

BZ HIPOTECARIO 4 Fondo de Titulización Hipotecaria

Brief report

Date: 12/31/2006
Currency: EUR

Date of constitution
11/27/2002

VAT Reg. no.
G83483552

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
IAIF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
Caja Madrid

Subordinated Loan
Barclays Bank (B. Zaragozano)

Start-up 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 ES0305571004 | 11/29/2002 3,040 | 41,307.64 125,575,225.60 41.31% | 100,000.00 304,000,000.00 | Floating 3-M Euribor + 0.230% 18.Jan/Apr/Jul/Oct | 3.7320% 01/18/2007 393.96 Gross 334.87 Net | 10/18/2032 Quarterly 18.Jan/Apr/Jul/Oct | 01/18/2007 "Pass-Through" | Aaa | Aaa |
| Series B ES0305571012 | 11/29/2002 66 | 85,012.26 5,610,809.16 85.01% | 100,000.00 6,600,000.00 | Floating 3-M Euribor + 0.500% 18.Jan/Apr/Jul/Oct | 4.0020% 01/18/2007 869.45 Gross 739.03 Net | 10/18/2032 Quarterly 18.Jan/Apr/Jul/Oct | 01/18/2007 "Pass-Through" Pro rata deferred start / Secuential | A2 | A2 |
| Series C ES0305571020 | 11/29/2002 28 | 85,879.74 2,404,632.72 85.88% | 100,000.00 2,800,000.00 | Floating 3-M Euribor + 1.150% 18.Jan/Apr/Jul/Oct | 4.6520% 01/18/2007 1,020.98 Gross 867.83 Net | 10/18/2032 Quarterly 18.Jan/Apr/Jul/Oct | 01/18/2007 "Pass-Through" Pro rata deferred start / Secuential | Baa2 | Baa2 |
| Total | | 133,590,667.48 | 313,400,000.00 | | | | | | |

| Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR) | | | | | | | | | | | |
|---|-------------------------------|----------------------------|---------------------|------------|-------------------------|------------|----------------|------------|------------|------------|------------|
| Series | Option | With optional redemption * | % Monthly CPR (SMM) | | % Annual equivalent CPR | | CPR Hypothesis | | | | |
| | | | 0,00 | 0,69 | 0,87 | 1,06 | 1,25 | 1,44 | 1,64 | 1,84 | |
| Series A | With optional redemption * | Average life | Years | 7.14 | 4.42 | 3.98 | 3.65 | 3.36 | 3.09 | 2.84 | 2.61 |
| | | Final Maturity | Years | 01/18/2014 | 04/29/2011 | 11/23/2010 | 07/25/2010 | 04/08/2010 | 12/31/2009 | 10/01/2009 | 07/09/2009 |
| | | | Date | 12.39 | 8.14 | 7.39 | 6.89 | 6.39 | 5.89 | 5.39 | 4.88 |
| | Without optional redemption * | Average life | Years | 7.90 | 5.25 | 4.79 | 4.40 | 4.05 | 3.75 | 3.48 | 3.24 |
| | | Final Maturity | Years | 10/23/2014 | 02/26/2012 | 09/14/2011 | 04/23/2011 | 12/18/2010 | 08/29/2010 | 05/23/2010 | 02/24/2010 |
| | | | Date | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 |
| Series B | With optional redemption * | Average life | Years | 7.14 | 4.42 | 3.98 | 3.65 | 3.36 | 3.09 | 2.84 | 2.61 |
| | | Final Maturity | Years | 01/18/2014 | 04/29/2011 | 11/23/2010 | 07/25/2010 | 04/08/2010 | 12/31/2009 | 10/01/2009 | 07/09/2009 |
| | | | Date | 12.39 | 8.14 | 7.39 | 6.89 | 6.39 | 5.89 | 5.39 | 4.88 |
| | Without optional redemption * | Average life | Years | 7.90 | 5.25 | 4.79 | 4.40 | 4.05 | 3.75 | 3.48 | 3.24 |
| | | Final Maturity | Years | 10/23/2014 | 02/26/2012 | 09/14/2011 | 04/23/2011 | 12/18/2010 | 08/29/2010 | 05/23/2010 | 02/24/2010 |
| | | | Date | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 |
| Series C | With optional redemption * | Average life | Years | 7.14 | 4.42 | 3.98 | 3.65 | 3.36 | 3.09 | 2.84 | 2.61 |
| | | Final Maturity | Years | 01/18/2014 | 04/29/2011 | 11/23/2010 | 07/25/2010 | 04/08/2010 | 12/31/2009 | 10/01/2009 | 07/09/2009 |
| | | | Date | 12.39 | 8.14 | 7.39 | 6.89 | 6.39 | 5.89 | 5.39 | 4.88 |
| | Without optional redemption * | Average life | Years | 7.90 | 5.25 | 4.79 | 4.40 | 4.05 | 3.75 | 3.48 | 3.24 |
| | | Final Maturity | Years | 10/23/2014 | 02/26/2012 | 09/14/2011 | 04/23/2011 | 12/18/2010 | 08/29/2010 | 05/23/2010 | 02/24/2010 |
| | | | Date | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 | 25.15 |

* 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 | % CE | % CE | % CE | | |
| Series A | 94.00% | 125,575,225.60 | 8.20% | 97.00% | 304,000,000.00 | 4.35% |
| Series B | 4.20% | 5,610,809.16 | 4.00% | 2.11% | 6,600,000.00 | 2.24% |
| Series C | 1.80% | 2,404,632.72 | 2.20% | 0.89% | 2,800,000.00 | 1.35% |
| Issue of Bonds | | 133,590,667.48 | | | 313,400,000.00 | |
| Reserve Fund | 2.20% | 2,938,994.68 | 1.35% | | 4,230,900.00 | |

| Other financial operations (current) | | | |
|--|--------------|--------------|----------|
| Assets | Balance | Interest | |
| Treasury Account | 8,586,075.57 | 3.420% | |
| Servicer ppal collect not yet credited | | | |
| Servicer ints collect not yet credited | 92,586.11 | | |
| Liabilities | Available | Balance | Interest |
| Subordinated Loan | | 2,938,994.68 | |
| Start-up Loan | | 67,505.10 | 4.502% |

Collateral: Residential mortgage loans

| General | | | |
|--|----------------|----------------------|--|
| | Current | At constitution date | |
| Count | 3,040 | 5,744 | |
| Principal | | | |
| Principal outstanding | 127,870,273.18 | 313,400,917.03 | |
| Average loan | 42,062.59 | 54,561.44 | |
| Minimum | 387.80 | 8,737.90 | |
| Maximum | 291,053.97 | 408,398.24 | |
| Interest rate | | | |
| Weighted average (wac) | 4.18% | 4.62% | |
| Minimum | 3.08% | 2.75% | |
| Maximum | 6.00% | 10.00% | |
| Final maturity | | | |
| Weighted average (WARM) (months) | 169 | 210 | |
| Minimum | 01/01/2007 | 04/01/2003 | |
| Maximum | 01/01/2032 | 01/01/2032 | |
| Index (principal outstanding distribution) | | | |
| 1-year EURIBOR/MIBOR | 0.11% | 0.00% | |
| 1-year EURIBOR/MIBOR (Mortgage Market) | 99.66% | 99.78% | |
| Mortgage Market: All Institutions | 0.23% | 0.22% | |

| LTV Distribution | | | | |
|--------------------------|---------|-------|----------------------|-------|
| | Current | | At constitution date | |
| | % Pool | % LTV | % Pool | % LTV |
| 0.01 - 10% | 2.49 | 7.14 | 0.81 | 8.08 |
| 10.01 - 20% | 10.71 | 15.43 | 5.45 | 15.70 |
| 20.01 - 30% | 15.61 | 25.32 | 10.04 | 25.38 |
| 30.01 - 40% | 20.34 | 35.08 | 14.44 | 35.34 |
| 40.01 - 50% | 21.80 | 45.00 | 20.59 | 45.28 |
| 50.01 - 60% | 15.07 | 54.92 | 19.55 | 55.07 |
| 60.01 - 70% | 13.41 | 64.15 | 14.74 | 64.98 |
| 70.01 - 80% | 0.58 | 70.71 | 14.38 | 74.67 |
| Weighted average (WALTV) | 40.01 | | 48.98 | |
| Minimum | 0.31 | | 2.80 | |
| Maximum | 71.92 | | 79.68 | |

Additional information

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| Prepayments | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|------------|
| | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
| Single month. mort. (SMM) | 1.14% | 1.12% | 1.11% | 1.27% | 1.30% |
| Annual Percentage Rate (CPR) | 12.90% | 12.62% | 12.53% | 14.17% | 14.50% |

| Geographic distribution | | |
|-------------------------|---------|----------------------|
| | Current | At constitution date |
| Andalucia | 16.38% | 16.27% |
| Aragon | 5.44% | 5.43% |
| Asturias | 1.28% | 1.15% |
| Balearic Islands | 2.18% | 2.60% |
| Basque Country | 1.58% | 1.46% |
| Canary Islands | 7.77% | 7.58% |
| Cantabria | 0.69% | 0.87% |
| Castilla-La Mancha | 5.52% | 4.49% |
| Castilla-Leon | 4.37% | 4.09% |
| Catalonia | 18.94% | 19.00% |
| Extremadura | 0.51% | 0.43% |
| Galicia | 1.85% | 1.67% |
| La Rioja | 0.35% | 0.28% |
| Madrid | 20.17% | 21.82% |
| Murcia | 1.62% | 1.46% |
| Navarra | 0.52% | 0.43% |
| Valencia | 10.81% | 10.98% |

| Current delinquency | | | | | | | | | | |
|---------------------|------------|-------------------|------------------|-----------------|-------------------|-------|---------------------|---------------------|-------|--------------------------------|
| Aging | Assets | Overdue debt | | | | | Outstanding debt | Total debt | | % Total debt / Appraisal Value |
| | | Principal | Interest | Other | Total | % | | Total debt | % | |
| Up to 1 month | 71 | 21,775.24 | 10,293.76 | 0.00 | 32,069.00 | 17.46 | 2,849,918.79 | 2,881,987.79 | 53.16 | 28.52 |
| 1 to 2 months | 28 | 18,824.63 | 8,107.68 | 0.00 | 26,932.31 | 14.66 | 1,085,532.21 | 1,112,464.52 | 20.52 | 32.40 |
| 2 to 3 months | 17 | 20,747.65 | 7,810.63 | 0.00 | 28,558.28 | 15.54 | 734,892.52 | 763,450.80 | 14.08 | 30.46 |
| 3 to 6 months | 5 | 4,034.61 | 2,110.25 | 0.00 | 6,144.86 | 3.34 | 145,092.99 | 151,237.85 | 2.79 | 28.80 |
| 6 to 12 months | 2 | 4,101.09 | 2,349.75 | 0.00 | 6,450.84 | 3.51 | 90,307.12 | 96,757.96 | 1.78 | 26.57 |
| 18 to 24 months | 6 | 16,462.84 | 14,344.90 | 1,605.66 | 32,413.40 | 17.64 | 216,242.42 | 248,655.82 | 4.59 | 44.19 |
| Over 2 years | 5 | 31,900.77 | 12,346.50 | 6,897.87 | 51,145.14 | 27.84 | 115,247.74 | 166,392.88 | 3.07 | 45.22 |
| Total | 134 | 117,846.83 | 57,363.47 | 8,503.53 | 183,713.83 | | 5,237,233.79 | 5,420,947.62 | | 30.35 |

Additional information