

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

**Date:** 06/30/2009  
**Currency:** EUR

**Date of constitution**  
12/07/2005

**VAT Reg. no.**  
V84530526

**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**  
Banco Popular Español S.A

**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	Original	
Series A ES0382745000	12/12/2005 9,095	61,267.95 557,232,005.25 61.27%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.5450% 07/24/2009 239.276873 Gross 196.207036 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/24/2009 "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	1.7250% 07/24/2009 436.041667 Gross 357.554167 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	1.9550% 07/24/2009 494.180556 Gross 405.228056 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	4.9050% 07/24/2009 1,239.875000 Gross 1,016.697500 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca	
<b>Total</b>		597,732,005.25 950,000,000.00								

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	With optional redemption *	Average life	Years	% Monthly CPR (SMM)									
				Date	0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44	
Series A	Final Maturity	Years	Date	% Annual equivalent CPR									
				2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00		
	Final Maturity	Years	Date	7,97	6,99	6,12	5,41	4,84	4,35	3,95	3,59		
				06/17/2017	06/22/2016	10/08/2015	11/26/2014	02/05/2014	02/11/2013	09/06/2013	01/31/2013		
	Final Maturity	Years	Date	15,08	13,82	12,33	11,07	10,07	9,07	8,32	7,58		
				07/24/2024	04/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017		
Final Maturity	Years	Date	8,55	7,56	6,73	6,04	5,45	4,94	4,51	4,13			
			01/15/2018	01/18/2017	03/21/2016	11/07/2015	08/12/2014	07/06/2014	12/31/2013	08/17/2013			
Final Maturity	Years	Date	30,84	30,84	30,84	30,84	30,84	30,84	30,84	30,84			
			04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040			
Series B	Final Maturity	Years	Date	% Monthly CPR (SMM)									
				2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00		
	Final Maturity	Years	Date	9,74	8,56	7,51	6,64	5,95	5,33	4,85	4,41		
				03/24/2019	01/17/2018	12/29/2016	02/16/2016	09/06/2015	10/28/2014	05/05/2014	11/23/2013		
	Final Maturity	Years	Date	15,08	13,82	12,33	11,07	10,07	9,07	8,32	7,58		
				07/24/2024	04/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017		
Final Maturity	Years	Date	10,47	9,28	8,29	7,43	6,71	6,09	5,56	5,09			
			07/24/2024	04/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017			
Final Maturity	Years	Date	12,17/2019	09/10/2018	09/10/2017	01/12/2016	03/14/2016	07/31/2015	01/20/2015	01/08/2014			
			30,84	30,84	30,84	30,84	30,84	30,84	30,84	30,84	30,84		
Final Maturity	Years	Date	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040			
			04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040			
Series C	Final Maturity	Years	Date	% Monthly CPR (SMM)									
				2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00		
	Final Maturity	Years	Date	9,74	8,56	7,51	6,64	5,95	5,33	4,85	4,41		
				03/25/2019	01/17/2018	12/30/2016	02/16/2016	09/06/2015	10/29/2014	05/05/2014	11/24/2013		
	Final Maturity	Years	Date	15,08	13,82	12,33	11,07	10,07	9,07	8,32	7,58		
				07/24/2024	04/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017		
Final Maturity	Years	Date	10,47	9,28	8,29	7,43	6,71	6,09	5,56	5,09			
			12/17/2019	10/10/2018	10/10/2017	01/12/2016	03/14/2016	07/31/2015	01/20/2015	01/08/2014			
Final Maturity	Years	Date	30,84	30,84	30,84	30,84	30,84	30,84	30,84	30,84			
			04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040	04/24/2040			
Series D	Final Maturity	Years	Date	% Monthly CPR (SMM)									
				2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00		
	Final Maturity	Years	Date	10,60	9,48	8,35	7,43	6,71	6,02	5,50	5,00		
				02/02/2020	12/19/2018	03/11/2017	03/12/2016	12/03/2016	07/07/2015	12/29/2014	06/30/2014		
	Final Maturity	Years	Date	15,08	13,82	12,33	11,07	10,07	9,07	8,32	7,58		
				07/24/2024	04/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017		
Final Maturity	Years	Date	18,56	18,07	17,70	17,42	17,19	17,02	16,87	16,75			
			01/17/2028	07/21/2027	08/03/2027	11/24/2026	05/09/2026	02/07/2026	11/05/2026	03/27/2026			
Final Maturity	Years	Date	30,59	30,59	30,59	30,59	30,59	30,59	30,59	30,59			
			01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040			

\* 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)						
Series	Current			At issue date		
	% CE	% CE	% CE	% CE	% CE	% CE
Series A	93.22%	557,232,005.25	6.77%	95.74%	909,500,000.00	4.31%
Series B	3.55%	21,200,000.00	3.17%	2.23%	21,200,000.00	2.05%
Series C	1.57%	9,400,000.00	1.57%	0.99%	9,400,000.00	1.05%
Series D	1.66%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		597,732,005.25			950,000,000.00	
Reserve Fund	1.57%	9,207,018.92	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	26,865,388.35	1.370%	
Servicer ppal collect not yet credited	588,139.71		
Servicer ints collect not yet credited	116,782.33		
Liabilities	Available	Balance	Interest
Start-up Loan		329,086.84	3.405%
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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 Ernst&Young

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	8,808	12,241	
<b>Principal</b>			
Principal outstanding	577,058,303.51	940,242,690.85	
Average loan	65,515.25	76,810.94	
Minimum	127.93	3,356.13	
Maximum	455,010.15	496,461.58	
<b>Interest rate</b>			
Weighted average (wac)	4.49%	3.11%	
Minimum	2.13%	1.00%	
Maximum	7.63%	5.25%	
<b>Final maturity</b>			
Weighted average (WARM) (months)	207	239	
Minimum	07/01/2009	01/04/2007	
Maximum	01/05/2040	11/05/2035	
<b>Index (principal outstanding distribution)</b>			
3-month EURIBOR/MIBOR	0.01%	0.01%	
1-year EURIBOR/MIBOR	2.31%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.65%	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%	0.80	6.86	0.29	7.77
10.01 - 20%	3.82	15.84	1.93	15.83
20.01 - 30%	7.41	25.50	3.82	25.38
30.01 - 40%	10.95	35.26	6.58	35.62
40.01 - 50%	15.08	45.20	10.97	45.35
50.01 - 60%	21.07	55.35	15.89	55.36
60.01 - 70%	29.30	65.22	22.49	65.47
70.01 - 80%	11.57	72.19	38.04	75.26
Weighted average (WALTV)	52.35		60.76	
Minimum	0.10		2.08	
Maximum	79.99		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.44%	0.46%	0.46%	0.50%	0.74%
Annual Percentage Rate (CPR)	5.14%	5.39%	5.41%	5.88%	8.53%

Geographic distribution		
	Current	At constitution date
Andalucia	4.72%	4.64%
Aragon	6.56%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.49%	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	0.76%	0.77%
Ceuta	0.04%	0.03%
Extremadura	0.02%	0.01%
Galicia	0.88%	0.83%
La Rioja	6.97%	7.40%
Madrid	13.71%	13.14%
Murcia	0.39%	0.43%
Navarra	0.39%	0.43%
Valencia	65.14%	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	409	106,222.03	95,480.50	0.00	201,702.53	12.21	27,526,462.93	27,728,165.46	42.59	45.83
from > 1 to ≤ 2 months	164	89,523.45	91,101.77	0.00	180,625.22	10.93	11,207,616.85	11,388,242.07	17.49	50.62
from > 2 to ≤ 3 months	143	119,479.77	151,817.56	0.00	271,297.33	16.42	12,058,872.37	12,330,169.70	18.94	53.58
from > 3 to ≤ 6 months	32	42,044.96	58,444.29	0.00	100,489.25	6.08	3,133,171.22	3,233,660.47	4.97	51.74
from > 6 to < 12 months	41	86,134.95	140,761.33	0.00	226,896.28	13.73	3,599,637.80	3,826,534.08	5.88	51.15
from ≥ 12 to < 18 months	35	94,953.58	117,446.67	0.00	212,400.25	12.86	2,317,996.23	2,530,396.48	3.89	52.94
from ≥ 18 to < 24 months	41	130,748.63	204,043.03	0.00	334,791.66	20.26	3,104,868.81	3,439,660.47	5.28	57.92
from ≥ 2 years	7	48,674.34	75,345.78	0.00	124,020.12	7.51	503,042.83	627,062.95	0.96	58.52
Subtotal	872	717,781.71	934,440.93	0.00	1,652,222.64	100.00	63,451,669.04	65,103,891.68	100.00	49.50
<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>872</b>	<b>717,781.71</b>	<b>934,440.93</b>	<b>0.00</b>	<b>1,652,222.64</b>		<b>63,451,669.04</b>	<b>65,103,891.68</b>		<b>49.50</b>