

BZ HIPOTECARIO 2 Fondo de Titulacion Hipotecaria

Brief report

Date: 07/31/2008
Currency: EUR

Date of constitution

04/28/2000

VAT Reg. no.

G82653171

Management Company

Europa de Titulacion 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

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Assets Custodian

Barclays Bank (B. Zaragozano)

Fund Auditors

Ernst&Young

Issued securities: Mortgage-Backed Bonds

| Bonds issue | | | | | | | | | | |
|--------------------------|------------------------|---|----------------------------|--|---|---|--|--|---|---|
| Series ISIN Code | Issue date N° bonds | Principal outstanding (Bond Unit / Series Total / %Factor) Current Original | | Interest type Reference rate and margin Payment Date | Interest Rate Next coupon | Redemption Final maturity (legal) Next | | Rating Moody's Current Original | | |
| | | Series A ES0369069002 | 05/04/2000 2,756 | | | 14,461.31 39,855,370.36 14.46% | 100,000.00 275,600,000.00 | Floating 3-M Euribor+0.270% 17.Feb/May/Aug/Nov | 5.1290% 08/18/2008 187.49 Gross 153.74 Net | 05/17/2025 Quarterly 17.Feb/May/Aug/Nov |
| Series B ES0369069010 | 05/04/2000 94 | 30,319.15 2,850,000.10 30.32% | 100,000.00 9,400,000.00 | Floating 3-M Euribor+0.500% 17.Feb/May/Aug/Nov | 5.3590% 08/18/2008 410.71 Gross 336.78 Net | 05/17/2025 Quarterly 17.Feb/May/Aug/Nov | 08/18/2008 "Pass-Through" Pro rata deferred start / Secuential | A2 | A2 | |
| Total | | 42,705,370.46 | | 285,000,000.00 | | | | | | |

| Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR) | | | | | | | | | | |
|---|-------------------------------|--------------------------------|---------------|---------------------|------------|------------|------------|------------|------------|---------------|
| Series | With optional redemption * | Average life Final Maturity | Years Date | % Monthly CPR (SMM) | | | | | | Years Date |
| | | | | 0,17 | 0,34 | 0,51 | 0,69 | 0,87 | 1,06 | |
| Series A | With optional redemption * | Average life | 1.98 | 1.78 | 1.59 | 1.56 | 1.38 | 1.36 | 1.19 | |
| | | Final Maturity | 08/09/2010 | 05/29/2010 | 03/21/2010 | 03/10/2010 | 01/04/2010 | 12/27/2009 | 10/27/2009 | |
| | Without optional redemption * | Average life | 4.16 | 3.81 | 3.50 | 3.23 | 3.00 | 2.78 | 2.60 | |
| | | Final Maturity | 10/13/2012 | 06/08/2012 | 02/17/2012 | 11/11/2011 | 08/16/2011 | 05/31/2011 | 03/23/2011 | |
| Series B | With optional redemption * | Average life | 2.50 | 2.25 | 2.00 | 2.00 | 1.75 | 1.50 | 1.50 | |
| | | Final Maturity | 08/17/2020 | 08/17/2019 | 02/17/2019 | 08/17/2018 | 02/17/2018 | 05/17/2017 | 11/17/2016 | |
| | Without optional redemption * | Average life | 13.70 | 13.19 | 12.63 | 12.08 | 11.54 | 11.01 | 10.49 | |
| | | Final Maturity | 04/29/2022 | 10/21/2021 | 04/02/2021 | 09/14/2020 | 03/01/2020 | 08/20/2019 | 02/11/2019 | |

Credit enhancement and financial operations

| Credit enhancement (CE) | | | | | |
|-------------------------|--------|---------------|--------|---------------|----------------|
| | | Current | | At issue date | |
| | | % CE | % CE | % CE | % CE |
| Series A | 93.33% | 39,855,370.36 | 12.67% | 96.70% | 275,600,000.00 |
| Series B | 6.67% | 2,850,000.10 | 6.00% | 3.30% | 9,400,000.00 |
| Issue of Bonds | | 42,705,370.46 | | | 285,000,000.00 |
| Reserve Fund | 6.00% | 2,562,321.22 | 2.00% | | 5,700,000.00 |

| Other financial operations (current) | | | |
|--|-----------|------------------|----------|
| Assets | | Balance Interest | |
| | | | |
| Treasury Account | | 4,565,243.27 | 4.780% |
| Servicer opal collect not yet credited | | 118,925.39 | |
| Servicer ints collect not yet credited | | 17,784.13 | |
| Liabilities | Available | Balance | Interest |
| Subordinated Loan | | 2,562,321.22 | 5.359% |

Collateral: Residential mortgage loans

| General | | | |
|--|--|---------------|----------------------|
| | | Current | At constitution date |
| | | | |
| Count | | 1,929 | 7,400 |
| Principal | | | |
| Principal outstanding | | 40,904,776.40 | 285,008,478.12 |
| Average loan | | 21,205.17 | 38,514.66 |
| Minimum | | 48.23 | 8,633.59 |
| Maximum | | 420,070.67 | 555,446.75 |
| Interest rate | | | |
| Weighted average (wac) | | 5.68% | 5.00% |
| Minimum | | 2.75% | 2.25% |
| Maximum | | 7.45% | 10.00% |
| Final maturity | | | |
| Weighted average (WARM) (months) | | 113 | 166 |
| Minimum | | 08/01/2008 | 06/30/2001 |
| Maximum | | 12/01/2024 | 04/01/2025 |
| Index (principal outstanding distribution) | | | |
| 6-month EURIBOR/MIBOR | | 0.03% | 0.07% |
| 1-year EURIBOR/MIBOR | | 4.14% | 0.00% |
| 1-year EURIBOR/MIBOR (Mortgage Market) | | 95.83% | 99.93% |

| LTV Distribution | | | | |
|--------------------------|---------|-------|----------------------|-------|
| | Current | | At constitution date | |
| | % Pool | % LTV | % Pool | % LTV |
| 0.01 - 10% | 7.78 | 6.21 | 1.08 | 7.66 |
| 10.01 - 20% | 18.27 | 15.53 | 6.15 | 15.70 |
| 20.01 - 30% | 21.13 | 25.27 | 11.02 | 25.21 |
| 30.01 - 40% | 20.79 | 34.93 | 17.65 | 35.21 |
| 40.01 - 50% | 18.49 | 45.32 | 16.35 | 44.97 |
| 50.01 - 60% | 12.36 | 54.83 | 16.07 | 54.92 |
| 60.01 - 70% | 1.16 | 60.87 | 17.83 | 65.26 |
| 70.01 - 80% | | | 13.85 | 73.83 |
| Weighted average (WALTV) | 31.79 | | | 48.08 |
| Minimum | 0.06 | | | 3.22 |
| Maximum | 62.38 | | | 79.79 |

| Prepayments | | | | | | |
|------------------------------|--|---------------|---------------|---------------|----------------|------------|
| | | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
| | | | | | | |
| Single month. mort. (SMM) | | 0.38% | 0.47% | 0.46% | 0.63% | 1.02% |
| Annual Percentage Rate (CPR) | | 4.41% | 5.53% | 5.39% | 7.31% | 11.60% |

| Geographic distribution | | |
|-------------------------|---------|----------------------|
| | Current | At constitution date |
| | | |
| Andalucia | 12.49% | 14.52% |
| Aragon | 8.35% | 8.00% |
| Asturias | 1.15% | 1.02% |
| Balearic Islands | 2.85% | 2.05% |
| Basque Country | 2.34% | 2.32% |
| Canary Islands | 8.05% | 7.55% |
| Cantabria | 1.34% | 1.13% |
| Castilla-La Mancha | 6.70% | 5.30% |
| Castilla-Leon | 4.99% | 4.69% |
| Catalonia | 15.44% | 15.89% |
| Extremadura | 0.61% | 0.79% |
| Galicia | 1.13% | 1.56% |
| La Rioja | 0.54% | 0.48% |
| Madrid | 22.54% | 22.27% |
| Murcia | 1.31% | 1.70% |
| Navarra | 0.32% | 0.73% |
| Valencia | 9.87% | 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 | % | | | | |
| <i>Delinquencies</i> | | | | | | | | | | |
| Up to 1 month | 31 | 9,693.87 | 3,889.18 | 0.00 | 13,583.05 | 7.43 | 809,548.49 | 823,131.54 | 42.79 | 24.51 |
| from > 1 to ≤ 2 months | 14 | 4,624.63 | 3,022.09 | 0.00 | 7,646.72 | 4.18 | 311,300.78 | 318,947.50 | 16.58 | 29.23 |
| from > 2 to ≤ 3 months | 5 | 5,076.71 | 3,395.63 | 0.00 | 8,472.34 | 4.64 | 225,867.41 | 234,339.75 | 12.18 | 33.89 |
| from > 3 to ≤ 6 months | 7 | 6,185.12 | 4,228.91 | 0.00 | 10,414.03 | 5.70 | 162,717.08 | 173,131.11 | 9.00 | 25.59 |
| from > 6 to < 12 months | 5 | 17,111.73 | 2,365.12 | 0.00 | 19,476.85 | 10.66 | 47,861.20 | 67,338.05 | 3.50 | 17.33 |
| from ≥ 12 to < 18 months | 1 | 1,859.77 | 786.19 | 0.00 | 2,645.96 | 1.45 | 11,468.71 | 14,114.67 | 0.73 | 14.68 |
| from ≥ 2 years | 9 | 57,345.76 | 40,237.40 | 22,960.18 | 120,543.34 | 65.95 | 172,141.28 | 292,684.62 | 15.21 | 45.66 |
| Subtotal | 72 | 101,897.59 | 57,924.52 | 22,960.18 | 182,782.29 | 100.00 | 1,740,904.95 | 1,923,687.24 | 100.00 | 27.71 |
| <i>Doubt debts (subjectives)</i> | | | | | | | | | | |
| 0 | 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 72 | 101,897.59 | 57,924.52 | 22,960.18 | 182,782.29 | | 1,740,904.95 | 1,923,687.24 | | 27.71 |

Each range includes the beginning but not the ending time

Additional information