

BZ HIPOTECARIO 1 Fondo de Titulizacion Hipotecaria

Brief report

Date: 05/31/2006
Currency: EUR

Date of constitution
04/16/1999

VAT Reg. no.
G82311796

Management Company
Europa de Titulización S.G.F.T

Originator
Banco Zaragozano

Servicer
Barclays Bank (B. Zaragozano)

Lead Managers
Banco Zaragozano

Bond Underwriters and Placement Agents
Banco Zaragozano

Bond Paying Agent
Caja Madrid

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Barclays Bank (B. Zaragozano)

Treasury Account Collateral
Caja Madrid

Subordinated Loan
Barclays Bank (B. Zaragozano)

Assets Custodian
Barclays Bank (B. Zaragozano)

Fund Auditors
Ernst&Young

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 Fitch / Moody's	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0315271009	04/20/1999 3,386	19,840.83 67,181,050.38 19.84%	100,000.00 338,600,000.00	Floating 3-M Euribor + 0.180% 17.Mar/Jun/Sep/Dec	2.9230% 06/19/2006 149.36 Gross 126.96 Net	03/17/2024 Quarterly 17.Mar/Jun/Sep/Dec	06/19/2006 "Pass-Through"	AAA Aaa	AAA Aaa
Series B ES0315271017	04/20/1999 114	100,000.00 11,400,000.00 100.00%	100,000.00 11,400,000.00	Floating 3-M Euribor + 0.500% 17.Mar/Jun/Sep/Dec	3.2475% 06/19/2006 836.34 Gross 710.89 Net	03/17/2024 Quarterly 17.Mar/Jun/Sep/Dec	To be determined "Pass-Through" Secuential	AA A2	A+ A2
Total		78,581,050.38	350,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)

		% Monthly CPR (SMM)		0,00		0,69		0,78		0,87		0,97		1,06		1,15		1,25	
		% Annual equivalent CPR		0,00		8,00		9,00		10,00		11,00		12,00		13,00		14,00	
Series A	With optional redemption *	Average life	Years	2.72	2.03	1.99	1.88	1.85	1.74	1.72	1.69	1.74	1.65	1.56	1.47	1.38	1.29	1.20	1.11
		Final Maturity	Years	02/17/2009	06/09/2008	05/27/2008	04/16/2008	04/05/2008	02/25/2008	02/16/2008	02/06/2008	02/25/2008	02/15/2008	02/05/2008	01/25/2008	01/15/2008	01/05/2008	12/26/2007	12/16/2007
	Without optional redemption *	Average life	Years	3.33	2.45	2.37	2.29	2.22	2.15	2.09	2.03	2.09	2.00	1.91	1.82	1.73	1.64	1.55	1.46
		Final Maturity	Years	09/17/2010	09/17/2009	09/17/2009	06/17/2009	06/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009
	Without optional redemption *	Average life	Years	09/29/2009	11/10/2008	10/12/2008	09/14/2008	08/19/2008	07/25/2008	07/01/2008	06/08/2008	07/25/2008	07/15/2008	07/05/2008	06/25/2008	06/15/2008	06/05/2008	05/25/2008	05/15/2008
		Final Maturity	Years	06/17/2015	12/17/2012	09/17/2012	06/17/2012	03/17/2012	03/17/2012	03/17/2012	12/17/2011	09/17/2011	06/17/2011	03/17/2011	03/17/2011	03/17/2011	03/17/2011	03/17/2011	03/17/2011
Series B	With optional redemption *	Average life	Years	4.30	3.30	3.30	3.05	3.05	2.80	2.80	2.80	3.05	2.80	2.55	2.30	2.05	1.80	1.55	1.30
		Final Maturity	Years	09/17/2010	09/17/2009	09/17/2009	06/17/2009	06/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009	03/17/2009
	Without optional redemption *	Average life	Years	11.94	9.42	9.14	8.87	8.62	8.37	8.13	7.90	8.62	8.37	8.13	7.88	7.63	7.38	7.13	6.88
		Final Maturity	Years	05/06/2018	10/30/2015	07/20/2015	04/12/2015	01/08/2015	10/10/2014	07/15/2014	04/24/2014	10/10/2014	07/15/2014	04/24/2014	01/08/2014	10/10/2013	07/15/2013	04/24/2013	01/08/2013
	Without optional redemption *	Average life	Years	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06	18.06
		Final Maturity	Years	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024	06/17/2024

* 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	85.49%	67,181,050.38	18.51%	96.74%	338,600,000.00	5.26%
Series B	14.51%	11,400,000.00	4.00%	3.26%	11,400,000.00	2.00%
Issue of Bonds		78,581,050.38			350,000,000.00	
Reserve Fund	4.00%	3,143,242.02		2.00%	7,000,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	7,581,208.87	2.703%	
Servicer ppal collect not yet credited	612,142.65		
Servicer ints collect not yet credited	20,126.81		
Liabilities	Available	Balance	Interest
Subordinated Loan		3,121,727.76	3.248%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		3,253	7,760
Principal			
Principal outstanding		73,994,716.68	350,002,847.85
Average loan		22,746.61	45,103.46
Minimum		203.92	14,743.02
Maximum		161,098.76	291,614.96
Interest rate			
Weighted average (wac)		4.10%	5.18%
Minimum		2.67%	3.75%
Maximum		10.00%	7.90%
Final maturity			
Weighted average (WARM) (months)		104	168
Minimum		06/01/2006	09/01/2002
Maximum		03/01/2024	02/01/2024
Index (distribution)			
1-year EURIBOR/MIBOR		8.23	0.00
1-year EURIBOR/MIBOR (Mortgage Market)		91.77	100.00

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.41%	1.08%	1.27%	1.13%	1.01%
Annual Percentage Rate (CPR)	15.69%	12.25%	14.23%	12.76%	11.42%

LTV Distribution			
		Current	At constitution date
	% Pool	% LTV	% LTV
0.01 - 10%	5.69	6.76	7.95
10.01 - 20%	19.17	15.33	16.52
20.01 - 30%	23.27	25.13	25.74
30.01 - 40%	23.83	34.66	12.87
40.01 - 50%	14.42	44.61	18.46
50.01 - 60%	11.86	54.08	20.93
60.01 - 70%	1.75	61.73	23.90
70.01 - 80%			11.99
Weighted average (WALTV)	31.36		51.52
Minimum	0.09		3.78
Maximum	64.91		79.15

Geographic distribution		
	Current	At constitution date
Andalucia	9.53%	10.70%
Aragon	6.58%	6.87%
Asturias	1.99%	1.14%
Balearic Islands	2.81%	3.12%
Basque Country	2.52%	2.36%
Canary Islands	4.13%	5.23%
Cantabria	1.19%	0.98%
Castilla-La Mancha	6.57%	5.48%
Castilla-Leon	5.36%	4.57%
Catalonia	15.89%	16.70%
Extremadura	0.95%	0.73%
Galicia	2.58%	2.65%
La Rioja	0.24%	0.35%
Madrid	29.19%	28.65%
Murcia	0.99%	1.13%
Navarra	0.69%	0.56%
Valencia	8.76%	8.78%

Additional information

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Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	50	15,327.31	4,557.70	0.00	19,885.01	14.76	1,268,713.99	1,288,599.00	49.25	27.68
1 to 2 months	30	21,478.78	6,049.62	0.00	27,528.40	20.43	844,426.03	871,954.43	33.33	29.37
2 to 3 months	7	6,055.75	1,733.54	0.00	7,789.29	5.78	156,867.14	164,656.43	6.29	26.30
3 to 6 months	6	3,367.45	1,622.09	0.00	4,989.54	3.70	94,980.50	99,970.04	3.82	22.51
6 to 12 months	2	7,577.83	1,432.30	0.00	9,010.13	6.69	47,225.39	56,235.52	2.15	16.85
12 to 18 months	1	1,872.56	605.44	0.00	2,478.00	1.84	12,089.80	14,567.80	0.56	13.85
18 to 24 months	3	30,677.49	2,897.61	4,110.31	37,685.41	27.96	20,547.75	58,233.16	2.23	21.85
Over 2 years	4	4,503.26	12,507.08	8,385.90	25,396.24	18.85	36,826.71	62,222.95	2.38	28.15
Total	103	90,860.43	31,405.38	12,496.21	134,762.02		2,481,677.31	2,616,439.33		27.19