

# VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

## Brief report

Date: 02/28/2011  
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

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 (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	49,453.75 449,781,856.25 49.45%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.1560% 04/26/2011 146,097367 Gross 118.338867 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	04/26/2011 "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	1.3360% 04/26/2011 341.422222 Gross 276.552000 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	1.5660% 04/26/2011 400,200000 Gross 324.162000 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	4.5160% 04/26/2011 1,154,088889 Gross 934.812000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Ca	CCC- Ca
Total		490,281,856.25	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	6.74	5.93	5.27	4.71	4.22	3.83	3.51	3.20	
		Final Maturity	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
	Without optional redemption *	Average life	7.04	6.22	5.54	4.97	4.49	4.09	3.74	3.44	
		Final Maturity	17.26	16.26	15.01	14.01	13.01	12.01	10/19/2014	07/01/2014	
		Date	04/24/2028	04/24/2027	01/24/2026	01/24/2025	01/24/2024	01/24/2023	04/24/2022	04/24/2021	
Series B	With optional redemption *	Average life	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
		Final Maturity	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
	Without optional redemption *	Average life	18.65	17.59	16.59	15.55	14.51	13.52	12.61	11.78	
		Final Maturity	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77	
		Date	09/14/2029	08/23/2028	08/24/2027	08/09/2026	07/25/2025	07/28/2024	09/01/2023	10/30/2022	
Series C	With optional redemption *	Average life	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
		Final Maturity	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
	Without optional redemption *	Average life	22.69	21.78	20.76	19.77	18.84	17.93	17.03	16.13	
		Final Maturity	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77	
		Date	10/24/2033	10/30/2032	10/22/2031	10/27/2030	11/22/2029	12/25/2028	01/29/2028	03/07/2027	
Series D	With optional redemption *	Average life	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
		Final Maturity	12.76	11.50	10.50	9.50	8.50	7.75	7.25	6.50	
	Without optional redemption *	Average life	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77	
		Final Maturity	28.77	28.77	28.77	28.77	28.77	28.77	28.77	28.77	
		Date	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	% CE
Series A	91.74%	449,781,856.25	8.37%	95.74%	4.31%
Series B	4.32%	21,200,000.00	3.95%	2.23%	2.05%
Series C	1.92%	9,400,000.00	2.00%	0.99%	1.05%
Series D	2.02%	9,900,000.00		1.04%	
Issue of Bonds		490,281,856.25			950,000,000.00
Reserve Fund	2.00%	9,592,934.05	1.05%		9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	48,402,406.72	0.972%	
Servicer ppal collect not yet credited	560,197.91		
Servicer ints collect not yet credited	96,636.43		
Liabilities	Available	Balance	Interest
Start-up Loan L/T		0.00	
Start-up Loan S/T		0.00	
Swap collateralized amount	Amount	Credited	
CSA *	0.00		
Cash	33,517,343.00		
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	8,022	12,241
Principal		
Principal outstanding	480,524,560.57	940,242,690.85
Average loan	59,900.84	76,810.94
Minimum	113.70	3,356.13
Maximum	427,574.30	496,461.58
Interest rate		
Weighted average (wac)	2.18%	3.11%
Minimum	1.50%	1.00%
Maximum	5.25%	5.25%
Final maturity		
Weighted average (WARM) (months)	193	239
Minimum	03/02/2011	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)	97.78%	97.95%
Mortgage Market: All Institutions	0.03%	0.00%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.02	6.75	0.29	7.77
10.01 - 20%	4.10	15.68	1.93	15.83
20.01 - 30%	7.98	25.47	3.82	25.38
30.01 - 40%	12.90	35.44	6.58	35.62
40.01 - 50%	17.99	45.22	10.97	45.35
50.01 - 60%	26.54	55.27	15.89	55.36
60.01 - 70%	26.49	64.73	22.49	65.47
70.01 - 80%	2.99	70.96	38.04	75.26
Weighted average (WALTV)		49.39		60.76
Minimum		0.10		2.08
Maximum		79.88		80.00

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.19%	0.33%	0.28%	0.33%	0.63%
Annual Percentage Rate (CPR)	2.25%	3.85%	3.35%	3.92%	7.28%

Geographic distribution		
	Current	At constitution date
Andalucia	4.76%	4.64%
Aragon	6.79%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.51%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.27%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.73%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia	0.02%	0.01%
La Rioja	0.86%	0.83%
Madrid	6.84%	7.40%
Murcia	13.93%	13.14%
Navarra	0.33%	0.43%
Valencia	64.89%	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	414	131,068.40	38,662.75	0.00	169,731.15	7.94	25,090,208.15	25,259,939.30	41.64	44.20
from > 1 to ≤ 2 months	150	99,887.30	37,482.13	0.00	137,369.43	6.43	10,801,382.50	10,938,751.93	18.03	47.84
from > 2 to ≤ 3 months	160	179,094.07	65,941.85	0.00	245,035.92	11.46	12,338,447.94	12,583,483.86	20.75	46.01
from > 3 to ≤ 6 months	13	31,077.50	9,684.79	0.00	40,762.29	1.91	1,170,620.06	1,211,382.35	2.00	51.85
from > 6 to < 12 months	23	78,396.92	35,669.54	0.00	114,066.46	5.34	2,019,183.74	2,133,260.20	3.52	55.06
from ≥ 12 to < 18 months	19	79,782.44	35,182.03	0.00	114,964.47	5.38	1,330,806.95	1,445,771.42	2.38	44.07
from ≥ 18 to < 24 months	19	109,786.11	83,584.76	0.00	193,370.87	9.05	1,328,863.17	1,522,234.04	2.51	57.47
from ≥ 2 years	56	570,736.73	551,372.28	0.00	1,122,109.01	52.50	4,440,150.48	5,562,259.49	9.17	65.09
Subtotal	854	1,279,829.47	857,580.13	0.00	2,137,409.60	100.00	58,519,662.99	60,657,072.59	100.00	47.37
<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	854	1,279,829.47	857,580.13	0.00	2,137,409.60		58,519,662.99	60,657,072.59		47.37

#### Additional information