

# BZ HIPOTECARIO 3 Fondo de Titulización Hipotecaria

## Brief report

**Date:** 08/31/2006  
**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

**Bond Underwriters and Placement Agents**  
Banco Zaragozano

**Bond Paying Agent**  
Barclays Bank (B. Zaragozano)

### 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	33,577.30 100,161,085.90 33.58%	100,000.00 298,300,000.00	Floating 3-M Euribor + 0.240% 17.Jan/Apr/Jul/Oct	3.3300% 10/17/2006 285.74 Gross 242.88 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	10/17/2006 "Pass-Through"	Aaa	Aaa
Series B ES0315189011	07/25/2001 62	64,620.06 4,006,443.72 64.62%	100,000.00 6,200,000.00	Floating 3-M Euribor + 0.500% 17.Jan/Apr/Jul/Oct	3.5900% 10/17/2006 592.85 Gross 503.92 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	10/17/2006 "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	4.5900% 10/17/2006 1,173.00 Gross 997.05 Net	04/17/2027 Quarterly 17.Jan/Apr/Jul/Oct	To be determined "Pass-Through" Secutorial	Baa3	Baa3
<b>Total</b>		109,667,529.62 310,000,000.00							

### Market

AIAF 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

### 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		
				% Annual equivalent CPR									
				0,00	10,00	11,00	12,00	13,00	14,00	15,00	16,00		
Series A	With optional redemption *	Average life	5.59	3.35	3.21	3.07	2.94	2.82	2.70	2.64			
		Final Maturity	04/02/2012	01/05/2010	11/13/2009	09/25/2009	08/08/2009	06/24/2009	05/10/2009	04/18/2009			
	Without optional redemption *	Average life	6.21	3.84	3.66	3.53	3.39	3.26	3.14	3.03			
		Final Maturity	11/12/2012	07/01/2010	05/04/2010	03/11/2010	01/20/2010	12/04/2009	10/20/2009	09/09/2009			
Series B	With optional redemption *	Average life	5.60	3.36	3.22	3.08	2.95	2.83	2.70	2.64			
		Final Maturity	04/04/2012	01/08/2010	11/17/2009	09/28/2009	08/12/2009	06/27/2009	05/14/2009	04/22/2009			
	Without optional redemption *	Average life	6.21	3.84	3.69	3.54	3.40	3.27	3.15	3.04			
		Final Maturity	11/14/2012	07/04/2010	05/08/2010	03/15/2010	01/24/2010	12/08/2009	10/24/2009	09/12/2009			
Series C	With optional redemption *	Average life	9.64	6.13	5.88	5.63	5.38	5.13	4.88	4.88			
		Final Maturity	04/17/2016	10/17/2012	07/17/2012	04/17/2012	01/17/2012	10/17/2011	07/17/2011	07/17/2011			
	Without optional redemption *	Average life	9.64	6.13	5.88	5.63	5.38	5.13	4.88	4.88			
		Final Maturity	04/17/2016	10/17/2012	07/17/2012	04/17/2012	01/17/2012	10/17/2011	07/17/2011	07/17/2011			

\* 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	91.33%	100,161,085.90	12.42%	96.23%	298,300,000.00
Series B	3.65%	4,006,443.72	8.77%	2.00%	6,200,000.00
Series C	5.02%	5,500,000.00	3.75%	1.77%	5,500,000.00
Issue of Bonds		109,667,529.62			310,000,000.00
Reserve Fund	3.75%	4,112,532.61	1.50%		4,650,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	6,808,495.28	3.010%	
Servicer ppal collect not yet credited	459,570.61		
Servicer ints collect not yet credited	57,224.22		
<b>Liabilities</b>	<b>Available</b>	<b>Balance</b>	<b>Interest</b>
Subordinated Loan		4,112,532.61	
Start-up Loan		0.00	

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	3,251	6,648	
Principal			
Principal outstanding	106,777,205.36	310,001,720.87	
Average loan	32,844.42	46,630.82	
Minimum	233.56	5,951.29	
Maximum	510,692.97	974,868.56	
Interest rate			
Weighted average (wac)	3.87%	5.89%	
Minimum	2.25%	3.90%	
Maximum	6.00%	8.88%	
Final maturity			
Weighted average (WARM) (months)	146	190	
Minimum	09/01/2006	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%	3.88	7.00	1.02
10.01 - 20%	12.75	15.42	5.28
20.01 - 30%	17.45	25.21	9.60
30.01 - 40%	18.76	34.86	14.76
40.01 - 50%	21.22	45.18	19.38
50.01 - 60%	16.07	54.57	17.45
60.01 - 70%	13.06	63.67	14.46
70.01 - 80%	9.88		18.05
Weighted average (WALTV)	37.82		49.86
Minimum	0.16		0.99
Maximum	68.81		79.58

### Additional information

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### Prepayments

	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.57%	0.87%	1.06%	1.19%	1.11%
Annual Percentage Rate (CPR)	6.63%	10.01%	12.05%	13.34%	12.54%

### Geographic distribution

	Current	At constitution date
Andalucia	17.89%	19.08%
Aragon	6.57%	6.29%
Asturias	2.04%	1.68%
Balearic Islands	2.46%	2.73%
Basque Country	2.27%	2.59%
Canary Islands	6.55%	6.05%
Cantabria	0.88%	0.96%
Castilla-La Mancha	6.19%	5.20%
Castilla-Leon	4.62%	4.71%
Catalonia	14.96%	14.51%
Extremadura	1.10%	1.09%
Galicia	2.43%	2.40%
La Rioja	0.40%	0.38%
Madrid	21.62%	21.66%
Murcia	0.93%	1.25%
Navarra	0.57%	0.55%
Valencia	8.51%	8.88%

### Current delinquency

Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			%	
Up to 1 month	76	21,594.07	8,273.40	0.00	29,867.47	16.62	2,634,074.80	2,663,942.27	59.27	26.88
1 to 2 months	19	12,366.59	5,138.55	0.00	17,505.14	9.74	745,727.45	763,232.59	16.98	33.99
2 to 3 months	12	15,416.43	3,163.09	0.00	18,579.52	10.34	312,872.35	331,451.87	7.37	18.94
3 to 6 months	10	20,310.65	5,763.68	0.00	26,074.33	14.51	350,828.64	376,902.97	8.39	28.72
6 to 12 months	3	2,154.42	1,762.22	0.00	3,916.64	2.18	61,334.36	65,251.00	1.45	17.39
12 to 18 months	2	3,562.01	2,378.90	418.11	6,359.02	3.54	48,701.29	55,060.31	1.23	22.67
18 to 24 months	3	29,510.99	4,498.48	4,046.90	38,056.37	21.18	65,867.54	103,923.91	2.31	25.45
Over 2 years	4	23,719.99	10,412.59	5,169.25	39,301.83	21.88	95,450.23	134,752.06	3.00	57.65
<b>Total</b>	<b>129</b>	<b>128,635.15</b>	<b>41,390.91</b>	<b>9,634.26</b>	<b>179,660.32</b>		<b>4,314,856.66</b>	<b>4,494,516.98</b>		<b>27.28</b>

#### Additional information