

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 11/30/2008  
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 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	8.53	7.42	6.48	5.73	5.08	4.56	4.14	3.77
		Final Maturity	16.16	14.65	13.16	11.91	10.65	9.65	8.90	8.16
	Without optional redemption *	Average life	9.04	7.95	7.05	6.30	5.66	5.12	4.66	4.26
		Final Maturity	31.17	31.17	31.17	31.17	31.17	31.17	31.17	31.17
Series B	With optional redemption *	Average life	10.80	9.43	8.27	7.31	6.49	5.82	5.29	4.81
		Final Maturity	16.16	14.65	13.16	11.91	10.65	9.65	8.90	8.16
	Without optional redemption *	Average life	11.48	10.15	9.03	8.08	7.27	6.58	6.00	5.48
		Final Maturity	31.17	31.17	31.17	31.17	31.17	31.17	31.17	31.17
Series C	With optional redemption *	Average life	10.80	9.43	8.27	7.31	6.49	5.82	5.29	4.81
		Final Maturity	16.16	14.65	13.16	11.91	10.65	9.65	8.90	8.16
	Without optional redemption *	Average life	11.48	10.16	9.03	8.08	7.27	6.58	6.00	5.48
		Final Maturity	31.17	31.17	31.17	31.17	31.17	31.17	31.17	31.17
Series D	With optional redemption *	Average life	11.68	10.32	9.12	8.15	7.25	6.53	5.98	5.46
		Final Maturity	16.16	14.65	13.16	11.91	10.65	9.65	8.90	8.16
	Without optional redemption *	Average life	19.26	18.66	18.22	17.88	17.61	17.40	17.23	17.09
		Final Maturity	30.92	30.92	30.92	30.92	30.92	30.92	30.92	30.92

\* 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	20,508,192.00	0.050%	
Servicer ppal collect not yet credited	512,074.07		
Servicer ints collect not yet credited	254,138.40		
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

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### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	9,158	12,241	
Principal			
Principal outstanding	613,881,681.32	940,242,690.85	
Average loan	67,032.29	76,810.94	
Minimum	112.11	3,356.13	
Maximum	461,056.95	496,461.58	
Interest rate			
Weighted average (wac)	5.69%	3.11%	
Minimum	3.50%	1.00%	
Maximum	7.63%	5.25%	
Final maturity			
Weighted average (WARM) (months)	212	239	
Minimum	12/05/2008	01/04/2007	
Maximum	12/05/2039	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%	0.77	7.18	0.29	7.77
10.01 - 20%	3.37	15.88	1.93	15.83
20.01 - 30%	7.08	25.48	3.82	25.38
30.01 - 40%	10.80	35.26	6.58	35.62
40.01 - 50%	14.49	45.24	10.97	45.35
50.01 - 60%	19.86	55.25	15.89	55.36
60.01 - 70%	28.82	65.24	22.49	65.47
70.01 - 80%	14.72	72.44	38.04	75.26
80.01 - 90%	0.06	84.46		
90.01 - 100%	0.02	94.91		
Weighted average (WALTV)	53.27		60.76	
Minimum	0.08		2.08	
Maximum	94.91		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.46%	0.50%	0.55%	0.62%	0.79%
Annual Percentage Rate (CPR)	5.39%	5.81%	6.36%	7.18%	9.04%

Geographic distribution		
	Current	At constitution date
Andalucia	4.70%	4.64%
Aragon	6.48%	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-Leon	0.02%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.01%	0.01%
Galicia		0.01%
La Rioja	0.85%	0.83%
Madrid	7.08%	7.40%
Murcia	13.72%	13.14%
Navarra	0.41%	0.43%
Valencia	65.17%	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	442	107,704.84	123,688.79	0.00	231,393.63	17.39	29,687,212.19	29,918,605.82	49.92	46.98
from > 1 to ≤ 2 months	148	75,020.47	92,965.75	0.00	167,986.22	12.63	10,443,443.14	10,611,429.36	17.71	50.75
from > 2 to ≤ 3 months	112	77,734.03	128,581.58	0.00	206,315.61	15.51	9,319,807.40	9,526,123.01	15.90	52.39
from > 3 to ≤ 6 months	25	40,507.89	52,355.87	0.00	92,863.76	6.98	2,314,257.19	2,407,120.95	4.02	46.91
from > 6 to < 12 months	37	53,765.35	83,880.52	0.00	137,645.87	10.34	2,299,512.56	2,437,158.43	4.07	47.96
from ≥ 12 to < 18 months	47	109,637.15	164,448.16	0.00	274,085.31	20.60	3,389,254.10	3,663,339.41	6.11	57.24
from ≥ 18 to < 24 months	11	50,749.76	72,137.22	0.00	122,886.98	9.24	739,946.91	862,833.89	1.44	55.88
from ≥ 2 years	6	44,768.04	52,622.72	0.00	97,390.76	7.32	404,074.63	501,465.39	0.84	54.82
Subtotal	828	559,887.53	770,680.61	0.00	1,330,568.14	100.00	58,597,508.12	59,928,076.26	100.00	49.18
<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	0.00
Total	828	559,887.53	770,680.61	0.00	1,330,568.14		58,597,508.12	59,928,076.26		49.18