

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 07/31/2008
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 (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	66,871.67 608,197,838.65 66.87%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	5.1010% 10/24/2008 871.731660 Gross 714.819961 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/24/2008 "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	5.2810% 10/24/2008 1,349.588899 Gross 1,106.662889 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	5.5110% 10/24/2008 1,408.366667 Gross 1,154.860667 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	8.4610% 10/24/2008 2,162.255556 Gross 1,773.049556 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		648,697,838.65	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)									
				0.17	0.34	0.51	0.69	0.87	1.06	1.25	1.44		
Series A	With optional redemption *	% Annual equivalent CPR		2.00	4.00	6.00	8.00	10.00	12.00	14.00	16.00		
		Average life	8.68	7.54	6.59	5.83	5.17	4.64	4.18	3.80			
		Final Maturity	03/04/2017	12/02/2016	03/03/2015	05/27/2014	09/30/2013	03/21/2013	03/10/2012	05/19/2012			
	Without optional redemption *	Average life	9.17	8.06	7.14	6.37	5.72	5.17	4.70	4.30			
		Final Maturity	09/30/2017	08/20/2016	09/18/2015	11/12/2014	04/19/2014	01/10/2013	12/04/2013	11/16/2012			
		Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	07/24/2017	10/24/2016			
Series B	With optional redemption *	Average life	11.17	9.76	8.57	7.58	6.74	6.05	5.44	4.95			
		Final Maturity	09/29/2019	03/05/2018	02/20/2017	02/27/2016	04/25/2015	08/17/2014	07/01/2014	11/07/2013			
		Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	07/24/2017	10/24/2016			
	Without optional redemption *	Average life	11.85	10.48	9.32	8.33	7.50	6.79	6.17	5.64			
		Final Maturity	03/06/2020	01/20/2019	11/22/2017	11/27/2016	01/28/2016	12/05/2015	09/30/2014	03/19/2014			
		Date	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038			
Series C	With optional redemption *	Average life	11.17	9.76	8.57	7.58	6.74	6.05	5.44	4.95			
		Final Maturity	09/29/2019	04/05/2018	02/20/2017	02/27/2016	04/25/2015	08/17/2014	08/01/2014	11/07/2013			
		Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	07/24/2017	10/24/2016			
	Without optional redemption *	Average life	11.85	10.48	9.32	8.33	7.50	6.79	6.17	5.64			
		Final Maturity	04/06/2020	01/20/2019	11/23/2017	11/27/2016	01/28/2016	05/13/2015	09/30/2014	03/19/2014			
		Date	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038	10/24/2038			
Series D	With optional redemption *	Average life	12.05	10.66	9.44	8.44	7.53	6.80	6.11	5.58			
		Final Maturity	08/14/2020	03/28/2019	04/01/2018	06/01/2017	07/02/2016	05/17/2015	08/09/2014	02/27/2014			
		Date	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	07/24/2017	10/24/2016			
	Without optional redemption *	Average life	18.99	18.37	17.90	17.54	17.26	17.03	16.85	16.70			
		Final Maturity	07/25/2027	09/12/2026	06/20/2026	08/02/2026	10/28/2025	07/08/2025	02/06/2025	08/04/2025			
		Date	07/24/2038	07/24/2038	07/24/2038	07/24/2038	07/24/2038	07/24/2038	07/24/2038	07/24/2038			

* 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	93.76%	608,197,838.65	6.34%	95.74%	909,500,000.00	4.31%
Series B	3.27%	21,200,000.00	3.02%	2.23%	21,200,000.00	2.05%
Series C	1.45%	9,400,000.00	1.55%	0.99%	9,400,000.00	1.05%
Series D	1.53%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		648,697,838.65			950,000,000.00	
Reserve Fund	1.55%	9,900,000.00	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	12,958,012.65	4.921%	
Servicer ppal collect not yet credited	1,431,498.30		
Servicer ints collect not yet credited	461,293.78		
Liabilities	Available	Balance	Interest
Start-up Loan		470,124.04	6.961%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,349	12,241	
Principal			
Principal outstanding	635,331,008.19	940,242,690.85	
Average loan	67,957.11	76,810.94	
Minimum	48.44	3,356.13	
Maximum	464,611.80	496,461.58	
Interest rate			
Weighted average (wac)	5.51%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.50%	5.25%	
Final maturity			
Weighted average (WARM) (months)	214	239	
Minimum	08/01/2008	01/04/2007	
Maximum	12/05/2038	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%	0.72	7.17	0.29	7.77
10.01 - 20%	3.18	15.79	1.93	15.83
20.01 - 30%	6.93	25.53	3.82	25.38
30.01 - 40%	10.68	35.33	6.58	35.62
40.01 - 50%	14.18	45.16	10.97	45.35
50.01 - 60%	18.99	55.19	15.89	55.36
60.01 - 70%	28.20	65.21	22.49	65.47
70.01 - 80%	17.02	72.56	38.04	75.26
80.01 - 90%	0.08	83.73		
90.01 - 100%	0.02	95.48		
Weighted average (WALTV)		53.83		60.76
Minimum		0.04		2.08
Maximum		95.48		80.00

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Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.72%	0.61%	0.62%	0.66%	0.82%
Annual Percentage Rate (CPR)	8.35%	7.13%	7.23%	7.63%	9.45%

Geographic distribution

	Current	At constitution date
Andalucia	4.68%	4.64%
Aragon	6.46%	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	0.30%	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	7.01%	7.40%
Murcia	13.86%	13.14%
Navarra	0.42%	0.43%
Valencia	65.32%	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	386	91,046.65	105,014.51	0.00	196,061.16	19.19	28,273,284.35	26,469,345.51	51.78	49.26
Bancaja	137	70,245.08	77,888.03	0.00	148,133.11	14.50	8,873,705.13	9,021,838.24	17.65	48.44
from > 1 to ≤ 2 months	92	70,265.59	99,579.95	0.00	169,845.54	16.63	7,510,649.21	7,680,494.75	15.02	50.03
from > 2 to ≤ 3 months	20	19,858.49	25,366.21	0.00	45,224.70	4.43	1,288,666.29	1,333,890.99	2.61	45.38
from > 3 to ≤ 6 months	60	95,055.66	143,191.97	0.00	238,247.63	23.32	4,371,812.55	4,610,060.18	9.02	54.79
from > 6 to < 12 months	16	44,150.96	61,926.74	0.00	106,077.70	10.38	1,166,812.77	1,272,890.47	2.49	61.76
from ≥ 12 to < 18 months	6	30,399.68	31,073.90	0.00	61,473.58	6.02	337,132.71	398,606.29	0.78	42.82
from ≥ 18 to < 24 months	3	24,341.59	32,179.90	0.00	56,521.49	5.53	276,698.58	333,220.07	0.65	70.97
from ≥ 2 years										
Subtotal	720	445,363.70	576,221.21	0.00	1,021,584.91	100.00	50,098,761.59	51,120,346.50	100.00	49.86
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	720	445,363.70	576,221.21	0.00	1,021,584.91		50,098,761.59	51,120,346.50		49.86

Each range includes the beginning but not the ending time

Additional information