

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 09/30/2008
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
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 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	Fitch / Moody's Current	Original
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 1,349.588889 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	Final Maturity 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	8.67	7.53	6.58	5.81	5.15	4.62	4.19	3.78			
		Final Maturity	06/21/2017	02/05/2016	05/22/2015	08/14/2014	12/18/2013	07/06/2013	02/01/2013	03/08/2012			
	Without optional redemption *	Average life	16.26	14.76	13.26	12.01	10.75	9.75	9.01	8.01			
		Final Maturity	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016			
	Series B	With optional redemption *	Average life	10.92	9.54	8.36	7.39	6.57	5.89	5.34	4.82		
			Final Maturity	09/22/2019	06/05/2018	02/03/2017	03/14/2016	05/17/2015	12/09/2014	02/25/2014	08/17/2013		
Without optional redemption *		Average life	16.26	14.76	13.26	12.01	10.75	9.75	9.01	8.01			
		Final Maturity	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016			
Series C		With optional redemption *	Average life	11.60	10.26	9.12	8.16	7.34	6.64	6.04	5.53		
			Final Maturity	05/27/2020	01/23/2019	05/12/2017	12/17/2016	02/23/2016	06/13/2015	05/11/2014	03/05/2014		
	Without optional redemption *	Average life	31.02	31.02	31.02	31.02	31.02	31.02	31.02	31.02			
		Final Maturity	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039			
	Series D	With optional redemption *	Average life	11.80	10.43	9.22	8.24	7.33	6.61	6.06	5.41		
			Final Maturity	07/08/2020	03/28/2019	10/01/2018	01/16/2017	02/21/2016	02/06/2015	12/11/2014	03/20/2014		
Without optional redemption *		Average life	16.26	14.76	13.26	12.01	10.75	9.75	9.01	8.01			
		Final Maturity	01/24/2025	07/24/2023	01/24/2022	10/24/2020	07/24/2019	07/24/2018	10/24/2017	10/24/2016			
Without optional redemption *		Average life	19.25	18.65	18.19	17.84	17.57	17.35	17.18	17.03			
		Final Maturity	01/18/2028	12/06/2027	12/27/2026	08/22/2026	05/14/2026	02/24/2026	12/23/2025	10/31/2025			
Without optional redemption *	Average life	30.77	30.77	30.77	30.77	30.77	30.77	30.77	30.77				
	Final Maturity	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039	07/24/2039				

* 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	% 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	30,486,156.63	4.918%	
Servicer ppal collect not yet credited	414,947.28		
Servicer ints collect not yet credited	136,109.70		
Liabilities	Available	Balance	Interest
Start-up Loan		470,124.04	6.961%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,258	12,241	
Principal			
Principal outstanding	624,846,177.01	940,242,690.85	
Average loan	67,492.57	76,810.94	
Minimum	72.14	3,356.13	
Maximum	462,745.91	496,461.58	
Interest rate			
Weighted average (wac)	5.59%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.50%	5.25%	
Final maturity			
Weighted average (WARM) (months)	213	239	
Minimum	10/02/2008	01/04/2007	
Maximum	07/12/2039	11/05/2035	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	0.01%	0.01%	
1-year EURIBOR/MIBOR	2.39%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.57%	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%	0.74	7.15	0.29	7.77
10.01 - 20%	3.30	15.87	1.93	15.83
20.01 - 30%	6.97	25.54	3.82	25.38
30.01 - 40%	10.81	35.32	6.58	35.62
40.01 - 50%	14.25	45.31	10.97	45.35
50.01 - 60%	19.62	55.24	15.89	55.36
60.01 - 70%	28.33	65.22	22.49	65.47
70.01 - 80%	15.88	72.47	38.04	75.26
80.01 - 90%	0.09	83.43		
90.01 - 100%	0.02	95.20		
Weighted average (WALTV)	53.54		60.76	
Minimum	0.02		2.08	
Maximum	95.20		80.00	

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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

Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.52%	0.57%	0.56%	0.66%	0.80%
Annual Percentage Rate (CPR)	6.08%	6.59%	6.54%	7.64%	9.23%

Geographic distribution

	Current	At constitution date
Andalucia	4.69%	4.64%
Aragon	6.45%	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	0.31%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.76%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia		0.01%
La Rioja	0.84%	0.83%
Madrid	7.08%	7.40%
Murcia	13.68%	13.14%
Navarra	0.42%	0.43%
Valencia	65.23%	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	420	103,264.89	119,707.71	0.00	222,972.60	18.98	28,859,357.59	29,082,330.19	51.59	47.65
Bancaja	155	79,130.55	99,121.83	0.00	178,252.38	15.17	10,952,428.12	11,130,680.50	19.75	51.67
from > 1 to ≤ 2 months	97	71,057.05	101,259.94	0.00	172,316.99	14.67	7,345,188.42	7,517,505.41	13.34	46.53
from > 2 to ≤ 3 months	19	18,458.26	21,539.64	0.00	39,997.90	3.40	1,270,826.62	1,310,824.52	2.33	49.34
Banco de Valencia	56	99,402.86	139,384.56	0.00	238,787.42	20.33	4,077,974.64	4,316,762.06	7.66	51.63
from > 3 to ≤ 6 months	27	54,319.30	92,609.51	0.00	146,928.81	12.51	1,761,976.16	1,908,904.97	3.39	61.06
from ≥ 6 to < 12 months	11	52,873.59	61,911.74	0.00	114,785.33	9.77	650,371.18	765,156.51	1.36	49.62
from ≥ 12 to < 24 months	3	25,940.36	34,837.23	0.00	60,777.59	5.17	275,099.81	335,877.40	0.60	71.53
from ≥ 24 to < 36 months										
from ≥ 36 to < 48 months										
from ≥ 48 to < 60 months										
from ≥ 60 to < 72 months										
from ≥ 72 to < 84 months										
from ≥ 84 to < 96 months										
from ≥ 96 to < 108 months										
from ≥ 108 to < 120 months										
Subtotal	788	504,446.86	670,372.16	0.00	1,174,819.02	100.00	55,193,222.54	56,368,041.56	100.00	49.06
Doubt debts (subjectives)										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Banco de Valencia	0	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	
Total	788	504,446.86	670,372.16	0.00	1,174,819.02		55,193,222.54	56,368,041.56		49.06

Additional information