

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 09/30/2010
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
Banco Cooperativo

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
Banco Popular Español S.A

Assets Custodian
Banco de Valencia

Fund Auditors
Deloitte (ejercicios 2009 a actual)
Ernst & Young (hasta ejercicio 2008)

Issued securities: Mortgage-Backed Bonds

Bonds Issue											
Series	ISIN Code	Issue date	Nº bonds	Principal outstanding		Interest type	Interest Rate	Redemption		Rating	
				(Bond Unit / Series Total / %Factor)				Next	Final maturity (legal)		Fitch / Moody's
				Current	Original	Reference rate and margin	Next coupon			Current	Original
Series A	ES0382745000	12/12/2005	9,095	52,505.45 477,537,067.75 52.51%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.0240% 10/25/2010 135,907440 Gross 110.085026 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	10/25/2010 "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	1.2040% 10/25/2010 304,344444 Gross 246.519000 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	1.4340% 10/25/2010 362,483333 Gross 293.611500 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	4.3840% 10/25/2010 1,108.177778 Gross 897.624000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Ca	CCC- Ca
Total				518,037,067.75	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	Option	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	7.09	6.24	5.56	4.93	4.46	4.04	3.68	3.39		
		Final Maturity	Years	13.07	11.82	10.82	9.57	8.82	8.07	7.32	6.82		
			Date	10/30/2017	12/25/2016	04/21/2016	02/09/2015	03/15/2015	10/15/2014	02/06/2014	02/16/2014		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017		
Series B	Without optional redemption *	Average life	Years	7.78	6.95	6.24	5.64	5.13	4.69	4.30	3.96		
		Final Maturity	Years	29.34	29.34	29.34	29.34	29.34	29.34	29.34	29.34		
			Date	10/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040	01/24/2040			
			Date	05/29/2018	06/28/2017	04/10/2016	01/25/2016	07/24/2015	12/02/2015	09/20/2014	05/30/2014		
Series C	With optional redemption *	Average life	Years	8.42	7.52	6.76	6.10	5.55	5.07	4.66	4.29		
		Final Maturity	Years	29.34	29.34	29.34	29.34	29.34	29.34	29.34	29.34		
			Date	02/28/2019	04/04/2018	02/07/2017	05/11/2016	04/16/2016	10/24/2015	05/26/2015	01/14/2015		
			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		
Series D	Without optional redemption *	Average life	Years	8.57	7.64	6.90	6.09	5.57	5.08	4.61	4.28		
		Final Maturity	Years	13.07	11.82	10.82	9.57	8.82	8.07	7.32	6.82		
			Date	04/23/2019	05/17/2018	08/23/2017	01/11/2016	04/25/2016	10/29/2015	11/05/2015	09/01/2015		
			Date	10/24/2023	07/24/2022	07/24/2021	04/24/2020	07/24/2019	10/24/2018	01/24/2018	07/24/2017		
Series D	Without optional redemption *	Average life	Years	16.78	16.48	16.25	16.08	15.94	15.82	15.73	15.65		
		Final Maturity	Years	29.08	29.08	29.08	29.08	29.08	29.08	29.08	29.08		
			Date	08/07/2027	03/20/2027	12/27/2026	10/23/2026	02/09/2026	07/23/2026	06/20/2026	05/22/2026		
			Date	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	
Series A	92.18%	477,537,067.75	7.97%	95.74%	909,500,000.00	4.31%
Series B	4.09%	21,200,000.00	3.80%	2.23%	21,200,000.00	2.05%
Series C	1.81%	9,400,000.00	1.95%	0.99%	9,400,000.00	1.05%
Series D	1.91%	9,900,000.00		1.04%	9,900,000.00	
Issue of Bonds		518,037,067.75			950,000,000.00	
Reserve Fund	1.95%	9,900,000.00		1.05%	9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	55,842,327.90	0.821%	
Servicer ppal collect not yet credited	148,714.13		
Servicer ints collect not yet credited	38,357.78		
Liabilities	Available	Balance	Interest
Start-up Loan L/T		0.00	
Start-up Loan S/T		94,024.84	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash	33,797,065.00		
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	8,189	12,241
Principal		
Principal outstanding	502,165,055.88	940,242,690.85
Average loan	61,321.90	76,810.94
Minimum	22.53	3,356.13
Maximum	434,958.42	496,461.58
Interest rate		
Weighted average (wac)	2.10%	3.11%
Minimum	1.50%	1.00%
Maximum	5.25%	5.25%
Final maturity		
Weighted average (WARM) (months)	196	239
Minimum	10/08/2010	01/04/2007
Maximum	01/05/2040	11/05/2035
Index (principal outstanding distribution)		
3-month EURIBOR/MIBOR	0.01%	0.00%
1-year EURIBOR/MIBOR	2.18%	2.05%
1-year EURIBOR/MIBOR (Mortgage Market)	97.77%	97.95%
Mortgage Market: All Institutions	0.03%	0.00%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.06	6.90	0.29	7.77
10.01 - 20%	4.45	15.79	1.93	15.83
20.01 - 30%	8.51	25.43	3.82	25.38
30.01 - 40%	12.54	35.21	6.58	35.62
40.01 - 50%	16.93	45.18	10.97	45.35
50.01 - 60%	24.51	55.34	15.89	55.36
60.01 - 70%	27.25	64.83	22.49	65.47
70.01 - 80%	4.77	71.39	38.04	75.26
Weighted average (WALTV)		49.63		60.76
Minimum		0.01		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%	0.28%	0.35%	0.41%	0.66%
Annual Percentage Rate (CPR)	3.19%	3.27%	4.08%	4.84%	7.61%

Geographic distribution		
	Current	At constitution date
Andalucia	4.76%	4.64%
Aragon	6.76%	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	0.30%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.74%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia	0.01%	0.01%
La Rioja	0.88%	0.83%
Madrid	6.88%	7.40%
Murcia	13.83%	13.14%
Navarra	0.33%	0.43%
Valencia	64.95%	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	331	101,411.93	28,856.26	0.00	130,268.19	6.47	20,862,607.68	20,992,875.87	37.50	44.51
from > 1 to ≤ 2 months	130	80,394.91	29,255.80	0.00	109,650.71	5.44	8,844,102.10	8,953,752.81	15.99	46.31
from > 2 to ≤ 3 months	160	180,875.10	66,479.75	0.00	247,354.85	12.28	12,300,718.35	12,548,073.20	22.42	48.54
from > 3 to ≤ 6 months	16	22,194.92	10,728.93	0.00	32,923.85	1.63	1,164,132.52	1,197,056.37	2.14	54.18
from > 6 to < 12 months	43	66,542.72	26,131.50	0.00	92,674.22	4.60	2,833,911.98	2,926,586.20	5.23	43.88
from ≥ 12 to < 18 months	28	112,332.59	80,549.37	0.00	192,881.96	9.57	2,078,161.63	2,271,043.59	4.06	56.86
from ≥ 18 to < 24 months	29	182,332.83	163,217.34	0.00	345,550.17	17.15	2,423,305.69	2,768,855.86	4.95	49.24
from ≥ 24 to < 36 months	43	405,424.27	457,708.84	0.00	863,133.11	42.85	3,458,664.65	4,321,797.76	7.72	72.20
Subtotal	780	1,151,509.27	862,927.79	0.00	2,014,437.06	100.00	53,965,604.60	55,980,041.66	100.00	47.92
<i>Doubt debts (subjectives)</i>										
	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	780	1,151,509.27	862,927.79	0.00	2,014,437.06		53,965,604.60	55,980,041.66		47.92