

HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 12/31/2005
Currency: EUR

Date of constitution
12/04/1998

VAT Reg. no.
G82191453

Management Company
Europa de Titulización S.G.F.T

Originator
BBVA (Argentaria)

Servicer
BBVA (Argentaria)

Lead Managers
Argentaria
Banco Negocios Argentaria

Bond Underwriters and Placement Agents
Banco Negocios Argentaria

Bond Paying Agent
BBVA (Argentaria)

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
BBVA (Argentaria)

Swap
BBVA (Argentaria)

Subordinated Loan
BBVA (Argentaria)

Assets Custodian
BBVA (Argentaria)

Fund Auditors
Ernst&Young

Issued securities: Residential Mortgages 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 ES0345791000	12/09/1998 6,758	39,463.73 266,695,887.34 26.26%	150,253.03 1,015,409,950.36	Floating 6-M Euribor + 0.200% 16.May/Nov	2.7132% 05/16/2006 530.96 Gross 451.32 Net	05/16/2023 Half-yearly 16.May/Nov	05/16/2006 "Pass-Through"	Aaa	Aaa
Series B ES0345791018	12/09/1998 242	76,041.39 18,402,016.38 50.61%	150,253.03 36,361,232.32	Floating 6-M Euribor + 0.480% 16.May/Nov	2.9971% 05/16/2006 1,130.15 Gross 960.63 Net	05/16/2023 Half-yearly 16.May/Nov	05/16/2006 "Pass-Through" Pro rata deferred start / Secuential	A2	A2
Total		285,097,903.72	1,051,771,182.67						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% 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	3.82	2.81	2.75	2.70	2.65	2.46	2.42	2.38
		Final Maturity	Date	10/23/2009	10/21/2008	10/01/2008	09/12/2008	08/24/2008	06/16/2008	06/01/2008	05/17/2008
		Final Maturity	Years	5.88	4.38	4.38	4.38	4.38	3.88	3.88	3.88
	Without optional redemption *	Average life	Years	4.83	3.54	3.41	3.29	3.18	3.07	2.97	2.88
		Final Maturity	Date	10/23/2010	07/14/2009	05/28/2009	04/09/2009	03/04/2009	01/25/2009	12/17/2008	11/17/2008
		Final Maturity	Years	14.38	11.38	10.88	10.88	10.88	9.88	9.88	9.38
Series B	With optional redemption *	Average life	Years	4.13	3.10	3.08	3.07	3.05	2.75	2.74	2.73
		Final Maturity	Date	02/17/2010	02/05/2009	01/29/2009	01/23/2009	01/17/2009	09/30/2008	09/25/2008	09/21/2008
		Final Maturity	Years	5.88	4.38	4.38	4.38	4.38	3.88	3.88	3.88
	Without optional redemption *	Average life	Years	4.13	3.10	3.08	3.07	3.05	2.75	2.74	2.73
		Final Maturity	Date	02/17/2010	02/05/2009	01/29/2009	01/23/2009	01/17/2009	09/30/2008	09/25/2008	09/21/2008
		Final Maturity	Years	5.88	4.38	4.38	4.38	4.38	3.88	3.88	3.88

* 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
Series A	93.55%	266,695,887.34	96.0%	1,015,409,950.36	4.51%
Series B	6.45%	18,402,016.38	3.15%	36,361,232.32	1.05%
Issue of Bonds		285,097,903.72		1,051,771,182.67	
Reserve Fund	3.15%	8,980,584.86	1.05%	11,043,597.42	

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		19,903,696.48	2.448%
Servicer ppal collect not yet credited		4,000,088.35	
Servicer ints collect not yet credited		732,413.82	
Liabilities		Available	Balance
Subordinated Loan		9,074,820.29	3.476%

Collateral: Residential mortgage loans

General			
		Current	At constitution date
Count		11,714	25,780
Principal			
Principal outstanding		271,256,803.85	1,051,772,964.04
Average loan		23,156.63	40,798.02
Minimum		22.72	6,019.02
Maximum		188,608.24	235,884.32
Interest rate			
Weighted average (wac)		3.45%	5.42%
Minimum		2.50%	3.75%
Maximum		4.75%	8.75%
Final maturity			
Weighted average (WARM) (months)		106	172
Minimum		01/31/2006	01/31/2000
Maximum		02/28/2023	02/28/2023
Index (distribution)			
1-year EURIBOR/MIBOR (Mortgage Market)		87.70	87.99
Mortgage Market: All Institutions		12.30	12.01

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	2.95	6.81	0.09	8.19
10.01 - 20%	9.85	15.53	1.55	16.19
20.01 - 30%	15.73	25.34	4.45	25.56
30.01 - 40%	21.55	35.18	8.25	35.35
40.01 - 50%	21.19	44.58	12.12	45.40
50.01 - 60%	17.24	54.94	16.48	55.30
60.01 - 70%	11.48	63.13	23.87	65.32
70.01 - 80%			33.18	74.83
Weighted average (WALTV)	39.47			59.35
Minimum	0.02			5.42
Maximum	68.99			79.98

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.32%	1.01%	0.85%	0.83%	0.81%
Annual Percentage Rate (CPR)	14.77%	11.47%	9.79%	9.52%	9.27%

Geographic distribution		
	Current	At constitution date
Andalucia	21.48%	20.61%
Aragon	1.38%	1.37%
Asturias	1.48%	1.41%
Balearic Islands	3.82%	4.03%
Basque Country	1.51%	1.43%
Canary Islands	8.80%	7.74%
Cantabria	1.18%	1.15%
Castilla-La Mancha	4.57%	4.03%
Castilla-Leon	5.28%	5.11%
Catalonia	7.68%	8.01%
Extremadura	2.33%	2.23%
Galicia	4.26%	3.37%
La Rioja	1.08%	0.98%
Madrid	23.81%	27.54%
Murcia	1.98%	2.19%
Navarra	0.52%	0.62%
Valencia	8.82%	8.19%

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	651	157,364.86	44,831.90	0.00	202,196.76	41.43	15,250,819.25	15,453,016.01	74.18	33.34
1 to 2 months	110	38,995.93	10,896.49	0.00	49,892.42	10.22	2,869,737.66	2,919,630.08	14.01	39.74
2 to 3 months	49	25,374.35	7,835.76	0.00	33,210.11	6.81	1,057,837.70	1,091,047.81	5.24	38.23
3 to 6 months	17	17,216.69	5,104.26	275.05	22,596.00	4.63	469,358.10	491,954.10	2.36	43.81
6 to 12 months	3	4,554.08	1,875.14	15.00	6,444.22	1.32	75,487.53	81,931.75	0.39	56.79
12 to 18 months	5	6,881.85	4,793.30	304.42	11,979.57	2.45	115,218.28	127,197.85	0.61	62.58
18 to 24 months	1	4,160.42	3,361.92	136.30	7,658.64	1.57	70,219.15	77,877.79	0.37	55.56
Over 2 years	14	96,042.23	54,871.36	3,094.39	154,007.98	31.56	435,717.44	589,725.42	2.83	48.15
Total	850	350,590.41	133,570.13	3,825.16	487,985.70		20,344,395.11	20,832,380.81		35.08

Additional information