950,000,000.00</b>							

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	Years	0.51	0.69	0.87	1.06	1.25	1.44	1.64	1.84		
		Final Maturity	Years	6.00	8.00	10.00	12.00	14.00	16.00	18.00	20.00		
		Date	Date	02/15/2014	04/20/2013	08/19/2012	01/23/2012	05/08/2011	03/18/2011	11/15/2010	07/28/2010		
	Without optional redemption *	Average life	Years	6.80	5.98	5.31	4.74	4.27	3.89	3.55	3.25		
		Final Maturity	Years	14.75	13.24	11.99	10.75	9.75	8.99	8.24	7.49		
		Date	Date	01/24/2022	07/24/2020	04/24/2019	01/24/2018	01/24/2017	04/24/2016	07/24/2015	10/24/2014		
Series B	With optional redemption *	Average life	Years	0.51	0.69	0.87	1.06	1.25	1.44	1.64	1.84		
		Final Maturity	Years	6.00	8.00	10.00	12.00	14.00	16.00	18.00	20.00		
		Date	Date	02/15/2014	04/20/2013	08/19/2012	01/23/2012	05/08/2011	03/18/2011	11/15/2010	07/28/2010		
	Without optional redemption *	Average life	Years	7.24	6.44	5.77	5.20	4.71	4.30	3.94	3.63		
		Final Maturity	Years	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76		
		Date	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	0.51	0.69	0.87	1.06	1.25	1.44	1.64	1.84		
		Final Maturity	Years	6.00	8.00	10.00	12.00	14.00	16.00	18.00	20.00		
		Date	Date	02/15/2014	04/20/2013	08/19/2012	01/23/2012	05/08/2011	03/18/2011	11/15/2010	07/28/2010		
	Without optional redemption *	Average life	Years	9.83	8.68	7.73	6.90	6.22	5.67	5.17	4.74		
		Final Maturity	Years	14.75	13.24	11.99	10.75	9.75	8.99	8.24	7.49		
		Date	Date	01/24/2022	07/24/2020	04/24/2019	01/24/2018	01/24/2017	04/24/2016	07/24/2015	10/24/2014		
Series D	With optional redemption *	Average life	Years	0.51	0.69	0.87	1.06	1.25	1.44	1.64	1.84		
		Final Maturity	Years	6.00	8.00	10.00	12.00	14.00	16.00	18.00	20.00		
		Date	Date	02/15/2014	04/20/2013	08/19/2012	01/23/2012	05/08/2011	03/18/2011	11/15/2010	07/28/2010		
	Without optional redemption *	Average life	Years	10.55	9.43	8.48	7.65	6.95	6.34	5.82	5.37		
		Final Maturity	Years	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76		
		Date	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		

\* 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	
Series A	94.69%	722,697,885.95	5.38%	95.74%	909,500,000.00	4.31%
Series B	2.78%	21,200,000.00	2.56%	2.23%	21,200,000.00	2.05%
Series C	1.23%	9,400,000.00	1.31%	0.99%	9,400,000.00	1.05%
Series D	1.30%	9,900,000.00		1.04%	9,900,000.00	
Issue of Bonds		763,197,885.95			950,000,000.00	
Reserve Fund	1.31%	9,900,000.00		1.05%	9,900,000.00	

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		13,588,909.51	3.948%
Servicer ppal collect not yet credited		2,650,714.67	
Servicer ints collect not yet credited		495,772.06	
Liabilities	Available	Balance	Interest
Start-up Loan		705,186.04	5.988%

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	10,431	12,241	
Principal			
Principal outstanding	747,520,344.78	940,242,690.85	
Average loan	71,663.34	76,810.94	
Minimum	36.16	3,356.13	
Maximum	478,764.40	496,461.58	
Interest rate			
Weighted average (wac)	4.48%	3.11%	
Minimum	3.50%	1.00%	
Maximum	6.50%	5.25%	
Final maturity			
Weighted average (WARM) (months)	226	239	
Minimum	05/04/2007	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	2.52%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.44%	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%	0.57	7.39	0.29	7.77
10.01 - 20%	2.75	15.67	1.93	15.83
20.01 - 30%	5.52	25.70	3.82	25.38
30.01 - 40%	9.50	35.25	6.58	35.62
40.01 - 50%	12.79	45.33	10.97	45.35
50.01 - 60%	17.66	55.29	15.89	55.36
60.01 - 70%	25.47	65.37	22.49	65.47
70.01 - 80%	25.63	73.58	38.04	75.26
80.01 - 90%	0.10	85.15		
90.01 - 100%	0.02	97.68		
Weighted average (WALTV)	56.41		60.76	
Minimum	0.03		2.08	
Maximum	97.68		80.00	

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.77%	0.88%	0.94%	0.90%	0.92%
Annual Percentage Rate (CPR)	8.86%	10.12%	10.75%	10.32%	10.51%

### Geographic distribution

	Current	At constitution date
Andalucia	4.63%	4.64%
Aragon	6.31%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.43%	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	0.73%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.81%	0.83%
Madrid	7.24%	7.40%
Murcia	13.37%	13.14%
Navarra	0.41%	0.43%
Valencia	65.61%	65.64%

### Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
Up to 1 month	514	132,677.18	130,180.62	0.00	262,857.80	42.45	37,827,089.94	38,089,947.74	67.10	49.39
1 to 2 months	144	71,816.37	76,459.70	0.00	148,276.07	23.94	10,700,777.22	10,849,053.29	19.11	50.33
2 to 3 months	90	76,210.11	71,512.88	0.00	147,722.99	23.85	6,620,020.28	6,767,743.27	11.92	49.87
3 to 6 months	8	9,013.19	8,313.47	0.00	17,326.66	2.80	419,490.80	436,817.46	0.77	50.43
6 to 12 months	6	8,793.72	8,580.39	0.00	17,374.11	2.81	293,642.12	311,016.23	0.55	41.47
12 to 18 months	3	12,238.49	13,474.39	0.00	25,712.88	4.15	288,801.68	314,514.56	0.55	66.98
<b>Total</b>	<b>765</b>	<b>310,749.06</b>	<b>308,521.45</b>	<b>0.00</b>	<b>619,270.51</b>		<b>56,149,822.04</b>	<b>56,769,092.55</b>		<b>49.65</b>

Each range includes the beginning but not the ending time

#### Additional information