

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 05/31/2008
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

Issued securities: Mortgage-Backed Bonds

Bonds issue													
Series	ISIN Code	Issue date	N° bonds	Principal outstanding		Interest type	Reference rate and margin	Interest Rate	Redemption		Rating		
				(Bond Unit / Series Total / %Factor)					Next coupon	Final maturity (legal)	Next	Fitch / Moody's	Current
				Current	Original		Payment Date						
Series A	ES0382745000	12/12/2005	9,095	68,922.20	100,000.00	Floating	3-M Euribor+0.140%	4.9600%	07/24/2008	01/24/2043	07/24/2008	AAA	AAA
				626,847,409.00	909,500,000.00		24.Jan/Apr/Jul/Oct	864.131228 Gross 708.587607 Net		Quarterly	"Pass-Through"	Aaa	Aaa
Series B	ES0382745018	12/12/2005	212	100,000.00	100,000.00	Floating	3-M Euribor+0.320%	5.1400%	07/24/2008	01/24/2043	To be determined	A+	A+
				21,200,000.00	21,200,000.00		24.Jan/Apr/Jul/Oct	1,299.277778 Gross 1,065.407778 Net		Quarterly	"Pass-Through"	A1	A1
				100.00%						24.Jan/Apr/Jul/Oct	Pro rata deferred start / Secutorial		
Series C	ES0382745026	12/12/2005	94	100,000.00	100,000.00	Floating	3-M Euribor+0.550%	5.3700%	07/24/2008	01/24/2043	To be determined	BBB+	BBB+
				9,400,000.00	9,400,000.00		24.Jan/Apr/Jul/Oct	1,357.416667 Gross 1,113.081667 Net		Quarterly	"Pass-Through"	Baa3	Baa3
				100.00%						24.Jan/Apr/Jul/Oct	Pro rata deferred start / Secutorial		
Series D	ES0382745034	12/12/2005	99	100,000.00	100,000.00	Floating	3-M Euribor+3.500%	8.3200%	07/24/2008	01/24/2043	To be determined	CCC-	CCC-
				9,900,000.00	9,900,000.00		24.Jan/Apr/Jul/Oct	2,103.111111 Gross 1,724.551111 Net		Quarterly	Due to Cash Reserve reduction	Ca	Ca
				100.00%						24.Jan/Apr/Jul/Oct			
Total				667,347,409.00	950,000,000.00								

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	With optional redemption *	Average life	Years	% Monthly CPR (SMM)									
				Date	0.34	0.51	0.69	0.87	1.06	1.25	1.44	1.64	
				% Annual equivalent CPR									
				Date	4.00	6.00	8.00	10.00	12.00	14.00	16.00	18.00	
Series A	With optional redemption *	Average life	Years	10/23/2011	3.48	3.48	3.48	3.48	3.48	3.48	3.48	3.48	
		Final Maturity	Years	Date	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	
			Date	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	
	Without optional redemption *	Average life	Years	02/04/2012	3.93	3.93	3.93	3.93	3.93	3.93	3.93	3.93	
		Final Maturity	Years	Date	27.75	27.75	27.75	27.75	27.75	27.75	27.75	27.75	
			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	01/24/2036	
Series B	With optional redemption *	Average life	Years	12/17/2012	4.64	4.64	4.64	4.64	4.64	4.64	4.64		
		Final Maturity	Years	Date	7.74	7.74	7.74	7.74	7.74	7.74	7.74		
			Date	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016		
	Without optional redemption *	Average life	Years	05/08/2013	5.27	5.27	5.27	5.27	5.27	5.27	5.27		
		Final Maturity	Years	Date	27.75	27.75	27.75	27.75	27.75	27.75	27.75		
			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	12/17/2012	4.64	4.64	4.64	4.64	4.64	4.64	4.64		
		Final Maturity	Years	Date	7.74	7.74	7.74	7.74	7.74	7.74	7.74		
			Date	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016		
	Without optional redemption *	Average life	Years	06/08/2013	5.27	5.27	5.27	5.27	5.27	5.27	5.27		
		Final Maturity	Years	Date	27.75	27.75	27.75	27.75	27.75	27.75	27.75		
			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	Years	07/28/2013	5.25	5.25	5.25	5.25	5.25	5.25	5.25		
		Final Maturity	Years	Date	7.74	7.74	7.74	7.74	7.74	7.74	7.74		
			Date	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016	01/24/2016		
	Without optional redemption *	Average life	Years	04/09/2023	15.36	15.36	15.36	15.36	15.36	15.36	15.36		
		Final Maturity	Years	Date	27.50	27.50	27.50	27.50	27.50	27.50	27.50		
			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
Series A	93.93%	626,847,409.00	6.16%	95.74%	909,500,000.00
Series B	3.18%	21,200,000.00	2.94%	2.23%	21,200,000.00
Series C	1.41%	9,400,000.00	1.51%	0.99%	9,400,000.00
Series D	1.48%	9,900,000.00	1.04%		9,900,000.00
Issue of Bonds		667,347,409.00			950,000,000.00
Reserve Fund	1.51%	9,900,000.00	1.05%		9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	20,744,963.18	4.780%	
Servicer ppal collect not yet credited	1,541,203.51		
Servicer ints collect not yet credited	510,445.07		
Liabilities	Available	Balance	Interest
Start-up Loan		517,136.44	6.820%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		9,473	12,241
Principal			
Principal outstanding		648,689,558.39	940,242,690.85
Average loan		68,477.73	76,810.94
Minimum		115.81	3,356.13
Maximum		466,461.57	496,461.58
Interest rate			
Weighted average (wac)		5.37%	3.11%
Minimum		3.50%	1.00%
Maximum		7.29%	5.25%
Final maturity			
Weighted average (WARM) (months)		216	239
Minimum		06/02/2008	01/04/2007
Maximum		06/05/2038	11/05/2035
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR		0.01%	0.01%
1-year EURIBOR/MIBOR		2.41%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)		97.55%	97.78%
Mortgage Market: Banks		0.00%	0.01%
Mortgage Market: All Institutions		0.03%	0.02%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	0.69	7.17	0.29	7.77
10.01 - 20%	3.12	15.80	1.93	15.83
20.01 - 30%	6.74	25.59	3.82	25.38
30.01 - 40%	10.49	35.34	6.58	35.62
40.01 - 50%	14.06	45.35	10.97	45.35
50.01 - 60%	18.84	55.21	15.89	55.36
60.01 - 70%	28.04	65.23	22.49	65.47
70.01 - 80%	17.91	72.68	38.04	75.26
80.01 - 90%	0.08	84.04		
90.01 - 100%	0.02	95.76		
Weighted average (WALTV)		54.15		60.76
Minimum		0.12		2.08
Maximum		95.76		80.00

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.51%	0.56%	0.69%	0.70%	0.83%
Annual Percentage Rate (CPR)	5.91%	6.52%	7.97%	8.13%	9.56%

Geographic distribution

	Current	At constitution date
Andalucia	4.64%	4.64%
Aragon	6.41%	6.24%
Asturias		0.00%
Balearic Islands	0.48%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.30%	0.36%
Castilla-Leon	0.02%	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	7.03%	7.40%
Murcia	13.59%	13.14%
Navarra	0.41%	0.43%
Valencia	65.46%	65.64%

Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
Delinquencies										
Up to 1 month	392	93,440.57	105,352.42	0.00	198,792.99	21.16	27,143,074.22	27,341,867.21	52.71	48.51
1 to 2 months	134	64,499.34	78,815.01	0.00	143,314.35	15.26	9,311,453.92	9,454,768.27	18.23	48.91
2 to 3 months	100	76,217.81	98,619.88	0.00	174,837.69	18.61	7,662,650.39	7,837,488.08	15.11	48.72
3 to 6 months	27	26,886.45	42,181.12	0.00	69,067.57	7.35	1,921,970.64	1,991,038.21	3.84	52.35
6 to 12 months	48	71,276.01	102,633.41	0.00	173,909.42	18.51	3,415,555.32	3,589,464.74	6.92	53.89
12 to 18 months	13	37,289.94	55,804.61	0.00	93,094.55	9.91	1,027,589.01	1,120,683.56	2.16	57.82
18 to 24 months	4	19,225.28	14,885.09	0.00	34,110.37	3.63	167,601.51	201,711.88	0.39	39.45
Over 2 years	3	22,744.76	29,541.45	0.00	52,286.21	5.57	278,295.41	330,581.62	0.64	70.41
Subtotal	721	411,580.16	527,832.99	0.00	939,413.15	100.00	50,928,190.42	51,867,603.57	100.00	49.32
Doubt debts (subjectives)										
	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	721	411,580.16	527,832.99	0.00	939,413.15		50,928,190.42	51,867,603.57		49.32

Each range includes the beginning but not the ending time

Additional information