

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 06/30/2008  
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  
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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)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating		
		Current	Original			Final maturity (legal)	Next	Current	Moody's	
Series A ES0382745000	12/12/2005 9,095	68,922.20 626,847,409.00 68.92%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	4.9600% 07/24/2008 864.131228 Gross 708.587607 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/24/2008 "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	5.1400% 07/24/2008 1,299.277778 Gross 1,065.407778 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 9,400,000.00 100.00%	100,000.00 9,400,000.00	Floating 3-M Euribor+0.550% 24.Jan/Apr/Jul/Oct	5.3700% 07/24/2008 1,357.416667 Gross 1,113.081667 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 9,900,000.00 100.00%	100,000.00 9,900,000.00	Floating 3-M Euribor+3.500% 24.Jan/Apr/Jul/Oct	8.3200% 07/24/2008 2,103.111111 Gross 1,724.551111 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca	
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	Option	Average life	Years	Date	% Monthly CPR (SMM)									
					0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44		
Series A	With optional redemption *	Average life	6.41	6.41	6.41	6.41	6.41	6.41	6.41	6.41	6.41	6.41		
		Final Maturity	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014	12/19/2014		
	Without optional redemption *	Average life	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06		
		Final Maturity	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021		
	Series B	With optional redemption *	Average life	8.32	8.32	8.32	8.32	8.32	8.32	8.32	8.32	8.32		
			Final Maturity	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016		
Without optional redemption *		Average life	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06			
		Final Maturity	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021			
Series C		With optional redemption *	Average life	8.32	8.32	8.32	8.32	8.32	8.32	8.32	8.32	8.32		
			Final Maturity	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016	11/16/2016		
	Without optional redemption *	Average life	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06			
		Final Maturity	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021	10/24/2021			
	Series D	With optional redemption *	Average life	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22	9.22		
			Final Maturity	11/10/2017	11/10/2017	11/10/2017	11/10/2017	11/10/2017	11/10/2017	11/10/2017	11/10/2017	11/10/2017		
Without optional redemption *		Average life	17.56	17.56	17.56	17.56	17.56	17.56	17.56	17.56	17.56			
		Final Maturity	09/02/2026	09/02/2026	09/02/2026	09/02/2026	09/02/2026	09/02/2026	09/02/2026	09/02/2026	09/02/2026			

\* 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	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%	0.90%	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	30,038,884.40	4.780%	
Servicer ppal collect not yet credited	1,360,234.89		
Servicer ints collect not yet credited	489,658.09		
Liabilities	Available	Balance	Interest
Start-up Loan		517,136.44	6.820%

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,409	12,241	
Principal			
Principal outstanding	642,454,036.38	940,242,690.85	
Average loan	68,280.80	76,810.94	
Minimum	128.20	3,356.13	
Maximum	465,538.69	496,461.58	
Interest rate			
Weighted average (wac)	5.44%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.50%	5.25%	
Final maturity			
Weighted average (WARM) (months)	215	239	
Minimum	07/01/2008	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%	0.70	7.18	0.29	7.77
10.01 - 20%	3.13	15.76	1.93	15.83
20.01 - 30%	6.83	25.53	3.82	25.38
30.01 - 40%	10.61	35.32	6.58	35.62
40.01 - 50%	14.05	45.34	10.97	45.35
50.01 - 60%	18.97	55.19	15.89	55.36
60.01 - 70%	28.20	65.22	22.49	65.47
70.01 - 80%	17.41	72.63	38.04	75.26
80.01 - 90%	0.08	83.89		
90.01 - 100%	0.02	95.62		
Weighted average (WALTV)		54.00		60.76
Minimum		0.12		2.08
Maximum		95.62		80.00

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month mort. (SMM)	0.60%	0.56%	0.65%	0.69%	0.83%
Annual Percentage Rate (CPR)	7.01%	6.48%	7.51%	7.85%	9.49%

### Geographic distribution

	Current	At constitution date
Andalucia	4.65%	4.64%
Aragon	6.42%	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	0.83%	0.83%
Madrid	7.05%	7.40%
Murcia	13.63%	13.14%
Navarra	0.41%	0.43%
Valencia	65.38%	65.64%

### Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<b>Delinquencies</b>										
Up to 1 month	432	102,233.54	118,562.17	0.00	220,795.71	21.60	29,585,637.81	29,806,433.52	53.69	49.02
1 to 2 months	145	76,579.49	87,286.15	0.00	163,865.64	16.03	10,117,416.80	10,281,282.44	18.52	48.46
2 to 3 months	101	72,932.81	98,289.91	0.00	171,222.72	16.75	7,549,760.45	7,720,983.17	13.91	47.84
3 to 6 months	25	28,162.63	37,087.57	0.00	65,250.20	6.38	1,688,579.83	1,753,830.03	3.16	50.88
6 to 12 months	57	88,832.46	130,664.13	0.00	219,496.59	21.48	4,160,553.61	4,380,050.20	7.89	53.66
12 to 18 months	11	31,452.09	45,505.55	0.00	76,957.64	7.53	835,592.54	912,550.18	1.64	55.47
18 to 24 months	5	24,749.69	25,259.53	0.00	50,009.22	4.89	279,791.21	329,800.43	0.59	49.34
Over 2 years	3	23,548.02	30,845.42	0.00	54,393.44	5.32	277,492.15	331,885.59	0.60	70.68
Subtotal	779	448,490.73	573,500.43	0.00	1,021,991.16	100.00	54,494,824.40	55,516,815.56	100.00	49.33
<b>Doubt debts (subjectives)</b>										
	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
<b>Total</b>	<b>779</b>	<b>448,490.73</b>	<b>573,500.43</b>	<b>0.00</b>	<b>1,021,991.16</b>		<b>54,494,824.40</b>	<b>55,516,815.56</b>		<b>49.33</b>

Each range includes the beginning but not the ending time

#### Additional information