

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 10/31/2009  
Currency: EUR

Date of constitution  
12/07/2005

VAT Reg. no.  
V84530526

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  
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 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	Current	Original	
Series A ES0382745000	12/12/2005 9,095	57,786.51	100,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	0.8730% 01/25/2010 127.520381 Gross 104.566712 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/25/2010 "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	1.0530% 01/25/2010 266.175000 Gross 218.263500 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	1.2830% 01/25/2010 324.313889 Gross 265.937389 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	4.2330% 01/25/2010 1,070.008333 Gross 877.406833 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Ca	CCC- Ca	
Total		566,068,308.45	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)									
				% Annual equivalent CPR									
Series A	With optional redemption *	Average life	Years	0.22	0.34	0.51	0.69	0.87	1.06	1.25	1.44		
		Final Maturity	Years	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24		
	Without optional redemption *	Average life	Years	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22		
		Final Maturity	Years	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00		
	Series B	With optional redemption *	Average life	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	
			Final Maturity	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	
Without optional redemption *		Average life	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48		
		Final Maturity	Years	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00		
Series C		With optional redemption *	Average life	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	
			Final Maturity	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	
	Without optional redemption *	Average life	Years	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48		
		Final Maturity	Years	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00		
	Series D	With optional redemption *	Average life	Years	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	
			Final Maturity	Years	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	
Without optional redemption *		Average life	Years	15.40	15.40	15.40	15.40	15.40	15.40	15.40	15.40		
		Final Maturity	Years	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00		

\* 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
Series A	92.85%	525,568,308.45	7.14%	95.74%	909,500,000.00	4.31%
Series B	3.75%	21,200,000.00	3.33%	2.23%	21,200,000.00	2.05%
Series C	1.66%	9,400,000.00	1.64%	0.99%	9,400,000.00	1.05%
Series D	1.75%	9,900,000.00	1.04%		9,900,000.00	
Issue of Bonds		566,068,308.45			950,000,000.00	
Reserve Fund	1.64%	9,101,602.81	1.05%		9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	41,533,554.28	0.699%	
Servicer ppal collect not yet credited	256,908.46		
Servicer ints collect not yet credited	84,933.56		
Liabilities	Available	Balance	Interest
Start-up Loan		235,062.04	2.733%
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash	30,800,000.00		
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	8,656	12,241	
Principal			
Principal outstanding	558,364,637.04	940,242,690.85	
Average loan	64,506.08	76,810.94	
Minimum	51.48	3,356.13	
Maximum	450,916.98	496,461.58	
Interest rate			
Weighted average (wac)	3.46%	3.11%	
Minimum	1.75%	1.00%	
Maximum	7.63%	5.25%	
Final maturity			
Weighted average (WARM) (months)	204	239	
Minimum	11/05/2009	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	2.23%	2.19%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.73%	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%	0.87	6.98	0.29	7.77
10.01 - 20%	3.93	15.81	1.93	15.83
20.01 - 30%	7.92	25.61	3.82	25.38
30.01 - 40%	11.17	35.38	6.58	35.62
40.01 - 50%	15.66	45.25	10.97	45.35
50.01 - 60%	21.67	55.43	15.89	55.36
60.01 - 70%	28.96	65.14	22.49	65.47
70.01 - 80%	9.82	71.94	38.04	75.26
Weighted average (WALTV)	51.69		60.76	
Minimum	0.03		2.08	
Maximum	79.99		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.27%	0.31%	0.40%	0.44%	0.71%
Annual Percentage Rate (CPR)	3.18%	3.66%	4.70%	5.20%	8.18%

Geographic distribution		
	Current	At constitution date
Andalucia	4.74%	4.64%
Aragon	6.60%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.50%	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	0.02%	0.01%
La Rioja	0.84%	0.83%
Madrid	6.93%	7.40%
Murcia	13.79%	13.14%
Navarra	0.38%	0.43%
Valencia	65.08%	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	422	127,093.16	79,355.34	0.00	206,448.50	10.55	26,617,472.31	26,823,920.81	39.11	45.02
from > 1 to ≤ 2 months	166	84,256.58	66,694.66	0.00	150,951.24	7.71	11,413,104.54	11,564,055.78	16.86	48.05
from > 2 to ≤ 3 months	152	136,964.67	108,343.99	0.00	245,308.66	12.54	11,410,042.91	11,655,351.57	16.99	51.54
from > 3 to ≤ 6 months	61	89,946.81	78,151.19	0.00	168,098.00	8.59	5,079,564.22	5,247,662.22	7.65	47.29
from > 6 to < 12 months	45	101,738.27	133,903.50	0.00	235,641.77	12.04	4,208,903.45	4,444,545.22	6.48	53.03
from ≥ 12 to < 18 months	42	158,620.02	191,849.89	0.00	350,469.91	17.91	3,506,406.21	3,856,876.12	5.62	52.69
from ≥ 18 to < 24 months	28	96,706.86	127,829.50	0.00	224,536.36	11.47	2,263,194.97	2,487,731.33	3.63	59.69
from ≥ 2 years	31	140,927.16	234,496.70	0.00	375,423.86	19.18	2,125,985.14	2,501,409.00	3.65	62.62
Subtotal	947	936,253.53	1,020,624.77	0.00	1,956,878.30	100.00	66,624,673.75	68,581,552.05	100.00	48.56
<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>947</b>	<b>936,253.53</b>	<b>1,020,624.77</b>	<b>0.00</b>	<b>1,956,878.30</b>		<b>66,624,673.75</b>	<b>68,581,552.05</b>		<b>48.56</b>