

BZ HIPOTECARIO 2 Fondo de Titulizacion Hipotecaria

Brief report

Date: 09/30/2006
Currency: EUR

Date of constitution
04/28/2000

VAT Reg. no.
G82653171

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
Barclays Bank (B. Zaragozano)

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
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 Moody's	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A ES0369069002	05/04/2000 2,756	21,940.82 60,468,899.92 21.94%	100,000.00 275,600,000.00	Floating 3-M Euribor + 0.270% 17.Feb/May/Aug/Nov	3.4890% 11/17/2006 195.63 Gross 166.29 Net	05/17/2025 Quarterly 17.Feb/May/Aug/Nov	11/17/2006 "Pass-Through"	Aaa	Aaa
Series B ES0369069010	05/04/2000 94	42,456.89 3,990,947.66 42.46%	100,000.00 9,400,000.00	Floating 3-M Euribor + 0.500% 17.Feb/May/Aug/Nov	3.7190% 11/17/2006 403.51 Gross 342.98 Net	05/17/2025 Quarterly 17.Feb/May/Aug/Nov	11/17/2006 "Pass-Through" Pro rata deferred start / Secuential	A2	A2
Total		64,459,847.58	285,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0,00	0,87	0,97	1,06	1,15	1,25	1,35	1,44
		% Annual equivalent CPR		0,00	10,00	11,00	12,00	13,00	14,00	15,00	16,00
Series A	With optional redemption *	Average life	Years	3.80	2.41	2.28	2.24	2.11	2.08	1.95	1.93
		Final Maturity	Date	07/19/2010	02/25/2009	01/07/2009	12/25/2008	11/08/2008	10/27/2008	09/11/2008	09/01/2008
	Without optional redemption *	Average life	Years	5.63	3.63	3.39	3.39	3.13	3.13	2.88	2.88
		Final Maturity	Date	05/17/2012	05/17/2010	02/17/2010	02/17/2010	11/17/2009	11/17/2009	08/17/2009	08/17/2009
		Average life	Years	5.22	3.40	3.27	3.24	3.04	2.94	2.84	2.75
		Final Maturity	Date	12/16/2011	02/20/2010	01/06/2010	11/24/2009	10/14/2009	09/06/2009	08/01/2009	06/28/2009
Series B	With optional redemption *	Average life	Years	14.89	11.14	10.64	10.39	10.14	9.89	9.39	9.14
		Final Maturity	Date	08/17/2021	11/17/2017	05/17/2017	02/17/2017	11/17/2016	08/17/2016	02/17/2016	11/17/2015
	Without optional redemption *	Average life	Years	4.36	2.81	2.63	2.62	2.44	2.43	2.25	2.24
		Final Maturity	Date	02/06/2011	07/21/2009	05/16/2009	05/14/2009	03/07/2009	03/05/2009	12/28/2008	12/26/2008
		Average life	Years	5.63	3.63	3.39	3.39	3.13	3.13	2.88	2.88
		Final Maturity	Date	05/17/2012	05/17/2010	02/17/2010	02/17/2010	11/17/2009	11/17/2009	08/17/2009	08/17/2009
		Average life	Years	11.91	9.69	9.46	9.23	9.00	8.78	8.54	8.34
		Final Maturity	Date	08/25/2018	06/06/2016	03/14/2016	12/21/2015	09/29/2015	07/09/2015	04/19/2015	01/29/2015
		Average life	Years	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40
		Final Maturity	Date	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025
		Average life	Years	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025
		Final Maturity	Date	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025	02/17/2025

* 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	93.81%	60,468,899.92	12.19%	96.70%	275,600,000.00
Series B	6.19%	3,990,947.66	6.00%	3.30%	9,400,000.00
Issue of Bonds		64,459,847.58			285,000,000.00
Reserve Fund	6.00%	3,867,592.09	2.00%		5,700,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	5,703,667.88	3.140%	
Servicer ppal collect not yet credited	103,382.23		
Servicer ints collect not yet credited	12,484.86		
Liabilities	Available	Balance	Interest
Subordinated Loan		3,867,592.09	3.719%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	2,583	7,400	
Principal			
Principal outstanding	62,695,385.51	285,008,478.12	
Average loan	24,272.31	38,514.66	
Minimum	0.00	8,633.59	
Maximum	451,737.17	555,446.75	
Interest rate			
Weighted average (wac)	4.17%	5.00%	
Minimum	2.66%	2.25%	
Maximum	8.00%	10.00%	
Final maturity			
Weighted average (WARM) (months)	123	166	
Minimum	10/01/2006	06/30/2001	
Maximum	12/01/2024	04/01/2025	
Index (distribution)			
6-month EURIBOR/MIBOR	0.05	0.07	
1-year EURIBOR/MIBOR	2.47	0.00	
1-year EURIBOR/MIBOR (Mortgage Market)	97.48	99.93	

LTV Distribution			
	Current	At constitution date	
	% Pool	% LTV	% LTV
0.01 - 10%	6.03	6.97	1.08
10.01 - 20%	15.95	15.64	6.15
20.01 - 30%	20.44	25.17	11.02
30.01 - 40%	19.05	35.19	17.65
40.01 - 50%	18.01	44.59	16.35
50.01 - 60%	15.19	54.66	16.07
60.01 - 70%	5.34	62.54	17.83
70.01 - 80%			13.85
Weighted average (WALTV)	34.42		48.08
Minimum	0.00		3.22
Maximum	66.23		79.79

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.65%	0.88%	1.01%	1.16%	1.09%
Annual Percentage Rate (CPR)	7.52%	10.02%	11.44%	13.07%	12.27%

Geographic distribution		
	Current	At constitution date
Andalucia	12.51%	14.52%
Aragon	7.90%	8.00%
Asturias	1.13%	1.02%
Balearic Islands	2.53%	2.05%
Basque Country	2.47%	2.32%
Canary Islands	8.03%	7.55%
Cantabria	1.21%	1.13%
Castilla-La Mancha	6.49%	5.30%
Castilla-Leon	5.15%	4.69%
Catalonia	15.17%	15.89%
Extremadura	0.66%	0.79%
Galicia	1.23%	1.56%
La Rioja	0.53%	0.48%
Madrid	23.84%	22.27%
Murcia	1.29%	1.70%
Navarra	0.56%	0.73%
Valencia	9.30%	10.01%

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	46	10,046.28	4,149.57	0.00	14,195.85	11.14	1,127,535.39	1,141,731.24	47.36	27.07
1 to 2 months	26	20,115.06	5,217.78	0.00	25,332.84	19.88	696,049.99	721,382.83	29.92	22.59
2 to 3 months	9	4,899.52	1,570.68	0.00	6,470.20	5.08	138,656.74	145,126.94	6.02	26.15
3 to 6 months	2	1,487.12	295.02	0.00	1,782.14	1.40	16,349.77	18,131.91	0.75	8.63
6 to 12 months	3	4,493.71	2,377.35	0.00	6,871.06	5.39	70,205.03	77,076.09	3.20	33.41
12 to 18 months	2	6,596.97	4,486.86	542.76	11,626.59	9.12	75,372.88	86,999.47	3.61	54.64
18 to 24 months	2	13,156.17	10,585.61	3,339.07	27,080.85	21.25	114,584.42	141,665.27	5.88	52.95
Over 2 years	4	18,977.61	9,718.03	5,381.00	34,076.64	26.74	44,805.60	78,882.24	3.27	37.59
Total	94	79,772.44	38,400.90	9,262.83	127,436.17		2,283,559.82	2,410,995.99		26.66