

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 12/31/2011
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 Santander

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 ESO382745000	12/12/2005 9,095	45,628.60 414,992,117.00 45.63%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	1.7240% 01/24/2012 201,029472 Gross 162.833872 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	01/24/2012 "Pass-Through"	AAA A1sf	AAA Aaa
Series B ESO382745018	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	1.9040% 01/24/2012 486,577778 Gross 394.128000 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 ESO382745026	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	2.1340% 01/24/2012 545,355556 Gross 441.738000 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 ESO382745034	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	5.0840% 01/24/2012 1,299,244444 Gross 1,052.388000 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCCRR 2 Csf	CCC- Ca
Total		455,492,117.00	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	6.49	5.75	5.12	4.58	4.15	3.77	3.43	3.17
		Final Maturity	12.01	11.01	10.01	9.01	8.26	7.50	6.75	6.26
	Without optional redemption *	Average life	6.82	6.06	5.42	4.88	4.42	4.04	3.70	3.41
		Final Maturity	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	04/24/2019	07/24/2018	10/24/2018
Series B	With optional redemption *	Average life	12.01	11.01	10.01	9.01	8.26	7.50	6.75	6.26
		Final Maturity	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	04/24/2019	07/24/2018	10/24/2018
	Without optional redemption *	Average life	18.03	17.00	16.04	15.06	14.07	13.13	12.25	11.45
		Final Maturity	10/30/2029	10/17/2028	11/03/2027	11/11/2026	11/15/2025	12/07/2024	01/21/2024	04/04/2023
Series C	With optional redemption *	Average life	12.01	11.01	10.01	9.01	8.26	7.50	6.75	6.26
		Final Maturity	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	04/24/2019	07/24/2018	10/24/2018
	Without optional redemption *	Average life	22.09	21.22	20.22	19.26	18.35	17.47	16.61	15.76
		Final Maturity	11/18/2033	01/04/2033	01/07/2032	01/20/2031	02/24/2030	04/10/2029	05/31/2028	07/24/2027
Series D	With optional redemption *	Average life	12.01	11.01	10.01	9.01	8.26	7.50	6.75	6.26
		Final Maturity	10/24/2023	10/24/2022	10/24/2021	10/24/2020	01/24/2020	04/24/2019	07/24/2018	10/24/2018
	Without optional redemption *	Average life	28.02	28.02	28.02	28.02	28.02	28.02	28.02	28.02
		Final Maturity	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	% CE	% CE	% CE
Series A	91.11%	414,992,117.00	9.09%	95.74%	909,500,000.00
Series B	4.65%	21,200,000.00	4.33%	2.23%	21,200,000.00
Series C	2.06%	9,400,000.00	2.22%	0.99%	9,400,000.00
Series D	2.17%	9,900,000.00		1.04%	9,900,000.00
Issue of Bonds		455,492,117.00			950,000,000.00
Reserve Fund	2.22%	9,900,000.00		1.05%	9,900,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	43,283,615.59	1.979%	
Servicer ppal collect not yet credited	330,306.09		
Servicer ints collect not yet credited	45,103.03		
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	13,160,000.00		
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	7,677	12,241	
Principal			
Principal outstanding	439,447,010.08	940,242,690.85	
Average loan	57,242.02	76,810.94	
Minimum	146.83	3,356.13	
Maximum	412,972.08	496,461.58	
Interest rate			
Weighted average (wac)	2.76%	3.11%	
Minimum	2.01%	1.00%	
Maximum	5.25%	5.25%	
Final maturity			
Weighted average (WARM) (months)	186	239	
Minimum	01/03/2012	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	2.13%	2.05%	
1-year EURIBOR/MIBOR (Mortgage Market)	97.83%	97.95%	
Mortgage Market: All Institutions	0.03%	0.00%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.24	6.89	0.29	7.77
10.01 - 20%	4.56	15.62	1.93	15.83
20.01 - 30%	8.80	25.33	3.82	25.38
30.01 - 40%	14.13	35.29	6.58	35.62
40.01 - 50%	20.13	45.31	10.97	45.35
50.01 - 60%	27.47	55.09	15.89	55.36
60.01 - 70%	23.40	64.28	22.49	65.47
70.01 - 80%	0.27	73.61	38.04	75.26
Weighted average (WALTV)	47.51		60.76	
Minimum	0.21		2.08	
Maximum	79.88		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.45%	0.37%	0.31%	0.29%	0.58%
Annual Percentage Rate (CPR)	5.25%	4.38%	3.69%	3.40%	6.78%

Geographic distribution		
	Current	At constitution date
Andalucia	4.73%	4.64%
Aragon	6.92%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.48%	0.41%
Basque Country	0.01%	0.04%
Canary Islands	0.01%	0.01%
Castilla-La Mancha	0.28%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.75%	0.77%
Ceuta	0.02%	0.03%
Extremadura	0.02%	0.01%
Galicia	0.00%	0.01%
La Rioja	0.85%	0.83%
Madrid	6.72%	7.40%
Murcia	14.03%	13.14%
Navarra	0.32%	0.43%
Valencia	64.84%	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	332	87,965.87	32,443.68	0.00	120,409.55	5.45	19,023,609.75	19,144,019.30	33.84	42.41
from > 1 to ≤ 2 months	167	108,590.61	43,322.87	0.00	151,913.48	6.87	10,740,109.09	10,892,022.57	19.25	44.56
from > 2 to ≤ 3 months	204	226,197.11	97,391.40	0.00	323,588.51	14.64	14,735,739.21	15,059,327.72	26.62	44.47
from > 3 to ≤ 6 months	23	37,951.17	23,051.24	0.00	61,002.41	2.76	1,883,089.45	1,944,091.86	3.44	53.77
from > 6 to < 12 months	15	74,449.47	27,497.21	0.00	101,946.68	4.61	1,472,966.88	1,574,913.56	2.78	49.72
from ≥ 12 to < 18 months	14	86,567.10	48,538.47	0.00	135,105.57	6.11	1,474,149.26	1,609,254.83	2.84	63.56
from ≥ 18 to < 24 months	15	98,108.51	50,402.58	0.00	148,511.09	6.72	1,210,087.62	1,358,598.71	2.40	60.61
from ≥ 2 years	55	648,549.72	518,664.40	0.00	1,167,214.12	52.82	3,823,403.89	4,990,618.01	8.82	57.28
Subtotal	825	1,368,379.56	841,311.85	0.00	2,209,691.41	100.00	54,363,155.15	56,572,846.56	100.00	45.73
<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	825	1,368,379.56	841,311.85	0.00	2,209,691.41		54,363,155.15	56,572,846.56		45.73