

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 12/31/2007  
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 N° 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	Fitch / Moody's Current Original	
Series A ES0382745000	12/12/2005 9,095	74,068.19 673,650,188.05 74.07%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.7720% 01/24/2008 903.269807 Gross 767.779336 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/24/2008 "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	4.9520% 01/24/2008 1,265.511111 Gross 1,075.684444 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	5.1820% 01/24/2008 1,324.288889 Gross 1,125.645556 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	8.1320% 01/24/2008 2,078.177778 Gross 1,766.451111 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca	
Total		714,150,188.05	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	7.47	6.53	5.74	5.10	4.58	4.12	3.75	3.43			
		Final Maturity	06/19/2015	11/07/2014	09/25/2013	02/02/2013	07/27/2012	12/02/2012	01/10/2011	04/06/2011			
		Date	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016	10/24/2015			
	Without optional redemption *	Average life	7.94	7.02	6.25	5.61	5.06	4.60	4.20	3.86			
		Final Maturity	05/12/2015	03/01/2015	03/30/2014	07/08/2013	01/21/2013	05/08/2012	03/13/2012	08/11/2011			
		Date	07/24/2036	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	10.41	9.15	8.06	7.16	6.44	5.80	5.28	4.82			
		Final Maturity	05/28/2018	02/19/2017	01/19/2016	02/25/2015	06/06/2014	10/15/2013	08/04/2013	10/25/2012			
		Date	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016	10/24/2015			
	Without optional redemption *	Average life	11.12	9.89	8.84	7.94	7.18	6.53	5.96	5.48			
		Final Maturity	10/02/2019	11/16/2017	10/29/2016	07/12/2015	05/03/2015	10/07/2014	12/15/2013	06/23/2013			
		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	10.42	9.15	8.06	7.16	6.44	5.80	5.28	4.82			
		Final Maturity	05/28/2018	02/19/2017	01/19/2016	02/26/2015	06/06/2014	10/16/2013	09/04/2013	10/26/2012			
		Date	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016	10/24/2015			
	Without optional redemption *	Average life	11.12	9.89	8.84	7.94	7.18	6.53	5.96	5.49			
		Final Maturity	11/02/2019	11/16/2017	10/30/2016	08/12/2015	06/03/2015	10/07/2014	12/15/2013	06/24/2013			
		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	11.31	10.03	8.87	7.92	7.17	6.46	5.91	5.39			
		Final Maturity	04/18/2019	07/01/2018	10/11/2016	11/30/2015	02/27/2015	06/14/2014	11/26/2013	05/20/2013			
		Date	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016	10/24/2015			
	Without optional redemption *	Average life	17.63	17.10	16.70	16.39	16.14	15.94	15.77	15.63			
		Final Maturity	11/08/2025	02/02/2025	08/09/2024	05/16/2024	02/15/2024	03/12/2023	03/10/2023	12/08/2023			
		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	% CE		
Series A	94.33%	673,650,188.05	5.75%	95.74%	909,500,000.00	4.31%
Series B	2.97%	21,200,000.00	2.74%	2.23%	21,200,000.00	2.05%
Series C	1.32%	9,400,000.00	1.41%	0.99%	9,400,000.00	1.05%
Series D	1.39%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		714,150,188.05			950,000,000.00	
Reserve Fund	1.41%	9,900,000.00	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	35,635,429.07	4.613%	
Servicer ppal collect not yet credited	2,475,126.37		
Servicer ints collect not yet credited	465,302.84		
Liabilities	Available	Balance	Interest
Start-up Loan		611,161.24	6.630%

### Collateral: Residential mortgage loans

General				
	Current	At constitution date		
Count	9,807	12,241		
Principal				
Principal outstanding	682,792,039.98	940,242,690.85		
Average loan	69,622.93	76,810.94		
Minimum	78.89	3,356.13		
Maximum	471,016.45	496,461.58		
Interest rate				
Weighted average (wac)	5.14%	3.11%		
Minimum	3.50%	1.00%		
Maximum	7.00%	5.25%		
Final maturity				
Weighted average (WARM) (months)	220	239		
Minimum	01/01/2008	01/04/2007		
Maximum	12/20/2035	11/05/2035		
Index (principal outstanding distribution)				
3-month EURIBOR/MIBOR	0.01%	0.01%		
1-year EURIBOR/MIBOR	2.45%	2.19%		
1-year EURIBOR/MIBOR (Mortgage Market)	97.51%	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%	0.61	7.09	0.29	7.77
10.01 - 20%	2.93	15.67	1.93	15.83
20.01 - 30%	6.32	25.64	3.82	25.38
30.01 - 40%	10.37	35.35	6.58	35.62
40.01 - 50%	13.39	45.36	10.97	45.35
50.01 - 60%	18.55	55.21	15.89	55.36
60.01 - 70%	26.84	65.25	22.49	65.47
70.01 - 80%	20.89	72.94	38.04	75.26
80.01 - 90%	0.08	84.81		
90.01 - 100%	0.02	96.47		
Weighted average (WALTV)	54.94		60.76	
Minimum	0.10		2.08	
Maximum	96.47		80.00	

#### Additional information

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**Fund Auditors**  
 Ernst&Young

### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.86%	0.78%	0.71%	0.80%	0.87%
Annual Percentage Rate (CPR)	9.83%	8.94%	8.19%	9.21%	9.95%

### Geographic distribution

	Current	At constitution date
Andalucia	4.61%	4.64%
Aragon	6.34%	6.24%
Asturias		0.00%
Balearic Islands	0.46%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.32%	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	0.82%	0.83%
Madrid	7.10%	7.40%
Murcia	13.51%	13.14%
Navarra	0.41%	0.43%
Valencia	65.54%	65.64%

### Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Bancaja	392	95,374.00	99,156.47	0.00	194,530.47	27.96	27,084,526.86	27,279,057.33	55.52
Up to 1 month									49.54
1 to 2 months	146	73,896.24	83,390.35	0.00	157,286.59	22.61	10,934,593.58	11,091,880.17	22.58
2 to 3 months	96	67,197.27	81,129.97	0.00	148,327.24	21.32	6,779,653.78	6,927,981.02	14.10
3 to 6 months	27	21,751.64	31,780.48	0.00	53,532.12	7.69	1,893,889.68	1,947,421.80	3.96
6 to 12 months	12	20,543.85	28,652.94	0.00	49,196.79	7.07	1,004,942.86	1,054,139.65	2.15
12 to 18 months	8	24,725.88	26,411.62	0.00	51,137.50	7.35	456,651.94	507,789.44	1.03
18 to 24 months	3	18,766.44	23,024.78	0.00	41,791.22	6.01	282,273.73	324,064.95	0.66
Subtotal	684	322,255.32	373,546.61	0.00	695,801.93	100.00	48,436,532.43	49,132,334.36	100.00
Total	684	322,255.32	373,546.61	0.00	695,801.93		48,436,532.43	49,132,334.36	49.99

Each range includes the beginning but not the ending time

#### Additional information