

# BZ HIPOTECARIO 3 Fondo de Titulización Hipotecaria

## Brief report

Date: 04/30/2006  
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

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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	35,607.84 106,218,186.72 35.61%	100,000.00 298,300,000.00	Floating 3-M Euribor + 0.240% 17.Jan/Apr/Jul/Oct	3.0020% 07/17/2006 267.24 Gross 227.15 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	07/17/2006 "Pass-Through"	Aaa	Aaa
Series B ES0315189011	07/25/2001 62	68,527.87 4,248,727.94 68.53%	100,000.00 6,200,000.00	Floating 3-M Euribor + 0.500% 17.Jan/Apr/Jul/Oct	3.2620% 07/17/2006 558.84 Gross 475.01 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	07/17/2006 "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	4.2620% 07/17/2006 1,065.50 Gross 905.67 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Secutorial	Baa3	Baa3
Total		115,966,914.66	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	Date	% Monthly CPR (SMM)									
				0,00	0,87	0,97	1,06	1,15	1,25	1,35	1,44		
Series A	With optional redemption *	Average life	5.75	0.00	0.87	0.97	1.06	1.15	1.25	1.35	1.44		
		Final Maturity	9.97	10.00	11.00	12.00	13.00	14.00	15.00	16.00			
	Without optional redemption *	Average life	6.35	09/03/2012	3.91	08/02/2009	3.26	06/12/2009	2.99	04/25/2009	2.92	02/13/2009	2.68
		Final Maturity	16.22	04/17/2016	12.22	07/17/2012	5.97	04/17/2012	5.72	04/17/2011	5.47	07/17/2011	4.97
		Average life	6.35	09/03/2012	3.91	01/25/2010	3.75	12/01/2009	3.59	10/11/2009	3.45	08/23/2009	3.20
		Final Maturity	16.22	07/17/2022	12.22	01/17/2018	11.73	10/17/2017	11.47	04/17/2017	10.97	07/09/2009	10.22
Series B	With optional redemption *	Average life	5.75	0.00	0.87	0.97	1.06	1.15	1.25	1.35	1.44		
		Final Maturity	9.97	10.00	11.00	12.00	13.00	14.00	15.00	16.00			
	Without optional redemption *	Average life	6.36	09/06/2012	3.92	03/30/2010	3.76	12/07/2009	3.61	10/16/2009	3.47	08/29/2009	3.21
		Final Maturity	16.22	07/17/2022	12.22	01/31/2010	11.73	10/17/2017	11.47	10/16/2009	10.97	07/15/2009	10.22
		Average life	6.36	09/06/2012	3.92	01/31/2010	3.76	12/07/2009	3.61	10/16/2009	3.47	08/29/2009	3.21
		Final Maturity	16.22	07/17/2022	12.22	01/31/2010	11.73	10/17/2017	11.47	10/16/2009	10.97	07/15/2009	10.22
Series C	With optional redemption *	Average life	9.97	0.00	0.87	0.97	1.06	1.15	1.25	1.35	1.44		
		Final Maturity	9.97	10.00	11.00	12.00	13.00	14.00	15.00	16.00			
	Without optional redemption *	Average life	17.84	02/26/2024	14.40	09/19/2020	14.05	05/12/2020	13.69	08/29/2019	12.99	07/19/2018	12.31
		Final Maturity	28.23	07/17/2034	28.23	07/17/2034	28.23	07/17/2034	28.23	07/17/2034	28.23	07/17/2034	28.23
		Average life	9.97	04/17/2016	6.22	04/17/2012	5.97	01/17/2012	5.72	10/17/2011	5.47	07/17/2011	5.22
		Final Maturity	9.97	04/17/2016	6.22	04/17/2012	5.97	01/17/2012	5.72	10/17/2011	5.47	07/17/2011	5.22

\* 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	91.59%	106,218,186.72	12.15%	96.23%	298,300,000.00
Series B	3.66%	4,248,727.94	8.49%	2.00%	6,200,000.00
Series C	4.74%	5,500,000.00	3.75%	1.77%	5,500,000.00
Issue of Bonds		115,966,914.66			310,000,000.00
Reserve Fund	3.75%	4,348,759.70	1.50%		4,650,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	5,247,618.70	2,680%	
Servicer ppal collect not yet credited	505,036.90		
Servicer ints collect not yet credited	41,019.42		
Liabilities	Available	Balance	Interest
Subordinated Loan		4,348,759.70	
Start-up Loan		0.00	

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	3,417	6,648	
Principal			
Principal outstanding	114,502,599.45	310,001,720.87	
Average loan	33,509.69	46,630.82	
Minimum	106.21	5,951.29	
Maximum	516,585.41	974,868.56	
Interest rate			
Weighted average (wac)	3.74%	5.89%	
Minimum	2.25%	3.90%	
Maximum	6.00%	8.88%	
Final maturity			
Weighted average (WARM) (months)	149	190	
Minimum	05/01/2006	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
0.01 - 10%	3.53	7.00	1.02
10.01 - 20%	12.15	15.43	5.28
20.01 - 30%	17.02	25.18	9.60
30.01 - 40%	19.22	34.93	14.76
40.01 - 50%	20.09	45.22	19.38
50.01 - 60%	17.48	54.69	17.45
60.01 - 70%	13.69	64.27	14.46
70.01 - 80%	10.50		18.05
Weighted average (WALTV)	38.52		49.86
Minimum	0.04		0.99
Maximum	69.63		79.58

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.11%	1.17%	1.32%	1.24%	1.12%
Annual Percentage Rate (CPR)	12.51%	13.16%	14.78%	13.88%	12.64%

### Geographic distribution

	Current	At constitution date
Andalucia	18.11%	19.08%
Aragon	6.58%	6.29%
Asturias	1.97%	1.68%
Balearic Islands	2.52%	2.73%
Basque Country	2.20%	2.59%
Canary Islands	6.46%	6.05%
Cantabria	0.89%	0.96%
Castilla-La Mancha	6.13%	5.20%
Castilla-Leon	4.62%	4.71%
Catalonia	15.18%	14.51%
Extremadura	1.10%	1.09%
Galicia	2.40%	2.40%
La Rioja	0.40%	0.38%
Madrid	21.39%	21.66%
Murcia	1.01%	1.25%
Navarra	0.55%	0.55%
Valencia	8.49%	8.88%

### Current delinquency

Aging	Assets	Overdue debt				Total	%	Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other						%	
Up to 1 month	102	27,579.68	12,065.94	0.00	39,645.62	23.84	3,862,675.37	3,902,320.99	67.73	30.31	
1 to 2 months	32	20,761.56	5,892.28	0.00	26,653.84	16.03	884,381.60	911,035.44	15.81	26.42	
2 to 3 months	13	15,270.89	4,262.06	0.00	19,532.95	11.75	437,289.43	456,822.38	7.93	25.30	
3 to 6 months	6	8,569.36	2,680.80	0.00	11,250.16	6.77	185,353.98	196,604.14	3.41	24.09	
6 to 12 months	2	1,836.52	1,490.20	0.00	3,326.72	2.00	44,743.15	48,069.87	0.83	27.20	
12 to 18 months	3	13,335.88	2,788.05	1,834.47	17,958.40	10.80	53,771.62	71,730.02	1.24	18.63	
18 to 24 months	2	19,934.98	3,250.97	2,562.69	25,748.64	15.49	55,634.24	81,382.88	1.41	34.58	
Over 2 years	3	12,071.04	7,197.83	2,890.86	22,159.73	13.33	71,355.13	93,514.86	1.62	55.77	
<b>Total</b>	<b>163</b>	<b>119,359.91</b>	<b>39,628.13</b>	<b>7,268.02</b>	<b>166,276.06</b>		<b>5,595,204.52</b>	<b>5,761,480.58</b>		<b>28.94</b>	

#### Additional information