

Brief report

Date: 10/31/2008  
 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 Fitch / Moody's	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0382745000	12/12/2005 9,095	64,898.51 590,251,948.45 64.90%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	5.0760% 01/26/2009 860,164852 Gross 705.335179 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/26/2009 "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	5.2560% 01/26/2009 1,372.400000 Gross 1,125.368000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	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	5.4860% 01/26/2009 1,432.455556 Gross 1,174.613556 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Secuential	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	8.4360% 01/26/2009 2,202.733333 Gross 1,806.241333 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC- Ca	CCC- Ca
Total		630,751,948.45	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44
		% Annual equivalent CPR		2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00
Series A	With optional redemption *	Average life	Years	8.63	7.50	6.56	5.79	5.14	4.61	4.19	3.77
		Final Maturity	Years	06/16/2017	04/30/2016	05/21/2015	08/15/2014	12/20/2013	10/06/2013	06/01/2013	08/08/2012
	Without optional redemption *	Average life	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
		Final Maturity	Years	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	Years	9.14	8.04	7.13	6.36	5.72	5.17	4.71	4.30
		Final Maturity	Years	12/19/2017	12/11/2016	12/14/2015	11/03/2015	07/19/2014	01/01/2014	07/14/2013	02/17/2013
	Without optional redemption *	Average life	Years	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
		Final Maturity	Years	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 C	With optional redemption *	Average life	Years	10.89	9.51	8.34	7.38	6.55	5.88	5.33	4.81
		Final Maturity	Years	09/19/2019	04/05/2018	02/03/2017	03/16/2016	05/19/2015	09/15/2014	02/28/2014	08/21/2013
	Without optional redemption *	Average life	Years	16.24	14.74	13.24	11.99	10.73	9.73	8.99	7.99
		Final Maturity	Years	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 D	With optional redemption *	Average life	Years	11.57	10.24	9.10	8.14	7.33	6.63	6.03	5.52
		Final Maturity	Years	05/25/2020	01/23/2019	08/12/2017	12/19/2016	02/26/2016	06/17/2015	10/11/2014	08/05/2014
	Without optional redemption *	Average life	Years	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
		Final Maturity	Years	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039	10/24/2039

\* 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
Series A	93.58%	590,251,948.45	6.52%	95.74%	909,500,000.00
Series B	3.36%	21,200,000.00	3.11%	2.23%	21,200,000.00
Series C	1.49%	9,400,000.00	1.59%	0.99%	9,400,000.00
Series D	1.57%	9,900,000.00		1.04%	9,900,000.00
Issue of Bonds		630,751,948.45			950,000,000.00
Reserve Fund	1.59%	9,900,000.00	1.05%		9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	13,046,322.33	5.050%	
Servicer ppal collect not yet credited	154,313.48		
Servicer ints collect not yet credited	58,320.24		
Liabilities	Available	Balance	Interest
Start-up Loan		423,111.64	6.936%
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		0.00	
Securities		0.00	
* Credit Support Amount in favour of the Fund			

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

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Deutsche Bank

Bond Underwriters and Placement

Agents  
Bancaja  
Deutsche Bank  
Dexia  
Fortis Bank

Bond Paying Agent  
Bancaja

Market  
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Register of Book Securities  
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Swap Collateral  
Bancaja

Assets Custodian  
Banco de Valencia

Fund Auditors  
Ernst&Young

### Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	9,204	12,241
Principal		
Principal outstanding	619,051,485.20	940,242,690.85
Average loan	67,258.96	76,810.94
Minimum	31.63	3,356.13
Maximum	461,903.55	496,461.58
Interest rate		
Weighted average (wac)	5.64%	3.11%
Minimum	3.50%	1.00%
Maximum	7.57%	5.25%
Final maturity		
Weighted average (WARM) (months)	212	239
Minimum	11/02/2008	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	2.36%	2.19%
1-year EURIBOR/MIBOR (Mortgage Market)	97.60%	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%	0.76	7.17	0.29	7.77
10.01 - 20%	3.33	15.89	1.93	15.83
20.01 - 30%	7.01	25.47	3.82	25.38
30.01 - 40%	10.81	35.28	6.58	35.62
40.01 - 50%	14.36	45.28	10.97	45.35
50.01 - 60%	19.75	55.26	15.89	55.36
60.01 - 70%	28.71	65.25	22.49	65.47
70.01 - 80%	15.17	72.47	38.04	75.26
80.01 - 90%	0.07	83.90		
90.01 - 100%	0.02	95.05		
Weighted average (WALTV)	53.41		60.76	
Minimum	0.02		2.08	
Maximum	95.05		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.51%	0.50%	0.55%	0.66%	0.80%
Annual Percentage Rate (CPR)	5.95%	5.78%	6.46%	7.59%	9.14%

Geographic distribution		
	Current	At constitution date
Andalucía	4.70%	4.64%
Aragón	6.47%	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	0.29%	0.36%
Castilla-León	0.02%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia		0.01%
La Rioja	0.84%	0.83%
Madrid	7.07%	7.40%
Murcia	13.68%	13.14%
Navarra	0.41%	0.43%
Valencia	65.24%	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	401	98,745.82	117,575.60	0.00	216,321.42	17.37	27,855,749.47	28,072,070.89	49.53
from > 1 to ≤ 2 months	142	72,323.83	87,165.41	0.00	159,489.24	12.81	10,292,905.79	10,452,395.03	18.44
from > 2 to ≤ 3 months	107	79,278.34	117,960.77	0.00	197,239.11	15.84	8,420,628.20	8,617,867.31	15.21
from > 3 to ≤ 6 months	27	30,789.28	41,325.52	0.00	72,114.80	5.79	2,066,974.63	2,139,089.43	3.77
from > 6 to < 12 months	43	68,201.11	97,096.09	0.00	165,297.20	13.28	3,050,793.12	3,216,090.32	5.67
from ≥ 12 to < 18 months	39	86,057.82	135,657.82	0.00	221,715.64	17.81	2,591,370.76	2,813,086.40	4.96
from ≥ 18 to < 24 months	13	60,830.42	77,045.98	0.00	137,876.40	11.07	809,419.27	947,295.67	1.67
from ≥ 2 years	4	32,112.56	42,872.58	0.00	74,985.14	6.02	338,472.74	413,457.88	0.73
Subtotal	776	528,339.18	716,699.77	0.00	1,245,038.95	100.00	55,426,313.98	56,671,352.93	100.00
<i>Doubt debts (subjectives)</i>									
	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	776	528,339.18	716,699.77	0.00	1,245,038.95		55,426,313.98	56,671,352.93	49.52