

# BZ HIPOTECARIO 3 Fondo de Titulización Hipotecaria

## Brief report

Date: 12/31/2005  
Currency: EUR

Date of constitution  
07/23/2001

VAT Reg. no.  
G83062406

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  
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Treasury Account  
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Subordinated Loan  
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Assets Custodian  
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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 ES0315189003	07/25/2001 2,983	40,564.35 121,003,456.05 40.56%	100,000.00 298,300,000.00	Floating 3-M Euribor + 0.240% 17.Jan/Apr/Jul/Oct	2.4250% 01/17/2006 251.39 Gross 213.68 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	01/17/2006 "Pass-Through"	Aaa	Aaa
Series B ES0315189011	07/25/2001 62	78,066.75 4,840,138.50 78.07%	100,000.00 6,200,000.00	Floating 3-M Euribor + 0.500% 17.Jan/Apr/Jul/Oct	2.6850% 01/17/2006 535.67 Gross 455.32 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	01/17/2006 "Pass-Through" Pro rata deferred start	A2	A2
Series C ES0315189029	07/25/2001 55	100,000.00 5,500,000.00 100.00%	100,000.00 5,500,000.00	Floating 3-M Euribor + 1.500% 17.Jan/Apr/Jul/Oct	3.6850% 01/17/2006 941.72 Gross 800.46 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Secutorial	Baa3	Baa3
Total		131,343,594.55	310,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)												
Series	With optional redemption *	Average life	Years	% Monthly CPR (SMM)								
				0,00	0,70	0,80	0,90	1,00	1,10	1,20	1,30	
				% Annual equivalent CPR								
				0,00	8,08	9,19	10,28	11,36	12,43	13,49	14,53	
Series A	With optional redemption *	Average life	Years	5.72	3.68	3.47	3.31	3.17	3.03	2.90	2.78	
		Final Maturity	Years	09/18/2011	09/05/2009	06/18/2009	04/22/2009	02/28/2009	01/09/2009	11/23/2008	10/09/2008	
	Without optional redemption *	Average life	Years	6.18	4.12	3.92	3.74	3.57	3.42	3.28	3.15	
		Final Maturity	Years	03/04/2012	02/11/2010	12/01/2009	09/25/2009	07/26/2009	05/31/2009	04/10/2009	02/21/2009	
Series B	With optional redemption *	Average life	Years	5.74	3.70	3.48	3.33	3.18	3.04	2.91	2.79	
		Final Maturity	Years	09/24/2011	09/10/2009	06/24/2009	04/28/2009	03/06/2009	01/16/2009	11/28/2008	10/15/2008	
	Without optional redemption *	Average life	Years	6.20	4.14	3.94	3.76	3.59	3.44	3.29	3.16	
		Final Maturity	Years	03/10/2012	02/17/2010	12/06/2009	10/01/2009	08/02/2009	06/07/2009	04/16/2009	02/27/2009	
Series C	With optional redemption *	Average life	Years	10.80	7.30	6.80	6.55	6.30	6.05	5.80	5.55	
		Final Maturity	Years	10/17/2016	04/17/2013	10/17/2012	07/17/2012	04/17/2012	01/17/2012	10/17/2011	07/17/2011	
	Without optional redemption *	Average life	Years	18.21	15.42	15.02	14.63	14.24	13.86	13.48	13.11	
		Final Maturity	Years	03/13/2024	05/29/2021	01/03/2021	08/13/2020	03/24/2020	11/05/2019	06/20/2019	02/05/2019	
				28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56	
				07/17/2034	07/17/2034	07/17/2034	07/17/2034	07/17/2034	07/17/2034	07/17/2034	07/17/2034	

\* 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	92.13%	121,003,456.05	11.42%	96.23%	298,300,000.00	5.27%
Series B	3.69%	4,840,138.50	7.73%	2.00%	6,200,000.00	3.27%
Series C	4.19%	5,500,000.00	3.54%	1.77%	5,500,000.00	1.50%
Issue of Bonds		131,343,594.55			310,000,000.00	
Reserve Fund	3.54%	4,650,000.00	1.50%		4,650,000.00	

Other financial operations (current)			
Assets		Balance	Interest
		Treasury Account	12,545,812.19
Servicer ppal collect not yet credited	670,854.03		
Servicer ints collect not yet credited	54,535.81		
Liabilities			
	Available	Balance	Interest
Subordinated Loan		4,650,000.00	
Start-up Loan		0.00	

### Collateral: Residential mortgage loans

General			
		Current	At constitution date
		Count	
Principal	Principal outstanding	123,587,713.10	310,001,720.87
	Average loan	34,093.16	46,630.82
	Minimum	45.44	5,951.29
	Maximum	522,437.62	974,868.56
Interest rate	Weighted average (wac)	3.68%	5.89%
	Minimum	2.25%	3.90%
	Maximum	6.00%	8.88%
Final maturity	Weighted average (WARM) (months)	152	190
	Minimum	01/01/2006	01/01/2003
	Maximum	04/01/2034	07/05/2026
Index (distribution)	1-year EURIBOR/MIBOR	0.17	0.00
	1-year EURIBOR/MIBOR (Mortgage Market)	99.83	100.00

LTV Distribution					
	Current		At constitution date		
	% Pool	% LTV	% Pool	% LTV	
0.01 - 10%	3.36	6.93	1.02	7.66	
10.01 - 20%	11.26	15.43	5.28	15.75	
20.01 - 30%	16.93	25.20	9.60	25.34	
30.01 - 40%	19.45	35.11	14.76	35.36	
40.01 - 50%	19.39	45.35	19.38	45.38	
50.01 - 60%	17.83	54.79	17.45	55.09	
60.01 - 70%	11.61	64.53	14.46	64.93	
70.01 - 80%	0.18	70.17	18.05	74.76	
Weighted average (WALTV)	39.24		49.86		
Minimum	0.03		0.99		
Maximum	70.43		79.58		

#### Additional information

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.87%	1.47%	1.35%	1.23%	1.12%
Annual Percentage Rate (CPR)	20.25%	16.26%	15.03%	13.78%	12.61%

### Geographic distribution

	Current	At constitution date
Andalucia	18.27%	19.08%
Aragon	6.58%	6.29%
Asturias	1.93%	1.68%
Balearic Islands	2.50%	2.73%
Basque Country	2.25%	2.59%
Canary Islands	6.45%	6.05%
Cantabria	0.87%	0.96%
Castilla-La Mancha	6.02%	5.20%
Castilla-Leon	4.62%	4.71%
Catalonia	15.03%	14.51%
Extremadura	1.10%	1.09%
Galicia	2.32%	2.40%
La Rioja	0.44%	0.38%
Madrid	21.47%	21.66%
Murcia	1.03%	1.25%
Navarra	0.54%	0.55%
Valencia	8.58%	8.88%

### Current delinquency

Aging	Assets	Overdue debt				Total	%	Outstanding debt	Total debt	%	% Total debt / Appraisal Value
		Principal	Interest	Other							
Up to 1 month	91	27,317.73	9,042.89	0.00	36,360.62	25.32	2,905,528.73	2,941,889.35	59.32	26.20	
1 to 2 months	28	15,442.36	6,860.53	0.00	22,302.89	15.53	1,074,298.72	1,096,601.61	22.11	34.62	
2 to 3 months	12	11,059.52	2,761.44	0.00	13,820.96	9.63	261,953.89	275,774.85	5.56	29.06	
3 to 6 months	10	12,470.08	6,097.83	0.00	18,567.91	12.93	384,282.59	402,850.50	8.12	31.40	
6 to 12 months	1	691.87	353.63	197.86	1,243.36	0.87	10,862.27	12,105.63	0.24	8.29	
12 to 18 months	4	25,259.20	4,300.00	2,762.10	32,321.30	22.51	105,863.38	138,184.68	2.79	29.13	
18 to 24 months	1	2,881.34	2,318.45	0.00	5,199.79	3.62	32,754.08	37,953.87	0.77	57.37	
Over 2 years	2	7,418.71	3,981.24	2,369.81	13,769.76	9.59	40,372.04	54,141.80	1.09	53.32	
<b>Total</b>	<b>149</b>	<b>102,540.81</b>	<b>35,716.01</b>	<b>5,329.77</b>	<b>143,586.59</b>		<b>4,815,915.70</b>	<b>4,959,502.29</b>		<b>28.48</b>	

#### Additional information