FONDO DE TITULIZACIÓN DE ACTIVOS

UCI 14

SECURITIZATION BONDS
1,450,000,000 €

Class A:	1,377,500,000 €	AAA/AAA
Class B:	34,100,000 €	A-/A+
Class C:	38,400,000 €	BBB/BBB+

BACKED BY ASSETS ASSIGNED BY

UNIÓN DE CRÉDITOS INMOBILIARIOS, ESTABLECIMIENTO FINANCIERO DE CRÉDITO

LEAD MANAGERS

UNDERWRITERS DOMESTIC TRANCHE

UNDERWRITERS INTERNATIONAL TRANCHE

Paying Agent

Promoted and serviced by:

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.

Prospectus registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores, CNMV*) on November, 25 2005

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This document is a Prospectus registered with the CNMV, prepared in accordance with the provisions of Regulation (EC) No. 809/2004 and formed, in turn, by the following documents:

1.-Document describing the principal risk factors of the Fund, of the Assets baking the issue and of the securities issued by the Fund ("**Risk Factors**").

2. - Registration Document prepared in accordance with Annex VII of Regulation (EC) No. 809/2004.

3.-Securities Note prepared in accordance with Annex XIII of Regulation (EC) No. 809/2004.

4.-Additional Building Block to (the) Securities Note prepared in accordance with Annex VIII of Regulation (EC) No. 809/2004.

5. - Document containing all of the terms defined in the Prospectus ("**Definitions**").

RISK FACTORS

I. SPECIFIC RISK FACTORS OF THE FUND:

(i) Risk of insolvency of the Fund:

If faced with a case of impossibility by the Fund to meet payment of its obligations on a generalized basis, the provisions of article 11 of Royal Decree 926/1998 will apply: that is, the Manager, after informing the CNMV, will proceed with the orderly liquidation of the Fund, in accordance with the rules established in this regard in this Prospectus.

The Fund shall only be liable for the performance of its obligations up to the amount of its assets.

(ii) Absence of legal status of the Fund. Limitation of legal actions against the Manager:

The Fund lacks legal Status. Consequently, the Manager must carry out its administration and representation and comply with the obligations legally established in relation to the Fund. It shall be liable to the Bondholders and the remaining unsecured creditors of the Fund up to the limit of its net worth in the event of breach of said obligations.

Bondholders and the rest of ordinary creditors of the Fund will have no legal action against the Manager of the Fund unless for non-performances of its functions or non-observance of that provided in the Deed of Incorporation or in this Prospectus.

(iii) Compulsory substitution of Manager:

In accordance with article 19 of Royal Decree 926/1998, the Manager shall be replaced in the event it is held to be insolvent vis-à-vis its creditors. If in that case four months elapsed from the happening of the fact determining the substitution and no other Manager company that agreed to take over the managing was found, the early liquidation of the Fund will proceed and the redemption of the Bonds issued charging the Fund.

(iv) Validity of assignment in case of insolvency of Assignor:

There is no jurisprudence which enables one to ascertain the interpretation of the courts of the recent regulations contained in Law 22/2003, of July 9. Notwithstanding the above, in accordance with Additional Provision Two of Law 22/2003, of July 9 (insolvency proceedings act), the insolvency specialties of Additional Provision Five of Law 3/1994, of April 14 remain

in force. Consequently, we are of the opinion that, if no fraud in the assignment exists, the Assets assigned to the Fund would not form part of the bankruptcy estate in the event of an insolvency proceeding involving the Assignor.

In the event that the Bank is held to be insolvent vis-à-vis its creditors, the Fund, acting through the Manager, shall have a right to separation in respect of the assigned Assets. Notwithstanding the above, this right to separation shall not necessarily extend to the money received by the Bank and held thereby for the account of the Fund prior to the date of declaration of insolvency since, given its fungible nature, it could become attached to the results of the insolvency proceeding as per la doctrine's majority interpretation of article 80 of Law 22/2003, of July 9 (insolvency proceedings act).

II. SPECIFIC RISK FACTORS OF THE ASSETS BACKING THE ISSUE:

As reflected by section 4.5.b) of the Registration Document, the Fund is a separate pool of assets and liabilities lacking its own legal status. Consequently, the specific risks of the Assets backing the issue are (i) risks linked to the business sector in which the Assets forming the Fund's assets were generated, or (ii) risks linked to the Assets themselves.

With regard to the former, the Assets which are the object of securitization in the Fund are mortgage loans and personal loans associated with several of the mortgage loans securitized herein, granted by *Unión de Créditos Inmobiliarios* (UCI) for the acquisition or rehabilitation of housing in Spain. The Debtors are diverse. Thus, it can be said that the risk of non-payment of the Assets is not exclusively tied to the evolution of the construction sector, but also to the evolution of the Spanish economy itself en general.

As regards the latter, the following are risks specific to the Assets:

(i) Risk of non-payment of the Loans:

The holders of Bonds issued against the Fund shall run the risk of non-payment of the Assets pooled therein.

UCI assumes no liability for non-payment of the Debtors, whether for principal, interest, or any other amount they may owe by virtue of the Assets. It will neither assume in whichever other manner, liability in guaranteeing directly or indirectly the good end of the operation, nor will it grant any warranty or guarantee, nor will perform any agreements of re-purchasing Assets, except for the commitments that are being assumed in Section 2.2.9. of the Additional Building Block to the Securities Note regarding the substitution of the Assets that did not adjust, in the moment

of the incorporation of the Fund, to the representations contained in Section 2.2.8. of the Additional Building Block to the Securities Note. The Assignor shall only be liable for the existence and legitimacy of the Assets at the time of the assignment and in the terms and conditions stated in the Prospectus, as well as for the legal status pursuant to which the assignment is made.

(ii) Risk of prepayment of the Assets:

The Assets pooled into the Fund are susceptible to being prepaid when the Debtors prepay, in the terms provided by each one of the Loan agreements from which the Assets derive, the portion of principal pending amortization.

The risk that such anticipated amortization will endeavor will be trespassed quarterly, at each Payment Date, to the Bondholders through the redemption of the Bonds, as provided in the distribution rules of the Redemption Available Funds that are contained in Section 4.9.2 of the Securities Note.

(iii) Liability:

The Bonds issued by the Fund do not represent an obligation of the Manager or the Assignor. The flow of funds used to meet the obligations to which the Bonds give way is insured or guaranteed solely under the specific circumstances and up to the limits described under Section 2.2.8 of the Additional Building Block to the Securities Note. With the exception of these guarantees, there are no others granted by any public or private entity, including the Assignor, the Manager and any affiliate company or investee company of any of the above. The Assets pooled into the Fund and the rights they carry with them constitute the sole source of income of the Fund and, therefore, of payments to the holders of its liabilities.

(iv) Protection:

An investment in Bonds may be affected, *inter alia*, by a deterioration of the general economic conditions which has an adverse effect on the payments of the Assets which back the issue of the Fund. In the event that non-payments should reach an elevated level, they could reduce, or even eliminate, the protection against losses in the Loan portfolio enjoyed by the Bonds as a result of the existence of the credit enhancements described under section 3.4.2 of the Additional Building Block to the Securities Note. The foregoing considerations notwithstanding, the Bondholders have their risk mitigated by the order of priority of payments described

under section 3.4.6.(b) of the Additional Building Block to the Securities Note.

III. RISK FACTORS SPECIFIC TO THE SECURITIES

(i) Limited liquidity:

There is no guarantee that trading in the Bonds with a minimum frequency or volume will come to take place in the market.

There is no commitment for intervention in secondary dealing on the part of any entity, thereby giving liquidity to the Bonds through the offering of compensation.

Furthermore, in no case may the Fund repurchase the Bonds from the Bondholders, although they may indeed be redeemed early in their entirety, in the case of early liquidation of the Fund, in the terms established under section 4.4.c.1(i) of the Registration Document.

(ii) Yield:

The calculation of the average life, return and duration of the Bonds is subject, *inter alia*, to hypotheses relating to prepayment rates of the Assets which may not materialize, as well as future market interest rates, given the variable nature of the nominal interest rates.

(iii) Default interest:

Amounts deferred for the concept of interest shall accrue in favor of the holders' interest equal to that applied to the Bonds of their respective Class during the Interest Accrual Period(s) through the Payment Date on which the payment thereof takes place without this implying capitalization of the debt.

REGISTRATION DOCUMENT

This Registration Document has been prepared in accordance with Annex VII of Regulation (EC) No. 809/2004 and approved by the *Comisión Nacional del Mercado de Valores* (*Spanish Securities Market Commission*) on November 25, 2005.

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information appearing in the Registration Document.

MR. IGNACIO ORTEGA GAVARA, acting in his capacity as General Manager, by virtue of the powers expressly conferred upon him by the Board of Directors at its meeting on September 12, 2005, for and on behalf of SANTANDER DE TITULIZACION, S.G.F.T., S.A., having its registered offices at *Ciudad Grupo Santander*, Avda. de Cantabria s/n, 28660, Boadilla del Monte (Madrid), assumes responsibility for the information contained in this Registration Document.

SANTANDER DE TITULIZACION, S.G.F.T., S.A. is the promoter of the securitization fund FONDO DE TITULIZACION DE ACTIVOS, UCI 14 and shall be responsible for the administration and legal representation thereof.

1.2 Declaration by those responsible for the Registration Document.

MR. IGNACIO ORTEGA GAVARA declares that, having taken all reasonable care to ensure that such is the case, the information given in the Registration Document is, to the best of his knowledge, in accordance with the facts and does not omit anything likely to affect its import.

2. STATUTORY AUDITORS OF THE FUND

2.1 Name and address of the Fund's auditors (together with any membership of any relevant professional body).

The Fund's annual financial statements shall be audited and reviewed annually by auditors.

The Board of Directors of the Manager, at its meeting on September 12, 2005 at which the establishment of this Fund was resolved, appointed the following accounting firm as the Fund's Statutory Auditors: Deloitte, S.L., having its registered offices in Madrid, at Torre Picasso, Plaza Pablo Ruiz Picasso, s/n, holder of Tax Identification Code number B-79104469, registered with the Official Registry of Certified Public Accountants (*Registro Oficial de Auditores de Cuentas; R.O.A.C.*) under number S0692, as registered with the Mercantile Registry of Madrid, under Volume 3190, Section 8, Folio 1, Page M-54.414, 1st registration entry.

2.2 Fiscal years, accounting principles and statutory filing of annual financial statements.

The Fund's fiscal year shall run for the duration of one (1) calendar year to end December 31 of each year, except for the first fiscal year which shall begin on November 28, 2005 and end on December 31, 2005, and the last fiscal year which shall begin on January 1 and end on the day on which the cancellation of the Fund shall take place.

The Manager shall file the Fund's annual financial statements with the CNMV, together with the auditors' report in respect thereof, within four (4) months following the closing date of the Fund's fiscal year (i.e. prior to April 30 of each year).

The fund's annual financial statements and relevant auditors' report shall be filed with the Mercantile Registry on an annual basis.

The accounting method to be used in preparing the Fund's accounting information is the accrual method. That is, the imputation of income and expenses will be made in function of the actual current of goods and services they represent and regardless of the time in which the monetary or financial flow deriving therefrom shall take place.

3. RISK FACTORS

The risk factors specific to the Fund are those described under section I of the document included at the beginning of this Prospectus entitled "RISK FACTORS".

4. INFORMATION ABOUT THE ISSUER

4.1 Statement that the Issuer has been established as a securitization fund.

The Issuer is an asset securitization fund established for the purpose of acquiring the Assets assigned to the Fund by the Bank and issuing the Bonds. It lacks its own legal status under Spanish law.

4.2 Legal and professional name of the Fund.

The Fund will be established under the name FONDO DE TITULIZACION DE ACTIVOS, UCI 14, under Spanish law.

4.3 Registration of Issuer.

The establishment of the Fund and issuance of the Bonds has as a prior requisite the registration thereof in the official registries of the CNMV in Spain.

This Prospectus was registered with the CNMV on November 25, 2005.

Neither the incorporation of the Fund nor the Bonds that will be issued charging its Assets will be registered in the Mercantile Registry, by using the faculty established in Article 5.4 of Royal Decree 926/1998.

4.4 Date of incorporation and period of activity of the Fund, except where indefinite.

a) Date of Incorporation.

The execution of the Deed of Incorporation is scheduled to take place and, consequently, the Fund's Date of Incorporation to be on November 28, 2005.

In accordance with the provisions of article 5.4 of Royal Decree 926/1998, the Deed of Incorporation shall not be registered with the Mercantile Registry.

The Deed of Incorporation may not undergo any change except under exceptional circumstances and, as the case may be, in accordance with the conditions established by current regulations in force, and provided that the amendment does not impair the ratings awarded to the Bonds by the Rating Agencies or entail prejudice to the Bondholders. The contents of said amendment shall first be reported to the Rating Agencies and the CNMV, obtaining authorization from the latter, if necessary.

The Manager guarantees that the contents of the Deed of Incorporation will not contradict that of the Prospectus and that the Deed of Incorporation will coincide with the draft deed which has been submitted to the CNMV as a consequence of the registration of this Prospectus.

b) Period of activity of the Fund.

The Fund is scheduled to carry out its activity until the Legal Maturity Date, i.e. June 20, 2043 or, if not a Business Day, the next Business Day.

c) Early liquidation of the Fund: Cases. Cancellation of the Fund. Actions for liquidation and cancellation of the Fund.

c.1) Early liquidation: Cases.

Notwithstanding the provisions of section b), *supra*, the Manager is empowered to proceed with the early liquidation of the Fund and, consequently, the early redemption on a Payment Date of the entire Bond issue, in the terms established in this section, under the following circumstances:

(i) When the Outstanding Balance of the Assets is less than ten percent (10%) of the initial balance thereof, provided that the amount of the sale of the Assets pending redemption, together with the balance existing at that time in the Cash Account, and , if it is the case, the Excess Funds Account, allows for total cancellation of all outstanding obligations with the Bondholders, and respecting the prior payments thereto, whose order of priority takes preference as provided by section 3.4.6.(b) of the Additional Building Block to the Securities Note;

(ii) When as a consequence of a change in current regulations in force or of the occurrence of exceptional circumstances, a substantial alteration takes place, or the financial equilibrium of the Fund is permanently impaired, in the judgment of the Manager;

(iii) In the circumstance contemplated by article 19 of Royal Decree 926/1998, which establishes the obligation to liquidate the Fund early in the event that four (4) months have transpired since an event determining the compulsory substitution of the Manager has taken place, as a consequence of the latter being declared in insolvency proceedings, without a new manager having been found willing to take charge of the management of the Fund; or

(iv) When a non-payment takes place or is foreseen to take place which is indicative of a serious and permanent imbalance in relation to any of the Bonds.

Liquidation of the Fund shall be first reported to the CNMV and, afterwards, to the Bondholders, in the manner contemplated by section 4.1.b) of the Additional Building Block to the Securities Note, at least thirty (30) Business Days in advance of the day on which early liquidation is to take place, which must necessarily be carried out on a Payment Date.

c.2) Cancellation of the Fund

The cancellation of the Fund shall take place (i) as a consequence of the payment in full of the Assets pooled therein and of the Bonds, (ii) for the complete redemption of the Bonds (iii) for any of the causes of early liquidation contemplated in the preceding section, (iv) due to the arrival of the Legal Maturity Date (June 20, 2043 or following Business Day), and (v) when the provisional

ratings of the Bonds are not confirmed as being definitive prior to the start of the Subscription Period.

In the event that any of the situations described in the foregoing sections should occur, the Manager shall inform the CNMV and shall initiate the pertinent formalities for cancellation of the Fund.

c.3) Actions for the liquidation and cancellation of the Fund.

In order that the Fund, through its Manager, may carry out the liquidation and cancellation of the Fund and, as the case may be, the early liquidation of the Fund and early redemption of the Bond issue in those cases determined by section 4.4.c.1), *supra*, and specifically, in order that the Fund shall have sufficient liquidity to meet its payment obligations, the Manager, on behalf of the Fund, shall proceed to carry out any or all of the following actions:

(i) sell the Assets for a price which may not be less than the sum of the principal plus interest accrued and not paid on the Assets pending amortization. For this purpose, the Manager shall request an offer from at least five (5) entities of those most active in the sale and purchase of similar assets, and may not sell them at a price less than the best offer received. The Assignor shall have a right of first refusal to acquire said Assets, in the conditions established by the Manager at the time of the liquidation, in such a manner that it shall have preference over third parties to acquire the Assets. In order to exercise the right of first refusal, the Assignor shall have a period of five (5) Business Days from the date on which the Manager notifies it of the conditions (price, form of payment, etc.) under which the disposal of the Assets shall proceed. The Assignor's offer must equal at least the best of the offers made by third parties.

In the event that no offer comes to cover the value of the principal plus interest accrued and not paid on the Assets pending amortization, the Manager shall proceed to gather from among the five (5) entities previously cited above, three (3) entities which, in its judgement, may give a market value. The Manager shall be required to accept the best offer received for the Assets which, in its judgement, covers the market value thereof. In order to set the market value, the Manager may obtain from third party entities not the above, such valuation reports as it deems necessary. In this case, the Assignor shall also enjoy the right of first refusal

described above, provided that its offer at least equals the best of those made by third parties.

This right of first refusal in no case implies an agreement or obligation to repurchase the Assets on the part of the Assignor; and/or

(ii) sell any other assets of the Fund other than the Asset and other than the cash for a price not less than market value. In order to set the market value, the Manager will request from at least one entity specializing in the valuation or marketing of assets similar to those whose sale is intended such valuation reports as it deems necessary, proceeding with the sale of the assets in question through the procedure which allows obtaining a higher price in the market; and/or

(iii) canceling those contracts which are not necessary for the liquidation process of the Fund.

The Manager shall immediately apply all amounts it has obtained on disposal of the Assets and any other assets of the Fund towards payment of the various concepts, in the manner, amount and order of priority which applies, as determined under section 3.4.6.(b) of the Additional Building Block to the Securities Note. Early redemption of all of the Bonds in any of the cases provided under section 4.4.c.1), *supra*, shall be carried out for the Balance of Principal Pending Payment through that date plus interest accrued and not paid from the last Payment Date through the early redemption date, which must necessarily coincide with a Payment Date, after deducting, as the case may be, any tax withholding, and free of expenses for the holder, which amounts, for all legal purposes, shall be deemed to be due and payable on this latter date.

In the event that, once the Fund has been liquidated and all scheduled payments have been made pursuant to the order of priority of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note, any remainder should exist or any judicial or notary proceedings brought as a consequence of the non-payment by any Debtor of the Assets should remain pending resolution (all in accordance with the provisions of section 3.4.5.a) of the Additional Building Block to the Securities Note), both the said remainder as well as the continuation and/or proceeds of the resolution of the proceedings cited above shall inure to UCI's favor.

In any case, the Manager, acting for and on behalf of the Fund, shall not proceed with cancellation of the Fund until it has not proceeded with liquidation of the Assets and any other remaining assets of the Fund and

the distribution of the Fund's available funds, in following the order of priority of payments contemplated under 3.4.6.(b) of the Additional Building Block to the Securities Note.

Once a maximum period of six (6) months since the liquidation of the Assets and any other remaining assets of the Fund and the distribution of the available funds has transpired, the Manager shall execute an official attestation before a notary public declaring (i) the Fund to be cancelled, as well as the causes contemplated in this Registration Document which motivated its cancellation, (ii) the procedure carried out for notifying the Bondholders and the CNMV, and (iii) the distribution of the available amounts from the Fund in following the order of priority of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note and shall comply with such further administrative formalities as may be applicable. Said notarized attestation shall be sent by the Manager to the CNMV.

In the event that the cause of liquidation stated under section 4.4.c.2)(iv), *supra*, should occur, the incorporation of the Fund as well as the Bond issue and the contracts executed by the Manager, acting on behalf of the Fund, shall be terminated, except for the Subordinated Loan Agreement, against which the incorporation and issue expenses incurred by the Fund shall be paid. Said termination shall be reported forthwith to the CNMV and, once one (1) month from the cause for termination of the incorporation of the Fund has transpired, the Manager shall execute before a notary public the attestation which it shall send to the CNMV, Iberclear, AIAF and the Rating Agencies, declaring the cancellation of the Fund and the cause thereof.

4.5 Domicile and legal form of the Issuer, legislation under which it operates.

a) Domicile of the Fund.

The Fund lacks a registered office because it lacks separate legal status. For all purposes, the Fund's registered office is deemed to be that of the Manager, to wit:

SANTANDER DE TITULIZACION, S.G.F.T., S.A.
Ciudad Grupo Santander
Avenida de Cantabria, s/n
28660 Boadilla del Monte (Madrid)

Telephone: 91.289.32.97

b) Legal status of the Fund.

The Fund shall establish its pool of assets and liabilities, lacking separate legal status, classified as closed on the asset and liability sides, in accordance with the provisions of article 3 of Royal Decree 926/1998, entrusting the Manager with its incorporation, its administration and legal representation, as well as, in its capacity as manager of third party businesses, the representation and defense of the interests of the Bondholders and the rest of ordinary creditors of the Fund.

c) Legislation under which it operates and country of incorporation.

The Fund shall be incorporated in Spain under Spanish law.

In particular, the Fund shall be incorporated in accordance with (i) Royal Decree 926/1998 and provisions implementing same; (ii) Law 19/1992, with regard to anything not contemplated by Royal Decree 926/1998 and as applicable thereto; (iii) The Spanish Securities Market Act; (iv) 5th Additional Provision of Law 3/1994, and (v) such other legal and regulatory provisions as are in force and applicable from time to time.

This Prospectus was prepared pursuant to the standard forms contemplated in Regulation (EC) No. 809/2004.

d) Tax scheme of the Fund.

In accordance with Law 19/1992, Royal Legislative Decree 4/2004, Royal Decree 1777/2004, Law 37/1992 and Royal Legislative Decree 1/1993, the characteristics of the Fund's tax scheme are as follows:

(i) The incorporation of the Fund is exempt from the concept of "corporate transactions" of Transfer Tax/Stamp Duty in accordance with the provisions of section 10, article 15 of Law 19/1992.

(ii) The Fund is subject to the general scheme of Corporate Income Tax, the general rate of which at present is thirty-five percent (35%).

(iii) The returns on the Assets which constitute the Fund's income will not be subject to withholding or interim tax deposit (article 59, section k) of Royal Decree 1777/2004).

(iv) The management and custodial services rendered by the Manager to the Fund shall be exempt from Value Added Tax (article 20.One.18.n. of Law 37/1992).

(v) The issuance, subscription, transfer, redemption and repayment of the Bonds are exempt from Transfer Tax/Stamp Duty (article 45.I.B. no. 15 of Royal Legislative Decree 1/1993).

4.6 Description of the amount of the Fund's authorized and issued capital.

The Fund lacks share capital.

5. BUSINESS OVERVIEW

5.1 Brief description of the Issuer's principal activities.

The Issuer is an asset securitization fund and, as such, its principal business consists of acquiring from UCI the Assets deriving from the Loans and issuing the Bonds. That is, through securitization, UCI transfers the Assets to the Fund, who pays the price thereof with the proceeds from the Bond issue subscribed by the qualified investors to whom said issue is directed.

Thus, through this operation, UCI is advanced the payment of the future flows pertaining to the Loans, i.e. the Assets become liquid to UCI, even though they were not liquid at the time of the assignment to the Fund.

The payment of the interests and reimbursement of the Assets perceived by the Fund will be quarterly earmarked, at each Payment Date, to the interest payment and reimbursement of the principal of the Bonds following the specific conditions of each Class and the ranking established in Section 3.4.6.b) of the Additional Building Block to the Securities Note.

The Fund also arranges, represented by the Manager, certain financial and rendering of services operations in order to consolidate the financial structure of the Fund, to increase the security and regularity in the Bonds payment, to cover the time lapse between the schedule of the principal and interest flows of the Assets and the Bonds, and, in general, make possible the financial transformation that takes place in the Fund's patrimony between the financial characteristics of the Assets and the financial characteristics of each of the Bond Class.

5.2 Global overview of the parties to the securitization program.

a) SANTANDER DE TITULIZACION, S.G.F.T., S.A. is intervening as the Fund's Manager and as legal and financial adviser to the operation's structure.

SANTANDER DE TITULIZACION, S.G.F.T., S.A. is a Securitization Fund Manager having its registered offices at Ciudad Grupo Santander, Avenida de Cantabria sin número, 28660 Boadilla del Monte (Madrid), holder of Tax Identification Code number A-80481419. A brief

description thereof is stated under Section 6 of the Registration Document and 3.7.2 of the Additional Building Block to the Securities Note.

It appears registered in the Mercantile Registry, Volume 4.789, Page 75, Sheet M-78658, 1st Inscription. It is also registered in the special Registry of the CNMV, with number 1.

b) UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS EFC, S.A. is intervening as the Assignor of the Assets.

UCI, UNION DE CREDITOS INMOBILIARIOS EFC, S.A. is a Spanish financial credit establishment, with domicile in Madrid, C/Retama 3, 28045 a brief description of which is contained under section 3.5 of the Additional Building Block to the Securities Note.

Unión de Créditos Inmobiliarios S.A. EFC (Sociedad Unipersonal) is registered in the Mercantile Registry of Madrid, Volume 11266, Page 164, Section 8, Sheet M-67739, 344th Inscription and registered in the Bank of Spain's Registry of Financial Credit Institutions with number 8512.

UCI has no assigned rating by the Rating Agencies.

c) BANCO SANTANDER CENTRAL HISPANO, S.A. is intervening, as Lead Manager of the Bond issue together with BNP PARIBAS, as Paying Agent, as counterpart of the Fund in the Swap Agreement, in the Subordinated Loan Agreement together with UCB and the Guaranteed Rate Reinvestment Agreement and as Underwriter of the Domestic and International Tranches.

As Lead Manager develops the following task in the terms provided by article 35.1 of Royal Decree 1310/2005, November 4, that partially regulates the Law 24/1988 of Securities Market:

- To receive the instructions of the Manager in order to direct the operations regarding the design of the temporary and commercial financial conditions of the Issue, as well as for the coordination of the relationships with the supervision authorities, with the market operators, the potential investors and with the rest of the Underwriters.

BANCO SANTANDER CENTRAL HISPANO, S.A. is a Spanish credit institution having its registered offices in Santander, at Paseo de Pereda 9-12, 39004, with its operational headquarters located at Ciudad Grupo Santander, Avenida de Cantabria without number, 28660 Boadilla del Monte (Madrid), holder of Tax Identification Code number A-39000013 and C.N.A.E. 651.

The ratings of the Bank's unsubordinated and unsecured short and long-term debt, as assigned by the rating agencies, are:

Fitch: AA- (long-term) and F1+ (short term).

Standard & Poor's: A+ (long-term) and A1 (short-term).

Moody's: Aa3 (long-term) and P1 (short term).

d) BNP PARIBAS, Spanish Branch ("BNP PARIBAS") is intervening as Lead Manager together with the Bank, and as Underwriter of the International Tranche.

BNP PARIBAS is a credit institution, constituted and registered in France, acting through its Spanish Branch, registered in the Bank of Spain as credit entity with code number 0149, with social domicile and operative center in Ribera del Loira Street 28, 28042, Madrid, CNAE: 651 and CIF number : A-00111171.

As Underwriter, performs the same function than the Bank, detailed in paragraph c) above.

The ratings of the unsubordinated and unsecured short and long-term debt, as assigned by the Rating Agencies, are:

Fitch: AA (long-term) and F1+ (short term).

Standard & Poor's: AA (long-term) and A-1+ (short-term).

Moody's: Aa2 (long-term) and P-1 (short term).

e) ESPIRITO SANTO, S.A.U., S.V. ("ESPIRITO SANTO INVESTMENT") is intervening as Underwriter of the International Tranche.
ESPIRITO SANTO INVESTMENT is a securities company constituted on May 24, 1990 in Madrid, before the Notary Public of Madrid D. Antonio Carrasco García with number 2.234 of its protocol, registered in the Mercantile Registry of Madrid in Volume 138, Page 128, Sheet M-2730, 1st Inscription and registered in the Bank of Spain's Registry of Securities Companies and Agencies with number 112.

CIF: A-79443768

Address: Serrano 88, Madrid

f) DZ BANK AG DEUTSCHE SENTRAL-GENOSSENSCHAFTBANK ("DZ BANK AG") is intervening as Underwriter of the International Tranche.

DZ BANK AG is a Bank constituted and registered in the Federal Republic of Germany, duly registered in the Mercantile Registry of the Federal Republic of Germany with number HRB 45651, entitled to act as a Bank in free rendering of services in the European Economic Area, that is also registered in the Bank of Spain as European credit entity, operating in Spain without premises, permanently, according with article 21 of Directive 2000/12/CE.
Social domicile: Platz der Republik, 60265 Frankfurt am Main (FR Germany)

g) UNION DE CRÉDIT POUR LE BATIMENT S.A. is intervening together with the Bank as counterparty of the Fund in the Subordinated Loan Agreement.

UNION DE CRÉDIT POUR LE BATIMENT S.A. is a French financial incorporated company participated in 99,93% by PNB PARIBAS, having its registered offices at Avenue Kléber; 75016 Paris (France), a Company registered with the Commercial and Companies Registry of Paris (France), under number 552004624.

h) FITCH is intervening as credit rating agency of the Bonds.

FITCH is a Spanish stock company and subsidiary of the credit rating agency Fitch Ratings Limited, having its registered offices in Barcelona, at calle Balmes, 89-91, and holder of Tax Identification Code number A-58090655.

i) STANDARD & POOR'S is intervening as credit rating agency of the Bonds.

STANDARD & POOR'S is a Spanish stock company and subsidiary of the credit rating agency Standard & Poor's Limited, having its registered offices in Madrid, at Carrera de San Jerónimo, 15, holder of Tax Identification Code number A-90310824.

j) SQUIRE, SANDERS & DEMPSEY is intervening as legal adviser to the operation's structure.

Squire, Sanders & Dempsey is an international law firm with twenty-six (26) offices in more than ten (10) countries, and more than seven hundred fifty (750) attorneys which operates under the form of a U.S. partnership among all of its members.

For the purpose of article 4 of the Spanish Securities Market Act, SANTANDER DE TITULIZACION, S.G.F.T., S.A. forms part of the SANTANDER GROUP.

SANTANDER GROUP participates to 50% of UCI together with BNP PARIBAS that participates the other 50%.

There is no knowledge of the existence of any other relationship involving direct or indirect ownership or control between the aforesaid legal entities participating in the securitization program.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF THE MANAGER

6.1 Corporate bodies of the Manager

In accordance with Law 19/1992 and Royal Decree 926/1998, Asset Securitization Funds lack separate legal status. The Securitization Fund Managers are entrusted with the incorporation, administration and legal representation thereof, as well as the representation and defense of the interest of the holders of the securities issued against the funds they administer and of the remaining ordinary creditors thereof.

By virtue of the foregoing, this section details the information relating to SANTANDER DE TITULIZACION, S.G.F.T., S.A., in its capacity as the Manager that is incorporating, administering and representing the securitization fund FONDO DE TITULIZACION DE ACTIVOS, UCI 14.

a) Name and business address.

Corporate name: SANTANDER DE TITULIZACION, SOCIEDAD GESTORA DE FONDOS DE TITULIZACION, S.A.

Business address: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid).

Tax Identification Code number A-80481419

C.N.A.E.: 8199

b) Incorporation and registration with Mercantile Registry, as well as information relating to administrative authorizations and registration with the Comisión Nacional del Mercado de Valores (*Spanish Securities Market Commission*).

SANTANDER DE TITULIZACION, S.G.F.T., S.A. was incorporated by public deed executed on December 21, 1992 before Madrid Notary Public

Francisco Mata Pallarés, under number 1310 of his official record, with the prior authorization of the Ministry of Economy and Finance awarded on December 1, 1992. It is registered with the Mercantile Registry of Madrid, under Volume 4789, Folio 75, Page M-78658, 1st registration entry. Furthermore, it is registered with the special registry of the CNMV, under number 1.

In addition, the Manager amended its Bylaws by resolution of its Board of Directors adopted on June 15, 1998, as formalized in a public deed authorized by Madrid Notary Public Roberto Parejo Gamir on July 20, 1998, under number 3070 of his official record, in order to adapt to the requisites established for Asset Securitization Fund Managers by Royal Decree 926/1998. Such amendment was authorized by the Ministry of Economy and Finance on July 16, 1998, in accordance with the provisions of the Sole Transitional Provision of the aforesaid Royal Decree 926/1998.

The duration of the Manager is indefinite, except for the occurrence of any of the causes where the legal and statutory provisions, as the case may be, may call for dissolution.

c) Brief description of the Manager's principal activities.

The Managers manages by October 27, 2005 the following complete patrimony:

MORTGAGE SECURITISATION FUNDS

FUNDS	CLASSES	OUTSTANDING BALANCE	INTEREST RATE PER CLASS	RATING AGENCIES	DATE OF INCORPORATION	INITIAL BALANCE
FTH HIPOTEBANSA V	Class A	21.945.018,42 €	Libor 3M + 0.11%	Moody´s España	21/04/1997	234.995.732,81 €
	Class B	2.349.957,31 €	Libor 3M + 0.45%			
	Total	**24.294.975,73 €**				
FTH HIPOTEBANSA VI	Class A	46.153.046,64 €	Libor 3M + 0.12%	S&P España / Moody´s España	27/10/1997	262.942.795,67 €
	Class B	4.615.304,38 €	Libor 3M + 0.50%			
	Total	**50.768.351,02 €**				
FTH HIPOTEBANSA VII	Class A	78.688.662,60 €	Libor 3M + 0.15%	S&P España / Moody´s España	05/05/1998	317.334.391,12 €
	Class B	7.868.867,10 €	Libor 3M + 0.525%			
	Total	**86.557.529,70 €**				
FTH UCI 4	Class A	35.431.261,30 €	Libor 3M + 0.16%	S&P España	25/06/1998	180.303.631,32 €
	Class B	3.543.125,72 €	Libor 3M + 0.575%			
	Total	**38.974.387,02 €**				
FTH HIPOTEBANSA VIII	Class A	91.293.799,08 €	Libor 3M + 0.27%	Fitch IBCA / Moody´s España	17/12/1998	328.302.862,02 €
	Class B	8.864.928,77 €	Libor 3M + 0.600%			
	Total	**100.158.727,85 €**				
FTH UCI 5	Class A	70.561.042,20 €	Euribor 3M + 0.23%	Moody´s España	03/06/1999	265.000.000,00 €
	Class B	5.644.884,00 €	Euribor 3M + 0.625%			
	Total	**76.205.926,20 €**				
FTH BANESTO 1	Class A	196.832.133,60 €	Euribor 3M + 0.23%	Moody´s España	29/07/1999	759.000.000,00 €
	Class B	15.746.572,24 €	Euribor 3M + 0.625%			
	Total	**212.578.706,84 €**				
FTH HIPOTEBANSA IX	Class A	179.677.108,08 €	Euribor 3M + 0.27%	Fitch IBCA / Moody´s España	10/11/1999	519.200.000,00 €
	Class B	14.000.000,00 €	Euribor 3M + 0.75%			
	Total	**193.677.108,08 €**				
FTH BANESTO 2	Class A	262.215.387,00 €	Euribor 3M + 0.27%	Moody´s España	08/05/2000	715.000.000,00 €
	Class B	18.355.077,50 €	Euribor 3M + 0.625%			
	Total	**280.570.464,50 €**				
FTH BANESTO 3	Class A	260.146.249,69 €	Euribor 3M + 0.23%	Moody´s España	16/07/2001	545.000.000,00 €
	Class B	17.700.000,00 €	Euribor 3M + 0.60%			
	Total	**277.846.249,69 €**				
FTH BANESTO 4	Class A	1.102.357.324,50 €	Euribor 3M + 0.20%	S&P España	15/11/2003	190.500.000,00 €
	Class B	45.000.000,00 €	Euribor 3M + 0.65%			
	Total	**1.147.357.324,50 €**				
FTH UCI 10	Class A	497.463.239,00 €	Euribor 3M + 0.16%	S&P España	14/05/2004	700.000.000,00 €
	Class B	21.000.000,00 €	Euribor 3M + 0.50%			
		518.463.239,00 €				
	TOTAL MSF	**3.807.452.989,33 €**				

ASSETS SECURITISATION FUNDS

FUNDS	CLASSES	OUTSTANDING BALANCE	INTEREST RATE PER CLASS	RATING AGENCIES	DATE OF INCORPORATION	INITIAL BALANCE
FTA SANTANDER 1	Intern. P.Notes	2.771.338.035,76 €		S&P España / Moody´s España	26/11/1999	
	Domestic P. Notes	921.100.000,00 €				
	Total	**3.692.438.035,76 €**				
FTA UCI 6	Class A	140.591.322,26 €	Euribor 3M + 0.295%	Moody´s España	19/06/2000	457.000.000,00 €
	Class B	12.372.036,58 €	Euribor 3M + 0.775%			
	Total	**152.963.358,84 €**				
FTA UCI 7	Class A	180.110.782,98 €	Euribor 3M + 0.250%	S&P España / Moody´s España	25/10/2001	455.000.000,00 €
	Class B	12.607.755,84 €	Euribor 3M + 0.700%			
	Total	**192.718.538,82 €**				
FTA HIPOTEBANSA X	Class A	465.988.711,54 €	Euribor 3M + 0.21%	S&P España / Moody´s España	04/03/2002	917.000.000,00 €
	Class B	18.300.000,00 €	Euribor 3M + 0.55%			
	Total	**484.288.711,54 €**				
FTA FTPYME BANESTO 1	Class A1(G)	0,00 €	Euribor 3M + 0.01%	Fitch IBCA / Moody´s España	11/06/2002	500.000.000,00 €
	Class A1	0,00 €	Euribor 3M + 0.35%			
	Class A2(G)	0,00 €	Euribor 3M + 0.04%			
	Class A2	0,00 €	Euribor 3M + 0.38%			
	Class A3(G)	166.700.000,00 €	Euribor 3M + 0.07%			
	Class A3	41.700.000,00 €	Euribor 3M + 0.48%			
	Class B(G)	3.848.431,50 €	Euribor 3M + 0.20%			
	Class B	3.848.431,50 €	Euribor 3M + 0.90%			
	Class C	5.131.242,00 €	Euribor 3M + 1.80%			
	Total	**221.228.105,00 €**				
FTA UCI 8	Class A	241.048.963,68 €	Euribor 3M + 0.220%	S&P España / Moody´s España	24/06/2002	600.000.000,00 €
	Class B	15.909.230,70 €	Euribor 3M + 0.600%			
	Total	**256.958.194,38 €**				
FTA HIPOTEBANSA 11	Class A	645.014.879,92 €	Euribor 3M + 0.24%	S&P España / Moody´s España	26/11/2002	1.062.000.000,00 €
	Class B	21.200.000,00 €	Euribor 3M + 0.45%			
	Total	**666.214.879,92 €**				
SANTANDER CONSUMER FINANCE SPAIN 02-1 FTA	Class A	632.100.757,80 €	Euribor 3M + 0.30%	Fitch / Moody´s España / S&P España	09/12/2002	850.000.000,00 €
	Class B	25.500.000,00 €	Euribor 3M + 0.60%			
	Total	**657.600.757,80 €**				
FTA CONSUMO SANTANDER 1	Class A	625.613.608,80 €	Euribor 3M + 0.25%	S&P España / Moody´s España	04/03/2003	1.080.000.000,00 €
	Class B	37.800.000,00 €	Euribor 3M + 0.43%			
	Class C	35.100.000,00 €	Euribor 3M + 0.73%			
	Class D	35.100.000,00 €	Euribor 3M + 1.40%			
	Total	**733.613.608,80 €**				
FTA UCI 9	Class A	650.177.839,21 €	Euribor 3M + 0.265%	S&P España / Moody´s España	16/06/2003	1.250.000.000,00 €
	Class B	42.500.000,00 €	Euribor 3M + 0.65 %			

MORTGAGE SECURITISATION FUNDS

FUNDS	CLASSES	OUTSTANDING BALANCE	INTEREST RATE PER CLASS	RATING AGENCIES	DATE OF INCORPORATION	INITIAL BALANCE
FTH HIPOTEBANSA V	Class A	21.945.018,42 €	Libor 3M + 0.11%	Moody´s España	21/04/1997	234.995.732,81 €
	Class B	2.349.957,31 €	Libor 3M + 0.45%			
	Total	**24.294.975,73 €**				
FTH HIPOTEBANSA VI	Class A	46.153.046,64 €	Libor 3M + 0.12%	S&P España / Moody´s España	27/10/1997	262.942.795,67 €
	Class B	4.615.304,38 €	Libor 3M + 0.50%			
	Total	**50.768.351,02 €**				
FTH HIPOTEBANSA VII	Class A	78.688.662,60 €	Libor 3M + 0.15%	S&P España / Moody´s España	05/05/1998	317.334.391,12 €
	Class B	7.868.867,10 €	Libor 3M + 0.525%			
	Total	**86.557.529,70 €**				
FTH UCI 4	Class A	35.431.261,30 €	Libor 3M + 0.16%	S&P España	25/06/1998	180.303.631,32 €
	Class B	3.543.125,72 €	Libor 3M + 0.575%			
	Total	**38.974.387,02 €**				
FTH HIPOTEBANSA VIII	Class A	91.293.799,08 €	Libor 3M + 0.27%	Fitch IBCA / Moody´s España	17/12/1998	328.302.862,02 €
	Class B	8.864.928,77 €	Libor 3M + 0.600%			
	Total	**100.158.727,85 €**				
FTH UCI 5	Class A	70.561.042,20 €	Euribor 3M + 0.23%	Moody´s España	03/06/1999	265.000.000,00 €
	Class B	5.644.884,00 €	Euribor 3M + 0.625%			
	Total	**76.205.926,20 €**				
FTH BANESTO 1	Class A	196.832.133,60 €	Euribor 3M + 0.23%	Moody´s España	29/07/1999	759.000.000,00 €
	Class B	15.746.572,24 €	Euribor 3M + 0.625%			
	Total	**212.578.706,84 €**				
FTH HIPOTEBANSA IX	Class A	179.677.108,08 €	Euribor 3M + 0.27%	Fitch IBCA / Moody´s España	10/11/1999	519.200.000,00 €
	Class B	14.000.000,00 €	Euribor 3M + 0.75%			
	Total	**193.677.108,08 €**				
FTH BANESTO 2	Class A	262.215.387,00 €	Euribor 3M + 0.27%	Moody´s España	08/05/2000	715.000.000,00 €
	Class B	18.355.077,50 €	Euribor 3M + 0.625%			
	Total	**280.570.464,50 €**				
FTH BANESTO 3	Class A	260.146.249,69 €	Euribor 3M + 0.23%	Moody´s España	16/07/2001	545.000.000,00 €
	Class B	17.700.000,00 €	Euribor 3M + 0.60%			
	Total	**277.846.249,69 €**				
FTH BANESTO 4	Class A	1.102.357.324,50 €	Euribor 3M + 0.20%	S&P España	15/11/2003	190.500.000,00 €
	Class B	45.000.000,00 €	Euribor 3M + 0.65%			
	Total	**1.147.357.324,50 €**				
FTH UCI 10	Class A	497.463.239,00 €	Euribor 3M + 0.16%	S&P España	14/05/2004	700.000.000,00 €
	Class B	21.000.000,00 €	Euribor 3M + 0.50%			
		518.463.239,00 €				
	TOTAL MSF	**3.807.452.989,33 €**				

d) Share Capital

i) Par value subscribed and paid-in:

The Manager's share capital is nine hundred one thousand six hundred fifty (901,650) euros, represented by fifteen thousand (15,000) registered shares each having a par value of sixty euros and eleven cents (60.11), consecutively numbered from one (1) through fifteen thousand (15,000), both inclusive, all of them fully subscribed and paid-in.

ii) Share classes:

All of the shares are of the same class and vest identical political and economic rights.

e) Administrative, managing and supervision bodies.

The governance and administration of the Manager are entrusted by the bylaws to the General Shareholders' Meeting and to the Board of Directors. Their competencies and authorities are those vested in said bodies in accordance with the provisions of the Spanish Corporations Law (*Ley de Sociedades Anónimas*), Law 19/1992 and Royal Decree 926/1998, in relation to the corporate purpose.

i) Directors

The Board of Directors is formed by the following persons:

Chairman: José Antonio Alvarez Alvarez

Directors: Ana Bolado Valle
Emilio Osuna Heredia
Santos González Sánchez
Ignacio Ortega Gavara
Marcelo Alejandro Castro
Eduardo García Arroyo
Francisco Pérez Mansilla
Fermín Colomés Graell; and
José Antonio Soler Ramos

Secretary/Non-Director:
María José Olmedilla González

(ii) General Management

The Manager's General Manager is Mr. Ignacio Ortega Gavara.

The most relevant activities performed outside of the Manager by the persons mentioned in this section are described below:

Name	Position at Bank	Company through which business activity rendered	Positions or duties held or performed at said companies
Emilio Osuna Heredia	Manager of Coordination SGC (Santander Global Connect)	AIAF, Mercado de Renta Fija	Director
Fermín Colomés Graell	Manager of Operations and Servicing SCH	Open bank Santander Consumer, S.A.	Director
Ana Bolado Valle	Manager of Executive Resource Management SCH	----------	----------
Santos González Sánchez	Manager of Mortgage Business SCH	----------	----------
Francisco Pérez Mansilla	Manager of Companies and SME's SCH	Santander Central Hispano Lease, SA, EFC	Director
		Santander Central Hispano Multileasing, S.A., EFC	Director
		Santander Central Hispano, Factoring y Confirming, S.A., EFC	Director
Eduardo García Arroyo	Manager of Technology SCH	Ingeniería de Software Bancario, S.L.	Director
Marcelo Alejandro Castro	Treasurer for Europe SCH	MEFF, Mercados Españoles Futuros Financieros	Director
		Holding Mercados S.A.	
José Antonio Álvarez Álvarez	General Financial Manager SCH	Santander Consumer Finance	Director
		Santander Finance Preferred, SA U	Chairman
		Santander Issuances SAU	Chairman
		Santander International Debt SAU	Chairman
José Antonio Soler Ramos	Manager of Financial Management SCH	Santander Commercial Paper SAU.	Chairman
		Santander Perpetual, SAU	Vice Chairman

The persons mentioned in this section 6.1.e) are not holders, directly or indirectly, of any share, convertible bond or other securities which confer upon their holder a right to acquire shares of the Manager.

The business address for all persons mentioned in this section 6.1.e) is as follows:

Santander Titulización, S.G.F.T., S.A.
Ciudad Grupo Santander
Avenida de Cantabria s/n
28660 Boadilla del Monte (Madrid)

f) Lenders of the Manager (more than ten percent (10%)).

The Manager has not received any loan or credit facility from any person or entity.

g) Significant litigation and disputes.

As at the verification date of this Prospectus, the Manager is not subject to any insolvency-related situation and no significant litigation or disputes exist which may affect its economic-financial position or, in the future, its capacity to carry out the duties of management and administration of the Fund as contemplated in this Prospectus.

h) Financial information concerning the Manager.

The Manager's fiscal year 2004 financial statements corresponding to exercises 2002, 2003 and 2004 were audited by the firm Deloitte, S.L. whose data are contained in Section 2.1 of this Registration Document and filed with the Mercantile Registry of Madrid. The audit report corresponding to each of those annual accounts dates did not present any reservation.

The balance sheet and statement of income for fiscal years 2003 and 2004, as well as the balance sheet and statement of income by September 30, 2005 and September 30, 2004 are detailed below:

SANTANDER DE TITULIZACIÓN
SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.

BALANCE-SHEET, DECEMBER 31, 2004 and 2003

(000 Euros)

ASSETS	2004	2003	LIABILITIES	2004	2003
FIXED ASSETS:			**SHAREHOLDER'S FUNDS**		
Intangible assets	**3**	**10**	**Subscribed capital**	**902**	**902**
Material assets	**172**	**190**	**Reserves**	**182**	**182**
Fixed Assets Total:	**175**	**200**	**Trading results**	**2.628**	**1.985**
			Active interim dividend	**(1.650)**	**-**
			Shareholder's Funds total:	**2.062**	**3.069**
			LONG-TERM CREDITORS		
			Debts with Group companies	**3.833**	**-**
				3.833	**-**
ASSETS CURRENT:					
Debtors	**125**	**86**			
Loans to employees	59	2	**SHORT-TERM CREDITORS**		
Other debtors	66	84	**Public finance (*Hacienda Pública*)**	**37**	**28**
Temporary financial investments	**-**	**-**	**Other debts**	**13**	**10**
Cash	**6.687**	**6.411**	**Debts with Group Companies**	**1.415**	**3.832**
Adjustments for periodization	**589**	**380**	**Adjustments for periodization**	**216**	**138**
Assets Current Total	**7.401**	**6.877**	**Short term creditors Total**	**1.681**	**4.008**
ASSETS TOTAL	**7.576**	**7.077**	**LIABILITIES TOTAL**	**7.576**	**7.077**

SANTANDER DE TITULIZACIÓN
SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.

PROFIT AND LOSS ACCOUNT

CORRESPONDING TO THE ENDED BUSSINESS YEARS BY DECEMBER 31, 2004 AND 2003

(000 Euros)

DEBTOR	Business Year 2004	Business Year 2003	CREDITOR	Business Year 2004	Business Year 2003
EXPENSES:			**REVENUES:**		
Personnel Costs			Revenues Net amount		
Wages, salaries and similar	827	705	Rendering of services	5.387	4.415
Social expenses	127	89			
Other personnel expenses	18	-			
	972	**794**			
Allocation for fixed assets amortization	110	139			
Other exploitation expenses					
External Services	198	386			
Taxes	-	3			
Other ordinary management expenses	107	87			
	305	476			
Exploitation profits	**4.000**	**3.006**			
Financial and similar expenses	**-**	**-**	Other interests and similar revenue	44	51
Positive trading profits	**44**	**51**			
Ordinary activities profits	**4.044**	**3.057**			
Extraordinary expenses	1	4	Extraordinary revenue	-	3
Positive extraordinary outcomes	**-**	**-**	**Negative extraordinary outcome**	**1**	**1**
Profits prior Taxes	**4.043**	**3.056**			
Corporate Tax	1.415	1.071			
Outcome of business year (profit)	**2.628**	**1.985**			

SANTANDER DE TITULIZACIÓN
SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.

BALANCE-SHEET, SEPTEMBER 30, 2005 and 2004

(000 Euros)

ASSETS	9/30/2005	9/30/2004	LIABILITIES	9/30/2005	9/30/2004
FIXED ASSETS:			**SHAREHOLDER'S FUNDS**		
Intangible assets	**8**	**33**	**Subscribed capital**	**902**	**902**
Material assets	**140**	**118**	**Reserves**	**1.161**	**182**
Fixed Assets Total:	**148**	**151**	**Trading results**	**2.128**	**1.776**
			Active interim dividend		**1.985**
			Shareholder's Funds total:	**4.191**	**4.845**
			LONG-TERM CREDITORS		
			Debts with Group companies	**3.833**	**2.761**
				3.833	**2.761**
ASSETS CURRENT:					
Debtors	**125**	**83**			
Loans to employees	93	62	**SHORT-TERM CREDITORS**		
Other debtors	32	21	**Public finance (*Hacienda Pública*)**	**2.989**	**2.069**
Temporary financial investments	**-**	**-**	**Other debts**	**14**	**14**
Cash	**10.228**	**9.103**	**Debts with Group Companies**	**-**	**-**
Adjustments for periodization	**628**	**466**	**Adjustments for periodization**	**102**	**114**
Assets Current Total	**10.981**	**9.652**	**Short term creditors Total**	**3.105**	**2.197**
ASSETS TOTAL	**11.129**	**9.803**	**LIABILITIES TOTAL**	**11.129**	**9.803**

SANTANDER DE TITULIZACIÓN
SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.

PROFIT AND LOSS ACCOUNT

CORRESPONDING TO SEPTEMBER 30, 2005 AND 2004

(000 Euros)

DEBTOR	9/30/2005	9/30/2004	CREDITOR	9/30/2005	9/30/2004
EXPENSES:			**REVENUES:**		
Personnel Costs			Revenues Net amount		
Wages, salaries and similar	623	610	Rendering of services	4.612	3.692
Social expenses	103	94			
Other personnel expenses	13	-			
	739	**704**			
Allocation for fixed assets amortization	109	90			
Other exploitation expenses					
External Services	73	135			
Taxes	-				
Other ordinary management expenses	98	66			
	171	201			
Exploitation profits	**3.593**	**2.697**			
Financial and similar expenses	**-**	**-**	Other interests and similar revenue	63	39
Positive trading profits	**63**	**39**			
Ordinary activities profits	**3.656**	**2.736**			
Extraordinary expenses		4	Extraordinary revenue	5	
Positive extraordinary outcomes	5	-	**Negative extraordinary outcome**		
Profits prior Taxes	**3.661**	**2.736**			
Corporate Tax	1.533	957			
Outcome of business year (profit)	**2.128**	**1.779**			

7. MAJOR SHAREHOLDERS OF THE MANAGER

a) The title to the Manager's shares is distributed between the companies listed below, indicating the stake in the Manager's share capital owned by each one of them:

SHAREHOLDERS	% SHARE CAPITAL
Santander Investment Services, S.A	19%
Banco Santander Central Hispano, S.A.	81%

b) Description of nature of such control and measures in place to ensure that such control is not abused.

For the purpose of article 4 of the Spanish Securities Market Act, SANTANDER DE TITULIZACION, S.G.F.T., S.A. forms part of the SANTANDER GROUP.

In order to ensure the absence of abuses of control on the part of the Bank on the Manager, the Manager approved Internal Rules of Conduct in application of the provisions of Chapter II of Royal Decree 629/1993, of May 3, on rules of conduct in the securities markets and obligatory records, which were reported to the CNMV.

8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES

8.1 The Manager declares that, as at the verification date of this Registration Document, the Fund has not yet been incorporated and, therefore, its operations have not begun and no financial statement in respect thereof has been prepared.

8.2 Historical Financial Information.

Not applicable.

8.2 bis This paragraph may be used only for issues of asset backed securities having a denomination per unit of at least EUR 50,000.

Not applicable.

8.3 Legal and arbitration proceedings

Not applicable.

8.4 Material adverse change in the Issuer's financial position

Not applicable

9. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

9.1 Statement or report attributed to a person as an expert.

Not applicable.

9.2 Information sourced from a third party.

Not applicable

10. DOCUMENTS ON DISPLAY

For the life of this Registration Document the following documents (or copies thereof) may be inspected by the public:

(a) **The current and in force Corporate Bylaws and deed of incorporation of the Manager.**

(b) **This Prospectus.**

(c) **The Deed of Incorporation of the Fund.**

(d) **The Subordinated Loan Agreement, Swap Agreement, Guaranteed Rate Reinvestment Agreement, the Lead Manager, Underwriter and Placer Agreement in respect of the Domestic Tranche and the Underwriting and Placement Agreement in respect of the International Tranche.**

(e) **Auditors' Report on the portfolio of Loans** granted by UCI, from which the Assets which are the object of assignment to the Fund shall be taken, as prepared by the firm Deloitte, S.L.

(f) **Certification of the resolution of UCI's General Meeting** of September 19, 2005, at which it was resolved to carry out the assignment of the Assets to the Fund, and **the certification of the resolution of the Manager's Board of Directors** meeting of September 12, 2005, at which the following matters, *inter alia*, were resolved: the incorporation of the Fund, the acquisition by the Fund of the Assets assigned by UCI, and the issuance of the Bonds against the Fund;

(g) **The letters disclosing the provisional ratings and the letters disclosing the definitive ratings** on the part of Standard & Poor's Spain, S.A. and Fitch Ratings Spain, S.A.U.

(h) **The letters from the Lead Managers and from the Assignor.**

(i) **The Annual Financial Statements and auditors' report of the Manager**.

A copy of all of the above documents may be inspected at the registered offices of the Manager.

In addition, a copy of all documents mentioned in the above sections, except for those contained in section a), may be inspected at the CNMV, at Paseo de la Castellana 15, Madrid.

A copy of the Prospectus will be available to the public on the CNMV's webpage (www.cnmv.es), on the AIAF´s webpage (www.aiaf.es) and at the domicile of each of the Underwriters, detailed in Section 5.2 of this Registration Document.

The Deed of Incorporation will also be available to the public at Iberclear.

SECURITIES NOTE

This Securities Note was prepared in accordance with Annex XIII of Regulation (EC) No. 809/2004 and was approved by the Comisión Nacional del Mercado de Valores (*Spanish Securities Market Commission*) on November 25, 2005.

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information appearing in the Securities Note and in the Additional Building Block to the Securities Note.

MR. IGNACIO ORTEGA GAVARA, acting in his capacity as General Manager, by virtue of the powers expressly conferred upon him by the Board of Directors at its meeting on September 12, 2005, for and on behalf of SANTANDER DE TITULIZACION, S.G.F.T., S.A., having its registered offices at Ciudad Grupo Santander, Avda. de Cantabria s/n, 28660, Boadilla del Monte (Madrid), assumes responsibility for the information contained in this Securities Note and in the Additional Building Block to the Securities Note.
SANTANDER DE TITULIZACION, S.G.F.T., S.A. is the promoter of the securitization fund FONDO DE TITULIZACION DE ACTIVOS, UCI 14 and shall be responsible for the administration and legal representation thereof.

1.2 Declaration by those responsible for the Securities Note and for the Additional Building Block to the Securities Note.

MR. IGNACIO ORTEGA GAVARA, acting for and on behalf of the Manager declares that, having taken all reasonable care to ensure that such is the case, the information given in the Securities Note and in the Additional Building Block to the Securities Note is, to the best of his knowledge, in accordance with the facts and does not omit anything likely to affect its import.

2. RISK FACTORS

The risk factors specific to the Assets backing the issue and to the securities are those respectively described under sections II and III of the document included at the beginning of this Prospectus entitled "RISK FACTORS".

3. KEY INFORMATION

3.1 <u>Interest of natural and legal persons involved in the issue</u>.

a) SANTANDER DE TITULIZACION, S.G.F.T., S.A. is intervening as the Fund's Manager and as legal and financial adviser to the operation's structure.

b) UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS, EFC, S.A. is intervening as the Assignor of the Assets, and as financial counsel of the operation.

c) BANCO SANTANDER CENTRAL HISPANO, S.A. is intervening as Lead Manager of the Bond issue, as Paying Agent, as counterpart of the Fund in the Swap Agreement, in the Subordinated Loan Agreement

together with UCB and the in the Guaranteed Rate Reinvestment Agreement and as Underwriter of the issuing and placing Entity responsible for the management of the book of orders in the Domestic and International Tranches.

d) BNP PARIBAS is intervening as Lead Manager and as Underwriter of the International Tranche of the Issue as well as placing Entity responsible for the management of the book of orders

e) ESPIRITO SANTO INVESTMENT is intervening as Underwriter of the International Tranche.

f) DZ BANK AG is intervening as Underwriter of the International Tranche.

g) UNIÓN DE CRÉDIT POUR LE BATIMENT, S.A. is intervening, together with the Bank, as a counterparty of the Fund in the Subordinated Loan Agreement.

h) FITCH is intervening as credit rating agency of the Bonds.

i) STANDARD & POOR'S is intervening as credit rating agency of the Bonds.

j) SQUIRE, SANDERS & DEMPSEY is intervening as legal adviser to the operation's structure.

The Fund's Manager is not aware of any other relation or significant economic interest between the entities mentioned above except for the strictly professional according to this Section and Section 3.2 of the Additional Building Bloc of the Securities Note.

4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING

4.1 Total issue amount.

The total amount of the Bonds being issued is ONE BILLION FOUR HUNDRED AND FIFTY MILLION EUROS (€1,450,000,000), fully underwritten and represented by fourteen thousand five hundred (14,500) Bonds each having a face value of one hundred thousand EUROS (€100,000), distributed in three (3) Classes of Bonds (A, B and C), the following total face amount being assigned to each one of them:

Class A: having a total face amount of ONE BILLION THREE HUNDRED SEVENTY-SEVEN MILLION AND FIVE HUNDRED THOUSAND EUROS (€1,377,500,000), formed by thirteen thousand

seven hundred seventy-five (13,775) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000);

Class B: having a total face amount of THIRTY-FOUR MILLION ONE HUNDRED THOUSAND EUROS (€34,100,000), formed by three hundred forty one (341) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000);

Class C: having a total face amount of THIRTY-EIGHT MILLION FOUR HUNDRED THOUSAND EUROS (€38,400,000), formed by three hundred eighty-four (384) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000).

b) Underwriting and Placement.

The Underwriters shall place the Bonds among qualified investors (that is, as a matter of illustration and without limitation, Pension Funds, Undertakings for Collective Investment, Insurers, Financial Institutions, Broker/Dealers, or Entities authorized in accordance with articles 64 and 65 of the Spanish Securities Market Act (in its wording pursuant to Law 37/1998)T o manage third-party securities portfolios or that professionally and customarily make investments in negotiable securities.

Subscription applications, in order to be considered, shall be made by any means legally admissible, during the Subscription Period, and sent to the Underwriters.

In addition, the Underwriters shall assume the obligations contained in the Domestic Tranche Lead Management, Underwriting and Placement Agreement and/or the International Tranche Underwriting and Placement Agreement and which, basically, shall be the following: (1) procure for the placement of the Bonds by third subscriptors (2) joint commitment for subscription of any Bonds not subscribed once the Subscription Period has closed, up to the amounts established for each Underwriter in the relevant agreement; (3) payment to the Paying Agent prior to 15:00 p.m. on the Issuing Date for value that same day, of the face amount underwritten by each one of them; (4) payment of the delay interest agreed in the contract in case of delay in the payment of any due amounts, (5) delivery to the Bond subscribers who so request, within a deadline of five (5) days from the Pay-out Date, of a document evidencing subscription by the latter of the Bonds awarded and of the cash amount they have paid-in for said subscription, the validity of said document being limited to the date on which the book-entry in the relevant book-entry ledger takes place, (6) delivery to the Paying Agent of the information regarding the placement of the Bonds, (7) other aspects regulated in the agreement.

Underwriting fees amount to €625,675.00, to be distributed as follows, €578,550 (0,0420 % of Class A) as Commission for Underwriting and Placement Agreement of Class A Bonds; €22,165 (0,0650% of Class B) as Commission for Underwriting and Placement Agreement of Class B Bonds and €24,960 (0,0650% of Class C) as Commission for Underwriting and Placement Agreement of Class C Bonds; and which the Underwriters shall deduct respectively from the amounts they remit to the Paying Agent in compliance with their underwriting commitment.

The sole cause for termination or suspensive or termination condition reflected by the Lead Management, Underwriting and Issue Placement Agreements is the absence of confirmation of the provisional ratings of the Bonds as becoming definitive prior to the start of the Subscription Period.

The placement of the Bond issue shall be carried out both on the domestic market as well as the international market.

The placement of the Domestic Tranche shall be carried out by BANCO SANTANDER CENTRAL HISPANO S.A. and that of the International Tranche by BANCO SANTANDER CENTRAL HISPANO S. A., BNP PARIBAS, ESPIRITO SANTO INVESTMENT and DZ BANK AG and for the following amounts (in millions of euros):

(a) Domestic Tranche

Underwriter	**Bond Class A**	**Bond Class B**	**Bond Class C**
BANCOSANTANDER CENTRAL HISPANO	670	17	---
Totals	**670**	**17**	**---**

(b) International Tranche:

Underwriters	**Bond Class A**	**Bond Class B**	**Bond Class C**
BANCO SANTANDER CENTRAL HISPANO			19.2
BNP PARIBAS	687.5	17.1	19.2
ESPIRITO SANTO INVESTMENT	10		
DZ BANK AG	10		
Totals	**707.5**	**17.1**	**38.4**

BANCO SANTANDER CENTRAL HISPANO S.A. and BNP PARIBAS are intervening as Lead Managers of the issue of the Bonds against the Fund, according with the terms specified, section 5.2 of Registry Document, and won't charge any fee in this concept.

4.2 Description of type and class of securities.

This Securities Note is prepared for the purpose of the Issuance of Securitization Bonds by the securitization fund FONDO DE TITULIZACION DE ACTIVOS, UCI 14.

The Securitization Bonds are negotiable fixed income securities, with an explicit return, which represent a debt for their issuer, accrue interest and are repayable through early redemption or at maturity.

4.3 Legislation of the securities.

The Bonds are issued in accordance with Spanish law, as applicable to the Fund or to the Bonds. In particular, they are issued in accordance with (i) Royal Decree 926/1998; (ii) Law 19/1992, as regards anything not contemplated in Royal Decree 926/1998 and as applicable thereto; (iii) the Spanish Securities Market Act; (iv) Regulation (EC) No. 809/2004 (v) Royal Decree 1310/2005, November 4, developing Law of Securities Market and (vi) such other legal and regulatory provisions in force and applicable from time to time.

This Securities Note was prepared in following the standard forms contemplated in Annex XIII of Regulation (EC) No. 809/2004.

4.4 Representation of the securities.

The Bonds shall be represented by book-entries. Iberclear has been appointed to keep the records thereof, having its registered offices at calle Pedro Teixeira no. 8, 1a planta, 28020 Madrid.

4.5 Currency of the issue.

The Bonds shall be denominated in EUROS.

4.6 Ranking.

The Manager, on behalf of the Fund, shall proceed to apply on each Payment Date the amount of the Available Funds towards the relevant payments and withholding, as per the ranking of priority of payments described under section 3.4.6.(b) of the Additional Building Block to the Securities Note which, as regards the payment of interest and principal on the Bonds May be summarized as

follows, without prejudice to the special rules of priority described under section 3.4.6.c) of the Additional Building Block to the Securities:

a) Payment of interest:

a.1 The payment of interest accrued on the Classes A Bonds holds third (3rd) place in the ranking of priority.

a.2 The payment of interest accrued on the Classes B Bonds holds fourth (4th) place in the ranking of priority, thereby remaining postponed in ranking with respect to the payment of interest accrued on the Classes A Bonds.

a.3 The payment of Interest accrued on the Classes C Bonds holds fifth (5th) place in the ranking of payments, thereby remaining postponed in ranking with respect to the payment of interest accrued on the Classes A and B Bonds.

b) Redemption of principal:

The principal on the Bonds of the three (3) Classes holds sixth (6th) place In the ranking of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note

4.7 Description of the rights attached to the securities and procedure for exercise of said rights.

In accordance with current law in force, the Bonds detailed in this Securities Note shall lack for the investor that acquires them any present and/or future political right in respect of the Fund.

The economic and financial rights for the investor associated with the acquisition and Holding of the Bonds, shall be those deriving from the interest rate conditions, returns and form of redemption pursuant to which they are issued and which are reflected under sections 4.8 and 4.9, *infra*.

The financial servicing of the Bonds issued against the Fund shall be handled by the Bank, as Paying Agent, who on each one of the Payment Dates of the Bonds, shall proceed to make the interest payment and principal repayment on the Bonds in accordance with the instructions received from the Manager.

Payments to be made by the Paying Agent shall be made through the relevant entities participating in Iberclear, in whose records the Bonds are registered, as per the procedures being followed at the said service.

Bondholders and the rest of creditors of the Fund will have no action against the creditors that have breached their obligations of payment or against UCI, being the Manager, as legal representative of the Fund, the holder of such action.

Bondholders and the rest of creditors of the Fund will have no action against the Fund or the Manager, in case of non-payment of the amounts owed to the Fund that is consequence of the delay payments or prepayment of the Loans, the breach by UCI of its obligations or by the counterparts of the agreed operations in name and on behalf or the Fund, or by insufficiency of the financial operations of protection to attend the financial service of the Bonds of each Class.

Bondholders will have no action against the Manager except in the event that the latter breaches its obligations described in this Prospectus or those provided by law. Those actions must be resolved in a declarative ordinary trial ("*juicio declarativo ordinario*") correspondent by the amount of the claim.

All questions, disagreements, disputes and claims that may arise from the incorporation, administration and legal representation of the Manager of UCI 14, and the Issuing of the Bonds to be charged to the Fund will be solved by the competent Spanish Courts and Tribunals.

4.8 The nominal interest rate and provisions relating to interest payable.

The return on the Bonds shall be determined, for each Class, through a variable interest rate, pursuant to the following provisions:

a) All Bond Classes shall accrue a variable nominal interest payable quarterly on each Payment Date provided that the Fund has sufficient liquidity in the Cash Account, and if it is the case, in the Excess Funds Account, in accordance with the ranking of priority of payments contemplated for each Classes under section 3.4.6.b) of the Additional Building Block to the Securities Note.

   Any withholding, contributions and taxes established or to be established in the future on principal, interest or returns on the Bonds shall be for the exclusive account and expense of the Bondholders and their amount shall be deducted, as the case may be, by the Manager, acting for and on behalf of the Fund, through the Paying Agent, in the manner legally established.

b) The duration of the issue shall be divided into successive Interest Accrual Periods comprising the days actually transpired between each Payment Date, including in each Interest Accrual Period the initial Payment Date and excluding the final Payment Date. By way of exception, the first Interest Accrual Period shall have a duration superior than a quarter, equivalent to the days actually transpiring between the Pay-out Date (inclusive) and the first scheduled Payment Date (non-inclusive).

c) The nominal interest rate applicable to the Bonds for each Interest Accrual Period shall be determined by the Manager, acting for and on behalf of the Fund, at the Rate Setting Time, which shall be the second Business Day as per the calendar of TARGET (*Transeuropean Automated Real-time Gross Settlement Express Transfer System*) preceding each Payment Date, at 11:00 a.m. (Madrid time) on such day, and shall apply to the next Interest Accrual Period.

The nominal interest rate on the Bonds for the first Interest Accrual Period shall be determined in the manner contemplated under section d), *infra*, on the basis of the reference interest rate existing at 11:00 a.m. (Madrid time) on the Date of Incorporation and shall be disclosed to the general public in the announcement of the incorporation of the Fund and the Bond issue by means of publication in a widely-circulated newspaper in Spain on the calendar day following the Date of Incorporation.

The nominal interest rates determined for all Bond Classes for successive Interest Accrual Periods shall be notified to the Bondholders within the deadline and manner contemplated under section 4 of the Additional Building Block to the Securities Note, that is, in a time between the Rate Setting Time and the three (3) Business Days following each Payment Date and by the publication, either in the AIAF daily bulletin or whichever other that substitutes it in the future or any other of similar characteristics, or by the publication in a newspaper of wide distribution in Spain.

d) The nominal interest rate determined for each Interest Accrual Period shall be that which results from adding together: (i) the reference interest rate of EURIBOR at three (3) months or four (4) months, this last only for the First Interest Accrual Period, as the case may be, its substitute (as described under section e), *infra*) and (ii) a spread for each Classes:

? From 0.08% to 0.18% for the Classes A Bonds;

? From 0.20% to 0.40% for the Classes B Bonds;

? From 0.50% to 0.70% for the Classes C Bonds;

all of which rounded out to the closest one thousandth of one percent.

The definitive spreads applicable to Classes A, B and C respectively shall be set and reported to the Manager, on the Date of Incorporation by the Lead Managers, prior to 9:00 a.m. (Madrid time) and will be published in the incorporation announcement that will be taken out in a wide diffusion newspaper in Spain, the next natural day following the Date of Incorporation. Furthermore, the Manager shall also notify the CNMV as

established in section 4.b.b2 of the Additional Building Block to the Securities Note that regulates the extraordinary notifications. In the absence of the notice which must be given by the Lead Managers, the Manager shall set the spread for Classes A at 0.14%, the spread for Classes B at 0.25%, and the spread for Classes C at 0.60%.

e) The reference interest rate shall be the following:

(i) The EURIBOR rate (*Euro Interbank Offered Rate*) is the money market reference rate for deposits in euros at three (3) months maturity or four (4) months, this last one only for the First Interest Accrual Period. The EURIBOR rate at three (3) months or four (4) months, this last one only for the First Interest Accrual Period shall be that which results from the REUTERS screen, page "EURIBOR01" (or such other page as may come to replace it in this service) at 11:00 a.m. Madrid time at the Rate Setting Time.

(ii) In the event of an absence of rates as provided by section (i) *supra*, the following shall apply as substitute reference interest rate: the interest rate which results from taking the simple arithmetic mean of the interbank interest rates for deposit operations in euros (EURIBOR) at three months or four (4) months, this last one only for the First Interest Accrual Period, at the Rate Setting Time, offered by the following institutions:

Banco Santander Central Hispano, London Branch
J.P. Morgan Securities Ltd.
BNP Paribas, London Branch

all of which rounded out to the closest one-thousandth of one percent.

In the event it is impossible to apply the above substitute reference interest rate, as a consequence of one of the aforesaid institutions not providing a declaration of quotations on a continuous basis, the interest rate which results from calculating the simple arithmetic mean of the interest rates declared by the remaining two (2) institutions shall apply.

And if one of the remaining two (2) institutions mentioned above should cease to furnish a declaration of quotations, the last nominal interest rate applicable to the last Interest Accrual Period shall apply, and so on for successive Interest Accrual Periods, as long as the said situation persists.

If at least two (2) of the institutions mentioned above should once again provide quotations, the subsidiary substitute interest rate shall once again apply, as per the above rules.

The Manager shall keep lists of the content of the REUTERS screen or, as the case may be, the declarations of quotations of the institutions mentioned above, as documents evidencing the relevant rate.

At each of the Rate Setting Times, the Paying Agent shall notify the Manager of the reference interest rate which will serve as a basis for calculating the nominal interest rate applicable to each Bond Classes.

f) The nominal interest rate shall accrue on the days actually transpiring in each Interest Accrual Period for which it has been determined, calculated on the basis of a year containing three hundred sixty (360) days.

g) The interest rate accrued by the Bonds belonging to all Classes shall be payable quarterly, on each Payment Date, i.e. on March 20, June 20, September 20 and December 20 of each year, until redeemed in full, provided that the Fund has sufficient liquidity in the Cash Account, and if it is the case, the Excess Funds Account, in accordance with the order of priority of payments contemplated for each Classes in section 3.4.6.(b) of the Additional Building Block to the Securities Note.

In the event that any of the dates established in the above paragraph is not a Business Day, the interest payment shall be made on the immediately following Business Day, with interest pertaining to the Interest Accrual Period in progress accruing up to the above-mentioned first Business Day, non-inclusive.

h) The first interest payment on the Bonds belonging to all Classes shall take place on March 20, 2006, with interest accruing at the relevant nominal interest rate from the Pay-out Date (inclusive) through March 20, 2006 (non-inclusive).

i) The calculation of the interest to be paid on each Payment Date for each Interest Accrual Period shall be performed in accordance with the following formula:

$$I = P*R/100*d/360$$

Where:

I = Interest to be paid on a given Payment Date.

P = Balance of Principal Pending Payment on the Bonds on the Determination Date pertaining to the said Payment Date.

R = Nominal interest rate expressed as a percent per annum.

d = Number of actual days which pertain to each Interest Accrual Period.

Both the interest resulting to the favor of the Bondholders, calculated as provided above, as well as the amount of interest accrued and not paid, shall be notified to the Bondholders in the manner described under section 4 of the Additional Building Block to the Securities Note at least one (1) calendar day in advance of each Payment Date.

j) The payment of interest accrued shall take place on each Payment Date, provided that the Fund has sufficient liquidity for such purpose in the Cash Account, and if it is the case, the Excess Funds Account, in accordance with the order of priority of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note.

In the event that on a Payment Date the Fund cannot meet full or partial payment of the interest accrued on the Bonds of any of the Classes in accordance with the order of priority of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note, the amounts which the Bonds have ceased to receive shall be paid on the next Payment Date on which, in accordance with the aforesaid order of priority of payments, the Fund has sufficient liquidity for such Purpose.

Deferred amounts shall accrue in favor of the Bondholders interest equal to that applied to the Bonds of their respective Classes during the Interest Accrual Period(s) until the Payment Date on which payment takes place.

4.8.1 *Valid deadline in which interest may be claimed.*

Interest on the Bonds shall be paid until the respective redemption thereof on each Payment Date and provided that the Fund has Available Funds for doing so in accordance with the order of priority of payments stated in section 3.4.6.(b) of the Additional Building Block to the Securities Note.

In the event that on a Payment Date the Fund cannot meet full or partial payment of the interest accrued on the Bonds of any of the Classes, in accordance with the order of priority of payments reflected under section 3.4.6.(b) of the Additional Building Block to the Securities Note, the amounts which the Bondholders have ceased to receive shall be accumulated on the next Payment Date to the interest of the Classes itself which, as the case may be, is applicable to pay on that same

Payment Date, and shall be paid in accordance with the aforesaid order of priority and applied by order of maturity in the event it is not possible for them to be paid in full due to insufficient Available Funds.

The Fund, through its Manager, may not defer the payment of interest on the Bonds beyond the Legal Maturity Date or, if the latter is not a Business Day, the next Business Day.

4.8.2 *Description of the underlying rate and historical information in relation thereto*.

Purely as a matter of illustration, the following are data on the Euribor rates at three (3) months, as furnished by REUTERS on the indicated dates, which in any case would be two (2) Business Days prior to the alleged Payment Date, as well as the rates which would apply to all Bond Classes.

The spread used as a reference in the following table consists of the spread which the Manager would set in the event that the Lead Managers do not notify the definitive spreads in accordance with the provisions of section 4.8.d), *supra.*

Dates	**EURIBOR**	**Bonds Class A**	**Bonds Class B**	**Bonds Class C**
October 18, 2004	2.145%	2.285%	2.395%	2.745%
November 18, 2004	2.176%	2.316%	2.426%	2.776%
December 16, 2004	2.175%	2.315%	2.425%	2.775%
January 18, 2005	2.144%	2.284%	2.394%	2.744%
February 17, 2005	2.135%	2.275%	2.385%	2.735%
March 17, 2005	2.136%	2.276%	2.386%	2.736%
April 18, 2005	2.134%	2.274%	2.384%	2.734%
May 18, 2005	2.126%	2.266%	2.376%	2.726%
June 16, 2005	2.116%	2.256%	2.366%	2.716%
July 18, 2005	2.123%	2.263%	2.373%	2.723%
August 18, 2005	2.132%	2.272%	2.382%	2.732%
September 16, 2005	2.136%	2.276%	2.386%	2.736%
October 20, 2005	2.187%	2.327%	2.437%	2.787%

4.8.3 *Description of any episode of market distortion of underlying rate*.

Not applicable.

4.8.4 *Rules for adjustment of underlying rate*.

Not applicable.

4.8.5 *Calculation Agent*.

Not applicable.

4.9 Redemption price and provisions concerning maturity of the securities.

4.9.1 *Redemption price*.

The Bonds shall be redeemed at par.

4.9.2 *Date and forms of redemption*.

The Bonds shall be redeemed by reduction of their face value on March 20, June 20, September 20 and December 20 of each year (or the next Business Day) until redeemed in full, in accordance with the ordinary redemption rules established below, except if there are not enough Available Redemption Funds in the Cash Account.

The following are Available Redemption Funds: the amount to be earmarked towards redemption of the Bunds and which shall be the Lower of the following amounts: (i) the Accrued Redemption Amount and (ii) in function of the liquidity existing on that Payment Date, the remainder of Available Funds (as defined under section 3.4.6.(a) of the Additional Building Block to the Securities Note, after deducting the amounts applied to the concepts 1, 2, 3, 4 and of the order of priority of payments contemplated under section 3.4.6.(b) of the Additional Building Block to the Securities Note and provided that none of the circumstances stated in the exception rules of priority of payments stated under section 3.4.6.(c) of the Additional Building Block to the Securities Note have taken place.

Accrued Redemption Amount shall mean, without distinction among the Classes, the difference existing, in absolute terms, between the sum of the Balance of Principal Pending Payment on the Classes A, B and C Bonds on the Determination Date prior to each Payment Date and the Outstanding Balance of the Assets, having first subtracted from the latter, a percentage of the amount of principal of the Assets for which they experienced lateness in paying the amounts due for a period greater than or equal to eighteen (18) months.

This percentage mentioned in the preceding paragraph, shall be determined in function of the time, specified by months of lateness, in the payment of the amounts due and the ratio between the balance outstanding payment and the appraised value of the underlying Loan.

In the case of Mortgage Loans (ML) it will be the following:

MORTGAGE LOANS

% LTV	**T= 18 months**	**T= 24 MONTHS**	**T= 36 Months**	**T= 48 Months**
> 80%	PH X100%	PH X100%	PH X100%	PH X100%
80% - 60%	PH X 50%	PH X 75%	PH X 100%	PH X 100%
60% - 40%	PH X 25%	PH X 50%	PH X 75%	PH X 100%
< 40%	0%	0%	PH X 25%	PH X 50%

Example:
ML.: €60.000. LTV: 65%
60.000* 50%: €30.000 in 18 months
ML.:90.000 LTV: 45%
90.000 * 25%: €22.500 in 18 months.

In the case of Non-Mortgage Loans (PP), the percentage will be fixed upon time, detailed in months of delay, in the payment of debt amounts (T)

NON-MORTGAGE LOANS

T= DELAY IN TIME	**T= 18 MONTHS**	**T= 24 MONTHS**	**T= 36 MONTHS**	**T= 48 MONTHS**
OUTSTANDING BALANCE FOR PAYMENT NON-MORTGAGE LOANS WITH MORTGAGE CREDIT INSURANCE	PP x 25%	P x 50%	PP x 75%	PP x 100%
OUTSTANDING BALANCE FOR PAYMENT NON-MORTGAGE LOANS WITHOUT MORTGAGE CREDIT INSURANCE	PP x 100%	P x 100%	PP x 100%	PP x 100%

Redemption of Classes A, B, and C Bonds:

The first redemption payment on the Classes A Bonds shall be on March 20, 2006.

The redemption of the Classes A, B and C Bonds shall be carried out in accordance with the rules of subordination among the three Classes that are described below.

1. Through the first Payment Date (non-inclusive) on which the Balance of Principal Pending Payment on the Class B Bonds is greater than or equal to four point seventy percent (4.70%) of the Balance of Principal Pending Payment on the total Bonds of the three (3) Classes, the Available Redemption Funds shall be used in full for the redemption of the Class A Bonds.

2. On the Payment Date on which the above ratio is greater than or equal to four point seventy percent (4.70%), the Available Redemption Fund shall be applied to the redemption of both Classes A and B, proportionally between them, in such a manner that the said ratio between the Balance of

Principal Pending Payment on the Class B Bonds and the Balance of Principal Pending Payment on the total Bonds of the three (3) Classes is maintained at four point seventy percent (4.70%).

3. On the Payment Date on which the Balance of Principal Pending Payment on the Class C Bonds is greater than or equal to five point thirty percent (5.30%) of the Balance of Principal Pending Payment on the total Bonds of the three (3) Classes the Available Redemption Funds shall be applied to the redemption of the three (3) Classes A, B and C, in such a manner that the ratio between the Balance of Principal Pending Payment on the Classes B Bonds and the Balance of Principal Pending Payment of the total Bonds of the three (3) Classes is maintained at four point seventy percent (4.70%) or the higher following percentage and the ratio between the Balance of Principal Pending Payment on the Classes C Bonds and the Balance of Principal Pending Payment on the total Bonds of the three (3) Classes is maintained at five point thirty percent (5.30%) or the closest higher percentage.

Redemption of all Classes will be sequential until redemption of Series B and C begin, whereat the redemption will be pro rata as described in section 3.4.3.b).b.2 of this Securities Note. Taking into account a CAPR of 15%, redemption of Class B Bonds and Class C Bonds will begin approximately once the 47% of the initial balance of Class A Bonds.

Regarding the redemption of any of the Class B and C Bonds and even when the conditions provided in the aforementioned rules are met, the redemption will not take place if any of these circumstances occur:

1.- That the Outstanding Balance of the Assets with delay equal or superior to 90 days in the Determination Date immediately preceding the running Payment Date is equal or superior to 2% of the Outstanding Principal of the Assets.

2. - That there exists a Redemption Shortfall superior to 100% of the amount of Class C Bonds.

3. - That the available amount in the Reserve Fund is inferior to the minimum amount required provided in Section 3.4.2 of Additional Building Block to the Securities Note-

4. - That the Outstanding Balance of the Assets pending of redemption is inferior to 10% of the initial Outstanding Principal.

In any of the aforementioned cases, the complete amount of the Available Redemption Funds will be destined to the redemption of Class A. In the moment that none of these circumstances is happening, the redemption of Class B and C will take place again. Notwithstanding the above, the Manager will have powers to proceed to

the early liquidation of the Fund and consequently to the anticipated redemption of the entire issue of the Bonds at a Payment Date, according to the terms of section 4.4.c) of the Registration Document.

4.10 Indication of investor yield and calculation method

The IRR for the Bondholders of each Class shall be calculated by means of the following formula:

$$100.000 = \sum_{i=1}^{N} ai(1+I)^{-[ni/365]}$$

Where:

I = IRR expressed as an annual rate as a whole number.

ai = Total amounts of redemption and interest to be received by the investors

(a1…….aN)

ni = Number of days running between the issue Pay-out Date and the Payment Dates of each year non-inclusive.

The principal characteristics of the Bonds lies in the fact that their periodic redemption and, therefore, their average life and duration, depends fundamentally on the speed with which the Debtors decide to pay off their Loans.

In this regard, prepayments which the Debtors decide to make are subject to continuous changes (although in this current Securities Note they are assumed as constant) and are estimated in this Prospectus by the use of various future CAPR's. Consequently, they will directly affect the speed of repayment of the Assets and, therefore, the average life and duration of the Bonds.

Furthermore, other variables exist which are also subject to continuous changes which affect such average life and duration of the Bonds. These variables and their hypothetical values assumed in all of the tables appearing in this section are:

- Interest rate on Assets as of October 20, 2005: 4.10%;
- Late payments in UCI portfolio of Assets: 0.60% per annum, 0.05% monthly with a recovery period of 12 months;
- Charge-offs in the portfolio of Assets: 0%;
- That the CAPR holds constant throughout the life of the Bonds;
- That the Pay Out Date is November 30, 2005
- That no Redemption Shortfall exists;

- That the Debtors do not exercise either the *Cuota Comodín* missed payment option or the option they have to delimit the growth of the payment amount as per CPI in light of increases in the interest on their Loans as provided in Section 2.2.2. b) of the Additional Building Block to the Securities Note.
- That there is not an extension of the loans term

Finally, the adjusted actual duration of the Bonds will also depend on their variable interest rate, and in all of the tables where they appear in this section constants are assumed at 2.3270% for Class A; at 2.4370% for Class B, and at 2.7870% for Class C.

Assuming that the Manager, acting on behalf of the Fund, proceeds with the early liquidation of the Fund, as contemplated under section 4.4.c) of the Additional Building Block to the Securities Note when the Average Balance of the Assets is less than ten percent (10%) of the initial balance of the Assets, the average life, duration, maturity and IRR of the Bonds shall be as follows, as per different CAPR's:

% CAPR	0	5	10	15	20	25
CLASS A						
Estimated average life	17,48	10,30	6,71	4,81	3,70	2,98
IRR	2,35	2,35	2,35	2,35	2,35	2,35
Estimated duration	13,51	8,50	5,83	4,32	3,38	2,76
Estimated life	29,35	23,60	16,84	12,34	9,59	7,84
Estimated final date	20/03/2035	20/06/2029	20/09/2022	20/03/2018	20/06/2015	20/09/2013
CLASS B						
Estimated average life	25,21	16,95	11,30	8,13	6,25	5,03
IRR	2,46	2,46	2,46	2,46	2,46	2,46
Estimated duration	18,61	13,54	9,60	7,17	5,64	4,61
Estimated life	29,35	23,60	16,84	12,34	9,59	7,84
Estimated final date	20/03/2035	20/06/2029	20/09/2022	20/03/2018	20/06/2015	20/09/2013
CLASS C						
Estimated average life	25,21	16,95	11,30	8,13	6,25	5,03
IRR	2,82	2,82	2,82	2,82	2,82	2,82
Estimated duration	18,54	13,49	9,57	7,15	5,62	4,59
Estimated life	29,35	23,60	16,84	12,34	9,59	7,84
Estimated final date	20/03/2035	20/06/2029	20/09/2022	20/03/2018	20/06/2015	20/09/2013

The said figures were calculated pursuant to the following formulas:

Average life of the Bonds $$A = \frac{\sum(B \times d)}{C} \times \frac{1}{365}$$

Where:

A = Average life of each Class of Bonds issued expressed in years.
B = Principal to be redeemed on each Bond Class On each Payment Date, as per the amount to be redeemed pertaining to each Bond Class.
d = Number of days transpiring from the Pay-out Date through the Payment Date in question.
C = Total volume in euros of each Class A, B and C Bonds.

Duration of Bonds *(Macaulay formula, adjusted)**:***

$$D = \frac{\sum (P \times VA)}{PE} \times \frac{1}{1+I}$$

Where:

D **=** Duration of each Bond Class expressed in years..
P = Time transpiring (in years) between the Pay-out Date through each one of the Payment Dates in question.
VA**=** Present value of each one of the amounts comprising principal and gross interest to be paid On each one of the Payment Dates discounted at IRR
PE**=** Issue price of the Bonds, 100.000 euros.
I **=** IRR for each Bond Class.

The Manager expressly declares that the tables above are theoretical and for illustration purposes, and they do not mean any obligation of payment and are made upon assumptions mentioned above, which are not necessarily real.

4.11 Representation of the security holders.

For the securitization Bonds, the establishment of a Bondholder Syndicate is not contemplated.

4.12 Resolutions, authorizations and approvals by virtue of which the securities are issued.

The resolutions, approvals and authorizations by virtue of which this Bond issue is being carried out, are those enumerated below:

a) Corporate resolutions:

a.1 Resolution of UCI's General Meeting dated September 5,2005.

a.2 Resolution of the Manager's Board of Directors dated September 12, 2005.

b) Registration of this Prospectus with the CNMV took place on November 25, 2005.

c) Execution of the Deed of Incorporation which shall take place on November 28, 2005, a copy of which shall be sent to the CNMV and Iberclear prior to the start of the Subscription Period.

4.13 Issue Date.

The issue date of the Bonds shall be November 28, 2005. The Subscription Period shall commence at 9.00 a.m. (Madrid time) on November 29, 2005 and shall end at 15.00 p.m (Madrid time) the same day.

The Bonds shall be subscribed at the offices of the Underwriters during the Subscription Period. Subscription applications, in order to be considered, shall be made by any means legally admissible.

The pay-out of the Bonds shall be the issue price of one hundred percent (100%) of the unit face value.

The Underwriters shall freely proceed to accept or reject subscription applications received. In any case, they shall act in such a manner that discriminatory treatment between applications does not take place. Notwithstanding the above, the Underwriters may give priority to applications from those of their clients they deem most appropriate. Investors who have been awarded the Bonds shall pay to the relevant Underwriter, prior to 1:00 p.m. (Madrid time) on the Pay-out Date, for value that same day, the applicable issue price for each Bond so awarded.

4.14 Restrictions on free transferability of the securities.

As per current law in force, no individual or general restrictions exist on the free transferability of the Bonds being issued.

5. <u>ADMISSION TO TRADING AND DEALING ARRANGEMENTS</u>

5.1 Indication of Market where the securities will be traded.

The Manager shall apply for admission to official trading of this issue on the AIAF Fixed Income Securities Market, in order that it may be traded within a deadline not to exceed thirty (30) days from the Pay-out Date.

In the event such deadline is not met, the Manager shall disclose the causes of the breach to the CNMV and the public by inclusion of a legal notice in a nationally-circulated newspaper or in the Daily Journal of Transaction of the AIAF Fixed Income Securities Market, notwithstanding any liabilities incurred as a consequence thereof.

The Manager shall apply for inclusion of this issue in the accounting records managed by Iberclear, in such a manner that the clearing and settlement of the Bonds may be carried out in accordance with the rules of operation established or to be approved in the future by Iberclear with respect to securities admitted to trading on AIAF.

The Manager hereby states for the record that it is familiar with the requisites and conditions required for admission, permanence and exclusion of the Bonds on AIAF as per current law in force, as well as the requirements of its Governing Bodies and hereby accepts that it will abide by them.

5.2 Paying Agent and Depository Institutions.

a) Paying Agent:

The Manager, acting for and on behalf of the Fund, appoints the BSCH, who accepts, as paying Agent to carry out the financial servicing of the Bond issue. The obligations assumed the Bank, in its capacity as Paying Agent under the Domestic Tranche Lead Management, Underwriting and Placement Agreement, are as follows:

? **Pay-out of issue**

The Paying Agent shall proceed to pay to the Fund prior to 3:00 p.m. (Madrid time) on the Pay-out Date, for value that same day, the amount which, as established in the Issue Lead Management, Underwriting and Placements Agreement, is paid to it by the Underwriters, plus the sum of its own underwriting commitment, by deposit into the Fund's Cash Account.

? **Notice of EURIBOR Reference Rate.**

At each one of the Rate Setting Times, the Paying Agent shall notify the Manager of the reference interest rate which shall serve as a basis for calculation of the nominal interest rate applicable to each Bond Class.

? **Payments against the Fund.**

On each one of the Payment Dates of the Bonds, the Paying Agent shall proceed to make payment of interest and redemption of principal on the Bonds in accordance with the instructions received from the Manager.

Payments to be made by the Paying Agent shall be carried out through the relevant institutions participating In Iberclear, in whose records the Bonds are registered, as per the procedures being implemented at said service.

If on a Payment Date there are no Available Funds in the Cash Account, the Paying Agent shall not be required to make any payment.

In the event that the Bank's short-term debt should undergo, at any time during the life of the Bond issue, a decline in its rating below A-1 or F-1 (as per the rating scales of Standard & Poor's and Fitch, respectively), the Manager shall have a maximum deadline of thirty (30) Business Days from when such situation takes place, to revoke, acting for and on behalf of the Fund, the Bank's appointment as Paying Agent and proceed to appoint as Paying Agent, in the terms it deems most appropriate for the Fund, a bank whose short-term debt has a minimum rating of A-1 or F-1.

The Bank as Paying Agent won't perceive any fee in this concept.

b) Depository Institutions.

Not applicable.

6. EXPENSES OF THE ADMISSION TO TRADING

The expenses contemplated are as follows:

a) Incorporation Expenses (Expenses related to documentation, publicity, official charges):

	Euros
• CNMV Official Charges (Registration of Prospectus and supervision of the Bonds admission to negotiation)	€82,533.29
• AIAF and Iberclear Official Charges (for the inclusion of the Bonds in the Registry for Book-entries records)	€85,840.00
• Miscellaneous (Legal advice, press, printing, notary, auditing)	€72,693.11
Subtotal (0.017%):	**€241,066.40.**

b) Issue Expenses:

	Euros
• Management fee of Manager	€100,000
• Underwriting and placement fee:	€625,675
Subtotal (0.057%):	**€725,675**
GRAND TOTAL (0.067%):	**€966,741.40.**

The incorporation and issue expenses stated herein shall be paid against the Subordinated Loan described under section 3.4.3.a) of the Additional Building Block to the Securities Note.

Any expenses incurred on the occasion of the Fund's liquidation shall be the responsibility and for the account of the Fund.

7. ADDITIONAL INFORMATION

7.1 Persons and entities advising the issue.

a) SANTANDER DE TITULIZACION, S.G.F.T., S.A. is also intervening as legal and financial adviser to the program structure.

b) SQUIRE, SANDERS & DEMPSEY is intervening as legal adviser to the program structure.

7.2 Information in the Securities Note reviewed by auditors.

Not applicable.

7.3 Statement or report attributed to a person as an expert.

Deloitte has prepared an audit on the principal attributes of the Assets and which is reflected under section 2.2 of the Additional Building Block to the Securities Note, and has performed the audit of the annual financial statements of the Manager and of the Assignor relating to the last three (3) fiscal years.

7.4 Information sourced from third parties.

The Manager confirms that the information provided by UCI as Assignor, has been reproduced with accuracy in sections 2.2.2., 2.2.6 and 2.2.8. of the Additional Building Block to the Securities Note and no fact has been omitted

that would make that information inaccurate or misleading, as far as the Manager knows and is able to determine from the information provided by UCI.

7.5 Ratings

The Bonds included in this Securities Note are assigned the following provisional ratings by the credit rating agencies accepted by the CNMV according to article 2.2.b of R.D. 926/98 on date November 22, 2005

	Standard & Poor's	**Fitch**
Class A	AAA	AAA
Class B	A-	A+
Class C	BBB	BBB+

Fitch establishes that the documents received regarding this operation allow the postponement of the interest payment of Class B and C Bonds in certain circumstances. This implies that interests could not be received on these Bonds for a period of time if the trigger for postponement or deferral is reached and without causing a supposed breach of the payment of the Bonds.

The rating agencies foresee to assign the same ratings as finals to each Class of Bonds before the Subscription Period begins.

The rating scales for long-term debt employed by the agencies are as follows:

Standard & Poor's	Fitch	Meaning
AAA	AAA	Capacity to pay interest and repay principal is enormously high.
AA	AA	Very strong capacity to pay interest and repay principal.
A	A	Strong capacity to pay interest and repay principal. The protection factors are considered adequate but may be susceptible to deteriorating in the future.
BBB	BBB	The protection of interest and principal payments may be moderate, the payment capacity is considered adequate. Adverse business conditions could lead to an inadequate capacity to make interest and principal payments.
BB	BB	Speculative-grade. The future cannot be considered to be assured. Protection of interest and principal payment is very moderate.
B	B	The guarantee of interest or principal payments may be small. Highly vulnerable to adverse business conditions.
CCC	CCC	Vulnerability identified to default. Continuity of payments depends on financial, economic and business conditions being favorable.
CC	CC	Highly speculative.
C	C	Present or imminent default.

- FITCH applies a plus (+) or minus (-) sign en to categories AA through CCC which indicates the relative position within each category.
- Standard & Poor's applies a plus (+) or minus (-) sign to categories AA through CCC which indicates the relative position within each category.

Standard & Poor's	Fitch	Meaning
A-1	F-1	The highest rating, indicating that the degree of security of payment when agreed is very high. In the case of Standard & Poor's it may be accompanied by a + sign if security is extreme.
A-2	F-2	Capacity to properly meet debt servicing is satisfactory, although the degree of security is not as high as in the above case.
A-3	F-3	Satisfactory payment capacity, but with greater vulnerability than in the above cases to adverse changes in circumstances.
B	B	Normally does not imply a sufficient payment capacity, but several adverse circumstances would seriously condition the servicing of the debt.
C	C	This rating is assigned to short-term doubt with a doubtful payment capacity.
D	D	Debt rated D is in default. This category is used when interest or principal payments have not been made when due, even if an unexpired grace period should exist.

These credit ratings do not constitute a recommendation to buy, sell or hold securities. The credit rating may be revised, suspended or withdrawn at any time by the rating agency.

The above credit ratings are only an estimate and are not intended for potential investors to avoid the need to perform their own analysis of the securities to be acquired.

The rating is according to Standard & Poor's, an opinion of the agency concerning the credit risk, the capacity of the Fund to promptly make interest Payments on each scheduled Payment Date, as well as the repayment of principal during the life of the program and, in any case, prior to the legal maturity date thereof.

The rating is according to Fitch, an opinion concerning the capacity of the Bonds in regard to the punctual payment of interest and the payment of the principal received, during the life of the transaction, and in any event, prior to the legal expiration of the transaction, in accordance with the conditions provided for in the documents. The ratings assigned by Fitch Ratings Spain, S.A. are based upon the documents and information provided by the Issuer, its experts and agents and are

subject to the reception of the final documents. Fitch Ratings S.A. does not audit or verify the truthfulness and accuracy of such information.

The ratings do not constitute a recommendation to purchase, sell or keep the Bonds. They do not constitute an analysis of the suitability of the market price, the suitability of the Bonds for a particular investor, the tax exemption or the tax nature of the payments made in relation to the Bonds. Fitch is not counsel and does not provide financial, legal, audit, accounting and valuation counseling or actuarial services. A rating should not be considered as a substitute for these counsel or services.

The ratings take into account the Issuing structure, the legal aspects of the Issuing and the Fund, the characteristics of the Assets and the flow regularity and continuity of the transaction.

The ratings of the rating agencies do not constitute an evaluation of the probability of the Debtors performing anticipated payments of principal, or to what extent such anticipated payments differ from original estimations. In no event do the ratings represent a rating of the shares profit.

The assigned ratings, as well as any revision or suspension thereof:

1. - Are formulated by the rating agencies on the basis of varied information received, the accuracy and completeness of which is not guaranteed by the agencies, and therefore the agencies shall in no event be held liable for the contents thereof.

2. - Do not constitute and therefore cannot, in any way, be interpreted as an invitation, recommendation or incitement to investors to carry out any type of transaction regarding the Bonds, and, in particular, to purchase, keep, charge or sell the Bonds. Neither do they constitute authorization to use the name of the Rating Agencies as experts in connection with any Registry Document under the laws of the USA, Great Britain, Spain or any other securities market applicable.

The final ratings assigned can be revised, suspended or withdrawn at any time by the Rating Agencies depending on any information that comes to their knowledge. Such events, which shall not constitute early liquidation of the Fund, will be promptly notified to the CNMV and the Bondholders, as provided for in Section 4.b of Additional Building Block to the Securities Note.

The Rating Agencies usually confirm as final the provisional ratings given to the Bonds coinciding with the Date of Incorporation although their obligation is to have done it in any time before the beginning of the Subscription Period.

If, prior to the start of the Subscription Period, the Rating Agencies do not confirm any of the provisional ratings assigned as being final, this circumstance shall be reported immediately to the CNMV and made public in the manner provided by section 4 of the Additional Building Block to the Securities Note.

ADDITIONAL BUILDING BLOCK TO SECURITIES NOTE

1. THE SECURITIES

1.1 Amount of issue.

The Fund will be incorporated with the Assets which UCI will assign to the Fund upon incorporation, the principal amount of which shall be slightly greater than or equal to ONE BILLION FOUR HUNDRED FIFTY MILLION EUROS (€1,450,000,000), which amount represents the face value of the Bond issue.

1.2 Confirmation that disclosure relating to an undertaking/obligor not involved in the issue has been reproduced.

Not applicable.

2. THE UNDERLYING ASSETS

2.1 Confirmation as to the Assets' capacity to produce funds to service payments on the securities.

The Manager confirms that the flows of principal, interest and any other amounts generated by the Assets allow, as per their contractual characteristics, meeting payments due and payable on the Bonds.

Notwithstanding the above, in order to cover possible payment breaches by the Obligors, a series of enhancement operations have been contemplated which mitigate the risk of default, with respect to both principal and interest on the Bonds, and which are described under sections 3.4.2, 3.4.3 and 3.4.4 of this Additional Building Block to the Securities Note. In exceptional circumstances, said enhancement operations could be insufficient.

Not all of the Bonds have the same risk of default given the different credit ratings assigned to the different Bond Classes and which are detailed under section 7.5 of the Securities Note.

When due to a change in current regulations in force or the occurrence of exceptional circumstances, there occurs, in the judgement of the Manager, a substantial alteration in the Fund's financial equilibrium or it is permanently impaired, or when a default indicative of a serious and permanent imbalance in relation to any of the Bonds takes place or is foreseen to take place, the Manager may proceed with the early liquidation of the Fund and the consequent early redemption of the Bond issue in the terms provided by section 4.4.c) of the Registration Document.

2.2 Assets backing the issue.

2.2.1 The legal jurisdiction by which the pool of Assets is governed.

The Assets are governed by Spanish law.

2.2.2 General characteristics of the Obligors.

The Loans from which the Assets subject to assignment to the Fund derive are of two kinds: Mortgage Loans and Non-Mortgage Loans both granted by UCI to its clients in order to finance transactions entailing the acquisition or rehabilitation of housing in Spain. At the same time Mortgage Loans are divided in two kinds: Mortgage Loans A and Mortgage Loans B.

The preliminary Loan portfolio was the subject of an auditors' report prepared by the firm Deloitte S.L., which addresses a series of qualitative and quantitative attributes of a sampling of said preliminary portfolio. The survey of attributes entails to obtain an aleatory sample (performed over a total amount of 657 loans, of which 497 are Mortgage Loans and 160 loans with personal guarantee), the verification (contrasting with the justifying documentation) that the attributes that form the sample meet the characteristics required to verify in the population, and the extrapolation of conclusions obtained in the analysis of the total population sample.

The attributes over which the audit report is made are the following:

- Identification of debtor
- Loan formalization date;
- Loan maturity date;
- Residual life of the Loan ;
- Interest rate or reference ;
- Interest rate differential;
- Interest rate applied;
- Present loan balance;
- Late payments;
- Insurance for non-payment;

- Initial loan amount;
- Personal and mortgage guarantees;
- Verification of current amount of the loan
- Appraised value price
- Relationship between current amount of the loan/appraised value price
- Address of the mortgaged property and registry entry
- Insurance against damages and fire

Loans with detected mistakes in the verification from sample will not be transferred to the Fund.

a) Distribution of the Loans according to the type of Debtor:

Mortgage Loans are divided into two categories: A and B, depending on whether they meet the requirement established in Law 2/1981, March 25, on the Mortgage Industry, and related provisions, which provides that the guaranteed loan shall not exceed 80% of the appraised value price of the mortgaged asset. Within the group of Mortgage Loans A there is a percentage of cero point five (0,5% of the total amount of the issue) deriving from Mortgage Loans repurchased by UCI from the *Fondo de Titulización Hipotecaria UCI 3* (incorporated on February 24, 1997) on the Payment Date corresponding to liquidation thereof, October 18, 2005.

All Non-Mortgage Loans are complementary or associated to a Mortgage Loan A given by Assignor (this means that they are Non-Mortgage Loans conceded to finance the excess of 80% of the appraised value covered with the corresponding Mortgage Loan A, that have been granted at the same moment and with the same length that the Mortgage Loan A) and all that compose the preliminary portfolio will be assigned to the Fund with its associated Mortgage Loan A. A percentage of these financing operations (Mortgage plus Non-Mortgage), present an additional guarantee since they are operations insured with the Mortgage Credit Insurance formalized with GE Mortgage Insurance Limited, without option for the obligor of choosing other insurance company. The insurance company as well as the Mortgage Credit Insurance are contained in section 2.2.10 of the current Additional Building Block to the Securities Note.

Since Non-Mortgage Loans are complementary to the Mortgage Loans A, as determined in previous paragraph, it is established in the policies intervened by public officer that one of the causes for anticipated

termination of the Non-Mortgage Loan will be the maturity of Mortgage Loan A associated by breach of any of the obligations provided in it.

The distribution of the Loans included in the preliminary Loans portfolio, as at October 20, 2005 was as follows:

TYPE OF LOAN	NUMBER OF LOANS	PERCENTAGE (IN NUMBER)	AMOUNT	PERCENTAGE (BALANCE)
Mortgage Loans A	11.236	65%	1.313.298.927,78	87,8%
Mortgage Loans B	640	3%	77.871.193,65	5,2%
Non-Mortgage Loans	5.476	32%	105.072.074,80	7,0%
TOTAL	**17.352**	**100%**	**1.496.242.196,23**	**100,0%**

b) Distribution of the Loans according to the type of guarantee, options and type of product.

b.1) Distribution of the Loans according to the type of guarantee:

Depending on whether there are additional guarantees to the preliminary portfolio of Loans (Mortgage Loans and Non-Mortgage Loans) and taking into account the kind of Loans that are part thereof, as at October 20, 2005, the following classification can be made:

TYPE OF LOAN AND ADDITIONAL GUARANTEE	NUMBER OF LOANS	GLOBAL AMOUNT	PERCENTAGE	LTV AVERAGE
Mortgage Loans without Non-Mortgage Loan associated WITHOUT Mortgage Credit Insurance	6.298	786.144.824,97	52,5%	61,6%
Mortgage Loans without Non-Mortgage Loan associated WITH Mortgage Credit Insurance (1)	102	12.983.283,66	0,9%	77,8%
Mortgage Loans (ML) with Non-Mortgage Loan (NML) associated WITHOUT Mortgage Credit Insurance	ML: 487 NML: 487 Total: 974	ML:71.239.088,11 NML: 10.423.881,55 Total:81.662.969,66	4,8% 0,70% Total: 5,5%	76,45% 15,84% Total: 92,24%
Mortgage Loans (ML) with Non-Mortgage Loan (NML) associated WITH Mortgage Credit Insurance	ML: 4989 NML: 4989 Total: 9.978	ML: 520,802,924.91 NML: 94,648,193.25 Total:615.451.117,94	34.8% 6.30% Total: 41,1%	62.16% 15.65% Total:77.81%
TOTAL	**17.352**	**1.496.242.196,23**	**100,0%**	**75,6%**

(1) These transactions were formalized as Mortgage Loan plus Non-Mortgage Loan, however, currently, the Non-Mortgage Loan has been redeemed. In this case, the Mortgage Loan keeps the guarantee of the insurance even though its associated Non-Mortgage Loan has been redeemed.

The percentage of Loans (Mortgage Loans plus Non-Mortgage Loans) insured with GE Mortgage Insurance Limited represents a forty two per cent (42%) of the global balance of the preliminary portfolio of the Fund. The amount of the Mortgage Credit Insurance covers the percentage financed by UCI that exceeds the seventy eight per cent (78%) of the appraised value until the ninety seven (97%). In these cases, debtors do not have the option of choosing the insurance company.

The Mortgage Loans portfolio is comprised of eleven thousand eight hundred and seventy six (11.876) Loans with a balance, as at October 20, 2005, of one billion three hundred ninety one million one hundred and seventy thousand one hundred and twenty one euros and forty three cents (€1,391,170,121.43), representing ninety three per cent ((93%) of the issuing.

An eleven point two per cent (11,2%) of the Mortgage Loans of the Fund portfolio have as guarantee a home qualified as council houses (VPO, *Vivienda de Protección Oficial*).

b.2) Distribution of the Loans according to the debtors options.

CUOTA COMODÍN

Depending of the diverse options that UCI offers to the Debtor, some Loans have the option of using the *Cuota Comodín*. This feature allows debtors to replace its payment obligation over one of its monthly payments once (1) a year during the first three years of life of the loan, with its capitalization together with the remaining outstanding capital. Such replacement shall not be exercised in connection with two consecutive payments even if they belong to different years, and is not allowed in the case of clients that are in a non-payment situation. The portion of redemption of the relevant (unpaid) payment is added to the outstanding capital and the impact of such capitalization is regularized at the time of calculating the new payment based on the interest rate established in the loan deed as revised.

- **MORTGAGE LOANS**

Less than ten per cent (10%) of the Mortgage Debtors have exercised this option in Funds UCI 8, 9, 10, 11 and 12, and in the current portfolio only one per cent (1%) has used this option over the last year.

The distribution of the Mortgage Loans portfolio based on this option is as follows:

OPTION	Percentage over the preliminary amount of portfolio
Does not have Cuota Comodín	93%
The option is in force for a year	1%
The option is in force for two years	6%

- **NON-MORTGAGE LOANS**

A four per cent (4%) of the Non-Mortgage Loans of the Funds portfolio has the option of the *Cuota Comodín* during the next two (2) years.

LIMITATIONS OF QUOTAS DEPENDING ON RETAIL PRICE INDEX (RPI)

Also, the Loans offer the option to the client, on its own initiative, to limit the annual growth of the payments, in the light of potential increases of their interest rates, up to an amount equal to 200% or 100% of the RPI depending on the interest rates revision terms (12 months or 6 months , respectively). This option is a right of the debtor, in force during the first three months of the loans life, and can be exercised at the time of the interest rate revision.

- **MORTGAGE LOANS**

The distribution of the Mortgage Loans portfolio based on this option is as follows:

OPTION	Percentage over the preliminary balance of portfolio
Has no limit to payments	32%
The option is in force for a year	1%
The option is in force for two years	67%

Currently none of debtors of the Mortgage Loans portfolio that will be mostly transferred to the Fund will be limiting payments.

- **NON-MORTGAGE LOANS**

A fifteen per cent (15%) of the Non-Mortgage Loans portfolio can limit the payment in the next two (2) years.

b.3) Distribution of the Mortgage Loans portfolio by type of product:

- **MORTGAGE LOANS**

Regarding the distribution of Mortgage Loans according to their type of product the following chart can be created:

Kind of product	**Percentage over the preliminary balance**
Easy Payment ("*Cuota Fácil*")	30%
Bridging Loan (*"Cambio de Casa"*)	18%
3-year Fixed Rate ("*Tipo Fijo 3 años*")	7%
"Internet"	1%
Other Products	44%

Easy Payment (*"Cuota Fácil"*)

The first thirty six (36) payments of 30% of Mortgage Loans are predetermined and progressive (Easy Payment) (the first year payment shall be, at least, in the amount of the non-capital payment, the rest of the payments are progressive until reaching, on the fourth year, the amount of the regular financial payment). Any accrued and non-paid interests will add to the outstanding principal. After the fourth year, the calculation of the new payments should absorb the impact of a possible lack of redemption of the first three years.

Bridging Loan (*"Cambio de casa"*)

18% of Mortgage Loans are bridging loans (*Cambio de Casa*), granted for the purchase of a new home where the debtor has not yet sold his/her previous property. In order to do so, both properties are mortgaged and the debtor has a two year term to sell the former property, with the obligation to reimburse the amount of the loan based on the mortgage liability indicated for such home. Currently, 72 % of this portfolio has not sold its property yet.

3-year Fixed Rate (*"Tipo Fijo 3 años"*)

- Five point five per cent (5.5% in balance) of Mortgage Loans are 3-year Fixed Rate Loans. The average maturity date of these mortgage loans, for the fixed rate period, is June 2007 (June 2004 is the average date of formalization of the mortgage loans that comprise the 3 years fixed rate portfolio). Of this Portfolio, seventy per cent (70%) has constant payments (principal plus interests) for the first three years and the remaining thirty per cent have constant payments (principal plus interests) for the first six (6) years, even though the interest rate becomes variable in both cases after the third year.

Internet

One per cent (1%) of the portfolio are loans originated by UCI thorough its web page or its Telephone (*Superlinea*) Line.

Rest of Products

The rest of the Mortgage Loans (44%) is comprised by Loans at a variable interest rate, revised annually or bi-annually, and with no particular feature that makes it different from the *Cuota Comodín* and the option of limiting payments based on the CPI, as mentioned above.

- **NON-MORTGAGE LOANS**

The Non-Mortgage Loans Portfolio is comprised of (5,476) personal loans, the outstanding capital of which, as at October 20, amounted to one hundred and five million seventy two thousand and seventy four euros and eighty cents (€105,072,074.80) representing seven per cent (7%) of the preliminary portfolio of the Fund.

c) Maximum, minimum and weighted average value of the principals of the Loans

The following table shows the distribution of the Mortgage Loans by outstanding principal.

MORTGAGE LOANS OUTSTANDING PRINCIPAL

Interval (Euros)	Outstanding principal (thousand euros except total, in euros)	%	Mortgage Loans nº	%
26,05 - 49.999,99	31.523,78	2,26	1.015	8,54
50.000,00 - 99.999,99	365.889,82	26,30	4.662	39,25
100.000,00 – 149.999,99	454.166,71	32,64	3.709	31,23
150.000,00 – 199.999,99	234.539,18	16,85	1.377	11,59
200.000,00 – 249.999,99	123.616,21	8,88	560	4,71
250.000,00 – 299.999,99	68.223,16	4,90	252	2,12
300.000,00 – 349.999,99	39.772,22	2,85	123	1,03
350.000,00 – 399.999,99	31.803,12	2,28	85	0,71
400.000,00 – 449.999,99	20.697,32	1,48	49	0,41
450.000,00 – 499.999,99	18.287,89	1,31	39	0,32
500.000,00 – 549.999,99	2.099,43	0,15	4	0,03
550.000,00 – 551.227,68	551,22	0,03	1	0,00
Totals:	**1.391.170.121,43**	**100,00**	**11.876**	**100,00**

Maximum Outstanding Principal:	551.227,68	Euros
Minimum Outstanding Principal:	26,05	Euros
Weighted average Outstanding Principal:	117.141,30	Euros

There is no risk concentration by Debtor. No Debtor is owner of more than one Mortgage Loan being that of highest amount of €551,227,68 (that represents a 0,03% of the portfolio), of the Mortgage Loans Portfolio.

The following table shows the distribution of Non-Mortgage Loans by outstanding principal.

OUTSTANDING PRINCIPAL OF NON-MORTGAGE LOANS

Interval (euros)	Outstanding Principal (thousand euros but total in euros)	%	Non-Mortgage Loans nº	%
700,41 - 49.999,99	103.210,66	98,22	5.443	99,39
50.000,00 - 68.470,55	1.861,40	1,77	33	0,60
Totals:	**105.072.074,80**	**100,00**	**5.476**	**100,00**

Maximum outstanding principal:	68.470,55	Euros
Minimum outstanding principal:	700,41	Euros
Weighted Average Outstanding Principal:	19.187,74	Euros

Within the preliminary portfolio of Loans, a 3,10% has equal or higher than 400.000€.

d) Maximum, minimum and weighted average of Loans' initial amounts.

The following table shows the statistics relationship of the Loans:

INITIAL AMOUNTS OF THE MORTGAGE LOANS

Interval (euros)	Amounts (thousand euros but total in euros)	%	Mortgage Loans nº	%
14.000,00 - 49.999,99	30.648,89	2,04	823	6,92
50.000,00 - 99.999,99	358.068,25	23,84	4.574	38,51
100.000,00 - 149.999,99	438.651,89	29,21	3.600	30,31
150.000,00 - 199.999,99	236.191,98	15,73	1.394	11,73
200.000,00 - 249.999,99	137.949,15	9,18	625	5,26
250.000,00 - 299.999,99	84.851,10	5,65	313	2,63
300.000,00 - 349.999,99	61.361,02	4,08	191	1,60
350.000,00 - 399.999,99	51.901,19	3,45	139	1,17
400.000,00 - 449.999,99	44.257,90	2,94	105	0,88
450.000,00 - 499.999,99	33.188,98	2,21	71	0,59
500.000,00 - 549.999,99	11.513,91	0,76	22	0,18
550.000,00 - 599.999,99	1.123,00	0,07	2	0,01
600.000,00 - 649.999,99	2.456,00	0,16	4	0,03
650.000,00 - 699.999,99	4.677,58	0,31	7	0,05
700.000,00 - 749.999,99	1.481,00	0,09	2	0,01
750.000,00 - 799.999,99	2.340,90	0,15	3	0,02
800.000,00 - 819.780,00	819,78	0,05	1	0,00
Totals:	**1.501.482.578,30**	**100,00**	**11.876**	**100,00**

Maximum initial amount:	819.780,00	Euros
Minimum initial amount:	14.000,00	Euros
Weighted average initial amount:	126.429,99	Euros

NON MORTGAGE LOANS INITIAL AMOUNTS

Interval (euros)	Amounts (thousand euros but total in euros)	%	Non-Mortgage Loans nº	%
1.300,00 - 49.999,99	104.240,00	98,13	5.441	99,36
50.000,00 - 68.980,00	1.980,69	1,86	35	0,63
Totals:	**106.220.697,78**	**100,00**	**5.476**	**100,00**

Maximum initial amount:	68.980,00	euros
Minimum initial amount:	1.300,00	euros
Weighted average initial amount:	19.397,49	euros

e) Effective interest rate applicable or current financial burden: maximum, minimum and weighted average of the Loans.

Approximately ninety four point five per cent (94.5%) of the preliminary balance of the Mortgage Loans portfolio are Loans with variable interest rates, and the remaining five point five per cent (5.5%) are loans with a fixed interest rate over the first three years and a variable interest rate over the remaining years. The average maturity date of this portfolio, for the fixed rate period, is June 2007, with an average rate of 4.33%. The main interest rate of reference of the Mortgage Loans Portfolio is the IRP (group of Savings Banks and Financial Entities) (for eighty five per cent (85%) of the portfolio). The remaining fifteen per cent (15%) of the Mortgage Loans refer to one year Euribor or Mibor.

The following table shows the Mortgage Loans distribution based on their reference index:

REFERENCE INTEREST RATE OF MORTGAGE LOANS

	Outstanding principal (thousand euros but the total in euros)	%
IRPC (group of Savings Banks)	1.162.276,35	83,89
Euribor 1 year Bank of Spain	205.986,86	14,78
IRPH group of entities (Banco de Spain)	16.270,12	1,25
MIBOR 1 year (Bank of Spain)	6.291,38	0,03
Other	345,38	0,05
Totals:	**1.391.170.121,43**	**100,00**

The following table shows the distribution of the Mortgage Loans by point five per cent (0.5%) intervals of the current nominal interest rate.

CURRENT INTEREST RATE FOR MORTGAGE LOANS				
Interval	**Outstanding Principal**		**Mortgage Loans**	
(%)	**(thousand euros but total in euros)**	**%**	**nº**	**%**
2,10 - 2,49	22.010,73	1,58	160,00	1,35
2,50 - 2,99	47.291,60	3,39	275	2,31
3,00-3,49	176.625,29	12,69	1.371	11,54
3,50-3,99	619.449,61	44,52	5.254	44,24
4,00 - 4,49	252.351,70	18,13	2.218	18,67
4,50 - 4,99	235.936,28	16,95	2.109	17,75
5,00 - 5,49	19.044,45	1,36	194	1,63
5,50 - 5,99	15.400,11	1,10	145	1,22
6,00 - 6,49	625,04	0,04	6	0,05
6,50 - 6,99	195,57	0,01	2	0,01
7,00 - 7,49	729,16	0,05	47	0,39
7,50 - 7,99	421,48	0,03	26	0,21
8,00 - 8,49	116,08	0,00	9	0,07
8,50 - 8,99	179,89	0,01	12	0,10
9,00 - 9,49	490,12	0,03	28	0,23
9,50 - 9,99	159,74	0,01	10	0,08
10,00 - 11,75	143,16	0,01	10	0,08
Totals:	**1.391.170.121,43**	**100,00**	**11.876**	**100,00**

Maximum interest rate: 11,75%
Minimum interest rate: 2,10%
Weighted average interest rate: 3,92%

Thirty two per cent (32%) of the preliminary balance of the Non Mortgage Loans Portfolio corresponds to loans with variable interest rate, and sixty eight per cent (68%) to loans with fixed interest rate over the first five (5) years and variable rate over the remaining years. Eighty four per cent (84%) of the portfolio refers to the IRPC (group of Savings Banks) or to the IRPH (group of entities) and the remaining sixteen per cent to twelve (12) months Euribor or Mibor, as published by the Bank of Spain. The current average rate for this portfolio amounts to 6.75%.

The global average spread of the Non-Mortgage Loans with variable interest rate is three point ninety eight per cent (3.98%) until 2008, and 2.78% from that date on.

The following table shows the distribution of Non-Mortgage Loans by their reference index.

REFERENCE INTEREST RATE OF THE NON-MORTGAGE LOANS		
	Outstanding Principal	
	(thousand euros but total in euros)	**%**
IRPC (group of Savings Banks)	87.437,65	83,21
Euribor 1 year Bank of Spain	16.980,80	16,16
IRPH Group of Entities (Bank of Spain)	653,61	0,62
Totals:	**105.072.074,80**	**100,00**

The following table shows distribution for Non-Mortgage Loans in point five per cent (0.5%) intervals of the current nominal interest rate.

CURRENT INTEREST RATE FOR NON-MORTGAGE LOANS				
Interval	**Outstanding principal**		**Non-mortgage loans**	
(%)	**(thousand euros but the total in euros)**	**%**	**nº**	**%**
1,60 - 1,99	365,73	0,34	35	0,63
2,00 - 2,49	0,00	0,00	0	0,00
2,50 - 2,99	98,02	0,09	4	0,07
3,00 - 3,49	105,66	0,10	7	0,12
3,50 - 3,99	699,77	0,66	36	0,65
4,00 - 4,49	2.399,86	2,28	124	2,26
4,50 - 4,99	5.105,80	4,85	247	4,51
5,00 - 5,49	4.767,97	4,53	236	4,30
5,50 - 5,99	8.912,00	8,48	410	7,48
6,00 - 6,49	17.560,49	16,71	830	15,15
6,50 - 6,99	24.390,99	23,21	1.207	22,04
7,00 - 7,49	28.958,38	27,56	1.581	28,87
7,50 - 7,99	8.586,05	8,17	546	9,97
8,00 - 8,49	2.652,26	2,52	178	3,25
8,50 - 8,99	340,40	0,32	26	0,47
9,00 - 9,49	95,18	0,09	6	0,10
9,50 - 9,99	0,00	0,00	0	0,00
10,00 - 11,00	33,42	0,03	3	0,05
Totals:	**105.072.074,80**	**100,00**	**5.476**	**100,00**

Maximum interest rate: 11,00%
Minimum interest rate: 1,60%
Weighted average interest rate: 6,46%

f) Nearest and furthest dates of formalization and final maturity of the Loans,

DATE OF FORMALIZATION OF THE MORTGAGE LOANS				
Interval	**Outstanding principal**		**Mortgage Loans**	
	(thousand euros but the total in euros)	**%**	**nº**	**%**
28/05/1993 - 31/12/1999	7.519,70	0,54	357	3,00
1/01/2000 - 30/06/2000	194,24	0,01	3	0,02
1/07/2000 - 31/12/2000	281,06	0,02	5	0,04
1/01/2001 - 30/06/2001	350,57	0,02	7	0,05
1/07/2001 - 31/12/2001	1.337,93	0,09	18	0,15
1/01/2002 - 30/06/2002	2.888,76	0,20	18	0,15
1/07/2002 - 31/12/2002	2.935,63	0,21	27	0,22
1/01/2003 - 30/06/2003	14.526,16	1,04	130	1,09
1/07/2003 - 31/12/2003	37.698,39	2,70	313	2,63
1/01/2004 - 30/06/2004	157.319,75	11,30	1.384	11,65
1/07/2004 - 31/05/2005	1.166.117,89	83,82	9.614	80,95
Totals:	1.391.170.121,43	100,00	11.876	100,00

Maximum date of formalization: 31/05/2005
Minimum date of formalization: 28/05/1993
Average date of formalization: 11/11/2004

DATE OF FORMALIZATION OF NON-MORTGAGE LOANS				
Interval	**Outstanding Principal**		**Non-mortgage loans**	
	(thousand euros but the total in euros)	**%**	**nº**	**%**
4/01/2000 - 30/06/2000	15,16	0,01	2	0,03
1/07/2000 - 31/12/2000	13,48	0,01	1	0,01
1/01/2001 - 30/06/2001	0,00	0,00	0	0,00
1/07/2001 - 31/12/2001	52,43	0,04	4	0,07
1/01/2002 - 30/06/2002	2,51	0,00	1	0,01
1/07/2002 - 31/12/2002	200,23	0,19	9	0,16
1/01/2003 - 30/06/2003	1.911,71	1,81	96	1,75
1/07/2003 - 31/12/2003	5.807,59	5,52	255	4,65
1/01/2004 - 30/06/2004	20.566,97	19,57	1.115	20,36
1/07/2004 - 29/04/2005	76.501,95	72,80	3.993	72,91
Totals:	105.072.074,80	100,00	5.476	100,00

Maximum date of formalization: 29/04/2005
Minimum date of formalization: 4/01/2000
Average date of formalization: 01/10/2004

g) Final Maturity Date.

The final maturity dates of Mortgage Loans comprising the preliminary portfolio fall between December 5, 2005 and June 5, 2040.

Redemption of Mortgage Loans takes place during the whole remaining life up to full redemption, a period during which Debtors must make monthly payments comprising repayment of capital and interests or financial burden.

The following chart shows the distribution of Mortgage Loans by their date of final redemption in annual intervals:

MATURITY DATES OF THE MORTGAGE LOANS				
Interval	**Outstanding principal**		**Mortgage Loans**	
	(thousand euros but total in euros)	**%**	**nº**	**%**
5/12/2005 - 31/12/2005	0,22	0,00	1	0,00
1/01/2006 - 30/06/2006	12,59	0,00	8	0,06
1/07/2006 - 31/12/2006	23,85	0,00	6	0,05
1/01/2007 - 30/06/2007	81,94	0,00	12	0,10
1/07/2007 - 31/12/2007	136,07	0,00	18	0,15
1/01/2008 - 30/06/2008	215,22	0,01	18	0,15
1/07/2008 - 31/12/2008	644,00	0,04	51	0,42
1/01/2009 - 30/06/2009	639,02	0,04	37	0,31
1/07/2009 - 31/12/2009	190,46	0,01	12	0,10
1/01/2010 - 30/06/2010	214,07	0,01	10	0,08
1/07/2010 - 31/12/2010	86,30	0,00	5	0,04
1/01/2011 - 30/06/2011	125,85	0,00	7	0,05
1/07/2011 - 31/12/2011	133,97	0,00	5	0,04
1/01/2012 - 30/06/2012	1.055,47	0,07	19	0,15
1/07/2012 - 31/12/2012	140,13	0,01	5	0,04
1/01/2013 - 30/06/2013	1.122,05	0,08	27	0,22
1/07/2013 - 31/12/2013	1.726,49	0,12	62	0,52
1/01/2014 - 30/06/2014	2.151,83	0,15	57	0,47
1/07/2014 - 31/12/2014	1.869,81	0,13	19	0,15
1/01/2015 - 30/06/2015	4.421,44	0,31	81	0,68
1/07/2015 - 31/12/2015	0,00	0,00	0	0,00
1/01/2016 - 30/06/2016	414,84	0,02	5	0,04
1/07/2016 - 31/12/2016	459,29	0,03	2	0,01
1/01/2017 - 30/06/2017	2.886,76	0,20	36	0,30
1/07/2017 - 31/12/2017	133,57	0,00	3	0,02
1/01/2018 - 30/06/2018	1.036,51	0,07	14	0,11
1/07/2018 - 31/12/2018	437,35	0,03	7	0,05
1/01/2019 - 30/06/2019	2.000,89	0,14	30	0,25
1/07/2019 - 31/12/2019	1.948,83	0,14	21	0,17

1/01/2020 - 30/06/2020	15.466,12	1,11	197	1,65
1/07/2020 - 31/12/2020	376,68	0,02	3	0,02
1/01/2021 - 30/06/2021	804,90	0,05	7	0,05
1/07/2021 - 31/12/2021	247,52	0,01	4	0,03
1/01/2022 - 30/06/2022	1.427,76	0,10	14	0,11
1/07/2022 - 31/12/2022	776,97	0,05	7	0,05
1/01/2023 - 30/06/2023	3.144,85	0,22	36	0,30
1/07/2023 - 31/12/2023	1.396,42	0,10	10	0,08
1/01/2024 - 30/06/2024	2.776,33	0,19	31	0,26
1/07/2024 - 31/12/2024	10.322,64	0,74	77	0,64
1/01/2025 - 30/06/2025	37.477,98	2,69	367	3,09
1/07/2025 - 31/12/2025	165,22	0,01	2	0,01
1/01/2026 - 30/06/2026	1.038,60	0,07	9	0,07
1/07/2026 - 31/12/2026	814,32	0,05	4	0,03
1/01/2027 - 30/06/2027	3.642,59	0,26	28	0,23
1/07/2027 - 31/12/2027	981,36	0,07	7	0,05
1/01/2028 - 30/06/2028	4.103,69	0,29	29	0,24
1/07/2028 - 31/12/2028	2.095,05	0,15	14	0,11
1/01/2029 - 30/06/2029	7.088,80	0,50	60	0,50
1/07/2029 - 31/12/2029	18.202,26	1,30	133	1,11
1/01/2030 - 30/06/2030	58.441,05	4,20	491	4,13
1/07/2030 - 31/12/2030	1.133,29	0,08	9	0,07
1/01/2031 - 30/06/2031	1.549,44	0,11	14	0,11
1/07/2031 - 31/12/2031	1.828,75	0,13	20	0,16
1/01/2032 - 30/06/2032	5.783,46	0,41	39	0,32
1/07/2032 - 31/12/2032	2.838,7 8	0,20	24	0,20
1/01/2033 - 30/06/2033	13.306,87	0,95	117	0,98
1/07/2033 - 31/12/2033	35.570,16	2,55	308	2,59
1/01/2034 - 30/06/2034	77.581,66	5,57	641	5,39
1/07/2034 - 31/12/2034	148.742,57	10,69	1.086	9,14
1/01/2035 - 30/06/2035	405.830,17	29,17	3.144	26,47
1/07/2035 - 31/12/2035	3.099,66	0,22	30	0,25
1/01/2036 - 30/06/2036	9.370,30	0,67	80	0,67
1/07/2036 - 31/12/2036	5.389,77	0,38	55	0,46
1/01/2037 - 30/06/2037	11.353,91	0,81	90	0,75
1/07/2037 - 31/12/2037	6.895,09	0,49	60	0,50
1/01/2038 - 30/06/2038	14.084,69	1,01	126	1,06
1/07/2038 - 31/12/2038	6.614,51	0,47	56	0,47
1/01/2039 - 30/06/2039	60.983,91	4,38	571	4,80
1/07/2039 - 31/12/2039	121.336,48	8,72	1.152	9,70
1/01/2040 - 5/06/2040	262.776,37	18,88	2.146	18,07
Totals:	1.391.170.121,43	100,00	11.876	100,00

Maximum maturity date:	5/06/2040
Minimum maturity date:	5/12/2005
Weighted average maturity date:	19/07/2035

The maturity dates of Non-Mortgage Loans comprising the preliminary portfolio are between August 5, 2012 and May, 5, 2040.

Redemption of Mortgage Loans takes place during the whole remaining life up to full redemption, a period during which Debtors must make monthly payments comprising repayment of capital and interests or financial burden.

The following table shows the distribution of Non-mortgage loans by their date of final redemption in annual intervals:

MATURITY DATES OF THE NON-MORTGAGE LOANS				
Interval	**Outstanding Principal**		**Non-Mortgage Loans**	
	(thousand euros but the total)	**%**	**nº**	**%**
5/08/2012 - 31/12/2012	16,78	0,01	1	0,01
1/01/2013 - 30/06/2013	14,31	0,01	1	0,01
1/07/2013 - 31/12/2013	14,30	0,01	1	0,01
1/01/2014 - 30/06/2014	0,00	0,00	0	0,00
1/07/2014 - 31/12/2014	12,73	0,01	1	0,01
1/01/2015 - 30/06/2015	14,01	0,01	1	0,01
1/07/2015 - 31/12/2015	0,00	0,00	0	0,00
1/01/2016 - 30/06/2016	0,00	0,00	0	0,00
1/07/2016 - 31/12/2016	7,87	0,00	1	0,01
1/01/2017 - 30/06/2017	0,00	0,00	0	0,00
1/07/2017 - 31/12/2017	0,00	0,00	0	0,00
1/01/2018 - 30/06/2018	0,00	0,00	0	0,00
1/07/2018 - 31/12/2018	29,04	0,02	1	0,01
1/01/2019 - 30/06/2019	26,85	0,02	3	0,05
1/07/2019 - 31/12/2019	12,48	0,01	1	0,01
1/01/2020 - 30/06/2020	39,18	0,03	2	0,03
1/07/2020 - 31/12/2020	9,88	0,00	1	0,01
1/01/2021 - 30/06/2021	0,00	0,00	0	0,00
1/07/2021 - 31/12/2021	21,33	0,02	1	0,01

1/01/2022 - 30/06/2022	15,30	0,01	1	0,01
1/07/2022 - 31/12/2022	0,00	0,00	0	0,00
1/01/2023 - 30/06/2023	9,48	0,00	1	0,01
1/07/2023 - 31/12/2023	3,71	0,00	1	0,01
1/01/2024 - 30/06/2024	210,37	0,20	14	0,25
1/07/2024 - 31/12/2024	263,49	0,25	22	0,40
1/01/2025 - 30/06/2025	307,36	0,29	24	0,43
1/07/2025 - 31/12/2025	0,00	0,00	0	0,00
1/01/2026 - 30/06/2026	64,70	0,06	4	0,07
1/07/2026 - 31/12/2026	0,00	0,00	0	0,00
1/01/2027 - 30/06/2027	95,66	0,09	7	0,12
1/07/2027 - 31/12/2027	26,19	0,02	2	0,03
1/01/2028 - 30/06/2028	179,53	0,17	8	0,14
1/07/2028 - 31/12/2028	142,21	0,13	7	0,12
1/01/2029 - 30/06/2029	613,60	0,58	36	0,65
1/07/2029 - 31/12/2029	992,35	0,94	62	1,13
1/01/2030 - 30/06/2030	1.245,81	1,18	78	1,42
1/07/2030 - 31/12/2030	101,95	0,09	5	0,09
1/01/2031 - 30/06/2031	87,69	0,08	4	0,07
1/07/2031 - 31/12/2031	100,99	0,09	7	0,12
1/01/2032 - 30/06/2032	124,90	0,11	9	0,16
1/07/2032 - 31/12/2032	197,10	0,18	12	0,21
1/01/2033 - 30/06/2033	1.568,86	1,49	81	1,47
1/07/2033 - 31/12/2033	5.901,74	5,61	263	4,80
1/01/2034 - 30/06/2034	9.512,03	9,05	507	9,25
1/07/2034 - 31/12/2034	11.486,32	10,93	635	11,59
1/01/2035 - 30/06/2035	14.616,17	13,91	810	14,79
1/07/2035 - 31/12/2035	471,63	0,44	26	0,47
1/01/2036 - 30/06/2036	849,63	0,80	46	0,84
1/07/2036 - 31/12/2036	868,44	0,82	46	0,84
1/01/2037 - 30/06/2037	1.095,11	1,04	54	0,98
1/07/2037 - 31/12/2037	1.023,04	0,97	47	0,85
1/01/2038 - 30/06/2038	1.479,99	1,40	73	1,33
1/07/2038 - 31/12/2038	1.052,90	1,00	45	0,82
1/01/2039 - 30/06/2039	8.694,03	8,27	450	8,21
1/07/2039 - 31/12/2039	18.129,27	17,25	938	17,12
1/01/2040 - 5/05/2040	23.321,52	22,19	1.136	20,74
Totals:	**105.072.074,80**	**100,00**	**5.476**	**100,00**

Maximum maturity date: 5/05/2040
Minimum maturity date: 5/08/2012
Weighted average maturity date: 31/3/2037

h) Indication of the geographical distribution by Provinces (*Provincias*)

OUTSTANDING PRINCIPAL OF MORTGAGE LOANS SEPARATED BY PROVINCES				
Provinces	**Outstanding principal**		**Mortgage Loans**	
	(thousand euros but total)	**%**	**nº**	**%**
01 ALAVA	1.164,58	0,08	9	0,07
02 ALBACETE	8.068,88	0,58	79	0,66
03 ALICANTE	64.740,52	4,65	702	5,91
04 ALMERIA	31.086,36	2,23	289	2,43
05 AVILA	1.772,10	0,12	16	0,13
06 BADAJOZ	8.173,55	0,58	110	0,92
07 BALEARES	67.247,60	4,83	487	4,10
08 BARCELONA	138.351,77	9,94	939	7,90
09 BURGOS	2.980,97	0,21	26	0,21
10 CACERES	4.984,47	0,35	67	0,56
11 CADIZ	43.874,54	3,15	448	3,77
12 CASTELLON	33.993,84	2,44	319	2,68
13 CIUDAD REAL	6.628,19	0,47	80	0,67
14 CORDOBA	18.323,83	1,31	199	1,67
15 LA CORUÑA	22.763,27	1,63	219	1,84
16 CUENCA	1.653,10	0,11	18	0,15
17 GERONA	37.683,42	2,70	287	2,41
18 GRANADA	19.995,64	1,43	195	1,64
19 GUADALAJARA	11.354,37	0,81	66	0,55
20 GUIPUZCOA	4.031,63	0,28	31	0,26
21 HUELVA	21.040,31	1,51	228	1,91

22 HUESCA	2.336,47	0,16	23	0,19
23 JAEN	8.508,32	0,61	108	0,90
24 LEON	4.887,92	0,35	62	0,52
25 LERIDA	8.937,95	0,64	92	0,77
26 LA RIOJA	3.478,25	0,25	36	0,30
27 LUGO	2.396,39	0,17	33	0,27
28 MADRID	237.921,90	17,10	1.571	13,22
29 MALAGA	117.340,06	8,43	810	6,82
30 MURCIA	26.267,42	1,88	283	2,38
31 NAVARRA	5.314,11	0,38	45	0,37
32 ORENSE	4.162,80	0,29	43	0,36
33 ASTURIAS	35.247,12	2,53	396	3,33
34 PALENCIA	1.783,16	0,12	20	0,16
35 LAS PALMAS	71.309,64	5,12	693	5,83
36 PONTEVEDRA	17.973,06	1,29	165	1,38
37 SALAMANCA	2.823,05	0,20	35	0,29
38 TENERIFE	37.359,70	2,68	398	3,35
39 CANTABRIA	16.774,09	1,20	144	1,21
40 SEGOVIA	2.235,41	0,16	16	0,13
41 SEVILLA	60.910,43	4,37	620	5,22
42 SORIA	290,61	0,02	4	0,03
43 TARRAGONA	30.038,74	2,15	232	1,95
44 TERUEL	364,44	0,02	3	0,02
45 TOLEDO	39.688,19	2,85	318	2,67
46 VALENCIA	54.337,04	3,90	510	4,29
47 VALLADOLID	10.394,36	0,74	112	0,94
48 VIZCAYA	24.970,02	1,79	176	1,48
49 ZAMORA	847,23	0,06	13	0,10
50 ZARAGOZA	12.359,05	0,88	101	0,85
Totals:	**1.391.170.121,43**	**100,00**	**11.876**	**100,00**

OUTSTANDING PRINCIPAL OF NON-MORTGAGE LOANS SEPARATED BY PROVINCES

Provinces	**Outstanding principal**		**Mortgage Loans**	
	(thousand euros but total)	**%**	**nº**	**%**
01 ALAVA	70.09	0.07	4	0.07
02 ALBACETE	656.83	0.63	40	0.73
03 ALICANTE	6,565.40	6.25	429	7.83
04 ALMERIA	2,656.24	2.53	156	2.85
05 AVILA	80.82	0.08	5	0.09
06 BADAJOZ	543.54	0.52	38	0.69
07 BALEARES	6,628.80	6.31	296	5.41
08 BARCELONA	10,969.12	10.44	434	7.93
09 BURGOS	353.32	0.34	17	0.31
10 CACERES	420.76	0.40	31	0.57
11 CADIZ	2,198.97	2.09	136	2.48
12 CASTELLON	2,577.72	2.45	177	3.23
13 CIUDAD REAL	305.43	0.29	22	0.40
14 CORDOBA	1,414.38	1.35	84	1.53
15 LA CORUÑA	1,500.94	1.43	97	1.77
16 CUENCA	127.88	0.12	7	0.13
17 GIRONA	2,924.06	2.78	144	2.63
18 GRANADA	1,344.53	1.28	83	1.52
19 GUADALAJARA	178.44	0.17	7	0.13
20 GUIPUZCOA	458.79	0.44	18	0.33
21 HUELVA	1,353.14	1.29	89	1.63
22 HUESCA	221.59	0.21	14	0.26
23 JAEN	720.11	0.69	50	0.91
24 LEON	392.66	0.37	31	0.57
25 LERIDA	849.92	0.81	57	1.04

26 LA RIOJA	429.07	0.41	22	0.40
27 LUGO	135.74	0.13	11	0.20
28 MADRID	17,750.45	16.89	663	12.11
29 MALAGA	4,601.17	4.38	207	3.78
30 MURCIA	2,909.31	2.77	196	3.58
31 NAVARRA	765.76	0.73	35	0.64
32 ORENSE	350.54	0.33	24	0.44
33 ASTURIAS	2,97.81	2.47	182	3.32
34 PALENCIA	115.28	0.11	10	0.18
35 LAS PALMAS	7,473.83	7.11	390	7.12
36 PONTEVEDRA	1,369.28	1.31	78	1.43
37 SALAMANCA	163.58	0.16	13	0.24
38 TENERIFE	4,735.90	4.51	258	4.71
39 CANTABRIA	1,570.30	1.49	79	1.44
40 SEGOVIA	117.36	0.11	6	0.11
41 SEVILLA	3,502.30	3.33	211	3.85
42 SORIA	37.68	0.04	3	0.05
43 TARRAGONA	1,959.11	1.86	104	1.90
44 TERUEL	57.51	0.05	4	0.07
45 TOLEDO	1,221.44	1.16	79	1.44
46 VALENCIA	3,900.96	3.71	246	4.49
47 VALLADOLID	729.93	0.69	47	0.86
48 VIZCAYA	1,801.29	1.71	81	1.48
49 ZAMORA	81.30	0.08	6	0.11
50 ZARAGOZA	1,181.70	1.13	55	1.00
Totals	**105,072,074.80**	**100.00**	**5,476**	**100.00**

i) Delinquency in the Pool of the Loans transferred by UCI

Regarding Mortgage Loans that will be transferred to the Fund, UCI guarantees that none of them will have outstanding payments as at the Date of Incorporation of the Fund, for over 30 days.

DELAY IN PAYMENTS

Interval	Outstanding principal		Mortgage Loans	
(days)	(thousand euros but the total in euros)	%	Nº	%
0 – 0	1.320.318,39	94,91	11.288	95,05
1 – 14	0,00	0,00	0	0,00
15 – 19	70.851,72	5,09	588	4,95
20 – 30	0,00	0,00	0	0,00
Totals:	**1.391.170.121,43**	**100,00**	**11.876**	**100,00**

The amount of the non-paid quotas corresponding to the Mortgage Loans in the interval between 15 and 19 days of delay in the payment ascending to two hundred eighty two thousand seven hundred fifteen euros and seventeen cents, being a 0,02% over the outstanding balance.

Regarding Non-Mortgage Loans that will be transferred to the Fund, UCI guarantees that none of them will have outstanding payments, as at the Date of Incorporation of the Fund, for over 30 days.

DELAY IN QUOTA PAYMENTS				
Interval	**Outstanding Principal**		**Non-Mortgage Loans**	
(days)	**(thousand euros but total in euros)**	**%**	**Nº**	**%**
0 – 0	100.621,80	95,76	5.244	95,76
0 – 49	0,00	0,00	0	0,00
10 – 15	4.450,26	4,23	232	4,23
16-30	0,00	0,00	0	0,00
Totals:	**105.072.074,80**	**100,00**	**5.476**	**100,00**

The amount of the non-paid quotas corresponding to the Non-Mortgage Loans in the interval between 10 and 15 days of delay in the payment ascends to twenty seven thousand six hundred forty five euros and twenty for cents (27.645,24€) being a 0,03% over the outstanding principal balance.

2.2.3 Legal nature of the Assets.

The Assets subject to securitization through their assignment to the Fund are credit rights arising out of Loans granted by UCI.

The Assets are classified, by virtue of the guarantee, as Assets deriving from Mortgage Loans formalized in public deed (i.e. secured by real property mortgage) and Assets deriving from Non-Mortgage Loans formalized in mercantile certificate supervised by Notary Public (i.e. either unsecured or secured by signature guarantee).

The assignment of the Assets deriving from Non-Mortgage Loans is governed by Spanish common law currently in force, i.e. articles 1526 et seq. of the Spanish Civil Code.

With regard to the assignment of the Assets deriving from Mortgage Loans, Spanish common law is the law naturally applicable to the assignment, made by the issuance by UCI of the MP's or MTC's (each one representing a share of one hundred percent (100%) of the outstanding balance of the Assets deriving from Mortgage Loans to which they pertain) for full subscription by the Fund.

The issuance and subscription of the Mortgage Participations shall be carried out subject to the provisions of Law 19/1992 and legislation on the Mortgage Market (Law 2/1981, of March 25, Royal Decree 685/1982, of March 17, Royal Decree 1289/1991, of August 2 (amending certain articles of the aforesaid Royal Decree 685/1982)) and other applicable provisions.

The issuance and subscription of the MTC's shall be carried out in accordance with Additional Provision 5 of Law 3/1994, as per the wording given by article 18 of Law 44/2002; Law 2/1981, of March 25, on Regulation of the Mortgage Market; Royal Decree 685/1982, of March 17; and other regulations in force from

time to time, applicable to the transferability and acquisition of mortgage market securities.

2.2.4 The expiration or maturity date(s) of the Assets.

All of the Loans have a maturity date preceding June 20, 2040. The Loans have an average maturity of 30 years.

2.2.5 Amount of the Assets.

The Fund shall be incorporated with the Loans that UCI will assign to the Fund on the Date of Incorporation, the total principal of which shall be slightly greater than or equal to ONE BILLION FOUR HUNDRED FIFTY MILLION EUROS (€1,450,000,000), which amount represents the face value of the Bond issue.

2.2.6 Loan to value ratio or level of collateralization.

The ratio, expressed as a percentage between the outstanding principal as at October 20, 2005 and the appraised value of the mortgaged properties attached to the selected Mortgage Loans, was between 0.02% and 99.75%, the average appraised value being 68.61%.

The following table shows the breakdown of the Mortgage Loans into their various intervals:

RATIO BETWEEN OUSTANDING BALANCE AND APPRAISED VALUE

Interval (%)	Outstanding Principal (000 euros except total in euros)	Mortgage Loans %	nº	%
0,02 - 39,99	90.797,43	6,52	1.323	11,14
40,00 - 44,99	43.776,49	3,14	377	3,17
45,00 - 49,99	56.376,73	4,05	437	3,67
50,00 - 54,99	67.621,94	4,86	472	3,97
55,00 - 59,99	81.815,84	5,88	541	4,55
60,00 - 64,99	82.386,22	5,92	536	4,51
65,00 - 69,99	96.500,20	6,93	618	5,20
70,00 - 74,99	94.492,25	6,79	641	5,39
75,00 - 79,99	699.531,77	50,28	6.291	52,97
80,00 - 99,75	77.871,19	5,59	640	5,38
Totals:	**1.391.170.121,43**	**100,00**	**11.876**	**100,00**

Maximum outstanding principal:	551.227	euros	**Maximum appraised value:**	99,75%
Minimum outstanding principal:	26	euros	**Minimum appraised value:**	0,02%
Average outstanding principal:	117,141	euros	**Weighted average appraised value:**	68,81%

There is no over-collateralization in the Fund, since the principal on the Loans which the Bank will assign to the Fund upon incorporation shall be slightly greater than or equal to ONE BILLION FOUR HUNDRED FIFTY MILLION EUROS (€1,450,000), which amount represents the face value of the Issue.

In any case no financed global amount of the Loans to be assigned (Mortgage Loan and its complementary Non-Mortgage Loan) exceeds 100 per cent (100%) of the appraised value for the given guarantees.

2.2.7 Description of the procedures established by UCI for formalization of loans and credit facilities in the Mortgage Loan and Non-Mortgage Loan segment.

a) Introduction.

The basic documentation, generally used studying the transaction, is as follows:

a.1. *Application form plus owners' identification data.*
a.2. *Regarding the home to be acquired:* documentation submitted by applicant regarding the residence to be financed or regarding any other residence submitted as additional security for the transaction (simple Registry Note and deed of property, if that is the case).
a.3. *Regarding applicant's income:*

- Salaried employees: last three payroll stubs and last year's Income Tax Return.
- Professionals/independent contractors: last year's Income Tax Return.

b) Data Encoding.

The capture and encoding of the transaction data into UCI's loan management computer system is performed in the "Operations Assembly" department which reports to Risk Management, thus ensuring uniformity of criteria and independence with respect to the commercial agencies. Furthermore, this department is responsible, *inter alia*, for calculating income and verifying the various risk databases to which we have access.

c) Authorities.

The majority of decisions are made on a centralized basis at the N.A.C. (National Authorization Center). The analysts have been delegated powers of decision depending on their experience, years of service in the job and the amount of the loan. Their function is to verify the information provided by clients and depending on their level of their powers of attorney, approve the operation under the condition of performance of determinant factors (addressing their payroll in Banco Santander, giving additional guarantees). From the beginning of 2005, the managers of several of the commercial agencies have limited powers in deciding on certain types of transactions, depending on their seniority and years of service.

c.1 Decision by Agency.

Transactions submitted to the decision of agency managers with powers and authorities must meet a series of requisites.

Furthermore, and also reporting to Risk Management, there is a team of people (Persons Responsible for Risks and Methods) integrated within the Policies and Methods department, whose duty is to supervise on-line the decisions made within an agency. In order to assure the quality of said decisions, a review target is established with respect to a minimum of 50% of transactions formalized pursuant to agency-made decision. Said review must be performed within two weeks following formalization of such transactions.

c.2 *Decision at N.A.C.*

N.A.C.'s risk analysts decide on transactions depending upon their powers and authorities. Those transactions which exceed such powers and authorities are submitted to decision by the N.A.C. committee, or the Risk Committee, as applicable. Both the NAC and the Risk Committee is composed of members from the Direction of Risks and none from the Commercial Direction.

d) ***Evaluation***

In making use of his/its authorities, the one deciding on the transaction (analyst, N.A.C. Committee or Risk Committee) evaluates that loan and issues a preliminary provisional authorization conditioned upon the firm appraisal to be performed on the assets to be mortgaged by Valtecnic Appraisal Company and on the verification of the registration data by the administrative processors who collaborate with UCI.

The following basic criteria are taken into consideration in making the decision:

d.1. *Purpose of loan:* acquisition or rehabilitation of residence.

d.2. *Borrowers:* Natural persons, of legal age, residents of Spain who are purchasing their home and who meet the following conditions:

d.3 The professional stability of the applicant is analyzed, considering both the form of hiring, as well as professional dynamics. Transactions with insufficient stability are reinforced through bank guarantees or additional security.

d.4. The maximum financing percentage depends on the type of employment contract. Generally speaking, the maximum is 70% for professionals and 60% for independent contractors. These percentages may be exceeded in the case of salaried employees. In the case of civil servants, the financing percentage may reach 105%, and exceptionally up to 120% (distributed 80% in a mortgage loan and the remainder in an associated personal loan).

d.5. The selection process is supported by a statistical score based on the probability of non-payment in function of the customer's profile and an expert system (containing all policy rules on risk acceptance of UCI) which validates that the transaction meets all of the rules of UCI's acceptance policy.

d.6. In all transactions, the presence of the borrowers and guarantors, if any, in the risk databases of ASNEF (*Asociación Nacional de Entidades de Financiación – National Association of Financing Entities*) is systematically checked. If necessary, the CIRBE (*Central de Información de Riesgos del Banco de Spain – Bank of Spain Central Risk Information Database*) is also consulted.

e) Loan funding.

Once the definitive evaluation and authorization formalities have been completed, the signature of the loan deed takes place before a Notary Public, at which time UCI funds the loan. If the financing percentage awarded with respect to the appraised value of the collateral exceeds 80%, the delivery of funds would normally be made in two Tranches:

e.1. 1st Tranche: up to 80%, under the form of a Mortgage Loan.
e.2. 2nd Tranche: the excess over 80%, under the form of a second Mortgage Loan or Personal Loan, as the case may be.

A percentage of these transactions are backed by mortgage insurance which covers, in the terms and conditions agreed to in the applicable insurance contracts, the percentage between 78% and 97%. This credit insurance is formally instrumented currently with GE Mortgage Insurance Limited.

If there are any liens prior to the loan, the representative appointed by UCI takes care of canceling them, withholding for this purpose the necessary funds, and ensures the entire recording process, until UCI's mortgage is recorded as a first mortgage.

2.2.8 Representations and other warranties given to the Issuer in relation to the Assets.

2.2.8.1.- Representations

The Manager represents and warrants , for and on behalf of the Fund, and in relation to the Date of Incorporation of the Fund, as follows:

a) In relation to UCI:

a.1 UCI is a company duly incorporated under current law, and is registered with the Madrid's Mercantile Registry and in the Bank

of Spain's Financial Credit Entities Registry, and is authorized to deal in the Mortgage Market.

a.2 Neither as at the date of this Prospectus, or at any time since its incorporation, has UCI been in a situation of insolvency, temporary receivership, bankruptcy, or creditors' proceedings (in accordance with the provisions of Law 22/2003 of July 9, on Insolvency Proceedings).

a.3 UCI's corporate bodies have validly adopted all necessary corporate resolutions for the assignment of the Assets deriving from Non-Mortgage Loans, the issuance of Mortgage Participations and Mortgage Transfer Certificates and in order to validly execute the contracts and commitments assumed.

a.4 That it has the annual financial statements relating to the last three fiscal years, duly audited, and the auditors' report relating to the last fiscal year, 2004, does not contain exceptions. The audited annual financial statements pertaining to the last three fiscal years are filed with the Mercantile Registry.

b) In relation to all of the Assets:

b.1 UCI is complete owner of the Assets free of burdens and charges has no knowledge of any Debtor being able to object thereagainst any exception to the payment of any amount referring to the Loans.

b.2 UCI has no knowledge of any Debtor being subject to insolvency proceedings.

b.3 UCI warrants that on the Date of Incorporation, none of the Loans shall have payments outstanding for a period exceeding thirty (30) days.

b.4 Los Loans exist, are valid and enforceable in accordance with applicable law and, when applicable, comply with the provisions of Law 7/1995, of March 23, on Consumer Credit.

b.5 The data relating to the Loans included in Section 2.2.2., 2.2.6 and in Section 2.2.8 of this Additional Building Block to the Securities Note are complete and faithfully and accurately reflect the reality of said Loans.

b.6 No person holds any preferred right to the Fund, with respect to the Assets.

b.7 All Debtors are natural persons resident in Spain.

b.8 The Loans have been granted in order to finance the acquisition or rehabilitation of homes located in Spain.

b.9 The outstanding principal on each Loan is, as at the date of assignment, denominated in euros.

b.10 The Assets are not instrumented in securities, whether registered, order or bearer securities.

b.11 UCI has no knowledge of any of the Debtors being the holder of any credit right against UCI through which set-off could be exercised.

b.12 The information contained in this Prospectus on the portfolio of Assets is complete and faithfully adjusts to the true situation.

b.13 Both the granting of the Loans and the issuance of the Mortgage Participations and Mortgage Transfer Certificates, as well as all acts related thereto, have been carried out or shall be carried out pursuant to arm's length market criteria.

b.14 UCI has faithfully followed the criteria contained in the Internal Memorandum appearing in section 2.2.7 of this Additional Building Block to the Securities Note as to the concession policy for each and every one of the Loans.

b.15 All of the Mortgage Loans are formalized in public deed and al Non-Mortgage Loans are formalized in mercantile certificate supervised by Public Notary. All original deeds of the mortgages established on the homes and as security for the Mortgage Loans and the original notarized policies which refer to the Non-Mortgage Loans, are duly deposited, in files suitable for such purpose, at the disposal of the Manager, on behalf of the Fund. At UCI a CD-ROM file exists in triplicate in respect of the said deeds and policies, which are duly deposited in the files of the company *Centro de Tratamiento de la Documentación, S.A.* (CTD), at the disposal of the Manager. Furthermore, a copy of the above-mentioned documents on DVD will be at the disposal of the Manager. The above-mentioned mortgages and Non-Mortgage Loans may be identified through the automated records carried by UCI.

b.16 On the Date of Incorporation, the outstanding balance of the Loans shall be equivalent, at least, to the amount of this Bond issue.

b. 17 The Loans have been and are being serviced by UCI in accordance with its customary procedures.

b.18 UCI has no knowledge of the existence of litigation of any type in relation to the Assets which may impair their validity or may lead to the application of article 1535 of the Spanish Civil Code (referring to the right of termination by the debtor of a litigious debt which is sold). Likewise, UCI is not aware of the existence of any litigation or claim by the debtors against the supplier of the homes which could lead to the application of article 15 of Law 7/1995, of March 23, on Consumer Credit, nor do circumstances exist which could lead to the ineffectiveness of the deed of establishment of mortgage on the residence mortgaged as security for the Mortgage Loans or the Non-Mortgage Loans.

b.19 All of the Loans have a maturity date prior (3 years before) the Legal Maturity Date of the Bonds

b.20 UCI agrees to provide the Manager with all periodic information referring to the Loans in accordance with the Manager's information system programs.

b.21 That the Assets shall accrue interest at a fixed or variable rate referenced to a market index, without in any case, a maximum or minimum limit being provided as to the applicable interest

b.22 That the payments of the Debtors deriving from the Loans are not subject to any tax deduction or withholding.

b.23 That the Assets are ruled by Spanish Law.

b.24 That according to its internal records, none of the Loans pertains to financing granted to real estate developers for the construction or rehabilitation of residential housing and/or commercial or industrial properties to be put up for sale.

b.25 That, as at the issue date, it has not received any notice of pre-payment of the Loans, in whole or in part.

b.26 That some Mortgage Loans A together with their corresponding associated Non-Mortgage Loans present additional guarantee since they are operations assured with a Mortgage Credit Insurance formalized with General Electric Mortgage Insurance Limited, whose description and functioning are detailed in Section 2.2.10 of the present Additional Building Block to the Securities Note.

The percentage of the Loans (Mortgage Loans plus Non-Mortgage Loans) insured with GE Mortgage Insurance Limited represents a forty two per cent (42%) of the global balance of the Fund's preliminary portfolio. The amount of the Mortgage Credit Insurance covers the percentage financed that exceeds the seventy eight per cent (78%) of the appraised value plus the ninety seven per cent (97%).

c) In relation to the Mortgage Loans:

c.1 Each one of the Mortgage Loans shall be secured by a real property mortgage, established as a first mortgage on the fee simple title to each and every one of the properties in question, without the mortgaged properties being subject to any prohibitions against disposal, conditions subsequent or any other restriction on title.

c.2 All of the Mortgage Loans are formalized by public deed and all of the mortgages are duly established and recorded with the pertinent Property Registries. The recording of the mortgaged properties is current and effective and without contradiction and is not subject to any limitation with preference over the mortgage, in accordance with current regulations in force.

c.3 The mortgages are established on properties which belong to the mortgagor in fee simple and full title. The Assignor has no knowledge of any litigation affecting such title.

c.4 All of the mortgaged homes have been previously appraised by appraisers who are duly registered with the pertinent Official Registry of the Bank of Spain. The said appraisal is evidenced by the pertinent certificate of appraisal.

c.5 UCI has no knowledge of the appraisal of any mortgaged property having diminished by more than 20%.

c.6 The homes on which the mortgage guarantee has been established have damage and fire insurance in effect, in which insurance the insured amount coincides at least with the appraised value of the homes as contained in the certificate of appraisal. The information included in relation to fire insurance and any other ancillary right is complete and faithfully adjusts to the reality of the situation.

c.7 The premiums accrued through the date hereof on the insurance referred to under the above section have been paid in full.

c.8 That the properties mortgaged by virtue of the Mortgage Loans are not subject to a situation of excluded assets for acceptance as security in accordance with article 31.1.d) of Royal Decree 685/1982, of March 17, implementing certain aspects of Law 2/1981, of March 25, on Regulation of the Mortgage Market.

c.9 That the Mortgage Loans are not among the excluded or restricted credits of article 32 of Royal Decree 685/1982 as regards serving as coverage for the issue of Mortgage Participations and Mortgage Transfer Certificates.

c.10 That it has no knowledge of the existence of any circumstance which prevents foreclosure or enforcement of the mortgage guarantee.

c.11 All of the mortgaged properties securing the Mortgage Loans are finished housing units.

c.12 On the issue date, the outstanding principal on each one of the Mortgage Loans is equivalent to the principal figure of the MTC or MP to which it pertains.

c.13 The Mortgage Loans – A comply with all requisites established in Section II of Law 2/1981 and Chapter II of Royal Decree 685/1982, in particular, the outstanding principal on the Mortgage Loans – A shall not exceed on the Date of Incorporation eighty percent (80%) of the appraised value of the properties mortgaged as security for the relevant Mor tgage Loans – A.

c.14 The Mortgage Loans – B do not comply with one of the requisites established in Section II of Law 2/1981 and Chapter II of Royal Decree 685/1982. In particular, they are loans in which the outstanding principal exceeds, as at the date of issuance of the Mortgage Transfer Certificates, 80% of the appraised value of the property mortgaged as security for the relevant Mortgage Loan – B, without exceeding 100%.

c.15 As improvements of the risks of Mortgage Loans, the thirty five (35%) per cent of the Mortgage Loans Portfolio have more than one mortgage guarantee of first rank, meaning that have constituted mortgage with first rank over another property; the eleven per cent (11%) of Debtors bring along guarantors to the operation and ninety per cent (90%) of Debtors keeps their payroll addressed in the Bank.

c.16 The Assets are not attached to any issuing of mortgage bonds, mortgage participations or mortgage transfer certificates other than those pertaining to the issue to be carried out by the Fund on the Date of Incorporation.

d) In relation to the Non-Mortgage Loans:

d.1 The Non-Mortgage Loans have been granted for the purpose of completing the necessary financing for the acquisition or rehabilitation of the homes in those cases in which the necessary amount exceeded eighty percent (80%) of the appraised value of the mortgaged residential unit.

d.2 Non-Mortgage Loans guaranteed pursuant with the Mortgage Credit Insurance (the 6,30% of the balance of the Loans) comply with the requisites established by GE Mortgage Insurance Limited, in the terms and conditions agreed to in the relevant insurance contract. The guarantee granted by the Mortgage Credit Insurance does not disappear although the Non-Mortgage Loan is not completely redempted.

e) In relation to the Mortgage Participations and Mortgage Transfer Certificates:

e.1 That the MTC's and MP's are issued in accordance with the provisions of (i) Law 2/1981, (ii) Royal Decree 685/1982, (iii)

Royal Decree 1289/1991, (iv) Additional Provision Five of Law 3/1994, of April 14, as per the wording given by article 18 of Law 44/2002, of November 22, by virtue of which the current law in force applicable to mortgage units or participations is applied to the MTC's, as regards everything applicable thereto, and (v) other applicable regulations.

e.2 That the MTC's and MP's are issued for the same term which remains until the maturity of and for the same interest rate as each one of the Mortgage Loans to which they pertain.

e.3 That, on the issue date, the outstanding principal of each one of the Mortgage Loans is equivalent to the capital figure of the MP or the MTC to which it pertains.

e.4 Once the issuance of the Mortgage Participations (MH) and the Mortgage Transfer Certificates (MTC) has been carried out, the volume of warrants issued by UCI and not due will not exceed ninety percent (90%) of the sum of the unamortized principal on all of the mortgage loans in portfolio, in accordance with the provisions of articles 59 and 60 of Royal Decree 685/82, as amended by Royal Decree 1989/91. As at the registration date of this Prospectus, there was no warrant issued by UCI.

2.2.8.2. Other guarantees.

The Bank guarantees that, in case that UCI is declared in liquidation or creditors' meeting according to Bankruptcy Law 22/2003 July 9, will hold the Fund harmless of any damages that could arise, if that is the case, from that declaration, including specifically those that could result from non-performance by UCI of its obligation of administration and managing of the assigned Assets and, specifically, will proceed to pay directly to the Fund, those amounts corresponding to the Fund in concept of principal, interests and damages of the Assets.

The Bank will not perceive any commission for the giving of this guarantee.

2.2.9 Substitution of the Assets.

In case of prepayment of the Assets initially pooled, no substitution thereof shall take place.

In the event it should be detected, at a time subsequent to the Date of Incorporation, that an Asset does not meet, on the Date of Incorporation, the conditions and characteristics contained under section 2.2.8 of this Additional Building Block to the Securities Note, UCI agrees to immediately proceed with the substitution of the Asset in such situation, subject to the following rules:

a) The substitution by UCI (which in any case shall be made for principal plus interest accrued and not paid), for another Asset of characteristics homogeneous to the Asset subject to substitution, by reason of outstanding principal, term, interest rate, as well as creditworthiness which, in the case of the Mortgage Loans, must be posed in terms of the Loan to Value ratio, in such a manner that the financial equilibrium of the Fund shall not be affected by the substitution.

In the event that no mortgage loans exist in UCI's portfolio, having characteristics homogeneous to the Mortgage Loan or Non-Mortgage Loan subject to substitution, UCI shall proceed to the repurchase thereof.

b) The substitution shall be carried out in the following manner depending upon the nature of the Asset:

b.1. In the case of Mortgage Participations and/or Mortgage Transfer Certificates:

b.1.1 UCI shall inform the Manager, on behalf of the Fund, of the existence of each non-suitable Mortgage Participation or Mortgage Transfer Certificate, proceeding to immediately cancel the said Mortgage Participation or Mortgage Transfer Certificate through the pertinent stamping of the certificate duly broken down for such purpose, and to issue another Mortgage Participation or Mortgage Transfer Certificate having similar characteristics of residual term, interest rate, outstanding principal and creditworthiness in terms of the ratio between the said outstanding balance of the Mortgage Loan and the appraised value of the property securing the underlying loan, once a verification, prior to the substitution, of the suitability of the loan has been carried out by an outside auditor, in accordance with the provisions of Section 2.2.3 of this Additional Building Block to the Securities Note, in such a manner that the financial structure of the Fund and the ratings of the Bonds, shall not be affected by the substitution.

b.1.2. The said issuance of Mortgage Participation of Mortgage Transfer Certificate by UCI and substitution by the Manager, on behalf of the Fund, shall be made through the execution of the pertinent attestation executed before a notary public which shall reflect the data relating to both the Mortgage Participation or Mortgage Transfer Certificate to be substituted and the mortgage loan underlying the same, as well as the new Mortgage Participation or Mortgage Transfer Certificate issued, with the data of the mortgage loan, as well as the reason for the substitution and the

variables which determine the homogeneous nature of both Mortgage Participations or Mortgage Transfer Certificates, as described above, a copy of which shall be submitted to the Spanish Securities Market Commission (*"Comisión Nacional del Mercado de Valores"*), to the Entity entrusted with the Accounting Ledger, to AIAF, and it shall be reported to the Rating Agency.

b.2. In the case of Non-Mortgage Loans:

b.2.1. UCI shall inform the Manager, on behalf of the Fund, of the existence of the non-suitable Non-Mortgage Loan, and shall offer a new Non-Mortgage Loan, of characteristics homogeneous to the Non-Mortgage Loan to be substituted, in accordance with the provisions of section 2.2.8, supra. The new Non-Mortgage Loan having been offered, its suitability shall be verified by the outside auditing company, as contemplated under section 2.2.3 of this Additional Building Block to the Securities Note, in such a manner that the financial structure of the Fund shall not be affected by the substitution.

b.2.2 UCI and the Manager, on behalf of the Fund, shall execute before a notary public a deed of termination of assignment of non-suitable Non-Mortgage Loan and assignment of new Non- Mortgage Loan, by virtue of which (i) the Manager, on behalf of the Fund and UCI, shall substitute the non-suitable Non-Mortgage Loan for the new Non-Mortgage Loan in identical terms and conditions to those mentioned under section 2.2.8, supra, a copy of the deed shall be submitted to the Spanish Securities Market Commission ("*Comisión Nacional del Mercado de Valores*"), to the Entity entrusted with the Accounting Ledger, to AIAF, and it shall be reported to the Rating Agency.

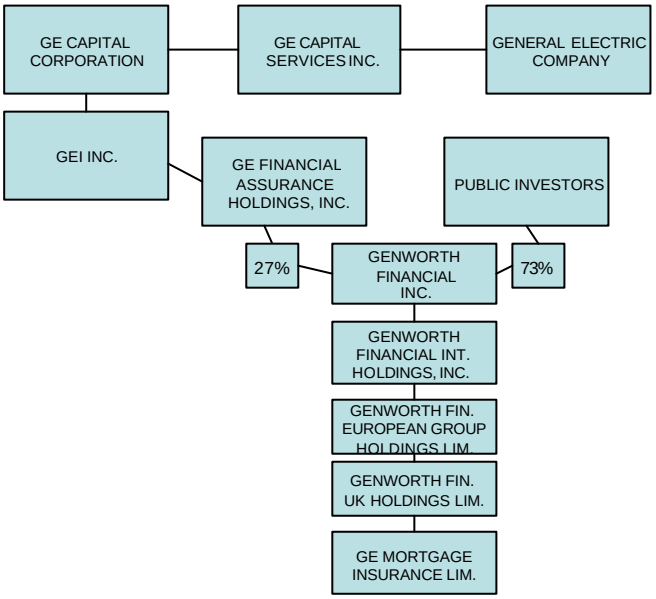
2.2.10 Relevant Insurance Policies relating to the Loans.

Not all of the Mortgage Loans A that are going to be assigned to the Fund have a Non-Mortgage Loan associated to them. Within the Mortgage Loans A Group that do have a Non-Mortgage Loan associated (45% of the total of the Mortgage Loans A portfolio), a difference must be made between those that present the additional security of being transactions insured with Mortgage Loan Insurance from General Electric Mortgage Insurance Limited, as subscribed by UCI (being a 42 % of the preliminary Loan portfolio) and those that do not have it (being a 5.5% of the preliminary Loan portfolio)..

General Electric Mortgage Insurance Limited is an English company funded in 1991, whose ultimate owner is Genworth Financial, Inc., a leading insurance carrier holding company in the United States, with a growing international

presence, that provides life insurance and similar products, retirement benefits and investments, mortgage loan insurance for the needs of more than fifteen million (15,000,000) clients operating in seven European countries. Genworth Financial, Inc. has a credit rating of AA from Standard & Poor's and AA from Fitch. On May 24, 2004, Genworth Financial, Inc. completed an IPO whereby General Electric Company sold thirty percent (30%) of the common stock of Genworth Financial, Inc. to foreign investors (Private and institutional shareholders of the NY Securities Market with a scattered shareholding) until making up a total amount of seventy three per cent (73%). The ownership of General Electric Company's stake in Genworth Financial, Inc. is presently of twenty seven per cent (27%).

STRUCTURE OF GE MORTGAGE INSURANCE LTD.



The most economic data of General Electric Mortgage Insurance Limited are the following:

1. Insurance capital during year 2004- 5.213 million euros
2. Premiums during year 2004- 34,5 million euros
3. Profits before taxes- 7,427 million euros

The purpose of this Mortgage Loan Insurance is to provide coverage, during the entire life of the transaction and for a constant amount, of the risk of loss which may occur following a mortgage foreclosure process on a loan for breach in payment by the borrower. Insurable transactions are those with a financing

percentage (Mortgage Loan plus Non-Mortgage Loan) at the time of formalization of the transaction ranging between eighty percent (80%) and ninety-seven percent (97%). The maximum coverage amount shall be the difference between the initial loan amount (Mortgage Loan plus Non-Mortgage Loan) and seventy-eight percent (78%) of the appraised value of the mortgage collateral backing same.

The amount of the loss is defined as the difference between:

- the amount of the client's debt (balance pending repayment on the loan (Mortgage Loan plus Non-Mortgage Loan) plus ordinary interest accrued and not paid up to a total of 48 unpaid months).
- the value of judicial award to a third party of the property subject to the loan guarantee or of the sale of the property following judicial foreclosure.

Example:

Initial loan amount	
(mortgage + personal)	€92,000
Appraised value:	€100,000 (LTV transaction = 92%)
Maximum coverage amount:	€14,000 = 92,000-(100,000*78%).
Debt claimed against the client:	€87,000
Value of judicial adjudication:	€85,000
Theoretical loss:	€87,000 – 85,000 = €2,000

Because the amount of the loss (€2,000) is less than the maximum coverage amount (€14,000), the actual loss to UCI in this transaction would be zero because it would be covered by GE Mortgage Insurance Limited.

The policy entails a single premium and is paid to GE Mortgage Insurance Limited at the time of formalization of the transaction. The maximum coverage amount insures the transaction (Mortgage Loan plus Non-Mortgage Loan) during the entire life thereof, if the cancellation of the Non-Personal loan takes place the protection on the Mortgage Loan would be maintained. The insured amount covers the finance percentage which exceeds seventy-eight percent (78%) of the appraised value up to the aggregate amount financed, in each case, to the client.

Regarding the damage insurances subscribed for the Mortgage Loans, a 83 % of the portfolio is insurance with Genesis, having the Debtor in this case the chance of choosing the insurance company that deems adequate. Genesis is an Insurance

company that belonged to the Grupo Santander and that has been sold to Liberty Insurances recently.

The following are the most important economic data:

1. Total income during year 2004- 860 million euros
2. Premium during year 2004- 767 million
3. Net profit- 51 million euros

2.2.11 Information relating to Obligors in cases in which the Assets comprise obligations of five (5) or fewer Obligors that are legal persons, or where an Obligor accounts for twenty percent (20%) or more of the Assets, or where an Obligor accounts for a material portion of the Assets.

Not applicable.

2.2.12 Details of the relationship between the issuer, the guarantor and the Obligor if it is material to the issue.

It is not known whether any material relations exist for the purpose of the Bond issue between the Fund, the Assignor, the Manager and other parties involved in the program other than as reflected under section 5.2 of the Registration Document and section 2.2.8.2. and 3.2 of this Additional Building Block to the Securities Note.

2.2.13 Where the Assets comprise fixed income securities, description of the principal conditions.

Not applicable.

2.2.14 Where the Assets comprise equity securities, description of the principal conditions.

Not applicable.

2.2.15 Where more than ten percent (10%) of the Assets comprise equity securities not traded on a regulated or equivalent market, description of the principal conditions.

Not applicable.

2.2.16 Where are material portion of the Assets are secured on or backed by real property, a valuation report relating to the property setting out both the valuation of the property and cash flow /income streams.

With regard to the Assets deriving from Mortgage Loans, the appraisal of the properties on which the real estate mortgage has been established has been performed by one single appraisal company (Valtecnic, S.A.), licensed and registered with the pertinent registry of the Bank of Spain. Said appraisal is performed in accordance with the stipulations of Order ECO/805/2003, of March 27 of the Ministry of Economy, on valuation rules for real properties and for certain rights for certain financial purposes.

2.3 Assets actively managed backing the issue.

Not applicable.

2.4 Where an issuer proposes to issue further securities backed by the same Assets, a prominent statement to that effect and description of how the holders of that class will be informed.

Not applicable.

3. STRUCTURE AND CASH FLOW

3.1 Description of the structure of the transaction.

Through this securitization program, UCI shall transfer the Assets to the Fund. The Fund will acquire the Assets and issue the Bonds from which it will obtain the resources to buy the Assets. Periodically, it will obtain funds from the redemption of the principal and interests of the Loans that will earmark for the redemption of the Bonds and to pay interests to the Bondholders. This transaction shall be formalized through the Deed of Incorporation which shall be executed by the Manager, for and on behalf of the Fund, and by UCI and the Bank. Thus, through the Deed of Incorporation of the Fund, the following shall take place:

a) the assignment to the Fund of the Assets deriving from Mortgage Loans through the issuance by UCI and subsequent subscription by the Fund of the corresponding Mortgage Participations and Mortgage Transfer Certificates and from Assets deriving from Non-Mortgage Loans; and

b) the issuance of the fourteen thousand fifty hundred (14,500) Bonds, distributed into three (3) Bond Classes A, B and C.

A copy of the Deed of Incorporation shall be submitted to the CNMV for inclusion in its official registries prior to the opening of the Bond Subscription Period.

On another subject, and in order to consolidate its financial structure and procure the greatest coverage possible for the risks inherent to the issue, the Manager, acting on behalf of the Fund, shall proceed to formalize, *inter alia*, the contracts

established below, with the power, in order to comply with the Fund's operating structure in the terms contemplated in the Deed of Incorporation and regulations in force from time to time, to extend or modify such contracts, substitute each one of the providers of services to the Fund thereunder and, even, if necessary, enter into new contracts, subject to notice to the Rating Agencies, provided that the rights of the Bondholders are not thereby hampered and, in particular, provided that a decline in their rating does not take place.

The Manager shall formalize, *inter alia*, the following contracts:

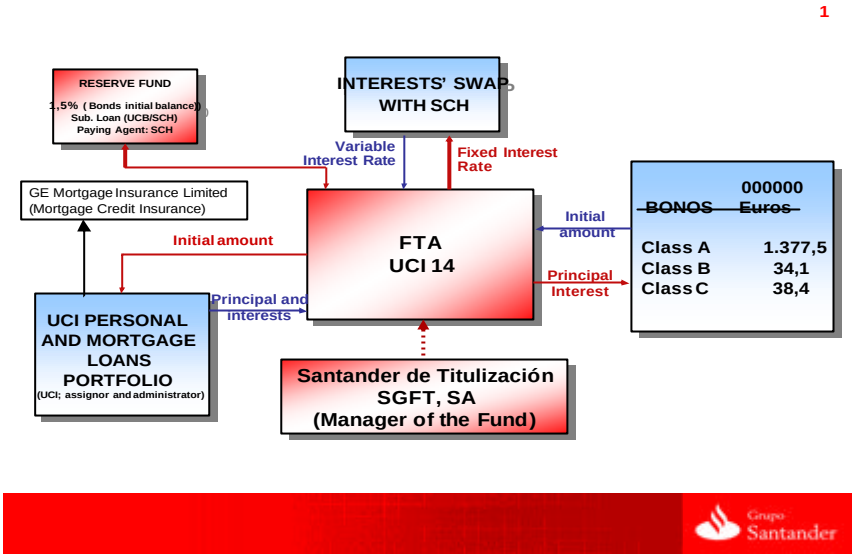
(i) Subordinated Loan Agreement with the Bank and UCB at 50% each in their position of creditor, in the amount that will be earmarked for financing the costs of incorporation of the Fund and issuing of the Bonds, for partially financing the purchase of the Assets, to cover the time lapse between the First Accrual Interest Period and for endowing the Reserve fund.

(ii) Swap Agreement with the Bank;

(iii) Guaranteed Rate Reinvestment Agreement with the Bank, by virtue of which the Bank shall guarantee a variable yield on the amounts deposited by the Fund through the Manager into the Cash Account.

Furthermore, the Manager, acting for and on behalf of the Fund, shall enter into with the Underwriter of the Domestic Tranche the Domestic Tranche Lead Management, Underwriting and Placement Agreement and with the Underwriters of the International Tranche the International Tranche Underwriting and Placement Agreement. The description of the contracts included under this section and under sections 4.1.b) and 5.2. of the Securities Note, 3.4.3.a), 3.4.4 and 3.4.7 of this Additional Building Block to the Securities Note, faithfully reflecting the most relevant data contained in said contracts. No data or information which may turn out to be material has been omitted.

The following includes a diagram explaining the transaction:



Initial Balance Sheet of the Fund

The Fund's Balance Sheet as at the close of the Pay-out Date shall be as follows:

ASSETS		LIABILITIES	
Credit Rights	1.450.000.000 €	Class A Bonds	1.377.500.000 €
Cash Account	21.953.258,60 €	Class B Bonds	34.100.000 €
Costs of Issuing and Incorporation	966.741,40 €	Class C Bonds	38.400.000 €
		Subordinated Loan	22.920.000 €
TOTAL: Total Assets	**1.472.920.000 €**	**TOTAL: Total Liabilities**	**1.472.920.000 €**

3.2 Description of the entities participating in the issue and description of the functions to be performed by them.

a) SANTANDER DE TITULIZACION, S.G.F.T., S.A. is intervening as Manager of the Fund.

The Manager, in accordance with its own legal nature, and as established by law, is responsible for:

The incorporation, management and legal representation of both asset securitization funds and mortgage securitization funds; and

The representation and defense of the interests of the holders of the securities issued against the funds it manages and of their remaining ordinary creditors.

b) UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS EFC, S.A. is intervening as Assignor of the Assets and as collaborator in the financial design of the transaction.

UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS EFC, S.A. is a constituted company on December 9, 1988 whose credit risk has not been rated by the Rating Agencies and is a wholly-owned subsidiary of UCI, S.A., a company held 50% by the Banco Santander Central Hispano Group (ratings: Standard & Poor's and Fitch A+ and AA- for long-term debt and A1 and F+ for short term debt) and 50% by the BNP Paribas (ratings: Standard & Poor's and Fitch AA and AA for long-term debt and A1+ and F1+ for short-term debt).

UCI's basic business activity is financing individual clients for the acquisition or rehabilitation of housing in Spain. This financing is instrumented through the granting of mortgage loans and personal loans associated with the mortgage loans.

UCI is a reference entity in marketing mortgage loans through professionals of the real estate sector and, at present, has a network of 52 Agencies and 45 area delegates throughout Spanish territory.

c) BANCO SANTANDER CENTRAL HISPANO, S.A. is intervening as Lead Manager of the Bond issue, as Paying Agent and as Underwriter of the Domestic and International Tranches.

d) BNP PARIBAS, Spanish Branch, is intervening as Lead Manager of the Bond issue and as Underwriter of the International Tranche.

e) ESPIRITO SANTO INVESTMENT is intervening as Underwriter of the International Tranche

f) DZ BANK AG is intervening as Underwriter of the International Tranche.

g) UNIÓN DE CREDIT POUR LE BATIMENT, S.A. is intervening together with the Bank as counterpart of the Fund in the Subordinated Loan Agreement.

h) FITCH is intervening as credit rating agency for the Bonds.

k) DELOITTE S.L. is intervening as auditor of the accounts of the Fund.

i) STANDARD & POOR'S is intervening as credit rating agency for the Bonds.

j) SQUIRE, SANDERS & DEMPSEY is intervening as legal counsel to the structure of the transaction.

A description of the entities included under sections c) through g) is reflected under section 5.2 of the Registration Document.

3.3 Description of the method and of the date of sale, transfer, novation or assignment of the Assets.

a) Assignment of the Assets.

There is no jurisprudence which enables one to ascertain the interpretation of the courts of the recent regulations contained in Law 22/2003, of July 9. Notwithstanding the above, in accordance with Additional Provision Two of Law 22/2003, of July 9 (insolvency proceedings act), the insolvency specialties of Additional Provision Five of Law 3/1994, of April 14 remain in force. Consequently, we are of the opinion that, if no fraud in the assignment exists, the Assets assigned to the Fund would not form part of the bankruptcy estate in the event of an insolvency proceeding involving the Assignor.

In the event that UCI is held to be insolvent vis-à-vis its creditors, the Fund, acting through the Manager, shall have a right to separation in respect of the assigned Assets. Notwithstanding the above, this right to separation shall not necessarily extend to the money received by UCI and held thereby for the account of the Fund prior to the date of declaration of insolvency since, given its fungible nature, it could become attached to the results of the insolvency proceeding as per doctrine's majority interpretation of article 80 of Law 22/2003, of July 9 (insolvency proceedings act).

The assignment of the Assets, carried out by UCI that will be effective from the Date of Incorporation, will be instrumented through the Deed of Incorporation and shall be carried out as determined below, differentiating between Assets deriving from Mortgage Loans and Assets deriving from Non-Mortgage Loans.

a.1 Assignment of the Assets deriving from Non-Mortgage Loans:

In relation to the Assets deriving from Non-Mortgage Loans and by virtue of the provisions of article 2.2.c).1 of Royal Decree 926/1998, UCI shall formalize in the Deed of Incorporation as the contractual document which accredits the assignment business and

in the terms established therein, the assignment of the aforesaid Assets to the Fund, through the Manager.

In this manner, UCI assigns and transfers to the Fund, in the Deed of Incorporation, its entire stake in the Assets deriving from the Non-Mortgage Loans for a minimum amount, together with the Mortgage Participations and Mortgage Transfer Certificates, equivalent to the figure of this Bond issue

The assignment shall be full and unconditional, with complete transfer of the risk, and is made for the total term remaining through maturity in full of the Assets deriving from Non-Mortgage Loans which are subject to assignment.

a.2 Assignment of the Assets deriving from Mortgage Loans:

With respect to the Assets deriving from the Mortgage Loans – A, UCI shall issue Mortgage Participations and with respect to the Mortgage Loans – B, UCI shall issue Mortgage Transfer Certificates. Said Mortgage Participations and Mortgage Transfer Certificates shall be subscribed by the Fund, through its Manager, by virtue of the Deed of Incorporation and in the terms established therein, and all of the foregoing in accordance with legislation on the Mortgage Market (Law 2/1981, Royal Decree 685/1982, of March 17, Royal Decree 1289/1991, of August 2 (amending certain articles of the aforementioned Royal Decree 685/1982), Law 3/1994, of April 14 in its wording given by article 18 of Law 44/2002, applying to the MTC's current laws in force applicable to Mortgage Participations in order that they may be subscribed by the Manager on behalf of the Fund and pooled therein, and other applicable provisions). With regard to anything not contemplated by the above regulations, this shall be governed by the provisions of Law 19/1992, in such a manner that said execution shall not be the object of a marginal note in each recording of mortgage pertaining to each Mortgage Participation or Mortgage Transfer Certificate, at the Property Registry.

UCI causes the Fund to take a stake in the Mortgage Loans – A by assigning thereto the Assets deriving from the Mortgage Loans – A through the issuance of Mortgage Participations, and causes the Fund to take a stake in the Mortgage Loans – B by assigning thereto the Assets deriving from the Mortgage Loans – B through the issuance of Mortgage Transfer Certificates. The Mortgage Participations, Mortgage Transfer Certificates and the Assets deriving from the Non-Mortgage Loans are pooled into the Fund for a minimum amount, equivalent to the figure of this Bond issue,

all of which in accordance with the provisions of the regulations cited above as well as Royal Decree 926/1998.

The Mortgage Participations and Mortgage Transfer Certificates shall refer to a share in the Mortgage Loans granted by UCI of 100% in principal, and share of 100% in ordinary and default interest, both calculated on the basis of the ordinary interest rate applicable to each Mortgage Loan in question.

The stake in the Mortgage Loans through the issuance of Mortgage Participations or Mortgage Transfer Certificates shall be carried out for the entire term remaining through the final maturity of the said Loans.

The Mortgage Participations and Mortgage Transfer Certificates issued by virtue of the provisions of the Deed of Incorporation shall be represented by two Multiple Certificates issued by the Assignor, each representing all of the Mortgage Participations and Mortgage Transfer Certificates issued. Said Multiple Certificates shall be deposited by the Manager in the same act as the incorporation of the Fund, in the Bank.

In case that the substitution of a Mortgage Transfer Certificate or Mortgage Participation must take place, as well as for the case that the Manager proceeds, in name and on behalf of the Fund, to enforcing the Mortgage Loan, as well as if the Early Liquidation of the Fund proceeds, the selling of the Mortgage Transfer Certificates or Mortgage Participations must take place, UCI agrees to split up, if that is the case, any multiple certificate in so many multiple titles or individuals as necessary, to substitute or exchange in order to achieve the aforementioned goals.

UCI, in its concept of Issuing Entity, will have a special Book in which it will note the Mortgage Transfer Certificates and Mortgage Participations issued, and the changes of address that have been notified by the owners of any of those, also recording (i) formalization and maturity dates of the Mortgage Loans, their amount and the liquidation way (ii) the registry data of the Mortgage that guarantee the Mortgage Loans.

The Manager shall proceed, on behalf of the Fund, in the Deed of Incorporation, with subscription of the Mortgage Participations and Mortgage Transfer Certificates issued by UCI, for the immediate inclusion thereof in the Fund.

The subscription and holding of the MTCs and MPs is limited to qualified investors, not being able to be acquired by the non-specialized public. The Fund, in its condition of qualified investor will subscribe the MTCs and MPs, to the effects of the second paragraph of article 64.6 of Royal Decree 685/1982 and consequently to the issuing of the MTCs and MPs will not be subject of the marginal note in each inscription of the mortgage corresponding to each of the Mortgage Loans in the Property Registry.

As established by Royal Decree 685/82 on Regulation of the Mortgage Market, as amended by royal Decree 1289/91, the Mortgage Participations and Mortgage Transfer Certificates shall be transferable through a written declaration on the certificate itself and, in general, by any of the means admitted by Law. The transfer of the participation and the address of the new holder shall be notified by the transferee to UCI.

The transferor shall not be liable for the solvency of UCI or of the Obligor of the underlying loan, nor for the sufficiency of the mortgage it secures.

In the same act as the incorporation of the Fund, UCI shall assign to the Manager, on behalf of the Fund, the rights to which it is entitled as beneficiary of the damage and fire insurance contracts. Therefore, the Manager, on behalf of the Fund, shall be entitled to all amounts which UCI would have been entitled to receive for this concept.

In case of non-payment by the Debtor of the premium on the damage and fire insurance on the mortgage guarantees, UCI, as mortgage creditor, assumes the payment of such premium by insuring the properties through a group insurance policy with an insurance company, once it has been made aware of such non-payment by the said insurance company.

b) Terms and conditions of the assignment of the Assets.

The assignment to the Fund of the Assets shall be carried out under the following conditions:

b.1 The assignment of the Assets shall comprise the entire principal, and of the interests (ordinary and default) on the Fund's Date of Incorporation.

b.2 The assignment to the Fund of the Assets is full and unconditional and for the entire remaining term through maturity thereof.

b.3 The assignment price of the Assets shall be at par, i.e. principal pending pay-off on the Assets pooled into the Fund on the Date of Incorporation.

The assignment price shall be paid in full prior to 15.00 pm (Madrid time) on the same Business Day, for value that same day, on which the issue has been paid-in in full. Payment shall be made by order given by the Manager to the Bank in order that it proceed to debit the Cash Account open at the Bank, in the name of the Fund, the amount of the price for acquisition of the Assets.

b.4 The assignment of the Assets shall also comprise that of any in-rem or signature guarantees which have been established as security for each Asset and of the rights accessory thereto.

b.5 Until the notice to the respective Obligor of the assignment of an Asset deriving from Personal Loans takes place, UCI shall exercise for and on behalf of the Fund any judicial actions (including, as the case may be, those relating to the foreclosure or enforcement of guarantees) which apply against the said Obligor in relation to the Asset in question. Once such notice has taken place, the exercise of such actions shall be the responsibility of the Manager (or the representatives empowered by the latter for such purpose), acting for and on behalf of the Fund.

b.6 The Assignor shall not be liable for the solvency of the Obligors or for the sufficiency of the guarantees on the Assets.

The Assignor shall only be liable for the existence and legitimacy of the Assets at the time of the assignment in the terms and conditions determined in the Fund's Deed of Incorporation, as well as for the legal status under which it effects the assignment and for the representations reflected under section 2.2.8 of this Additional Building Block to the Securities Note and will not, in any case, be liable of the non-payment of the Loans by the Debtors, this being either the principal, the interests or whichever other amount that they could owe because of the Loans neither does it assume, the effectiveness of the guarantees that are accessory to the Loans. It will not assume in any other way, liability in guaranteeing directly or indirectly the good end of the operation, nor will grant guarantees or warranties, nor will it agree to repurchase agreements or of substitution of the Assets except of that provided for in

Section 2.2.9. of present Additional Building Block to the Securities Note.

b.7 UCI shall be liable to the Fund for any damages experienced by the latter as a result of the exercise of the right to set-off by any of the Obligors, the Fund having to pay an amount equal to that which has been subject to set-off by the relevant Obligor plus, as the case may be, any interest accrued on the said amount as from the date on which the set-off took place (inclusive) through the date it is paid by UCI to the Fund (non-inclusive), calculated at the rate established in the relevant Asset.

b.8 UCI shall not assume any repurchase obligation in respect of the Assets, except in the event that they do not comply with the stipulations of the representations included under section 2.2.8 of this Additional Building Block to the Securities Note at the Date of Incorporation.

b.9 The assignment of the Assets is subject to Spanish common law. In accordance with Spanish common law currently in force, the validity of the assignment of the Assets to the Fund on the part of the Assignor is subject to compliance with the following conditions:

b.9.1 That the Asset in question does not prohibit the assignment thereof or, if it does, that the Debtor's consent and any other necessary consent, as the case may be, have been obtained;

b.9.2 That any conditions or requisites which, in relation to said assignment, are established in the relevant Loan have been met or, if not, the Debtor's consent and any other necessary consent, as the case may be, have been obtained.

In accordance with article 1527 of the Spanish Civil Code, the Obligor that, prior to becoming aware of the assignment, pays the creditor, shall be released from the obligation. For this purpose, by virtue of the Deed of Incorporation, the Assignor shall notify (itself or through a notary public) the assignment, when necessary or required in accordance with the terms of the pertinent Asset, to the respective Obligors, within a period of twenty (20) Business Days following the formalization of the Deed of Incorporation, or at any subsequent time if so required by the Manager and, in any case, in the event of insolvency of the Assignor. Once the assignment has been notified to the Obligors, they are only discharged from their obligations through payment to the Paying Agent. In accordance with article 1198 of the Spanish Civil Code, an obligor who has

consented to the assignment may not object to the Fund the set-off to which it would have been entitled vis-à-vis the Assignor.

With regard to the assignment of the Assets deriving from Mortgage Loans, Spanish common law is the law naturally applicable to the assignment, made through the issuance by UCI of the MP's and MTC's for subscription in full by the Fund, in accordance with Additional Provision 5 of Law 3/1994, as per a wording given by article 18 of Law 44/2002; Law 2/1981; Royal Decree 685/1982; and other regulations in force from time to time, applicable to the transferability and acquisition of mortgage market securities.

c) Description of the rights which, in favor of their holder, are conferred by the Assets on the Loans backing them.

The Fund, as holder of the Assets, shall hold the rights recognized to the assignee in article 1528 of the Spanish Civil Code.

Specifically, the Assets confer the following rights:

c.1 All of the amounts accrued on the amortization of capital or principal of the Assets;

c.2 All of the amounts accruing for ordinary interest on the Assets;

c.3 All of the amounts accruing for default interest on the Assets;

c.4 Any amounts or assets received through judicial or notary public foreclosure of the guarantees or, in the case of the Mortgage Loans, for the disposal or exploitation of the real properties adjudicated to the Fund in foreclosure of the mortgage guarantees, or in administration and interim possession of the property (in a foreclosure process) up to the amount of the sums owed by the respective Obligor, acquisition at the price of the winning bid or amount determined by judicial resolution. Also the Fund, in case that the Debtor is not in bankruptcy situation, will be able to apply the remaining balance of the enforcement of the mortgage guarantees to the payments of the debted amounts in concept of Non-Mortgage Loans ; and

c.5 All possible rights or indemnities which may result in favor of UCI, including not only those deriving from the insurance contracts assigned by UCI to the Fund, but also those deriving from any accessory right to the Assets.; with the exception of fees for claiming unpaid debit orders, subrogation fees, prepayment and early cancellation fees as well as any other fee our outlay to which the assignor is entitled.

c.6 In the case of prepayment of the Loans caused by partial or total anticipated reimbursement of the principal the substitution of the affected Assets will not take place.

The fees deriving from the Assets are not subject of assignment to the Fund.

All of the rights mentioned above shall accrue in favor of the Fund as from the Date of Incorporation.

The ordinary and delinquency interests of the Assets that are accrued until the Date of Incorporation will correspond to the Assignor.

The rights of the Fund resulting from the Assets are tied to the payments made by the Obligors against the Loans and, therefore, are directly affected by the evolution, lateness, advance payment or any other incident in relation thereto.

d) Selling price or assignment of the Assets

The selling price or assignment of the Assets will be at par, meaning that, for the outstanding principal of payment of the Assets and will be satisfied at the Pay Out Date in the Cash Account.

The Assignor won't perceive any interests for the deferral of the payment of the sale price from the Date of Incorporation until the Pay-Out Date.

In case that the incorporation of the Fund was terminated, and consequently the assignment of the Bonds, the obligation of payment of the price by the Fund arising from the acquisition of the Assets will terminate and the Manager will be obliged to restitute to UCI in any rights that would have arisen in favor of the Fund because of the assignment of the Assets.

3.4 An explanation of the flow of funds, including:

3.4.1 How the cash flow from the Assets will meet the issuer's obligations to holders of the securities.

The amounts received by the Fund deriving from the Assets, shall be deposited by the Administrator into the Cash Account or, as the case may be by the Manager, into the Excess Funds Account immediately and, in any case prior to twenty four (24) hours following the date on which they were received. Therefore, the Fund shall practically be receiving daily revenues into the Cash Account or into the Excess Funds Account, as the case may be, for the amounts received on the Assets.

The average weighted interest rate on the selected loans as at October 20, 2005, as detailed under section 2.2.2.e), *supra*, is 4.10%, this being greater than the weighted average nominal rate on the Bonds that with the detailed data in the table reflecting same in the section 4.10 of Securities Note is of 2.34%. Notwithstanding the above, the Swap mitigates the interest rate risk suffered by the Fund for the fact of having fixed and variable interest Loans with different reference indices and different adjustment periods, and settlement at the interest rates on the Bonds referenced to three-month Euribor, and with quarterly settlement and accrual periods, as well as the risk deriving from possible re-negotiations of the interest rates on the Loans which may even result in the novation thereof at a fixed interest rate.

3.4.2 Information on any credit enhancements.

3.4.2.1 Credit enhancements

The credit enhancements operations incorporated by the Funds structure are the following:

a) Reserve Fund.

Mitigates the credit risk for the delay or non-payment of the Loans. The Reserve Fund is equivalent to the 1,50% of the initial amount of the Bonds during the first three years, as detailed in section 3.4.2.2. below.

b) Interests Exchange (Swap)

Mitigates the risk of the interest rate that arises from the existence of different interest rates among the Assets and the Bonds.

c) Guaranteed Interest Rate Reinvestment Agreement and Excess Funds Account

Mitigates partially the decrease of the yield of the liquidity of the Fund caused by the time lapse between the sums received daily from the Loans until the payment of the interest and principal reimbursement of the Bonds takes place in the immediately following Payment Date.

d) Subordination and postponement of payment of principal and interests between the different Classes of Bonds.

Classes B and C represent a 5% of the initial amount of the Bonds. The redemption of all Classes will be sequential until the redemption of Classes B and C begins, whereat the redemption will be pro rata as described in section 3.4.3.b).b.2 of the present Additional Building Block to the Securities Note. Taking into account a CAPR of 15%, the redemption of the Bonds of all Classes will be pro rata

when the redemption of approximately 47% of the initial Balance of the Class A Bonds.

e) Excess of spread

The excess of spread is the difference between the interest rate of the Loan portfolio (4,10%) and the interest rate of the Bonds (2,34%), that at the Date of Registration of the present Prospectus, will be of 1,76%.

f) Credit Insurances

The forty two (42%) per cent of the preliminary portfolio of Loans is insured with the Mortgage Credit Insurance of General Electric Mortgage Insurance subscribed by UCI. The amount of the Mortgage Insurance covers the percentage financed that exceeds the seventy eight per cent (78%) of the appraised value until the ninety seven per cent (97%).

3.4.2.2 Reserve Fund

The Manager, acting for and on behalf of the Fund, shall fund a Reserve Fund with charge to the Subordinated Loan described in section 3.4.3.a) of the present Additional Building Block to the Securities Note with the following characteristics:

a) Amount:

It shall have an initial amount equal to twenty one million seven hundred fifty thousand euros (€21,750,000), equivalent to 1.5% of the initial amount of the Bonds and shall remain fixed at the said amount during the first three years.

When the Reserve Fund reaches 3% of the Outstanding Balance of the Assets, the Reserve Fund may decrease quarterly on each Payment Date and shall remain constant on that percentage until the Reserve Fund reaches a minimum level equal to 0.40% per cent of the initial amount of the Bonds.

This rule will be deemed as general, as long as the Outstanding Balance of the Assets with default and delayed payment equal or greater than ninety (90) days is less than 0.75%. In the case of variations in the default and late payment of the Assets, the Reserve Fund will follow the next conditions:

a.1 When, on a Payment Date, the Outstanding Balance of the Assets subject to late payments greater than or equal to ninety (90) days is between 0.75% and 1.25% of the Outstanding Balance of the Assets, and the Reserve Fund reaches 3% of the Outstanding Balance of the Assets, the Reserve Fund could decrease until it reaches a minimum amount of 0.70% of the initial amount of the Bonds. This required level for the Reserve Fund will remain constant provided that these late and default payment levels are maintained.

a.2 When, on a Payment Date, the Outstanding Balance of the Assets subject to late payments greater than or equal to ninety (90) days is greater than 1.25% of the Outstanding Balance of the Assets, the Reserve Fund will have an amount equal to the maximum between 0.80% of the Initial Balance of the Bonds and 3% of the Outstanding Balance of the Assets. This required level for the Reserve Fund shall remain constant provided that these default levels are maintained.

When these circumstances do not occur the Reserve Fund can decrease until it reaches the required level.

The required levels for the Reserve Fund shall remain constant until the Legal Maturity Date of the Fund when it will be used to fulfill the obligations of payments of the Fund.

Notwithstanding the above, in order that the Reserve Fund may decrease on a Payment Date, it is a necessary condition that none of the following circumstances shall occur:

a) That a Redemption Deficit exists.

b) That the Outstanding Balance of the Assets is less than 10% of the initial balance.

c) That the average weighted interest rate on the Assets is less than the average weighted interest rate on the Bonds of the three Classes plus a spread of 0.40%.

b) Yield

The amount of the said Reserve Fund shall be paid into the Cash Account and shall be subject to the Cash Account Guaranteed Interest Rate Reinvestment Agreement to be entered into with the Bank, as long as the Bank Maintains a rating on its short-term debt of at least A-1 and F1 (as per the rating scales of Standard & Poor's and Fitch, respectively).

c) Use:

The Reserve Fund shall be applied, on each Payment Date, towards performance of the payment obligations contained in the order of priority of payments contained under section 3.4.6.(b), *infra*.

3.4.3 Details of any subordinated debt finance.

a) Subordinated Loan Agreement.

The Manager, acting for and on behalf of the Fund, shall enter into with the Bank and UCB, the Subordinated Loan Agreement (each of the latter two holding 50% of the creditor position), in the total amount of twenty two million nine hundred twenty thousand euros (€22.920.000), which shall be earmarked towards financing the Fund's incorporation expenses and the Bond issue, towards partially financing the acquisition of the Assets to cover the temporary shortfall in the first Interest Accrual Period due to the difference to be generated between the interest on the Assets which shall be collected during the first Accrual Period and the interest on the Bonds to be paid on the first Payment Date, and towards funding the Reserve Fund.

The amount of the Subordinated Loan will be paid into the Cash Account on the Pay-Out Date.

The Subordinated Loan shall accrue annual nominal interest equal to the interest rate which results from adding a spread included between zero point fifty-five percent (0.55%) and zero point seventy percent (0.70%) to EURIBOR (*Euro Interbank Offered Rate*), the money market reference rate for the euro, in deposit transactions at three (3) months or four (4) months this last one only for the first Interest Accrual Period.

Interest accrued and not paid on a Payment Date shall accumulate, accruing default interest at the same rate as the interest on the Subordinated Loan, and shall be paid, provided that the Fund has sufficient liquidity, in accordance with the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note.

The portion of the Subordinated Loan assigned to financing the Fund's incorporation expenses, the portion assigned to financing the Bond issue's expenses and the portion that has the object of covering the temporary shortfall of the first Interest Accrual Period shall be repaid quarterly, to the extent that such expenses are amortized, during the first three (3) years after the incorporation of the Fund and the Bond issue.

Notwithstanding the aforesaid, this part of the Subordinated Loan, may be paid off early, provided that the Fund has sufficient liquidity in accordance with the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note and it is so agreed between the Manager and UCI.

The portion of the Subordinated Loan assigned to partially financing the acquisition of the Assets shall be repaid on the Payment Date previous to the Legal Maturity Date of those Assets (June 20, 2043) or, as the case may be, on the date of their prepayment

The rest of the principal on the Subordinated Loan shall be repaid on each one of the Payment Dates in an amount equal to the difference existing between the amounts of the balances required of the Reserve Fund on the preceding and current Determination Dates. All of the foregoing shall be provided that the Fund has sufficient liquidity in accordance with section 3.4.6.(b) of this Additional Building Block to the Securities Note.

This loan, due its subordinated nature, shall be postponed in ranking with respect to several of the other creditors of the Fund in the terms provided by section 3.4.6.(b) of this Additional Building Block to the Securities Note, including, but not only, the Bondholders.

If, prior to the start of the Subscription Period, the Rating Agencies do not confirm as definitive any of the provisional ratings assigned, this circumstance will lead to the termination of the Subordinated Loan Agreement, except as regards the initial expenses for incorporation of the Fund and the Bond issue.

b) Rules of subordination among the Bonds.

b.1 Payment of interest:

The payment of interest accruing on the Class A Bonds holds third (3rd) place in the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note.

The payment of interest accruing on the Class B Bonds holds fourth (4th) place in the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note. Consequently, it shall be postponed in ranking with respect to the payment of interest accruing on the Class A Bonds.

The payment of interest accruing on the Class C Bonds holds fifth (5th) place in the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note. Consequently, it shall be postponed in ranking with respect to the payment of interest accruing on the Class A and B Bonds.

b.2 Redemption of Principal:

The principal on the three Classes of Bonds ranks sixth (6th) place in the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note. Said redemption shall be carried out pursuant to the following rules of subordination among the three Classes:

1. Through the first Payment Date (non-inclusive) on which the Outstanding Principal Pending Payment on the Class B Bonds is greater than or equal to four point seventy percent (4.70%) of the Outstanding Principal on the total Bonds of the three (3) Classes, the Available Redemption Funds shall be used in their entirety for redemption of the Class A Bonds.
2. On the Payment Date on which the above ratio is greater than or equal to four point seventy percent (4.70%), the Available Redemption Funds shall be applied to the redemption of both Classes A and B, proportionally between them, in such a manner that said ratio between the Outstanding Principal on the Class B Bonds and the Outstanding Principal on the total Bonds of the three (3) Classes shall be maintained at four point seventy percent (4.70%) or closest higher percentage.
3. On the Payment Date on which the Outstanding Principal on the Class C Bonds is greater than or equal to five point thirty percent (5.30%) of the Outstanding Principal on the total Bonds of the three (3) Classes, the Available Redemption Funds shall be applied to the redemption of the three (3) Classes A, B and C, in such a manner that the ratio between the Outstanding Principal on the Class B Bonds and the Outstanding Principal on the total Bonds of the three (3) Classes is maintained at four point seventy percent (4.70%) or closest higher percentage and the ratio between the Outstanding Principal on the Class C Bonds and the Outstanding Principal on the total Bonds of the three (3) Classes is maintained at five point thirty percent (5.30%) or closest higher percentage.

The redemption of all Classes will be sequential until the redemption of Class B and C begins, whereat the redemption will be pro rata as described in this section. Taking into account a TACP of 15%, the redemption of Class B Bonds and Class C Bonds will begin approximately when a 47% of the initial balance of the Class A Bonds is redempted.

Regarding the redemption of Class B and C Bonds and even when all the previous situations happened, such redemption won't take place if any of the following circumstances happened:

- The Outstanding Balance of the Bonds with delinquency equal or superior to 90 days in the Determination Date immediately previous to the payment date in process is equal or superior to 2% of the Outstanding Balance of the Bonds.
- That the Redemption Shortfall is higher than 100% of the amount of Class C Bonds.
- That the available amount in the Reserve Fund is lower to the minimum required amount established in section 3.4.2 of the current Additional Building Block to the Securities Note.
- That the Outstanding Balance of the Bonds pending redemption is lower to 10% of the initial Outstanding Balance of the Bonds.

In any of the above circumstances the total Available Redemption Funds shall be assigned to the redemption of the Class A Bonds. When none of the said circumstances occur, the redemption of the Classes B and C Bonds shall be re-established.

3.4.4 An indication of any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment.

The Manager, acting for and on behalf of the Fund, and the Bank, shall enter into the Guaranteed Rate Reinvestment Agreement by virtue of which the Bank shall guarantee a yield on the amounts deposited by the Fund, through its Manager, into the Cash Account. Specifically, the Guaranteed Rate Reinvestment Agreement shall determine that the amounts received by the Fund, for:

(i) principal and interest on the Assets;

(ii) any other amounts which are received for payment of principal or ordinary and default interest on the Assets;

(iii) amounts which constitute the Reserve Fund from time to time;

(iv) the amounts which, as the case may be, are paid to the Fund and derive from the Swap;

(v) the amounts of the returns obtained on the balance of the Cash Account;

shall be deposited into the Cash Account.

In the Cash Account all the collections and payments during the whole life of the Fund.

In the Pay-Out Date the Cash Account will receive the effective amount for the assignment of the Bond's subscription and the initial amount of the Subordinated

Loan and will pay the acquisition price for the Assets assigned by the Bank for its initial amount and the expenses of the incorporation of the Fund.

The Bank guarantees to the Fund, through its Manager, an annual yield on the amounts deposited into the Cash Account, equal to the EURIBOR interest rate at five (5) months.

By way of exception, and for the first Interest Accrual Period, the interest rate shall be EURIBOR at four (4) months at 11.00 am (CET Time) on the date of the Deed of Incorporation.

The calculation of the yield on the balance of the Cash Account shall be carried out by taking the actual days and by using as a base a year composed of three hundred sixty-five (365) days. Interest shall be settled monthly, five (5) Business Days preceding the 20th day of each month.

In the event that the Bank's short-term debt should undergo, at any time during the life of the Bond issue, a decline in its rating below A1 or F-1 (as per the rating scales of Standard & Poor's and Fitch, respectively), the Manager shall have a maximum deadline of thirty (30) Business Days from when such situation takes place, to transfer, acting for and on behalf of the Fund, the Fund's Cash Account to a bank whose short-term debt possesses a minimum rating of A-1 or F-1, in such a manner that at the time in which the funds are deposited into the account at the new bank, the Bank shall cease to carry out the reinvestment thereof, and the Manager shall contract the highest yield possible for the balance thereof, which may be different from the one contracted with the Bank. It shall be possible to transfer it back to the Bank at a later time, when its short-term debt once again achieves the rating A-1 or F-1 (according to the aforesaid rating scales).

Through the Guaranteed Rate Reinvestment Agreement, the risk of temporary shortfall between the Fund's income from principal and interest having a varied frequency and the redemption and payment of interest on the Bonds, having a quarterly frequency, is mitigated.

In the event that the sum accumulated in the Cash Account exceeds 20% of the Balance de Principal on the Bonds, the Manager, for the account of the Fund, shall open a new account at other bank with a minimum short-term rating of A-1+ and F1 (the "**Excess Funds Account**") under the best conditions possible into which all sums which exceed the aforementioned 20% shall be deposited. In the event that the new bank should forfeit the rating A-1+ and F1 the Manager shall have 30 days to find a new bank with minimum ratings cited above. The Manager shall notify S&P and Fitch with as much advance notice as possible as to the probability of this event occurring.

In the event that the Manager, upon contracting the maximum yield for the balance of the Excess Funds and Cash Account, being necessary, should choose to invest in securities, such securities would have to have a minimum rating of A-1+ and F1 (as per the rating scale of S&P Ratings Services and Fitch), be deposited with a bank having a minimum rating of A-1+ and F1 (as per the rating scales of

S&P Ratings Services and Fitch) and have a maturity earlier than the next interest Payment Date.

The Excess Funds Account, once established, shall remain open during the entire life of the Fund, and its balance shall include both the excess of the 20% accumulated in the Cash Account as well as any amounts received as yield thereon.

3.4.5 How payments are collected in respect of the Assets.

UCI, as collection manager, shall receive for the account of the Fund such sums of money as are paid by the Obligors as deriving from the Assets, both for principal or interest, as well as any other concept and the insurance contracts assigned to the Fund, and shall proceed to deposit into the Cash Account the amounts which pertain to the Fund, immediately and, in any case, within a period not to exceed twenty four (24) hours.

Furthermore, UCI shall pay into the said Cash Account and within the above-mentioned deadline the amounts it receives, as the case may be, from the Obligors for prepayment of the Assets and which pertain to the Fund.

3.4.6 Origin and Application of Funds.

In the Date of Incorporation of the Fund and issuing of the Bonds, the Fund will lay out the amounts that come from the subscription of the issuing Bonds and the subordinated Loans and will apply these amounts to the following payments: sale price or assignment of the Bonds, payment of the expenses of incorporation of the Fund and issuing of the Bonds and endowment of the Reserve Fund.

From the Date of Incorporation until the complete redemption of the Bonds, the origin and application of the amounts available to the Fund will be the detailed following:

a) Origin

Available Funds on each Payment Date shall be those coming from the following concepts:

1.1 Interests collected (including default interest) on the Assets during each preceding Determination Period.

1.2 The yield obtained during each preceding Determination Period on the reinvestment of the Reserve Fund as well as on the amounts

deposited into the Cash Account and into the Excess Funds Account, if that is the case.

1.3 Amounts received for principal on the Assets during each preceding Determination Period.

1.4 The Reserve Fund.

1.5 The net amounts received by virtue of the Swap Agreement.

1.6 Any other amounts which the Fund may receive, including those which may result from enforcement of the guarantees of the Assets.

The Available Funds will be assigned in this same order to confront the payments described in the order of priority described herein in section b).

b) Application

The Manager, on behalf of the Fund, shall proceed to apply on each Payment Date the amount of the Available Funds (independently to the accrual moment) to the payments and withholdings, in accordance with the order of priority of payments described below:

1. Payment to the Manager for ordinary and extraordinary expenses of the Fund, including the periodic management fee in favor of the same and payment to UCI of the expenses it has advanced or borne on behalf of the Fund on an exceptional basis in relation to the administration of the Assets (for enforcement of guarantee and/or sale of properties), all of which duly justified.

2. Payment to the Bank of the net amount of the swap, in accordance with the provisions of section 3.4.7 of the Additional Building Block to the Securities Note and in case of termination of the said Agreement due to breach by the Fund, the Swap Settlement Payment.

3. Payment of interest on the Class A Bonds.

4. Payment of the interest on the Class B Bonds, except for the postponement of their payments, regarding the exceptional rules described in section 3.4.6.c)

5. Payment of the interest on the Class C Bonds, except for the postponement of their payments, regarding the exceptional rules described in section 3.4.6. c)

6. Withholding of an amount equal to the Accrued Redemption Amount earmarked for the redemption of the Bonds, as described in section 4.9.2. of the Securities Note

7. Payment of the interests of the Class B Bonds when the postponement of the payment from 4th place in the order of priority for payments.

8. Payment of the interests of the Class C Bonds when the postponement of the payment from the 5th place in the order of priority for payments.

9. Withholding of the sufficient amount to maintain the Reserve Fund at the required level at each time According to that established in section 3.4.2.2. of the present Additional Building Block to the Securities Note.

10. Payment in case of termination of the Swap Agreement due to breach by the Bank, of the Swap Settlement Payment.

11. Payment of interest accruing on the Subordinated Loan.

12. Repayment of principal on the Subordinated Loan in an amount equal to the depreciation of the Fund's expenses pertaining to incorporation and the Bond issue.

13. Repayment of principal on the Subordinated Loan in an amount equal to the difference existing between the amount of the required balance of the Reserve Fund as at the preceding Determination Date and the current Determination Date.

14. Payment to UCI, on each Payment Date, of the fee for administration of the Assets, equal to SIX THOUSAND EUROS (€6,000), VAT inclusive, and until the Legal Maturity Date on which the total redemption of the issue takes place, inclusive (or until the Payment Date on which the early redemption of the issue takes place).

15. Quarterly payment to UCI of a variable amount as remuneration or compensation for the financial intermediation process carried out equal to the difference between the booked income and expenses for the Fund, on the relevant Payment Date.

The expenses reflected in first place in the above order of priority are broken down into the following:

- Expenses deriving from the annual audits of the Fund's financial statements;

- Notary Public Expenses

- Expenses deriving from maintenance of the ratings of the three (3) Bond Classes;

- Expenses related to any notices which, in accordance with the provisions of this Prospectus, must be given to the holders of Bonds in circulation;

- In general, any other expenses borne by the Manager, and arising out of its work involving representation and management of the Fund.

In case that at any Payment Date prior to the Payment Date in process any concept was left unpaid the order of priority established in this section will be strictly followed, beginning with the eldest concept.

c) Exceptional rules of priority of payments for the account of the Fund:

c.1 If the substitution of UCI as Asset Administrator should take place, in favor of another entity, a fee shall accrue in favor of the third party, i.e. the new Administrator, which shall go from holding 14th place to 1st place in the order of priority of payments established in section 3.4.6.b) above.

c.2 In the event that on a Payment Date (with respect to the period running between such Payment Date and the previous one), more than seven percent (7%) of the Debtors (outstanding balance) have exercised the right to limitation of payment amount as per CPI, the payment of Item 13 of the order of priority of payments, referring to the quarterly payment to UCI of a variable sum as remuneration or compensation for the financial intermediation process, shall be suspended. In such case, the said amount would be deposited into the Cash Account until the Payment Date on which the exercise of the limitation of payment amount as per CPI pertaining to the new period does not exceed the above-mentioned percentage. At that Payment Date the withheld amount will become part of the Available Funds. The payment of said fee may only resume provided that the rating granted to the Bonds by the Rating Agencies is not affected. The calculation of the said percentage shall be performed on the Determination Dates.

c.3

Payment of interest on the Class B Bonds shall be postponed from 4th to 7th place, and therefore the interests of Class C from 5th to 8th place and the Reserve Fund to the 9th place, if the following two (2) circumstances should occur:

1. That on a Payment Date the complete redemption of the Class A Bonds has not taken place, and

2. That on a Payment Date the amount resulting from deducting from the Outstanding Principal of Class A the sum of following amounts is greater than zero:
   - The remainder of Available Funds after deducting the amounts applied to the payment obligations in points 1 through 4, inclusive, of this order of priority, and
   - The Outstanding Balance of the Assets paid current or subject to less than eighteen (18) months lateness in payments on the preceding Determination Date.

   Notwithstanding the above, regardless of whether the above two circumstances occur, the Payment of Interest on the Class B Bonds, in 4th place, shall proceed provided that the Fund has available the remainder which comes from the collection of interest on the Assets and from the yield obtained on the Cash Account and the Excess Funds Account, as the case may be.

c.4 Payment of interest on the Class C Bonds shall be postponed from 5th to 8th place, and the Reserve Fund to the 9th place, if the following two (2) circumstances should occur:

1) That on a Payment Date the complete redemption of the Classes A and B Bonds has not taken place, and
2) That on a Payment Date the amount resulting from deducting from the sum of the Outstanding Principal on Classes A and B the sum of the following amounts is greater than zero:
   - The remainder of Available Funds after deducting the amounts applied to the payment obligations in points 1 through 5, inclusive, of this order of priority and
   - The Outstanding Balance of the Assets paid current or subject to less than eighteen (18) months lateness in payments on the preceding Determination Date.

   Notwithstanding the above, regardless of whether the above two circumstances occur, the Payment of Interest on Class C shall proceed, in the 5th place, provided that the Fund has available the remainder which comes from the collection of

interest on the Assets and from the yield obtained on the Cash Account and the Excess Funds Account, as the case may be.

c.5 The remainder amounts coming from the collection of interest on the Assets and the yield obtained on the Cash Account and Excess Funds Account, if that is the case, indicated in items 3 and 4 and 5 of the present Section, shall cease to apply to the payments of interests on Class B and Class C Bonds, as it were, and shall be added to the Accrued Redemption Amount in the event that the ratio of the Cumulative Write-off Balance to the initial portfolio balance reaches 9.60%.

The Cumulative Write-off Balance shall be the Balance of Loans with pending quotas superior to 18 months, or that have begun with the guaranteed enforcement period (if that process happened prior to the first delinquent time) without taking into account the amounts that could result from the enforcement process of the guarantees of the Assets.

Practical Example applying the exceptional rules of postponement in the payment of the interests of Class B and C Bonds.

Origin of the Disposable Funds:

1. Interests of the Assets- 1.000
2. Yield of the Cash Account and of the Excess Funds, as the case may be.- 100
3. Balance of the Assets-2.000
4. Reserve Fund- 2.000
5. Swap net amount-100
6. Other amounts-10

Available Funds TOTAL: 3.210

Assigment of the Available Funds (according to the order of priority described in previous section 3.4.6.b) at any Payment Date, it is assumed:

Items 1 to 4.- Add up to a total amount of 800 and are paid following the established order in section 3.4.6.a), meaning, applying at first place the amounts coming from the interests of the Assets and the yield of the Cash Account and the Excess Funds Account, as the case may be (1.100).

Item 4.- The exceptional rules of the order of priority established in this section must be checked:

1. Outstanding Balance of the Class A Bonds -3.200
2. Remaining of Available Funds (once payments for items 1 to 4 of the order of priority are done), taking into account that only the amounts coming from the interests of the Assets and the yield of the Cash Account and the Excess Funds Account, as the case may be -2.140 (3.210-800)
3. Outstanding Balance of the Bonds with less than 18 months of delay.

If previous rule c.3 is applied, it will have as a result:

"Outstanding Balance of Class A Bonds (3.200) - remainder of the Available Funds (2.410)- Outstanding Balance of the Bonds with less than 18 months (700)= Positive result of 90"

This would imply that the payment of the interests of the Class B Bonds will be postponed to item 7 of the order of priority, meaning, Classes A, b and C will be redempted before paying interests of the Class B and C Bonds.

However, and yet fulfilling the aforementioned, if the remainder of the Available Funds corresponds to the interests of the Assets and to the yield obtained in the Cash Account and the Excess Funds Account, as the case may be, the interests of Class B Bonds for this amount and in its original order of priority.

In this example, 1.000 has been taken as concept of interests of the Assets and the yield of the accounts 100, adding up to a total amount of 1.100. The payments made from 1 to 4 have been 800, therefore, a remainder of 300 will be earmarked to the payment of the interests of Class B Bonds.
The remainder corresponding to the interests of the Assets and the yield obtained by the Cash Account and the Excess Funds Account, as the case may be, (300 in our example) won't be earmarked to the payment of interests of the Class B Bonds, in the case that the ratio of the Cumulative Write-off over the initial balance of the portfolio reaches 9,60%. This will produce the postponement of the payment of the interests of Class B Bonds to the 7th place in the order of priority of payments and the remainder will become part of the Accrued Redemption Amount.

3.4.7 Details of other agreements on which interest and principal payments to the Bondholders depend.

The portfolio of Loans to be securitized is composed of Mortgage Loans at a fixed interest rate during the first three (3) years and Non-Mortgage Loans at a fixed interest rate during the first five (5) years, and the Fund shall issue Bonds at a variable interest rate. Consequently, the Manager shall enter into, acting on behalf of the Fund, with the Bank, a swap agreement, as per ISDA 1992 standard form, the terms of which are described below.

The entering into of the Swap Agreement responds to the need as mentioned above to mitigate the interest rate risk which takes place as a consequence of the existence of different interest rates between the Assets and the Bonds. This difference lies in the following.

By means of the Interest Swap, the Fund will make payments to the Bank, calculated on the interest rate of the Assets and, as counterpart, the Bank shall make payments to the Fund, calculated on the average weighted nominal interest rate of the Bond Class, all of which as described above:

a) Five point five percent (5.5%) of the Mortgage Loans (which represent five percent (5%) of the Asset portfolio) have a fixed interest rate the first three (3) years, as a consequence of the underlying Mortgage Loans formalized in 2004 having a mixed interest rate, that is fixed the first three years and variable the remainder of the term of the Mortgage Loan. The average present interest rate on this portfolio is 4.33% and the spread through December 2008 is 1.58%. (The maximum date for change to variable rate of this portfolio shall be June 5, 2008). The average date of maturity for this portfolio is June, 2007.

b) Sixty-eight percent (68%) of the Non-Mortgage Loans (which represent five percent (5%) of the portfolio of Assets) have a fixed interest rate the first five (5) years, as a consequence of the underlying Non-Mortgage Loans formalized in 2004 having a mixed interest rate, that is, fixed the first five years and variable the remainder of the term of the Non-Mortgage Loan. The present average interest rate of this portfolio is 6.53% and the spread through December 2008 is 3.98%. (The maximum date for change to variable rate of this portfolio shall be June 2010). The average date of maturity for this portfolio is June, 2007.

By virtue of the aforesaid Swap Agreement, the Manager, on behalf of the Fund, shall make payments to the Bank of the "fixed amounts" and, as counterpart, shall receive from the Bank the "variable amounts", all of which, as described below.

1. Fixed interest rate.

The fixed interest rate is established at 2.20% nominal per year to be paid quarterly on the basis of Act/360 during the entire life of the Swap Agreement.

2. Variable interest rate.

The variable interest rate shall be the reference interest rate applicable from time to time to the Bonds (Euribor 3 months).

3. Notional principal of Swap.

This shall be ONE HUNDRED FIFTY MILLION EUROS (€150,000,000) and shall decrease as per the following schedule, until termination on December 20, 2008:

Payment Date	Notional Amount
Until 20/09/2006	150,000,000
Until 20/03/2007	125,000,000
Until 20/06/2007	25,000,000
Until 20/12/2008	15,000,000

4. Fixed amounts.

These shall be those resulting from applying the fixed interest rate (as per point 1) to the notional principal of the Swap (as per point 3, supra).

5. Variable amounts.

They shall be those resulting from applying the variable interest rate (as per point 2) to the notional principal of the Swap (as per point 3, supra).

6. Net amount

Payments (or collections) which must be made by virtue of the Swap Agreement shall be made on each Payment Date, by netting, that is, the positive (or negative) difference between the fixed amounts and variable amounts.

7. Term of duration.

As a consequence of the interest rate risk cited above, concentrated as from the Fund's Date of Incorporation through June 2008 (the maximum maturity date of the fixed rate period), the Swap Agreement shall have as its termination date December 20, 2008, as per the redemption schedule described Under point 3, supra. The termination of the Swap Agreement does not mean the liquidation of the Fund.

In relation to the Swap Agreement, the Bank shall assume the commitment vis-à-vis the Manager, on behalf of the Fund, that if the Bank's rating should decline at any time during the term of duration of the Swap Agreement, below A-1(for short-term debt as per the rating scale of S&P Rating Service) and A and F1 as per the Fitch scale (for short and long term debt, respectively), and within a maximum period of thirty (30) business days from the day on which the notice of

this circumstance took place, the Bank would choose one of the following three alternatives: (i) a third party bank would guarantee the performance of its contractual obligations, or (ii) a third party bank would assume its contractual position and would remain subrogated in the Contract in substitution of the Bank, in both cases (i) and (ii) provided that the said bank had at least a rating of A-1 for the short term debt (as per the rating scale of S& P Rating Service) and A and F-1 (a per the rating scale of Fitch for the short and long term debt, respectively) and under the criteria to evaluate the counterparty's risks by the Rating Agencies in force at that moment , in order to maintain the rating awarded to the Bonds of all Classes, or (iii) post a deposit In the account named by the Manager in favor of the Fund, for an amount falling under the criteria to evaluate the counterparty's risks by the Rating Agencies in force at that moment. If the counterpart rating descended to an A-3 level (as per the rating scale of S&P Rating Service) or below BBB and F2 (by Fitch scale, for the long and short term debt, respectively) it must be substituted by an Entity with an A-1 rating (a per the rating scale of S&P Rating Service) and A and F1 (by Fitch scale, for the long and short term debt, respectively) . All costs, expenses and taxes incurred as a consequence of complying with the above obligations shall be for the account and expense of the Bank.

In the event of an extreme situation on the limit, that on a Payment Date, the Fund does not have sufficient liquidity to make payment of the entire net amount (in the event that the fixed amount to be paid to the Bank is greater than the variable amount to be received by the Fund) to be paid by the Fund to the Bank, or the Bank does not make payment of the net amount (in the event that the Variable Amount to be received by the Fund is greater than the fixed amount to be paid to the Bank), the Swap Agreement shall be terminated, and the settlement payment shall be calculated by virtue of the terms of the Swap Agreement. In the event that the settlement payment is favorable to the Fund, the Bank shall assume this obligation. If, on the contrary, the settlement payment is favorable to the Bank, its payment shall be made In accordance with the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note.

Notwithstanding the above, except in the extreme situation of permanent imbalance described above, the Manager agrees during the term of duration of the Swap Agreement, to procure to always have a Swap Agreement in force.

3.5 Name, address and significant business activities of the Assignor.

The Assignor of the Assets is UCI. . As a credit financial entity, its main activity is to finance activities mainly through personal credit and mortgage credit, in accordance with that established by law.

The following shows selected financial information of the UCI in reference to the first half of fiscal years 2005 and 2004, and a comparison between both, as at the fiscal year ending December 31, 2004.

The information relating to June 30, 2005 and December 31, 2004 was prepared in accordance with International Financial Reporting Standards which are applicable thereto as per Regulation EC 1606/2002, and Bank of Spain Circular 4/2004. The information relating to June 30, 2004 was also prepared, purely for comparison purposes, in accordance with International Financial Reporting Standards in such a manner that the comparison between both periods is homogeneous.

	30-06-05	**30-06-04**	**? %**	**31-12-04**
Statement UCI EFC (000 euros)				
Total Assets Statement	3,644,708	2,748,861	32.6%	3,002,477
Credits on clients Statement	3,486,505	2,609,740	33.6%	2,916,540
Shareholder's Funds Totals (Tier 1 + Tier 2)	146,563	126,854	15.5%	153,733
Credits on securitized clients in Spain	3,518,208	2,553,167	37.8%	3,051,277
Nominal Account UCI EFC (000 euros)				
Intermediation Spread	56,011	40,949	36.8%	84,743
Ordinary Spread	69,296	49,068	41.2%	101,999
Exploitation Spread	38,375	25,264	51.9%	54,000
Profits prior tax	26,541	20,345	30.5%	45,073
Profit allocated to the Group	13,126	12,256	7.1%	26,878
Relevant Ratios UCI EFC				
Default and delayed Payment Index (*)	0.63%	0.69%	-0.06%	0.66%
Index of delinquency covering (**)	153%	135%	18.00%	139%
Efficiency Ratio (***)	37%	39%	-2.00%	38%
Ratio BIS (UCI Group)	10%	10.4%	-0.40%	10.8%
Additional Information				
Number of offices Spain	52	48	4	48
Number of offices rest of the World	9	9	0	9
Number of employees Spain	679	613	66	636
Number of employees rest of the World	140	109	31	136

(*) Calculated for less than 6 months of delinquent payments, for the portfolio managed (Statement + Securitized) only Spain
(**) Only for less than > 6 months delinquent payments of statement Spain
(***) for the credit activity only Spain

3.6 Return on and/or repayment of the securities linked to others which are not assets of the issuer.

Not applicable.

3.7 Administrator of the Loans and responsibilities of the Manager as administrator.

3.7.1 Administrator of the Loans.

UCI, the entity that is the Assignor of the Assets, in accordance with the provisions of article 2.2 of Royal Decree 926/1998, is obliged to exercise custody and administration of the Assets, the relations between UCI and the Fund being regulated by the provisions of the Deed of Incorporation.

UCI shall accept the mandate received from the Manager and, by virtue of such mandate, agrees as follows:

(i) To exercise administration and management of the Assets acquired by the Fund in the terms of the scheme and ordinary procedures of administration and management established in the Deed of Incorporation;

(ii) To continue administering the Assets, dedicating the same time and attention and the same level of expertise, care and diligence in the administration thereof as that which it would devote and exercise In the administration of its own loans and, in any case, it shall exercise an adequate level of expertise, care and diligence in providing the services contemplated in this Additional Building Block to the Securities Note and in the Deed of Incorporation;

(iii) That the procedures it applies and will apply for administration and management of the Assets are and will continue to be in accordance with the laws and legal rules in force which are applicable;

(iv) To abide by the instructions given to it by the Manager, with due loyalty;

(v) To indemnify the Fund for damages which may derive from the breach of the obligations so contracted.

A succinct and summarized description of the scheme and of the ordinary procedures of administration and custody of the Assets regulated by the Fund's Deed of Incorporation is contained in the following sections.

(1) Term of Duration

The services shall be rendered by UCI until, once all of the Assets have been amortized, all of the obligations assumed by UCI in relation to said Assets have been cancelled, without prejudice to the possible early revocation of its mandate.

Both in case of breach by the Administrator of the obligations established in this Additional Building Block to the Securities Note, as well as in the case of a decline in its credit rating, so as to entail an impairment or risk for the financial structure of the Fund or for the rights and interest of the Bondholders, the Manager may, if legally possible, carry out one of the following actions:

(i) Make a formal demand to the Administrator to subcontract, delegate or be secured in the performance of said obligations by another entity which, in the judgement of the Manager, has the adequate legal and technical capacity, and provided that an adverse impact on the rating of the Bonds does not take place.

(ii) If the above action is not possible, the Manager shall directly assume the rendering of the services.

The Manager shall bear in mind the proposals which the Administrator formulates to it both on the subcontracting, delegation or appointment of the substitute in the performance of its obligations, as well as on the entity which could guarantee it in the execution and enforcement thereof.

The Administrator, in turn, may voluntarily resign from carrying the administration and management of the Assets, if possible, in accordance with current law in force from time to time and provided that (i) it is authorized by the Manager, (ii) the Manager has appointed a new Administrator, (iii) the Administrator has indemnified the Fund for damages caused thereto by the resignation and substitution, and (iv) no adverse impact on the rating of the Bonds takes place.

If for any of the causes contemplated in this section the substitution of UCI should take place as regards its duties as Administrator of the said Assets, with another entity, the substitute entity shall be entitled to receive an administration fee which shall rank 1st place in the order of priority for the payments as determined in section 3.4.6.(c) of the Additional Building Block to the Securities Note.

(2) Liability of UCI as to custody and administration.

UCI agrees to act in the custody and administration of the Assets with due diligence, and shall be liable to the Fund, through its Manager, for any damage which may arise from its negligence.

UCI shall indemnify the Fund, through its Manager, for any damage, loss or expense incurred as a consequence of the breach of its obligations relating to custody and/or administration of the Assets.

(3) Liability of UCI in collection management.

UCI agrees to act in the management of collections on the Loans, with all due diligence, and shall be liable to the Fund, through its Manager, for any damage which may derive from its negligence.

UCI does not howsoever assume any liability in directly or indirectly guaranteeing the successful conclusion of the transaction, nor will it grant guarantees or bank guarantees, or subject itself to repurchase agreements in respect of the Assets with the exception of those which do not conform to the representations and warranties contained under section 2.2.8 of this Additional Building Block to the Securities Note.

(4) Custody of contracts, deeds, documents and files.

The Administrator shall maintain all contracts, copies of deeds, documents and database records related to the Assets and the damage insurance policies under safe custody and shall not abandon the possession, custody or control thereof without the prior written consent of the Manager to such effect, unless a document is requested thereof in order to start proceedings for foreclosure or enforcement of an Asset.

The Administrator shall reasonably provide access, at all times, to said contracts, deeds, documents and records, to the Manager or to the Fund's auditor, duly authorized by the latter. Furthermore, if so requested the Manager shall furnish, within five (5) Business Days following the said request, free of charge, a copy or photocopy of any of the said contracts, deeds and documents. The Administrator shall proceed in the same Manner In the case of requests for information from the Fund's auditor.

The Administrator in any case waives the privileges granted to it by law in its capacity as collection manager of the Fund and custodian of the Loan agreements and, in particular, those provided by articles 1730 and 1780 of the Spanish Civil Code (relating to retention under pledge of property on deposit) and 276 of the Spanish Commercial Code (similar guarantee to retention under pledge of property on deposit).

(5) Collection management.

UCI, as Administrator of the Assets, shall apply the same diligence and procedure for making a claim for amounts due and not paid on the Assets as in the remaining loans in its portfolio.

5.1) Foreclosure proceeding against Obligors of the Assets.

The Fund, as holder of the Assets, shall enjoy all legal actions which derive from title to the Assets, as per current regulations in force. Said action shall be brought by means Of the formalities of the applicable judicial proceeding as provided by articles 517 et seq. of the Civil Procedure Act.

For the above purposes, the Manager shall grant, in the act of execution of the Fund's Deed of Incorporation, a power of attorney, as ample and sufficient as is required by Law, in favor of UCI in order that the latter, acting through any of its attorneys-in-fact holding sufficient authorities for such purpose, may, acting for and On behalf of the Manager, make a formal demand to the Obligor of any of the Assets for payment of its debt, and bring a judicial action there against, apart from other authorities required for exercising its duties as Administrator. These authorities may also be granted under separate cover from the Deed of Incorporation, or be extended in the event that this should be necessary for the exercise of such duties.

Regarding the Assets deriving from Mortgage Loans, in the case of breach by the Debtor of the payment obligations deriving from the Mortgage Loans and Non-Mortgage Loans, the Fund shall be entitled to file a foreclosure suit against said Debtors through the Manager or through the Administrator, once the requisites pertaining to standing which authorize it to do so have been met, in accordance with the formalities contemplated for such proceeding by the Civil Procedure Act. The foreclosure suit has its origin in the titles that entail foreclosure and that in the present case are specified in public deeds for Mortgage Loans and policy intervened by public officer for Non-Mortgage Loans.

The Administrator, by virtue of the power of attorney to be granted thereto by the Fund, shall, generally speaking, bring mortgage foreclosure in the name of the Fund in what refers to Mortgage Loans or to the enforcement of the title and consequent seizure of Non-Mortgage Loans if, during a period of time of three (3) months, the Debtor that has breached its payment obligations does not resume payments to the Administrator and the latter, with the consent of the Manager, does not succeed in obtaining a payment commitment satisfactory to the interests of the Fund. The Administrator, in any case, shall immediately bring foreclosure if the Manager, on behalf of the Fund, and subject to analysis of the specific circumstances of the case, deems it appropriate.

5.2) Action against the Administrator.

The Manager, acting for and on behalf of the Fund, shall be entitled to an executory attachment action against the Administrator for enforcing the maturities of the Assets for principal and interest, when the breach of the payment obligation for such concepts is not a consequence of the non-payment by the Obligors of the Assets.

Furthermore, in the event that UCI does not perform the obligations described in the above section, the Fund, through the Manager, shall be entitled to a declaratory action against UCI for breach of the aforesaid obligations In relation to the Assets, all of which in accordance with the formalities contemplated for such proceeding by the Civil Procedure Act.

The Assets having been cancelled, the Fund, through its Manager, shall preserve suit against the Administrator until the performance of its obligations.

The risk of non-payment of the Assets shall be borne by the Bondholders. Therefore, UCI will not assume any liability for non-payment by the Debtors of the Assets, whether for principal, interest or any other amount which they may owe by virtue of the Assets.

5.3) Actions in case of non-payment of the Loans.

5.3.1 In case of breach in the payment of the Obligor of the Mortgage Loan, the Manager, acting for and on behalf of the Fund, shall have the following powers and authorities as provided by article 66 of Royal Decree 1685/1982, March 17, modified by Royal Decree 1289/1991, August 2:

(i) Compel the Assignor, as Administrator, to bring mortgage foreclosure;

(ii) Appear with equal rights, with UCI, as the issuing entity of the MTC's and MP's, in the foreclosure brought by the latter against the Obligor, appearing for such purpose at any foreclosure proceeding brought by the former receive in the proceeds of the adjudication the entire amount and receive in the proceeds of the adjudication the entire loan so foreclosed;

(iii) If UCI does not bring the proceeding within sixty (60) calendar days from the formal demand for payment of the debt dispatched through the service

of a notary public, for the case of the Mortgage Loans, the Manager, acting on behalf of the Fund, shall have subsidiary standing to bring the mortgage action in respect of the Mortgage Loan in the amount pertaining to the percentage of its stake, for both principal and interest, and the Assignor shall be obliged to issue a certification of the existing balance on the Mortgage Loan;

(iv) In case of a stay in the proceeding brought by UCI, the Fund, duly represented by the Manager, as holder of the MP or the relevant MTC, may subrogate in the position of the former and following through with the foreclosure proceeding, with no need for the above-mentioned time period to transpire.

In the cases provided by paragraphs (iii) and (iv), the Manager, on behalf of the Fund, may request the competent Judge to bring or continue with the pertinent mortgage foreclosure proceeding, including with the lawsuit the original certificate of the Mortgage Participation or Mortgage Transfer Certificate with its breakdown, the formal demand served by a notary public contemplated under section (iii), *supra*, and a recorder's certificate showing recording and survival of the mortgage, for the case of the Mortgage Participations and Mortgage Transfer Certificates, and the document attesting to the balance being claimed.

If legally necessary, and for the purpose of the provisions of articles 581.2 and 686.2 of the Civil Procedure Act, Law 1/2000, of January 7, UCI, in the Deed of Incorporation, shall grant an irrevocable Power of attorney, as ample and sufficient as is required by Law, in order that the Manager, acting for and on behalf of UCI, may make a formal demand to the Mortgage Obligor of any of the Mortgage Loans, served through a notary public, for payment of its debt.

The Fund, as holder of the MP's and the MTC's, may also, through the Manager, appear with equal rights, with UCI, in the foreclosure proceeding and, in this regard may, with respect to the Mortgage

Loans, in the terms provided by articles 691 et seq. of the Civil Procedure Act, Law 1/2000, of January 7, request adjudication of the mortgaged property in payment of its debt. The Manager shall proceed with the sale of the properties so awarded within the shortest timeframe possible, at arm's length market conditions.

5.3.2 In case of breach of the payment obligation by the debtors of the Non-Mortgage Loans, in accordance with the provisions of articles 517 and 520 of the Civil Procedure Act, Law 1/2000, of January 7, for the Non-Mortgage Loans are instrumented in a policy executed before a notary public, the Fund, through the Manager, shall be entitled to bring an executory attachment suit against the Debtors.

The relevant costs and provisions of funds, as the case may be, in relation to the foreclosure proceedings indicated in this section, shall be for the account of the Fund.

UCI, as collection manager, shall receive for the account of the Fund such amounts as are paid by the Obligors arising out of the Assets, both for principal or interest, as well as any other concept including fees and the insurance contracts assigned to the Fund, and shall proceed to deposit into the Cash Account the amounts which pertain to the Fund within a deadline not to exceed twenty four (24) hours.

Furthermore, the Bank shall pay into the said Cash Account and within the above-mentioned deadline any amounts it receives, as the case may be, from the Obligors for prepayment of the Assets and which pertain to the Fund.

(6) Setting of interest rate.

In the Loans subject to a variable interest rate, the Administrator shall continue setting said interest rates in accordance with the provisions of the relevant Loans, formulating any communications and notices which are established for such purpose in the respective contracts.

(7) Advance of funds.

UCI shall in no case advance any amount it has not first received from the Obligors as principal or installment pending maturity, interest or finance charge, prepayment, etc., as deriving from the Assets.

(8) Insurance Policies.

UCI shall use reasonable efforts to maintain in full force and effect the insurance policies subscribed in relation to each one of the Loans, UCI being liable to the Fund for any damages caused thereto, in the event that the insurance policies are not kept in full force and effect, as well as in the event that the said policies are not subscribed.

The Administrator is obliged to advance payment of any premiums which have not been paid by the Obligors, provided that it has knowledge of such circumstance, without prejudice to its right to obtain reimbursement from the Fund of the amounts so paid.

UCI, as Administrator of the Assets, in the case of a claim, shall coordinate the actions for collection of the indemnities on the insurance policies in accordance with the terms and conditions of the Loans and of the insurance policies.

In the same act as the incorporation of the Fund, UCI shall assign to the Manager, on behalf of the Fund, the rights to which it is entitled as beneficiary of the insurance contracts. The Manager, on behalf of the Fund, shall therefore be entitled to all amounts which UCI would have been entitled to receive for this concept.

(9) Reporting.

The Administrator shall report periodically to the Manager on the degree of compliance by the Obligors with the obligations deriving from the Assets, the compliance by the Administrator with its obligation to deposit the amounts received as deriving from the Assets, and the actions carried out In case of default and auction of properties, and of the existence of any hidden defects in the Assets.

The Administrator shall prepare and submit to the Manager such additional information as, in relation to the Loans or the rights deriving therefrom, may be reasonably requested by the Manager.

(10) Subrogation of the Obligor of the Assets.

The Administrator shall be authorized to allow substitutions in the position of Obligor in the Loan agreements, exclusively in cases in which the characteristics of the new Obligor are similar to those of the former one, and they meet the criteria for granting loans, as described under section 2.2.7 of this Additional Building Block to the Securities Note, and provided that the expenses deriving from this modification are paid in full

by the Obligors. The Manager may totally restrict this power of the Administrator when such substitutions could aversely affect the ratings awarded to the Bonds by the Rating Agencies.

In any case, any subrogation made in accordance with the provisions of the above paragraph shall be immediately reported by the Administrator to the Manager. The subrogation of the Loan must not affect the portfolio of Assets.

(11) Powers and actions in relation to Loan re-negotiation processes.

UCI may not voluntarily cancel the guarantees for a cause other than payment of the Loan, waive or settle in respect of the latter, forgive the Loans in whole or in part, nor in general carry out any act which diminishes the ranking, legal effectiveness or economic value of the guarantees or of the Loans.

Notwithstanding the above, the Manager may, in exceptional circumstances, in order to avoid the costs and uncertainties associated with any enforcement proceeding, whether or not mortgage foreclosure, and maintain the financial equilibrium of the Fund and, in any case, watching over the interests of the Bondholders, in its capacity as manager of third party businesses, give instructions to UCI, or first authorize the latter to agree with the Debtor to the terms and conditions it deems appropriate (should the maturity date be extended for the Loan, in no event could exceed the Final Termination Date, and also considering, for the case of Mortgage Loans, Law 2/1994 on subrogation and modification of mortgage loans.

UCI will not allow with the Debtors any renegotiation of the financial conditions of the Loans, except as cited above and those expressly mentioned (*Cuota Comodín* missed payment option and Limitation of Payment amount as per CPI).

If due to market reasons, or any other circumstance, the value of the mortgaged property should diminish from the initial appraisal by more than the percentages permitted by law, UCI shall demand from the mortgagor Debtor, through accreditation by appraisal performed at its request, an increase in the mortgage to other sufficient assets to cover the existing ratio between the value of the property and the amount of the loan which such property secures.

If the Debtor, after a demand is made to make such increase, chooses to repay all or part of a Mortgage Loan which exceeds the amount resulting from applying to the updated appraisal the percentage used to initially determine the amount thereof, UCI shall be required to deposit the

amounts which it receives from the Debtor for such concepts in favor of the Manager, on behalf of the Fund, into the Cash Account opened by the Manager in the name of the Fund, as described Under section 3.4.4 of this Additional Building Block to the Securities Note.

If within a period of two (2) months from being requested to make the increase, the mortgage debtor has not done so or repaid the portion of the Mortgage Loan referred to in the above paragraph, it shall be deemed to have chosen to repay the entire Mortgage Loan, which shall be immediately demanded therefrom by UCI. Once the amount pertaining to the total Mortgage Loan has been received, UCI shall immediately deposit in favor of the Manager, on behalf of the Fund, the portion to which it is entitled in accordance with the provisions of the above paragraph.

(12) Fee for provision of services.

A fixed fee shall accrue in favor of UCI for its tasks involving administration of the Assets, of SIX THOUSAND EUROS (€6,000) per quarter, V.A.T. included, on each Payment Date. If UCI is replaced as to its tasks of administrative of said Assets by another entity, the substitute entity shall be entitled to receive an administration fee which shall rank number 1 in the order of priority contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note.

If the Fund, through its Manager, does not pay on a Payment Date the entire fee because it lacks sufficient liquidity in the Cash Account, in accordance with the order of priority of payments contemplated under section 3.4.6.(b), any amounts not paid shall accumulate without penalty to the fee which must be paid on the next Payment Date, with payment thereof proceeding at that time.

On the other hand, UCI, on each Payment Date, shall be entitled to the reimbursement of all exceptional expenses incurred, subject to justification thereof to the Manager, in relation to the administration of the Assets. Said expenses shall include, *inter alia*, those caused by enforcement of guarantees and, as the case may be, the sale of properties and shall be paid provided that the Fund has sufficient liquidity in the Cash Account, and in accordance with the provisions of section 3.4.6.(b) of this Additional Building Block to the Securities Note in respect of the order of priority of payments.

(13) Other expenses and remuneration.

Furthermore, UCI shall be entitled to receive on an annual basis, as remuneration or compensation for the financial intermediation process carried out, a subordinated and variable amount equal to the difference

between the book income and expenses for the Fund in one fiscal year, in such a manner that the financial margin obtained is removed. The expenses which may be made quarterly for this concept on each Payment Date, in accordance with the order of priority of payments contemplated under section 3.4.6.(b) of this Additional Building Block to the Securities Note, shall be deemed to be interim payments.

(14) Subcontracting

UCI will be able to subcontract whichever services that it has agreed to provide in favor of the Manager, on behalf of the Fund, except for those that cannot be delegated according to current legislation. Such subcontracting will not mean, in any case, an increase of the price to be paid by the Fund, through its Manager, to UCI for the services provided.

Despite of any delegation or subcontracting, UCI in its condition of Administrator won't be exonerated or liberated through such subcontracting or delegation of any of the responsibilities assumed by UCI or that were legally allotable or demandable.

3.7.2 Manager

The administration and legal representation of the Fund is vested in the Manager, whose name, address and significant business activities are detailed under section __ of the Registration Document in the terms provided by Royal Decree 926/1998, and other applicable regulations.

The Manager, as manager of third-party businesses, is also responsible for the representation and defense of the interests of the Bondholders and of the remaining ordinary creditors of the Fund. Consequently, the Manager shall at all times watch over the interests of the Bondholders, conditioning its actions to the defense thereof and adhering to the provisions established by regulation for such purpose.

The actions which the Manager shall perform in order to comply with its duties of administration and legal representation of the Fund are, purely as a matter of illustration and without prejudice to other actions contemplated under this Additional Building Block to the Securities Note, as follows:

(i) open in the name of the Fund the Cash Account, initially with the Bank, as long as the Bank's short-term rating does not descend from A-1 or F-1 (as per the scales of Standard & Poor's and Fitch, respectively);

In the event that the amount accumulated in the Cash Account exceeds 20% of the Balance Pending Payment on the Bonds, the

Manager, on behalf of the Fund, shall open a new account (the Excess Funds Account) in another bank with a rating of A-1+ or F-1 (as per the rating scales mentioned above), under the best conditions possible, in which all amounts which exceed the above-mentioned 20% shall be deposited. In the event that the new bank should forfeit the A-1+ or F-1 rating cited above, the Manager shall have 30 days to find a new bank with the adequate rating. The Manager shall notify Standard & Poor's and Fitch as far in advance as possible of the probability of this event occurring.

(ii) Exercise the rights inherent to the title to the Assets of the Fund and, in general, carry out all acts of administration and disposal as are necessary for the proper performance of the administration and legal representation of the Fund;

(iii) Carry the financial servicing of the Assets with diligence and rigor, without prejudice to the duties of management assumed by the Assignor in its capacity as Administrator in accordance with the provisions of section 3.7.1, *supra*;

(iv) Verify that the amount of income effective received by the Fund corresponds to the amounts to be received by the Fund in accordance with the conditions of each Asset and the conditions of the various contracts;

(v) Validate and control the information it receives from the Administrator regarding the Loans, both as regards collections of ordinary payments, prepayments of principal, payments received for unpaid payments and status and control of non-payments;

(vi) Calculate the available funds and movements of funds which it shall have to make once the application thereof has been carried out in accordance with the relevant order of priority of payments, ordering transfers of funds between the various asset and liability accounts and the applicable payment instructions, including those assigned to meet the financial servicing on the Bonds;

(vii) Calculate and settle the amounts which, for interest and fees, must be received and paid by the various asset and liability financial accounts, as well as the fees to be paid for the various financial services arranged and the amounts which, for repayment of principal and interest, pertain to each one of the Bond Classes, as well as calculating the interest rate applicable to each Class of the Bonds at each Payment Date;

(viii) In the event that the ratings on the Bank's debt assigned by the Rating Agencies at any time during the life of the Bonds, falls below the ratings established in the Guaranteed Rate Reinvestment Agreement, the Swap Agreement, and the Issue Underwriting and Placement Agreement, as regards the Bank's status as Paying Agent, carry out the actions contemplated in relation to these contracts which are described under sections 3.4.4 and 3.4.7 of this Additional Building Block to the Securities Note;

(ix) Comply with its calculation obligations contemplated in this Additional Building Block to the Securities Note and the Subordinated Loan Agreement, Guaranteed Interest Rate Reinvestment Agreement, Issue Underwriting and Placement Agreement and Swap Agreement which are described under sections 3.4.3, 3.4.4 and 3.4.7 of this Additional Building Block to the Securities Note;

(x) Monitor the actions of the Administrator for recovery of non-payments, giving instructions, when applicable, in order to bring a foreclosure proceeding and, as the case may be, with regard to the position to be adopted in real property auctions. Exercise the applicable actions when circumstances occur that require so;

(xi) Carry the accounting of the Fund with due separation from the accounting of the manager, perform a rendering of accounts and comply with the tax or other legal obligations which are the Fund's responsibility;

(xii) Furnish the holders of the Bonds issued against the Fund, the CNMV and the Rating Agencies, such information and notices as are provided by current law in force and, especially, those contemplated in this Prospectus;

(xiii) In order to allow the Fund's operations in the terms contemplated in the Prospectus and by current regulations in force from time to time, renew or modify the contracts it has executed on behalf of the Fund, substitute each one of the providers of services to the Fund by virtue thereof and, including, if necessary, enter into additional contracts, all of which subject to current law in force from time to time, prior authorization, if necessary, from the CNMV or competent administrative body, and notification thereof to the Rating Agencies, and provided that such actions do not yield a decrease in the rating on the Bonds and do not impair the interests of the Bondholders. Any modification to the Deed of Incorporation shall first be reported to the CNMV in order to obtain the pertinent authorization to the Rating Agencies;

(xiv) Appoint and replace, as the case may be, the auditor that performs the audit on the Fund's annual financial statements;

(xv) Prepare and submit to the CNMV and the competent bodies, all documents and information which must be submitted as established by current regulations in force, and in this Prospectus, or requested thereof, as well as prepare and submit to the Rating Agencies any information they reasonably request thereof;

(xvi) Adopt the appropriate decisions in relation to the liquidation of the Fund, including the decision for early termination of the Bond issue and liquidation of the Fund, in accordance with the provisions of this Prospectus;

(xvii) Not carry out actions which could deteriorate the rating on the Bonds and procure the adoption of those measures which are reasonably in its reach in order that the rating on the Bonds is not adversely affected at any time;

(xviii) Management the Fund in such a manner that the net asset value thereof is always zero.

The Manager shall perform its activity with the diligence required thereof in accordance with Royal Decree 926/1998, representing the Fund and defending the interests of the Bondholders and of the remaining creditors of the Fund as if dealing with its own interests, caring for the levels of diligence, reporting and defense of the interests of the former and avoiding situations which entail conflicts of interest, giving priority to the interests of the Bondholders and to those of the remaining creditors of the Fund as opposed to those which are its own. The Manager shall be liable to the Bondholders and remaining creditors of the Fund for all damages caused thereto by the breach of its obligations. Furthermore, it shall be liable as regards sanctions applicable thereto pursuant to the provisions of Law 19/1992.

The Manager has the necessary means, including adequate information systems, to carry out the duties of administration of the Fund attributed thereto by Royal Decree 926/1998.

The Manager has established a set of Internal Regulations of Conduct in application of the provisions of Chapter II of Royal Decree 629/1993, of May 3, on rules of action in the securities markets and obligatory records, which have been reported to the CNMV.

The Manager may act as Manager of the Fund, as well as of any other securitization fund, without the simultaneous management thereof constituting in

any form whatsoever a violation of its obligations of diligence as Manager of the Fund or other securitization funds.

Substitution of Manager

The Manager shall be substituted in the administration and representation of the Fund in accordance with the provisions to be established by regulation for such purpose. Thus, in accordance with the provisions of articles 18 and 19 of Royal Decree 926/1998, the substitution of the Manager shall be carried out through the following procedure:

(i) The Manager may resign from its duties when it deems pertinent and voluntarily request its substitution, by letter addressed to the CNMV reflecting the appointment of the substitute manager. Included with such letter shall be that of the new manager, duly authorized and registered as such in the special registries of the CNMV, in which the latter declares it is willing to accept such duties and is interested in the pertinent authorization. The resignation of the Manager and appointment of a new company as manager of the Fund shall be approved by the CNMV. In no case may the Manager waive the exercise of its duties until all of the requisites and formalities for its replacement to be able to fully assume its duties in relation to the fund have been fulfilled. Nor may the Manager waive its duties if due to the aforesaid substitution, the rating awarded to any of the Bond Classes issued against the Fund should decrease. All expenses generated as a consequence of such substitution shall be paid by the Manager itself, and may not be attributed, in any case, to the Fund.

(ii) In the event of the occurrence in the Manager of any of the causes for dissolution contemplated under number 1 of article 260 of the Spanish Corporations Law (*"Ley de Sociedades Anónimas"*), the substitution of the Manager shall proceed. The occurrence of any of such causes shall be notified by the Manager to the CNMV. In this case, the Manager shall be obliged to comply with the provisions of section (i), *supra*, prior to its dissolution.

(iii) In the event that the Manager is declared insolvent, or has its authorization revoked, a manager to replace it must be appointed. The substitution shall have to be made effective prior to four (4) months transpiring from the date on which the event determining the substitution took place. If, four (4) months from when the event determining the substitution took place have lapsed and the Manager has not appointed a new manager, the early liquidation of the Fund and the redemption of the Bonds shall proceed, for which the actions contemplated under section 4.4.c.3) of Annex VII of the Registration Document shall proceed.

(iv) The substitution of the Manager and appointment of the new company, approved by the CNMV in accordance with the provisions of the above paragraphs, shall be reported to the Rating Agencies and shall be published, within a deadline of fifteen (15) days by legal notice in two nationally-circulated newspapers and in the bulletin of the AIAF Market.

The Manager is obliged to execute the public and private documents that are necessary in order to proceed with its substitution by another manager in accordance with the scheme provided in the above paragraphs of this section. The substitute manager shall be subrogated in the rights and obligations which, in relation to this Additional Building Block to the Securities Note, are vested in the Manager. Furthermore, the Manager shall deliver to the new manager such documents and accounting and database records relating to the Fund as are in its possession.

Subcontracting of the Manager

The Manager will have powers to subcontract or delegate in third persons of known solvency and capacity, the rendering of any of the services that must develop in its administration and legal representation of the Fund, according to that established in the present Prospectus, as long as the subcontractor or delegate has renounced to exercise any claim of legal liability to the Fund.

In any event, subcontracting or delegation of any service (i) won't imply any additional expense or cost to the Fund (ii) must be legally possible (iii) will not imply a review to lower the ranking given to each Classes of Bonds and (iv) will be notified to CNMV, with its previous authorization, in case it is legally binding. However, any subcontracting or delegation, the Manager will not be exonerated or liberated, through the subcontracting or delegation of any of the responsibilities assumed by virtue of the present Prospectus that were legally demandable or allotable.

Scheme of remuneration in favor of the Manager for performance of its duties

The Deed of Incorporation shall determine that the Manager shall have a right:

(i) to an administration fee payable on the Pay-out Date on a lump-sum, one-off basis in an amount equal to ONE HUNDRED THOUSAND EUROS (€100,000); and

(ii) on each Payment Date of the Bonds, to a periodic administration fee equal to 0.019% per annum, with a minimum of THIRTY-FOUR THOUSAND EUROS (€34,000) per annum, to accrue on the actual days of each Interest Accrual Period, payable quarterly on each Payment Date, and calculated on the sum of the Balances Pending Payment on the Bonds of all Classes,

on the start date of the Determination Period preceding the Payment Date in progress. The fee accruing from the Fund's Date of Incorporation through the first Payment Date of the Bonds shall be adjusted in proportion to the days transpiring between both dates, calculated on the face value of the Bonds issued.

The calculation of the periodic administration fee, payable on a given Payment Date, shall be made pursuant to the following formula:

$$A = B \times 0{,}019\% \times \frac{d}{365 \times 100}$$

Where:

A = Fee payable on a given Payment Date.

B = Sum of Balances Pending Payment on the Bonds of all Classes, on the Determination Date pertaining to that Payment Date.

d = Number of days transpiring during each Interest Accrual Period.

In the event that, during the effective period of the Fund, the Consumer Price Index published by the National Statistics Institute pertaining to each calendar year should undergo a positive variation, the minimum annual amount would be adjusted cumulatively in the same proportion, as from the year 2007, inclusive, and effective as from January 1 of each year.

3.8 Name and address and brief description of any swap counterparties and any providers of other material forms of credit/liquidity enhancement or of accounts.

The Bank is the counterparty of the Fund in the contracts described below. A brief description of the Bank is included under section 5.2.c of the Registration Document.

a) Guaranteed Rate Reinvestment Agreement.

A description of the contract is reflected under section 3.4.4 of this Additional Building Block to the Securities Note.

b) Swap Agreement.

A description of the contract is reflected under section 3.4.7 of this Additional Building Block to the Securities Note.

c) Subordinated Loan Agreement.

The Bank together with UCB is the counterpart at 50% of the Fund.
A description of the contract is reflected under section 3.4.3.a) of this Additional Building Block to the Securities Note.

4. POST ISSUANCE REPORTING

a) Obligations and deadlines contemplated for the drawing up, auditing and approval of the annual financial statements and management report.

The Manager shall present to the CNMV the Fund's annual financial statements, together with the auditors' report in respect thereof, within four (4) months following the close of the Fund's fiscal year which shall coincide with the calendar year (i.e. prior to April 30 of each year).

b) Obligations and deadlines contemplated for the placement at the disposal of the public and forwarding to the CNMV and the Rating Agencies of periodic information on the economic-financial status of the Fund.

b.1.- Ordinary periodic notifications.

The Manager, in its task involving management and administration of the Fund, agrees to forward to the CNMV and to the Rating Agencies, with the utmost diligence possible, quarterly or at any other time requested thereof, the information described below or any other type of information requested thereof, in relation to the Bonds of the three (3) Classes, the performance of the Assets, prepayments and the Fund's economic-financial position, irrespective of also making them aware of any additional information as may be requested thereof.

(b.1') Within a deadline between the Rate Setting Time and three (3) Business Days, by the latest, following each Payment Date, it shall proceed to notify the Bondholders of the nominal interest rates resulting for each Bond Class for the following Interest Accrual Period.

(b.1") With advance notice of at least one (1) calendar day preceding each Payment Date, it shall proceed to notify the Bondholders of the following:

i. The resulting interest on the Bonds together with the redemption thereof;

ii. The Average Prepayment Rates of the Assets, as at the Determination Date;

iii. The residual average life of the Bonds calculated pursuant to the hypothesis of maintenance of said actual prepayment rate.

iv. The Balance of Principal Pending Payment (after the redemption to be settled on each Payment Date) on each Bond, and the percentage which such Balance Pending Payment represents as to the total initial face amount of each Bond.

v. Outstanding Balance of the Assets, interest accrued, both collected and not collected in respect thereof and amount in default on the Assets.

vi. Report on the appropriateness and subsequent application of the Available Funds in accordance with the order of priority of payments contained under section 3.4.6.(b) of this Additional Building Block to the Securities Note.

Furthermore, and if applicable, the Bondholders shall be informed of the interest accruing on the Bonds and paid and/or the Redemption Deficit, due to insufficiency of Available Funds.

Notices of these sections b.1') and b.1") shall be given as provided by section b.3, *infra*, and shall also be reported to Iberclear and AIAF within a maximum deadline of two (2) Business Days prior to each Payment Date.

b.2 Extraordinary Notices

The Fund, through its Manager, shall also report to the Bondholders any material fact which may occur In relation to the Assets, the Bonds, the Fund, and the Manager itself, which may considerably influence the trading of the Bonds and, in general, of the definitive applicable spreads to the Bonds in the First Accrual Period, as well as any relevant modification to the assets or liabilities of the Fund, and also as to an eventual decision to redeem the Bonds early for any of the causes provided In the Prospectus. The attestation executed before a notary public concerning the

liquidation and procedure referred to in section 4.4.c.3 of the Registration Document, shall also be submitted to the CNMV in such case.

b.3 Procedure

Notices to bondholders which, as per the above, must be given by the Fund, through its Manager, shall be given as follows:

1. Ordinary periodic notices referred to under section b.1), *supra*, by publication either in the AIAF daily bulletin, or any other which may come to replace it in the future or other of similar characteristics, or through publication in a widely-circulated newspaper in Spain.

2. Extraordinary notices referred to under section b.2), *supra*, by publication in a widely-circulated newspaper in Spain.

In addition, the above notices may be given by publication in other generally-disseminated media.

These notices shall be deemed to be given on the date they are published. Any day of the calendar, whether a Business Day or Non-Business Day, can be suitable for this purpose (for purposes of this Prospectus).

b.4 Reporting to Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores; CNMV*).

The Manager shall inform the CNMV of the information established in the previous Sections as well as any information which, irrespective of the above, is requested thereof.

b.5 Information to be furnished by the Bank to the Manager

In addition, UCI is obliged to inform the Manager, on behalf of the Fund, on a quarterly basis and, in any case, at the request thereof, of any non-payments, prepayments and modifications of interest rates and, punctually, of payment demands, judicial actions, and any other circumstances which affect the Assets. Furthermore, UCI shall furnish the Manager with all documentation the latter may request thereof In relation to the said Loans and, especially, the necessary documentation to start, as the case may be, judicial actions by the Manager.

Ignacio Ortega Gavara, for and on behalf of SANTANDER DE TITULIZACION, S.G.F.T., in his capacity as General Manager, hereby signs this Prospectus in Madrid, this 25 day of November, 2005.

DEFINITIONS

For adequate interpretation of this Prospectus, capitalized terms shall be construed in accordance with the definition given to each such term below, unless any other meaning is expressly attributed thereto. Any terms not expressly defined shall be construed in their natural and obvious sense according to the general usage thereof. Furthermore, it is stated for the record that terms in the singular shall include the plural and vice versa, whenever the context so requires.

The capitalized terms listed below shall have the following meaning:

"**Assets**": Means the credit rights arising from the Loans granted by UCI and which are the object of assignment to the Fund.

"**Administrator**": Means UCI, Unión de Creditos Inmobiliarios, E.F.C., S.A.

"**Rating Agencies**": Means, collectively, Standard & Poor's España, S.A. and Fitch Ratings España, S.A.

"**Paying Agent**": Means Banco Santander Central Hispano, S.A.

"**AIAF**": Means AIAF, Mercado de Renta Fija (*AIAF Fixed Income Securities Market*).

"**Bank**": Means Banco Santander Central Hispano, S.A.

"BNP Paribas": Means BNP Paribas, Spanish Branch.

"**Bonds**": Means the securitization bonds issued against the Fund.

"**Accrued Redemption Amount**": Means, without distinction among the Classes, the difference existing, in absolute terms, between the sum of the Balance of Principal Pending Payment on the Classes A, B and C Bonds on the Determination Date prior to each Payment Date and the Outstanding Balance of the Assets, having first subtracted from the latter, a percentage of the amount of principal of the Assets for which they experienced lateness in paying the amounts due for a period greater than or equal to eighteen (18) months.

As for Mortgage Loans, this percentage shall be determined in function of the time, specified by months of lateness, in the payment of the amounts due and the ratio between the balance outstanding payment and the appraised value of the underlying Mortgage Loan, according with the rules provided in section 4.9.2. of the Securities Note.

As for Personal Loans, the percentage will be fixed upon time, detailed in months of delay, in the payment of debt amounts according with the rules provided in section 4.9.2. of the Securities Note.

"**Assignor**": Means UCI, Unión de Creditos Inmobiliarios, E.F.C., S.A.

"**Mortgage Transfer Certificates**" or "**MTC**": Means the mortgage transfer certificates to be issued by UCI regarding to Mortgage Loans B, and in accordance with the provisions of section 3.3.a)2) of the Additional Building Block to the Securities Note.

"**CNMV**": Means Comisión Nacional del Mercado de Valores (*Spanish Securities Market Commission*).

"International Tranche Underwriting and **Placement Agreement**": Means the Bond underwriting and placement agreement for the International Tranche to be entered into by the Manager, for and on behalf of the Fund, and the Underwriters of the International Tranche.

"Domestic Tranche Lead Management, Underwriting and **Placement Agreement**": Means the Bond lead management, underwriting and placement agreement for the Domestic Tranche to be entered into by the Manager, for and on behalf of the Fund, and the Underwriters of the Domestic Tranche.

"**Subordinated Loan Agreement**": Means the subordinated loan agreement to be entered into by the Manager, for and on behalf of the Fund, and the Bank and UCB, to be earmarked towards financing the expenses related to incorporation of the Fund and issuance of the Bonds, partially financing the acquisition of the Assets, to cover the time lapse in the First Interest Accrual Period for the difference that will exist between the interests of the Assets that will be charged during the First Interest Accrual Period and the interests of the Bonds to be paid in the First Payment Date, and funding the Reserve Fund.

"**Swap Agreement"; "Swap**": Means the interest rate swap agreement, as per the standard form 1992 ISDA Agreement, to be entered into by the Manager, acting for and on behalf of the Fund, and the Bank.

"**Guaranteed Rate Reinvestment Agreement**": Means the guaranteed interest rate reinvestment agreement in respect of the Cash Account to be entered into by the Manager, acting for and on behalf of the Fund, and the Bank, whereby the Bank will guarantee a variable yield on the amounts deposited by the Fund (through its Manager) into the Cash Account.

"Issue Lead Management, Underwriting and Placement Agreement": Means, collectively, the Domestic Tranche Lead Management, Underwriting and Placement Agreement and the International Tranche Underwriting and Placement Agreement.

"**Excess Funds Account**": Means the account to be opened at another bank not the Bank which meets the ratings established by the Rating Agencies, in the name of the Fund, by the Manager, into which all amount which exceed twenty percent (20%) of the Principal Balance Pending Payment on the Bonds accumulated in the Cash Account shall be deposited.

"**Cash Account**": Means the account to be opened at the Bank in the name of the Fund, by the Manager, the operational aspects of which shall be the object of the Guaranteed Rate Reinvestment Agreement.

"*Cuota Comodín*": Means the option that corresponds to the debtor in certain Mortgage Loans of, once (1) a year during the first three years, replace the payment obligation over one of its monthly payments with its capitalization together with the remaining outstanding capital. The quotas whose maturity date disappears for each twelve (12) month period, cannot be consecutive and are not allowed in the case of clients that are in a non-payment situation.

"**Redemption Shortfall**": Means, if any, the difference between the Accrued Redemption Amount and the Available Redemption Funds.

"**Debtors**": The individuals with domicile in Spain, to whom UCI has granted the Loans from which the Assets subject to securitization derive.

"**Business Day**": Means any day except:

(i) Saturday;

(ii) Sunday;

(iii) holiday as per the TARGET calendar (for the sole purpose of determining the nominal interest rate applicable for each Interest Accrual Period). It includes, apart from the days recognized in sections (i) and (ii), *supra*, January 1, Good Friday, Easter Monday, May 1, December 25 and December 26; and

(iv) holiday in Madrid (for the purpose of determining the nominal interest rate applicable for each Interest Accrual Period and for the remaining conditions of the issue).

"**Registration Document**": Means the registration document, formed by Annex VII of Regulation (EC) num. 809/2004 as approved by the CNMV on November 25, 2005.

"**Underwriters**": Means, collectively, Banco Santander Central Hispano, S.A , BNP Paribas, Spanish Branch, Espirito Santo Investment and DZ Bank AG.

"**Lead Manager**": Means, each one of the Lead Managers of the Issue.

"**Lead Managers**": Means, collectively, Banco Santander Central Hispano S.A. and BNP Paribas, Spanish Branch.

"**Deed of Incorporation**": Means the Deed of Incorporation of the securitization fund Fondo de Titulización de Activos UCI 14, Assignment of Assets and Issuance of Securitization Bonds.

"**Date of Incorporation**": Means the date on which the Deed of Incorporation is executed. The Date of Incorporation is scheduled to be November 28, 2005.

"**Pay-Out Date**": Means November 30, 2005.

"**Determination Dates**": Means the dates on which the Manager, on behalf of the Fund, shall make the necessary calculations for determining the Principal Balance Pending Payment on the Bonds of each Class, the Outstanding Balance of the Assets. Said Determination Dates shall be those which coincide with the fifth (5th) Business Day preceding each Payment Date.

"**Payment Dates**": Means March 20, June 20, September 20 and December 20, of each year or, if any of these dates is not a Business Day, the immediately following Business Day.

"**Legal Maturity Date**": Means June 20, 2043 or, if not a Business Day, the next Business Day.

"**Fitch**": Means Fitch Ratings España, S.A.

"**Prospectus**": Means, collectively, the table of contents, the document describing the risk factors, the Registration Document, the Securities Note, the Additional Building Block to the Securities Note and the document containing the definitions.

"**Fund**" or "**Issuer**": Means Fondo de Titulización de Activos, UCI 14..

"**Reserve Fund**": Means the reserve fund to be funded by the Manager, for and on behalf of the Fund, in accordance with the provisions of section 3.4.2 of the Additional Building Block to the Securities Note.

"Available Funds": Means the amounts perceived by the Fund in concept of principal and interests of the Assets, the yield of the Cash Account and the Excess Fund Account, as the case may be, the Reserve Fund, the Swap Agreement and whichever amounts that the Fund would perceive, according to section 3.4.6.a) of the Additional Building Block to the Securities Note, that will apply at each Payment Date to the payments established in the order of priority established in section 3.4.1. b) of Additional Building Block to the Securities Note.

"**Available Redemption Funds**": Means the amount to be earmarked towards redemption of the Bonds on each Payment Date and which shall be determined in accordance with the provisions of section 4.9.2 . of the Securities Note.

"GE Mortgage Insurance Limited": Means the Mortgage Credit Insurance Company.

"**Iberclear**": Means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (*securities registration, clearing and settlement management company*).

"RIP": Means, Retail Price Index for the last twelve (12) months published in the National Statistic Institute Bulletin, (1) once month preceding to the review of the interest rate for the loans.

"**V.A.T.**": Means Value Added Tax.

"Law 2/1981": Means Law 2/1981, March 25, of Mortgage Market.

"**Law 19/1992**": Means Law 19/1992, of July 7, on the Scheme of Real Estate Investment Companies and Funds and on Mortgage Securitization Funds.

"**Law 37/1992**": Means Law 37/1992, of December 28, on Value Added Tax.

"**Law 3/1994**": Means Law 3/1994, of April 14, on Adaptation to Second Banking Directive.

"**Civil Procedure Act**": Means Law 1/2000, of January 7, on Civil Procedure.

"**Securities Market Act**" or "**Law 24/1988**": Means Law 24/1988, of July 28, regulating the Securities Market, as amended by Law 37/1998, of November 16, by Law 44/2002, of November 22 and by Royal Decree Law 5/2005, of March 11 and Order 3537/2005 November 10

"LTV": Means "Loan to Value", the ratio between the outstanding balance pending for payment and the appraised value for each Mortgage Loan.

"**Additional Building Block to (the) Securities Note**": Means the additional building block to the securities note relating to the Bond issue, as prepared in accordance with Annex VIII of (EC) Regulation 809/2004, as approved by the CNMV on November 25, 2005.

"**Rate Setting Time**": Means the second Business Day as per the calendar of TARGET (*Transeuropean Automated Real-time Gross Settlement Express Transfer System*) preceding each Payment Date, at 11:00 a.m. (CET time) on said day.

"**Securities Note**": Means the securities note relating to the Bond issue, as prepared in accordance with Annex XIII of (EC) Regulation 809/2004, as approved by the CNMV on November 25, 2005.

"Mortgage Participations or MP": Means the Mortgage Participations to be issued by UCI related to Mortgage Loans A and according to section 3.3.a).2) of the Additional Building Block to the Securities Note.

"**Subscription Period**": Means the period of six hours, between 9.00 and 15.00 Madrid time on the Business Day that coincides with the date of publishing of the announcement of the incorporation of the Bonds, during which subscription applications shall be formulated at the offices of the Underwriters. Such announcement is expected to take place on November 29, 2005.

"**Interest Accrual Periods**": Means each one of the periods into which the Bond issue is divided, comprising the days actually transpired between each Payment Date, including in each Interest Accrual Period the initial Payment Date of the relevant period and excluding the final Payment Date of the relevant period.

"**Determination Periods**": Means each one of the periods between two consecutive Determination Dates, including in each Determination Period the initial Determination Date of the relevant period and excluding the final one of the relevant period.

"**Loans**": Means the loans, both Mortgage Loans and Non-Mortgage Loans, granted by UCI to an individual domiciled in Spain, for the purpose of financing the acquisition or rehabilitation of their home, from which the Assets subject to assignment to the Fund derive.

"*Cuota Fácil* (Easy Payment) Loan": Means Mortgage Loans that have their first thirty six (36) payments predetermined and progressive (the first year payment shall be, at least, in the amount of the non-capital payment, the rest of the payments are progressive until reaching, on the fourth year, the amount of the regular financial payment). Any accrued and non-paid interests will add to the outstanding principal pending of redemption and, after the fourth year, the calculation of the new payments should absorb the impact of a possible lack of redemption of the first three years.

"Bridging Loan ": Means Mortgage Loans granted for the purchase of a new home where the debtor has not yet sold his/her previous property. In order to do so, both properties are mortgaged and the debtor has a two year term to sell the former property, with the obligation to reimburse the amount of the loan based on the mortgage liability indicated for such home.

"Non-performing Loans": Means those Loans whose debt the Bank deems non-recoverable or those loans that have pending payments with higher delinquency to 18 months or that the foreclosure of guarantees have begun (if that foreclosure happened prior to the 18 months of the first delinquency).

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"**Mortgage Loans**": Means mortgage-backed Loans.

"**Mortgage Loans A**": Means those Mortgage Loans that meet all the requirement established in Law 2/81, and related provisions.

"**Mortgage Loans B**": Means those Mortgage Loans that do not meet all the requirement established in Law 2/81, March 25 of the Mortgage Industry and related provisions, and specifically the ratio between the balance of the loan and the appraised value of the mortgage real state.

"**Personal Loans**": Means unsecured Loans or with personal guarantee associated to certain Mortgage Loans A.

"3-year fixed rate Loans": Means Mortgage Loans with a fixed interest rate during the first three (3) years.

"**Royal Decree 926/1998**": Means Royal Decree 926/1998, of May 14, regulating Asset Securitization Funds and Securitization Fund Managers.

"**Royal Decree 1777/2004**": Means Royal Decree 1777/2004, of July 30, approving the Corporate Income Tax Regulations.

"**Royal Legislative Decree 4/2004**": Means Royal Legislative Decree 4/2004, of March 5, approving the Corporate Income Tax Act, as amended.

"**Royal Legislative Decree 1/1993**": Means Royal Legislative Decree 1/1993, of September 24, approving the Transfer Tax/Stamp Duty Act, as amended.

"**(EC) Regulation 809/2004**": Means Commission Regulation (EC) No. 809/2004, of April 29, 2004, implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

"Accumulated Balance of Non-performing": Means, the balance of loans that have pending payments with delinquency higher to 18 months, or that have begun the foreclosure of the guarantee (if that foreclosure happened prior to the 18 months from the first delinquent payment) without taking into account the amounts that can result during the foreclosure of the guarantees of the Assets.

"**Principal Balance Pending Payment on the Bonds**": Means the total outstanding balances on the Bonds of all Classes (i.e. the principal amount of the Bonds pending redemption).

"**Outstanding Balance of (the) Assets**": Means the principal amounts accrued and not paid together with any principal amounts not yet accrued and pending maturity of the Assets.

"Mortgage Credit Insurance": Means the insurance that covers, during the whole life of the operation and for a constant amount, of the risk of loss that could happen after the foreclosure of a loan for delinquency in the payments by debtor.

"**Classes**": Means each one of the three (3) series into which the total amount of the Bond issue is broken down.

"**Class A**": Means the Class having a total face amount of one billion three hundred seventy seven million five hundred thousand euros (€1,377,500,000), formed by thirteen thousands seven hundred seventy-five (13,775) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000).

"**Class B**": Means the Class having a total face amount of thirty four million one hundred thousand euros(€34,100,000), formed by three hundred forty one (341) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000).

"**Class C**": Means the Class having a total face amount of thirty eight million four hundred thousand euros (€38,400000), formed by three hundred and eighty four (384) Bonds each having a face value of ONE HUNDRED THOUSAND EUROS (€100,000).

"**Manager**": Means Santander de Titulización, S.G.F.T., S.A.

"**Standard & Poor's**": Means Standard & Poor's España, S.A.

"**CAPR**": Means Constant Annual Prepayment Rate.

"International Tranche": Means the International Tranche of the Issuance of the Bonds as described in section 4.1.b).(b). of the Securities Note.

"Domestic Tranche": Means the Domestic Tranche of the Issuance of the Bonds as described in section 4.1.b).(a). of the Securities Note.

"**IRR**": Means Internal Rate of Return for the holders of each Bond Series.

"UCI": Unión de Creditos Inmobiliarios, Establecimiento Financiero de Crédito, S.A.

"UCB": Union de Credit pour le Batiment S.A.