

HIPOTECARIO 2 Fondo de Titulización Hipotecaria

Brief report

Date: 05/31/2006
Currency: EUR

Date of constitution
12/04/1998

VAT Reg. no.
G82191453
Management Company
Europa de Titulización S.G.F.T

Originator
BBVA (Argentina)
Servicer
BBVA (Argentina)
Lead Managers
Argentina
Banco Negocios Argentina

Bond Underwriters and Placement Agents
Banco Negocios Argentina

Bond Paying Agent
BBVA (Argentina)

Market
AIAF Mercado de Renta Fija

Register of Book Securities
Iberclear

Treasury Account
BBVA (Argentina)

Swap
BBVA (Argentina)

Subordinated Loan
BBVA (Argentina)

Assets Custodian
BBVA (Argentina)

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		
		Current	Original			Final maturity (legal)	Next	Current	Original	
Series A ES0345791000	12/09/1998 6,758	34,370.07 232,272,933.06 22.87%	150,253.03 1,015,409,950.36	Floating 6-M Euribor + 0.200% 16.May/Nov	3.3114% 11/16/2006 573.74 Gross 487.68 Net	05/16/2023 Half-yearly 16.May/Nov	11/16/2006 "Pass-Through"	Aaa	Aaa	
Series B ES0345791018	12/09/1998 242	66,226.59 16,026,834.78 44.08%	150,253.03 36,361,232.32	Floating 6-M Euribor + 0.480% 16.May/Nov	3.5953% 11/16/2006 1,200.31 Gross 1,020.26 Net	05/16/2023 Half-yearly 16.May/Nov	11/16/2006 "Pass-Through" Pro rata deferred start / Secuential	A2	A2	
Total		248,299,767.84	1,051,771,182.67							

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)																
Series	Optional redemption	Average life	Years	% Monthly CPR (SMM)												
				% Annual equivalent CPR												
Series A	With optional redemption *	Average life	2.29	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	
		Final Maturity	09/14/2008	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009	10/22/2009
		Final Maturity	Years	3.47	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96
	Without optional redemption *	Average life	2.99	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	
		Final Maturity	05/25/2009	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	01/02/2011	
		Final Maturity	Years	9.47	13.97	13.97	13.97	13.97	13.97	13.97	13.97	13.97	13.97	13.97	13.97	
Series B	With optional redemption *	Average life	2.58	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74		
		Final Maturity	12/27/2008	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010	02/23/2010		
		Final Maturity	Years	3.47	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96	4.96		
	Without optional redemption *	Average life	8.16	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46	10.46		
		Final Maturity	07/24/2014	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016	11/12/2016		
		Final Maturity	Years	16.97	16.97	16.97	16.97	16.97	16.97	16.97	16.97	16.97	16.97	16.97		
Date		05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023	05/16/2023			

* 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	
Series A	93.55%	232,272,933.06	9.60%	96.54%	1,015,409,950.36
Series B	6.45%	16,026,834.78	3.15%	3.46%	36,361,232.32
Issue of Bonds		248,299,767.84			1,051,771,182.67
Reserve Fund	3.15%	7,821,442.73		1.05%	11,043,597.42

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	10,502,192.81	3.055%	
Servicer ppal collect not yet credited	3,489,044.95		
Servicer ints collect not yet credited	696,488.92		
Liabilities	Available	Balance	Interest
Subordinated Loan		7,904,951.42	4.066%

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	10,923	25,780	
Principal			
Principal outstanding	242,501,024.60	1,051,772,964.04	
Average loan	22,200.95	40,798.02	
Minimum	13.52	6,019.02	
Maximum	185,484.74	235,884.32	
Interest rate			
Weighted average (wac)	3.68%	5.42%	
Minimum	2.50%	3.75%	
Maximum	5.25%	8.75%	
Final maturity			
Weighted average (WARM) (months)	103	172	
Minimum	06/30/2006	01/31/2000	
Maximum	02/28/2023	02/28/2023	
Index (distribution)			
1-year EURIBOR/MIBOR (Mortgage Market)	87.59	87.99	
Mortgage Market: All Institutions	12.41	12.01	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	3.36	6.75	0.09	8.19
10.01 - 20%	10.62	15.58	1.55	16.19
20.01 - 30%	17.39	25.39	4.45	25.56
30.01 - 40%	22.62	35.28	8.25	35.35
40.01 - 50%	18.88	44.51	12.12	45.40
50.01 - 60%	16.46	54.66	16.48	55.30
60.01 - 70%	10.68	62.41	23.87	65.32
70.01 - 80%			33.18	74.83
Weighted average (WALTV)	38.34			59.35
Minimum		0.01		5.42
Maximum	68.18			79.98

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.83%	0.79%	0.88%	0.83%	0.81%
Annual Percentage Rate (CPR)	9.51%	9.11%	10.07%	9.54%	9.26%

Geographic distribution		
	Current	At constitution date
Andalucia	21.38%	20.61%
Aragon	1.36%	1.37%
Asturias	1.52%	1.41%
Balearic Islands	3.74%	4.03%
Basque Country	1.56%	1.43%
Canary Islands	8.89%	7.74%
Cantabria	1.17%	1.15%
Castilla-La Mancha	4.49%	4.03%
Castilla-Leon	5.35%	5.11%
Catalonia	7.74%	8.01%
Extremadura	2.29%	2.23%
Galicia	4.36%	3.37%
La Rioja	1.07%	0.98%
Madrid	23.76%	27.54%
Murcia	1.99%	2.19%
Navarra	0.53%	0.62%
Valencia	8.79%	8.19%

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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	476	112,674.56	35,275.18	0.00	147,949.74	41.94	11,290,997.50	11,438,947.24	72.79	32.54
1 to 2 months	98	31,608.03	7,806.46	0.22	39,414.71	11.17	2,139,182.38	2,178,597.09	13.86	35.36
2 to 3 months	56	29,359.39	9,030.06	203.00	38,592.45	10.94	1,240,619.77	1,279,212.22	8.14	37.67
3 to 6 months	8	7,882.98	1,055.92	165.51	9,104.41	2.58	97,727.50	106,831.91	0.68	20.57
6 to 12 months	8	12,682.78	3,909.05	846.36	17,438.19	4.94	162,278.61	179,716.80	1.14	33.83
12 to 18 months	5	9,781.16	5,242.34	1,440.90	16,464.40	4.67	115,711.20	132,175.60	0.84	59.60
18 to 24 months	2	7,187.70	5,351.93	2,016.24	14,555.87	4.13	94,911.11	109,466.98	0.70	60.30
Over 2 years	7	36,589.71	30,239.69	2,416.79	69,246.19	19.63	220,652.33	289,898.52	1.84	42.89
Total	660	247,766.31	97,910.63	7,089.02	352,765.96		15,362,080.40	15,714,846.36		33.55