

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 07/31/2009
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 Fitch / Moody's		
		Current	Original			Final maturity (legal)	Next	Current	Original	
Series A ES0382745000	12/12/2005 9,095	59,343.92	100,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.0730% 10/26/2009 166.265179 Gross 136.337447 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/26/2009 "Pass-Through"	AAA Aaa	AAA Aaa	
Series B ES0382745018	12/12/2005 212	100,000.00 21,200,000.00	100,000.00 21,200,000.00	Floating 3-M Euribor+0.320% 24.Jan/Apr/Jul/Oct	1.2530% 10/26/2009 327.172222 Gross 288.281222 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	100,000.00 9,400,000.00	Floating 3-M Euribor+0.550% 24.Jan/Apr/Jul/Oct	1.4830% 10/26/2009 387.227778 Gross 317.526778 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	100,000.00 9,900,000.00	Floating 3-M Euribor+3.500% 24.Jan/Apr/Jul/Oct	4.4330% 10/26/2009 1,157.505556 Gross 949.154556 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca	
Total		580,232,952.40	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)									
				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	8.09	7.05	6.20	5.49	4.90	4.40	3.99	3.63		
		Final Maturity	Years	14.99	13.49	12.24	10.99	9.99	8.99	8.24	7.49	7.49	
		Date	07/24/2024	01/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017			
	Without optional redemption *	Average life	Years	8.68	7.67	6.83	6.12	5.52	5.01	4.57	4.19	4.19	
		Final Maturity	Years	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	
		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		
Series B	With optional redemption *	Average life	Years	9.60	8.39	7.39	6.54	5.85	5.25	4.77	4.33		
		Final Maturity	Years	14.99	13.49	12.24	10.99	9.99	8.99	8.24	7.49	7.49	
		Date	07/24/2024	01/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017			
	Without optional redemption *	Average life	Years	10.33	9.15	8.16	7.32	6.61	6.00	5.48	5.01	5.01	
		Final Maturity	Years	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	
		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		
Series C	With optional redemption *	Average life	Years	9.60	8.39	7.39	6.54	5.86	5.25	4.77	4.33		
		Final Maturity	Years	14.99	13.49	12.24	10.99	9.99	8.99	8.24	7.49	7.49	
		Date	07/24/2024	01/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017			
	Without optional redemption *	Average life	Years	10.33	9.16	8.16	7.32	6.61	6.00	5.48	5.01	5.01	
		Final Maturity	Years	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	30.75	
		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		
Series D	With optional redemption *	Average life	Years	10.49	9.25	8.25	7.34	6.62	5.94	5.42	4.93		
		Final Maturity	Years	14.99	13.49	12.24	10.99	9.99	8.99	8.24	7.49	7.49	
		Date	07/24/2024	01/24/2023	10/24/2021	07/24/2020	07/24/2019	07/24/2018	10/24/2017	01/24/2017			
	Without optional redemption *	Average life	Years	18.45	17.97	17.60	17.33	17.11	16.93	16.79	16.68	16.68	
		Final Maturity	Years	30.50	30.50	30.50	30.50	30.50	30.50	30.50	30.50	30.50	
		Date	01/24/2040	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)						
	Current			At issue date		
		% CE	% CE		% CE	% CE
Series A	93.02%	539,732,952.40	6.93%	95.74%	909,500,000.00	4.31%
Series B	3.65%	21,200,000.00	3.22%	2.23%	21,200,000.00	2.05%
Series C	1.62%	9,400,000.00	1.57%	0.99%	9,400,000.00	1.05%
Series D	1.71%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		580,232,952.40			950,000,000.00	
Reserve Fund	1.57%	8,940,516.62	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	19,287,158.28	0.893%	
Servicer ppal collect not yet credited	82,574.29		
Servicer ints collect not yet credited	45,589.49		
Liabilities	Available	Balance	Interest
Start-up Loan		282,074.44	2.933%
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash		7,680,000.00	
Securities		0.00	

* Credit Support Amount in favour of the Fund

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Banco de Valencia

Swap Collateral
Bancaja

Assets Custodian
Banco de Valencia

Fund Auditors
Ernst&Young

Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	8,752	12,241
Principal		
Principal outstanding	571,386,016.57	940,242,690.85
Average loan	65,286.34	76,810.94
Minimum	81.49	3,356.13
Maximum	454,128.83	496,461.58
Interest rate		
Weighted average (wac)	4.14%	3.11%
Minimum	1.98%	1.00%
Maximum	7.63%	5.25%
Final maturity		
Weighted average (WARM) (months)	206	239
Minimum	08/01/2009	01/04/2007
Maximum	01/05/2040	11/05/2035
Index (principal outstanding distribution)		
3-month EURIBOR/MIBOR	0.01%	0.01%
1-year EURIBOR/MIBOR	2.30%	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	6.89	0.29	7.77
10.01 - 20%	3.88	15.82	1.93	15.83
20.01 - 30%	7.50	25.51	3.82	25.38
30.01 - 40%	11.13	35.32	6.58	35.62
40.01 - 50%	15.33	45.27	10.97	45.35
50.01 - 60%	21.08	55.41	15.89	55.36
60.01 - 70%	29.29	65.23	22.49	65.47
70.01 - 80%	10.99	72.16	38.04	75.26
Weighted average (WALTV)	52.17		60.76	
Minimum	0.09		2.08	
Maximum	79.99		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.56%	0.49%	0.47%	0.49%	0.74%
Annual Percentage Rate (CPR)	6.50%	5.71%	5.47%	5.72%	8.48%

Geographic distribution		
	Current	At constitution date
Andalucia	4.72%	4.64%
Aragon	6.60%	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	0.77%	0.77%
Ceuta	0.03%	0.03%
Extremadura	0.02%	0.01%
Galicia	0.00%	0.01%
La Rioja	0.88%	0.83%
Madrid	6.92%	7.40%
Murcia	13.76%	13.14%
Navarra	0.39%	0.43%
Valencia	65.10%	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	325	86,469.51	69,642.36	0.00	156,111.87	9.78	21,319,219.46	21,475,331.33	37.32	47.03
from > 1 to ≤ 2 months	157	87,157.86	78,838.31	0.00	165,996.17	10.40	11,134,125.28	11,300,121.45	19.64	47.43
from > 2 to ≤ 3 months	145	127,656.29	137,171.72	0.00	264,828.01	16.59	11,154,910.92	11,419,738.93	19.85	52.05
from > 3 to ≤ 6 months	26	27,500.39	43,303.00	0.00	70,803.39	4.44	2,265,159.44	2,335,962.83	4.06	48.80
from > 6 to < 12 months	42	93,878.22	139,287.21	0.00	233,165.43	14.61	4,033,115.57	4,266,281.00	7.41	58.83
from ≥ 12 to < 18 months	30	106,087.25	133,575.79	0.00	239,663.04	15.01	2,308,160.10	2,547,823.14	4.43	49.90
from ≥ 18 to < 24 months	38	104,130.72	175,993.82	0.00	280,124.54	17.55	2,892,860.53	3,172,985.07	5.51	60.06
from ≥ 2 years	13	74,210.79	111,323.42	0.00	185,534.21	11.62	836,941.24	1,022,475.45	1.78	58.43
Subtotal	776	707,091.03	889,135.63	0.00	1,596,226.66	100.00	55,944,492.54	57,540,719.20	100.00	49.78
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	776	707,091.03	889,135.63	0.00	1,596,226.66		55,944,492.54	57,540,719.20		49.78