

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria



Brief report

Date: 06/30/2011
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	48,217.13 438,534,797.35 48.22%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.4830% 07/26/2011 180.751287 Gross 146.408542 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/26/2011 "Pass-Through"	AAA Aa1sf	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	1.6630% 07/26/2011 420.369444 Gross 340.499250 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	A+ A2sf	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	1.8930% 07/26/2011 478.508333 Gross 387.591750 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+ Ba1sf	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	4.8430% 07/26/2011 1,224.202778 Gross 991.604250 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCR 2 Csf	CCC- Ca
Total		479,034,797.35	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	6.66	5.90	5.22	4.67	4.23	3.84	3.50	3.23		
		Final Maturity	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
			Date	10/24/2023	10/24/2022	07/24/2021	07/24/2020	10/24/2019	01/24/2019	04/24/2018	10/24/2017		
	Without optional redemption *	Average life	Years	6.97	6.18	5.52	4.96	4.49	4.10	3.75	3.46		
Final Maturity		Years	17.01	16.01	15.01	13.76	12.76	12.01	11.01	10.08/2014			
		Date	04/24/2028	04/24/2027	04/24/2026	01/24/2025	01/24/2024	04/24/2023	04/24/2022	07/24/2021			
Series B	With optional redemption *	Average life	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
		Final Maturity	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
			Date	10/24/2023	10/24/2022	07/24/2021	07/24/2020	10/24/2019	01/24/2019	04/24/2018	10/24/2017		
	Without optional redemption *	Average life	Years	18.48	17.42	16.43	15.42	14.40	13.43	12.53	11.70		
Final Maturity		Years	20.76	19.26	18.26	17.26	16.51	15.51	14.51	13.76			
		Date	01/24/2032	07/24/2030	07/24/2029	07/24/2028	07/24/2027	10/24/2026	10/24/2025	01/24/2025			
Series C	With optional redemption *	Average life	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
		Final Maturity	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
			Date	10/24/2023	10/24/2022	07/24/2021	07/24/2020	10/24/2019	01/24/2019	04/24/2018	10/24/2017		
	Without optional redemption *	Average life	Years	22.52	21.63	20.61	19.63	18.71	17.81	16.93	16.04		
Final Maturity		Years	28.52	28.52	28.52	28.52	28.52	28.52	28.52	28.52			
		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			
Series D	With optional redemption *	Average life	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
		Final Maturity	Years	12.51	11.51	10.25	9.25	8.50	7.76	7.00	6.50		
			Date	10/24/2023	10/24/2022	07/24/2021	07/24/2020	10/24/2019	01/24/2019	04/24/2018	10/24/2017		
	Without optional redemption *	Average life	Years	28.52	28.52	28.52	28.52	28.52	28.52	28.52	28.52		
Final Maturity		Years	28.52	28.52	28.52	28.52	28.52	28.52	28.52	28.52			
		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	91.55%	438,534,797.35	8.63%	95.74%	909,500,000.00	4.31%
Series B	4.43%	21,200,000.00	4.11%	2.23%	21,200,000.00	2.05%
Series C	1.96%	9,400,000.00	2.11%	0.99%	9,400,000.00	1.05%
Series D	2.07%	9,900,000.00		1.04%	9,900,000.00	
Issue of Bonds		479,034,797.35			950,000,000.00	
Reserve Fund	2.11%	9,900,000.00		1.05%	9,900,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	51,526,629.33	1.988%	
Servicer ppal collect not yet credited	181,361.16		
Servicer ints collect not yet credited	39,048.30		
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	22,280,000.00		
Securities		0.00	

* Credit Support Amount in favour of the Fund

Additional information

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 06/30/2011
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)

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	7,898	12,241	
Principal			
Principal outstanding	463,796,772.53	940,242,690.85	
Average loan	58,723.32	76,810.94	
Minimum	110.70	3,356.13	
Maximum	421,622.07	496,461.58	
Interest rate			
Weighted average (wac)	2.44%	3.11%	
Minimum	1.75%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	190	239	
Minimum	07/01/2011	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	2.17%	2.05%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.79%	97.95%	
Mortgage Market: All Institutions	0.03%	0.00%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.10	6.82	0.29	7.77
10.01 - 20%	4.29	15.69	1.93	15.83
20.01 - 30%	8.26	25.47	3.82	25.38
30.01 - 40%	13.32	35.37	6.58	35.62
40.01 - 50%	18.99	45.25	10.97	45.35
50.01 - 60%	26.97	55.23	15.89	55.36
60.01 - 70%	26.34	64.77	22.49	65.47
70.01 - 80%	0.73	72.05	38.04	75.26
Weighted average (WALTV)	48.64		60.76	
Minimum	0.05		2.08	
Maximum	79.88		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.34%	0.29%	0.26%	0.28%	0.61%
Annual Percentage Rate (CPR)	3.96%	3.47%	3.10%	3.36%	7.05%

Geographic distribution		
	Current	At constitution date
Andalucia	4.74%	4.64%
Aragon	6.85%	6.24%
Asturias		0.00%
Balearic Islands	0.49%	0.41%
Basque Country	0.01%	0.04%
Canary Islands		0.01%
Castilla-La Mancha	0.28%	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%
La Rioja	0.87%	0.83%
Madrid	6.74%	7.40%
Murcia	13.94%	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	346	99,478.22	32,793.82	0.00	132,272.04	6.12	21,371,170.56	21,503,442.60	38.41	43.49
from > 1 to ≤ 2 months	156	104,463.25	36,672.14	0.00	141,135.39	6.53	10,606,033.23	10,747,168.62	19.20	45.91
from > 2 to ≤ 3 months	161	172,633.15	70,103.12	0.00	242,736.27	11.23	12,142,264.34	12,385,000.61	22.12	48.80
from > 3 to ≤ 6 months	11	28,196.96	10,477.70	0.00	38,674.66	1.79	994,936.22	1,033,610.88	1.85	44.80
from > 6 to < 12 months	19	84,078.16	37,285.87	0.00	121,364.03	5.61	2,038,941.12	2,160,305.15	3.86	55.89
from ≥ 12 to < 18 months	18	83,419.55	39,571.28	0.00	122,990.83	5.69	1,338,275.25	1,461,266.08	2.61	56.56
from ≥ 18 to < 24 months	14	100,142.60	41,578.25	0.00	141,720.85	6.55	852,325.15	994,046.00	1.78	40.13
from ≥ 2 years	60	646,176.59	575,082.59	0.00	1,221,259.18	56.48	4,475,614.47	5,696,873.65	10.18	63.50
Subtotal	785	1,318,588.48	843,564.77	0.00	2,162,153.25	100.00	53,819,560.34	55,981,713.59	100.00	47.27
<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	785	1,318,588.48	843,564.77	0.00	2,162,153.25		53,819,560.34	55,981,713.59		47.27