

VALENCIA HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 05/31/2014
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
Barclays Bank PLC

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Barclays Bank PLC

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	32,676.47 297,192,494.65 32.68%	100,000.00 909,500,000.00	Floating 3-M Euribor+0.140% 24.Jan/Apr/Jul/Oct	0.4690% 07/24/2014 38.738863 Gross 30.603702 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	07/24/2014 "Pass-Through"	AA-sf Baa1sf	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	0.6490% 07/24/2014 164,052778 Gross 129.601695 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+sf Baa3sf	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	0.8790% 07/24/2014 222.191667 Gross 175.531417 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Pro rata deferred start / Sequential	BB+sf Caa2sf	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	3.8290% 07/24/2014 967.886111 Gross 764.630028 Net	01/24/2043 Quarterly 24.Jan/Apr/Jul/Oct	To be determined Due to Cash Reserve reduction	CCC Csf	CCC- Ca
Total		337,692,494.65	950,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)									
		% Annual equivalent CPR									
		0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44		
		2,00	4,00	6,00	8,00	10,00	12,00	14,00	16,00		
Series A	With optional redemption *	Average life	Years	5.12	4.58	4.11	3.70	3.38	3.09	2.84	2.60
		Final Maturity	Years	06/04/2019	11/19/2018	06/01/2018	01/02/2018	09/07/2017	05/27/2017	02/22/2017	11/29/2016
	Without optional redemption *	Average life	Years	9.01	8.25	7.51	6.76	6.25	5.76	5.25	4.76
		Final Maturity	Years	04/24/2023	07/24/2022	10/24/2021	01/24/2021	07/24/2020	01/24/2020	07/24/2019	01/24/2019
Series B	With optional redemption *	Average life	Years	5.50	4.93	4.44	4.02	3.67	3.37	3.10	2.87
		Final Maturity	Years	10/24/2019	03/26/2019	09/29/2018	05/01/2018	12/23/2017	09/03/2017	05/30/2017	03/07/2017
	Without optional redemption *	Average life	Years	13.26	12.26	11.51	10.51	9.76	9.01	8.51	7.76
		Final Maturity	Years	07/24/2027	07/24/2026	10/24/2025	10/24/2024	01/24/2024	04/24/2023	10/24/2022	01/24/2022
Series C	With optional redemption *	Average life	Years	9.01	8.25	7.51	6.76	6.25	5.76	5.25	4.76
		Final Maturity	Years	04/24/2023	07/24/2022	10/24/2021	01/24/2021	07/24/2020	01/24/2020	07/24/2019	01/24/2019
	Without optional redemption *	Average life	Years	14.40	13.57	12.71	11.85	11.02	10.26	9.57	8.86
		Final Maturity	Years	09/14/2028	11/14/2027	01/05/2027	02/24/2026	04/28/2025	07/25/2024	11/17/2023	04/05/2023
Series D	With optional redemption *	Average life	Years	15.76	15.01	14.26	13.51	12.51	11.76	11.01	10.26
		Final Maturity	Years	01/24/2030	04/24/2029	07/24/2028	10/24/2027	01/24/2026	01/24/2026	04/24/2025	07/24/2024
	Without optional redemption *	Average life	Years	9.01	8.25	7.51	6.76	6.25	5.76	5.25	4.76
		Final Maturity	Years	04/24/2023	07/24/2022	10/24/2021	01/24/2021	07/24/2020	01/24/2020	07/24/2019	01/24/2019

* 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	88.01%	297,192,494.65	11.71%	95.74%	909,500,000.00	4.31%
Series B	6.28%	21,200,000.00	5.24%	2.23%	21,200,000.00	2.05%
Series C	2.78%	9,400,000.00	2.38%	0.99%	9,400,000.00	1.05%
Series D	2.93%	9,900,000.00		1.04%	9,900,000.00	
Issue of Bonds		337,692,494.65			950,000,000.00	
Reserve Fund	2.38%	7,786,746.80		1.05%	9,900,000.00	

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		32,649,191.93	0.335%
Servicer ppal collect not yet credited		134,084.65	
Servicer ints collect not yet credited		22,915.21	
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		11,310,000.00	
Securities			0.00

* Credit Support Amount in favour of the Fund

Additional information

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Collateral: Residential mortgage loans

General		
	Current	At constitution date
Count	6,514	12,241
Principal		
Principal outstanding	329,629,919.41	940,242,690.85
Average loan	50,603.30	76,810.94
Minimum	68.79	3,356.13
Maximum	367,601.86	496,461.58
Interest rate		
Weighted average (wac)	1.56%	3.11%
Minimum	0.58%	1.00%
Maximum	5.25%	5.25%
Final maturity		
Weighted average (WARM) (months)	165	239
Minimum	06/01/2014	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	1.98%	2.05%
1-year EURIBOR/MIBOR (Mortgage Market)	97.97%	97.95%
Mortgage Market: All Institutions	0.04%	0.00%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.64	6.82	0.29	7.77
10.01 - 20%	6.75	15.66	1.93	15.83
20.01 - 30%	12.53	25.29	3.82	25.38
30.01 - 40%	18.44	35.36	6.58	35.62
40.01 - 50%	27.27	45.10	10.97	45.35
50.01 - 60%	25.76	54.62	15.89	55.36
60.01 - 70%	7.57	62.00	22.49	65.47
70.01 - 80%	0.02	71.14	38.04	75.26
Weighted average (WALTV)	41.94		60.76	
Minimum	0.06		2.08	
Maximum	71.14		80.00	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.30%	0.23%	0.32%	0.28%	0.51%
Annual Percentage Rate (CPR)	3.51%	2.73%	3.73%	3.36%	5.94%

Geographic distribution		
	Current	At constitution date
Andalucia	4.55%	4.64%
Aragon	6.87%	6.24%
Asturias	0.00%	0.00%
Balearic Islands	0.52%	0.41%
Basque Country	0.00%	0.04%
Canary Islands		0.01%
Castilla-La Mancha	0.23%	0.36%
Castilla-Leon	0.02%	0.03%
Catalonia	0.79%	0.77%
Ceuta	0.01%	0.03%
Extremadura		0.01%
Galicia		0.01%
La Rioja	0.85%	0.83%
Madrid	6.43%	7.40%
Murcia	14.25%	13.14%
Navarra	0.30%	0.43%
Valencia	65.17%	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	110	30,586.21	4,612.40	0.00	35,198.61	1.49	4,897,224.26	4,932,422.87	20.81	34.90
from > 1 to ≤ 2 months	47	32,608.39	5,744.42	0.00	38,352.81	1.63	2,406,942.63	2,445,295.44	10.32	36.38
from > 2 to ≤ 3 months	27	27,006.33	4,371.70	0.00	31,378.03	1.33	1,155,687.52	1,187,065.55	5.01	32.72
from > 3 to ≤ 6 months	39	64,203.39	13,916.50	0.00	78,119.89	3.32	2,386,268.61	2,464,388.50	10.40	42.64
from > 6 to < 12 months	24	82,931.95	22,601.17	0.00	105,533.12	4.48	1,696,616.92	1,802,150.04	7.60	49.58
from ≥ 12 to < 18 months	27	154,158.18	49,972.71	0.00	204,130.89	8.66	1,899,843.22	2,103,974.11	8.88	51.50
from ≥ 18 to < 24 months	24	192,851.19	84,188.87	0.00	277,040.06	11.76	1,926,766.19	2,203,806.25	9.30	59.35
from ≥ 2 years	71	1,129,524.34	456,879.84	0.00	1,586,404.18	67.33	4,973,630.33	6,560,034.51	27.68	55.09
Subtotal	369	1,713,869.98	642,287.61	0.00	2,356,157.59	100.00	21,342,979.68	23,699,137.27	100.00	44.21
<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	369	1,713,869.98	642,287.61	0.00	2,356,157.59		21,342,979.68	23,699,137.27		44.21