BZ HIPOTECARIO 1 Fondo de Titulizacion Hipotecaria

Brief report

Date: 09/30/2006
Currency: EUR

Date of constitution
04/16/1999

VAT Reg. no.
G82311796

Management Company
Europea 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) Current	Original	Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption Final maturity (legal)	Next	Rating Fitch / Moody´s Current	Original
Series A ES0315271009	04/20/1999 3,386	16,779.61 56,815,759.46 16.78%	100,000.00 338,600,000.00	Floating 3-M Euribor + 0.180% 17.Mar/Jun/Sep/Dec	3.5618% 12/18/2006 149.00 Gross 126.65 Net	03/17/2024 Quarterly 17.Mar/Jun/Sep/Dec	12/18/2006 "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	3.8862% 12/18/2006 968.89 Gross 823.56 Net	03/17/2024 Quarterly 17.Mar/Jun/Sep/Dec	To be determined "Pass-Through" Secuential	AA A2	A+ A2
Total		68,215,759.46	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	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
		Final Maturity	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
	Without optional redemption *	Average life	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
		Final Maturity	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
Series B	With optional redemption *	Average life	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
		Final Maturity	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
	Without optional redemption *	Average life	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006
		Final Maturity	Years	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
			Date	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006	11/17/2006

* 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		% CE	At issue date		% CE
Series A	83.29%	56,815,759.46	20.71%	96.74%	338,600,000.00	5.26%
Series B	16.71%	11,400,000.00	4.00%	3.26%	11,400,000.00	2.00%
Issue of Bonds		68,215,759.46			350,000,000.00	
Reserve Fund	4.00%	2,728,630.38		2.00%	7,000,000.00	

Other finantial operations (current)

Assets		Balance	Interest
Treasury Account		3,126,268.35	3.333%
Servicer ppal collect not yet credited		195,924.55	
Servicer ints collect not yet credited		8,191.10	
Liabilities	**Available**	**Balance**	**Interest**
Subordinated Loan		2,707,116.12	3.886%

Collateral: Residential mortgage loans

General

	Current	At constitution date
Count	3,051	7,760
Principal		
Principal outstanding	67,552,146.89	350,002,847.85
Average loan	22,140.99	45,103.46
Minimum	222.04	14,743.02
Maximum	158,964.39	291,614.96
Interest rate		
Weighted average (wac)	4.23%	5.18%
Minimum	2.67%	3.75%
Maximum	6.00%	7.90%
Final maturity		
Weighted average (WARM) (months)	101	168
Minimum	10/01/2006	09/01/2002
Maximum	11/01/2023	02/01/2024
Index (distribution)		
1-year EURIBOR/MIBOR	7.98	0.00
1-year EURIBOR/MIBOR (Mortgage Market)	92.02	100.00

LTV Distribution

	Current % Pool	Current % LTV	At constitution date % Pool	At constitution date % LTV
0.01 - 10%	6.80	7.07	0.29	7.95
10.01 - 20%	19.67	15.38	3.21	16.52
20.01 - 30%	24.11	25.15	8.36	25.74
30.01 - 40%	22.74	34.52	12.87	35.31
40.01 - 50%	14.66	44.78	18.46	45.38
50.01 - 60%	10.99	54.11	20.93	55.23
60.01 - 70%	1.02	61.62	23.90	64.88
70.01 - 80%			11.99	73.64
Weighted average (WALTV)		30.56		51.52
Minimum		0.11		3.78
Maximum		64.11		79.15

Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.73%	0.90%	1.05%	1.16%	1.01%
Annual Percentage Rate (CPR)	8.43%	10.31%	11.92%	13.11%	11.42%

Geographic distribution

	Current	At constitution date
Andalucia	9.42%	10.70%
Aragon	6.42%	6.87%
Asturias	2.09%	1.14%
Balearic Islands	2.91%	3.12%
Basque Country	2.46%	2.36%
Canary Islands	4.16%	5.23%
Cantabria	1.22%	0.98%
Castilla-La Mancha	6.66%	5.48%
Castilla-Leon	5.41%	4.57%
Catalonia	16.04%	16.70%
Extremadura	0.99%	0.73%
Galicia	2.61%	2.65%
La Rioja	0.22%	0.35%
Madrid	28.94%	28.65%
Murcia	1.02%	1.13%
Navarra	0.69%	0.56%
Valencia	8.72%	8.78%

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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	64	19,292.05	5,889.35	0.00	25,181.40	17.67	1,585,404.07	1,610,585.47	63.51	27.13
1 to 2 months	20	11,794.86	3,934.50	0.00	15,729.36	11.04	541,488.30	557,217.66	21.97	29.93
2 to 3 months	5	7,291.90	802.29	0.00	8,094.19	5.68	68,387.32	76,481.51	3.02	16.10
3 to 6 months	3	4,189.85	1,506.55	0.00	5,696.40	4.00	90,679.03	96,375.43	3.80	32.83
6 to 12 months	1	10,204.80	452.56	0.00	10,657.36	7.48	6,691.92	17,349.28	0.68	6.71
12 to 18 months	2	4,161.42	2,471.91	0.00	6,633.33	4.66	47,707.44	54,340.77	2.14	30.11
18 to 24 months	1	10,828.31	406.78	1,352.85	12,587.94	8.83	997.78	13,585.72	0.54	14.29
Over 2 years	6	28,603.99	15,914.69	13,382.40	57,901.08	40.64	52,125.13	110,026.21	4.34	28.03
Total	102	96.367,18	31,378.63	14,735.25	142,481.06		2,393,480.99	2,535,962.05		26.72

Additional information
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