

BZ HIPOTECARIO 2 Fondo de Titulacion Hipotecaria

Brief report

Date: 08/31/2008
Currency: EUR

Date of constitution
 04/28/2000

VAT Reg. no.
 G82653171

Management Company
 Europea 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
 Iberclear

Treasury Account
 Caja Madrid

Subordinated 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 N° 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 ES0369069002 | 05/04/2000 2,756 | 13,694.18 37,741,160.08 13.69% | 100,000.00 275,600,000.00 | Floating 3-M Euribor+0.270% 17.Feb/May/Aug/Nov | 5.2350% 11/17/2008 181.21 Gross 148.59 Net | 05/17/2025 Quarterly 17.Feb/May/Aug/Nov | 11/17/2008 "Pass-Through" | Aaa | Aaa | |
| 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 | 5.4650% 11/17/2008 418.84 Gross 343.45 Net | 05/17/2025 Quarterly 17.Feb/May/Aug/Nov | 11/17/2008 "Pass-Through" Pro rata deferred start / Secuential | A2 | A2 | |
| Total | | 40,591,160.18 285,000,000.00 | | | | | | | | |

| Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR) | | | | | | | | | | | | |
|---|-------------------------------|----------------|-------|-------------------------|------------|------------|------------|------------|------------|----------------|------|------|
| Series | With optional redemption * | Average life | Years | % Monthly CPR (SMM) | | | | | | Final Maturity | Date | |
| | | | | 0,17 | 0,34 | 0,51 | 0,69 | 0,87 | 1,06 | | | 1,25 |
| | | | | % Annual equivalent CPR | | | | | | | | |
| | | | | 2,00 | 4,00 | 6,00 | 8,00 | 10,00 | 12,00 | 14,00 | | |
| Series A | With optional redemption * | Average life | Years | 1.94 | 1.74 | 1.55 | 1.52 | 1.35 | 1.32 | 1.16 | | |
| | | Final Maturity | Years | 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 | Years | 2.47 | 2.21 | 1.96 | 1.96 | 1.71 | 1.71 | 1.47 | | |
| | | Final Maturity | Years | 02/17/2011 | 11/17/2010 | 08/17/2010 | 08/17/2010 | 05/17/2010 | 05/17/2010 | 02/17/2010 | | |
| Series B | With optional redemption * | Average life | Years | 4.12 | 3.77 | 3.47 | 3.20 | 2.96 | 2.75 | 2.56 | | |
| | | Final Maturity | Years | 10/13/2012 | 06/08/2012 | 02/17/2012 | 11/11/2011 | 08/16/2011 | 05/31/2011 | 03/23/2011 | | |
| | Without optional redemption * | Average life | Years | 11.97 | 10.97 | 10.47 | 9.97 | 8.72 | 8.22 | 8.22 | | |
| | | Final Maturity | Years | 08/17/2020 | 08/17/2019 | 02/17/2019 | 08/17/2018 | 02/17/2018 | 05/17/2017 | 11/17/2016 | | |
| Series B | With optional redemption * | Average life | Years | 2.21 | 1.96 | 1.96 | 1.96 | 1.71 | 1.71 | 1.47 | | |
| | | Final Maturity | Years | 02/16/2011 | 11/16/2010 | 08/16/2010 | 08/16/2010 | 05/16/2010 | 05/16/2010 | 02/16/2010 | | |
| | Without optional redemption * | Average life | Years | 2.47 | 2.21 | 1.96 | 1.96 | 1.71 | 1.71 | 1.47 | | |
| | | Final Maturity | Years | 02/17/2011 | 11/17/2010 | 08/17/2010 | 08/17/2010 | 05/17/2010 | 05/17/2010 | 02/17/2010 | | |
| Series B | With optional redemption * | Average life | Years | 13.67 | 13.15 | 12.60 | 12.05 | 11.51 | 10.98 | 10.46 | | |
| | | Final Maturity | Years | 04/29/2022 | 10/21/2021 | 04/02/2021 | 09/14/2020 | 03/01/2020 | 08/20/2019 | 02/11/2019 | | |
| | Without optional redemption * | Average life | Years | 16.48 | 16.48 | 16.48 | 16.48 | 16.48 | 16.48 | 16.48 | | |
| | | Final Maturity | Years | 02/17/2025 | 02/17/2025 | 02/17/2025 | 02/17/2025 | 02/17/2025 | 02/17/2025 | 02/17/2025 | | |

Credit enhancement and financial operations

| Credit enhancement (CE) | | | | | |
|-------------------------|---------|---------------|---------------|---------|----------------|
| Series | Current | % CE | At issue date | | |
| | | | % CE | Current | % CE |
| Series A | 92.98% | 37,741,160.08 | 13.02% | 96.70% | 275,600,000.00 |
| Series B | 7.02% | 2,850,000.10 | 6.00% | 3.30% | 9,400,000.00 |
| Issue of Bonds | | 40,591,160.18 | | | 285,000,000.00 |
| Reserve Fund | 6.00% | 2,435,469.57 | | 2.00% | 5,700,000.00 |

| Other financial operations (current) | | | |
|--|-----------|------------------|----------|
| Assets | | Balance Interest | |
| | | Balance | Interest |
| Treasury Account | | 2,524,229.60 | 4.880% |
| Servicer opal collect not yet credited | | 97,689.04 | |
| Servicer ints collect not yet credited | | 15,524.20 | |
| Liabilities | Available | Balance | Interest |
| Subordinated Loan | | 2,435,469.57 | 5.465% |

Collateral: Residential mortgage loans

| General | | | |
|--|--|---------------|----------------------|
| | | Current | At constitution date |
| | | Count | Count |
| Principal | | 1,904 | 7,400 |
| Principal outstanding | | 40,300,492.24 | 285,008,478.12 |
| Average loan | | 21,166.22 | 38,514.66 |
| Minimum | | 2.13 | 8,633.59 |
| Maximum | | 418,648.29 | 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 | | 09/01/2008 | 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 | | 4.15% | 0.00% |
| 1-year EURIBOR/MIBOR (Mortgage Market) | | 95.82% | 99.93% |

| LTV Distribution | | | | |
|--------------------------|---------|-------|----------------------|-------|
| | Current | | At constitution date | |
| | % Pool | % LTV | % Pool | % LTV |
| 0.01 - 10% | 7.69 | 6.18 | 1.08 | 7.66 |
| 10.01 - 20% | 18.36 | 15.50 | 6.15 | 15.70 |
| 20.01 - 30% | 21.02 | 25.23 | 11.02 | 25.21 |
| 30.01 - 40% | 20.93 | 34.84 | 17.65 | 35.21 |
| 40.01 - 50% | 18.87 | 45.28 | 16.35 | 44.97 |
| 50.01 - 60% | 12.09 | 54.84 | 16.07 | 54.92 |
| 60.01 - 70% | 1.04 | 60.80 | 17.83 | 65.26 |
| 70.01 - 80% | | | 13.85 | 73.83 |
| Weighted average (WALTV) | | 31.72 | | 48.08 |
| Minimum | | 0.00 | | 3.22 |
| Maximum | | 62.30 | | 79.79 |

| Prepayments | | | | | |
|------------------------------|---------------|---------------|---------------|----------------|------------|
| | Current month | Last 3 months | Last 6 months | Last 12 months | Historical |
| Single month. mort. (SMM) | 0.23% | 0.42% | 0.44% | 0.59% | 1.01% |
| Annual Percentage Rate (CPR) | 2.69% | 4.96% | 5.10% | 6.90% | 11.52% |

| Geographic distribution | | |
|-------------------------|---------|----------------------|
| | Current | At constitution date |
| Andalucia | 12.46% | 14.52% |
| Aragon | 8.36% | 8.00% |
| Asturias | 1.16% | 1.02% |
| Balearic Islands | 2.82% | 2.05% |
| Basque Country | 2.53% | 2.32% |
| Canary Islands | 8.06% | 7.55% |
| Cantabria | 1.34% | 1.13% |
| Castilla-La Mancha | 6.71% | 5.30% |
| Castilla-Leon | 4.97% | 4.69% |
| Catalonia | 15.46% | 15.89% |
| Extremadura | 0.61% | 0.79% |
| Galicia | 1.13% | 1.56% |
| La Rioja | 0.54% | 0.48% |
| Madrid | 22.55% | 22.27% |
| Murcia | 1.31% | 1.70% |
| Navarra | 0.32% | 0.73% |
| Valencia | 9.89% | 10.01% |

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Ernst&Young

| 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 | 96 | 26,949.66 | 8,318.01 | 0.00 | 35,267.67 | 16.99 | 1,757,835.91 | 1,793,103.58 | 65.73 | 17.16 |
| from > 1 to ≤ 2 months | 11 | 3,670.93 | 1,876.74 | 0.00 | 5,547.67 | 2.67 | 189,915.70 | 195,463.37 | 7.16 | 22.96 |
| from > 2 to ≤ 3 months | 7 | 4,685.18 | 3,254.16 | 0.00 | 7,939.34 | 3.82 | 218,086.89 | 226,026.23 | 8.29 | 33.23 |
| from > 3 to ≤ 6 months | 3 | 3,240.86 | 1,173.50 | 0.00 | 4,414.36 | 2.13 | 51,738.32 | 56,152.68 | 2.06 | 18.80 |
| from > 6 to < 12 months | 8 | 22,829.07 | 5,445.56 | 0.00 | 28,274.63 | 13.62 | 120,487.21 | 148,761.84 | 5.45 | 21.15 |
| from ≥ 12 to < 18 months | 1 | 1,995.42 | 841.92 | 0.00 | 2,837.34 | 1.37 | 11,333.06 | 14,170.40 | 0.52 | 14.74 |
| from ≥ 2 years | 9 | 58,313.72 | 41,149.88 | 23,820.44 | 123,284.04 | 59.40 | 171,173.32 | 294,457.36 | 10.79 | 45.93 |
| Subtotal | 135 | 121,684.84 | 62,059.77 | 23,820.44 | 207,565.05 | 100.00 | 2,520,570.41 | 2,728,135.46 | 100.00 | 19.88 |
| <i>Doubt debts (subjectives)</i> | | | | | | | | | | |
| | 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 | 135 | 121,684.84 | 62,059.77 | 23,820.44 | 207,565.05 | | 2,520,570.41 | 2,728,135.46 | | 19.88 |

Additional information