

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 02/29/2008
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		
Series A ES0382745000	12/12/2005 9,095	71,356.47 648,987,094.65 71.36%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.4700% 04/24/2008 806.267647 Gross 661.139471 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/24/2008 "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	4.6500% 04/24/2008 1,175.416667 Gross 963.841667 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	4.8800% 04/24/2008 1,233.555556 Gross 1,011.515556 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	7.8300% 04/24/2008 1,979.250000 Gross 1,622.985000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca	
Total		689,487,094.65 950,000,000.00								

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	Years	8.68	7.54	6.59	5.79	5.14	4.61	4.15	3.78		
		Final Maturity	Years	02/11/2016	11/09/2015	09/30/2014	12/12/2013	04/18/2013	08/10/2012	04/24/2012	09/12/2011		
	Without optional redemption *	Average life	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41		
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016		
	Series B	With optional redemption *	Average life	Years	11.67	10.21	8.97	7.90	7.01	6.30	5.67	5.17	
			Final Maturity	Years	10/30/2019	05/14/2018	02/14/2017	01/20/2016	04/03/2015	06/16/2014	10/29/2013	01/05/2013	
Without optional redemption *		Average life	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41		
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016		
Series C		With optional redemption *	Average life	Years	12.35	10.92	9.71	8.68	7.80	7.06	6.41	5.87	
			Final Maturity	Years	03/07/2020	01/28/2019	12/11/2017	01/11/2016	12/16/2015	03/19/2015	07/28/2014	11/01/2014	
	Without optional redemption *	Average life	Years	27.92	27.92	27.92	27.92	27.92	27.92	27.92	27.92		
		Final Maturity	Years	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	Years	11.68	10.21	8.97	7.90	7.02	6.30	5.67	5.17	
			Final Maturity	Years	10/30/2019	05/15/2018	02/15/2017	01/20/2016	04/03/2015	06/16/2014	10/30/2013	01/05/2013	
Without optional redemption *		Average life	Years	16.92	15.41	13.91	12.41	11.16	10.16	9.16	8.41		
		Final Maturity	Years	01/24/2025	07/24/2023	01/24/2022	07/24/2020	04/24/2019	04/24/2018	04/24/2017	07/24/2016		
Without optional redemption *		Average life	Years	12.54	11.11	9.85	8.70	7.77	7.02	6.32	5.78		
		Final Maturity	Years	09/09/2020	08/04/2019	03/01/2018	10/11/2016	04/12/2015	06/03/2015	06/23/2014	07/12/2013		
Without optional redemption *	Average life	Years	18.10	17.43	16.93	16.54	16.23	15.99	15.80	15.63			
	Final Maturity	Years	03/30/2026	01/08/2025	01/28/2025	08/09/2024	05/20/2024	02/22/2024	12/12/2023	10/14/2023			
		Average life	Years	27.67	27.67	27.67	27.67	27.67	27.67	27.67	27.67		
		Final Maturity	Years	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	94.13%	648,987,094.65	5.96%	95.74%	909,500,000.00	4.31%
Series B	3.07%	21,200,000.00	2.84%	2.23%	21,200,000.00	2.05%
Series C	1.36%	9,400,000.00	1.46%	0.99%	9,400,000.00	1.05%
Series D	1.44%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		689,487,094.65			950,000,000.00	
Reserve Fund	1.46%	9,900,000.00	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	24,701,920.76	4.290%	
Servicer ppal collect not yet credited	1,241,372.24		
Servicer ints collect not yet credited	576,928.22		
Liabilities			
	Available	Balance	Interest
Start-up Loan		564,148.84	6.330%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,669	12,241	
Principal			
Principal outstanding	667,176,972.10	940,242,690.85	
Average loan	69,001.65	76,810.94	
Minimum	0.00	3,356.13	
Maximum	469,206.34	496,461.58	
Interest rate			
Weighted average (wac)	5.26%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.29%	5.25%	
Final maturity			
Weighted average (WARM) (months)	218	239	
Minimum	03/01/2008	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	2.43%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.53%	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%	0.66	7.12	0.29	7.77
10.01 - 20%	3.05	15.81	1.93	15.83
20.01 - 30%	6.38	25.58	3.82	25.38
30.01 - 40%	10.45	35.35	6.58	35.62
40.01 - 50%	13.73	45.35	10.97	45.35
50.01 - 60%	18.70	55.21	15.89	55.36
60.01 - 70%	27.33	65.27	22.49	65.47
70.01 - 80%	19.59	72.86	38.04	75.26
80.01 - 90%	0.08	84.50		
90.01 - 100%	0.02	96.18		
Weighted average (WALTV)	54.61		60.76	
Minimum	0.00		2.00	
Maximum	96.18		80.00	

Additional information

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.71%	0.82%	0.74%	0.79%	0.86%
Annual Percentage Rate (CPR)	8.23%	9.37%	8.51%	9.07%	9.69%

Geographic distribution

	Current	At constitution date
Andalucia	4.66%	4.64%
Aragon	6.40%	6.24%
Asturias		0.00%
Balearic Islands	0.47%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.32%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.74%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.84%	0.83%
Madrid	7.07%	7.40%
Murcia	13.55%	13.14%
Navarra	0.41%	0.43%
Valencia	65.44%	65.64%

Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<i>Delinquencies</i>										
Up to 1 month	429	104,653.56	113,702.64	0.00	218,356.20	27.18	29,458,265.20	29,676,621.40	56.62	49.24
1 to 2 months	143	70,503.06	83,756.30	0.00	154,259.36	19.20	10,048,503.32	10,202,762.68	19.47	49.31
2 to 3 months	84	62,849.93	82,220.43	0.00	145,070.36	18.06	6,605,411.61	6,750,481.97	12.88	50.87
3 to 6 months	34	30,486.39	46,182.10	0.00	76,668.49	9.54	2,724,861.52	2,801,530.01	5.35	54.73
6 to 12 months	24	34,779.98	45,985.51	0.00	80,765.49	10.05	1,774,185.06	1,854,950.55	3.54	60.86
12 to 18 months	11	30,593.86	40,247.95	0.00	70,841.81	8.82	661,109.11	731,950.92	1.40	51.96
18 to 24 months	3	17,168.16	22,750.60	0.00	39,918.76	4.97	259,378.03	299,296.79	0.57	50.47
Over 2 years	1	9,892.42	7,562.56	0.00	17,454.98	2.17	74,050.14	91,505.12	0.17	54.50
Subtotal	729	360,927.36	442,408.09	0.00	803,335.45	100.00	51,605,763.99	52,409,099.44	100.00	50.12
<i>Doubt debts (subjectives)</i>										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	729	360,927.36	442,408.09	0.00	803,335.45		51,605,763.99	52,409,099.44		50.12

Each range includes the beginning but not the ending time

Additional information