

# BBVA HIPOTECARIO 3 Fondo de Titulización de Activos

## Brief report

Date: 12/31/2005  
Currency: EUR

Date of constitution  
06/13/2005

VAT Reg. no.  
G84373000

Management Company  
Europa de Titulización, S.G.F.T

Originator  
BBVA

Servicer  
BBVA

Lead Managers  
BBVA  
JPMorgan

Bond Underwriters and Placement Agents  
BBVA  
JPMorgan  
Banco Cooperativo  
Caixa Catalunya  
Calyon  
CSFB  
Dresdner Kleinwort Wasserstein  
Société Général

Bond Paying Agent  
BBVA

### Market

AIAF Mercado de Renta Fija

Register of Book Securities  
Iberclear

Treasury Account  
BBVA

Amortisation Account  
BBVA

Subordinated Credit  
BBVA

Start-up Loan  
BBVA

Swap  
BBVA

Assets Custodian  
BBVA

Fund Auditors  
Ernst&Young

### Issued securities: Asset-Backed Bonds

Bonds Issue										
Series ISIN Code	Issue date N° bonds	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating		
		Current	Original			Final maturity (legal)	Next	Fitch / Moody's / S&P	Current	Original
Series A1 ES0314227002	06/16/2005 4,495	71,439.74 321,121,631.30 71.44%	100,000.00 449,500,000.00	Floating 3-M Euribor + 0.050% 21.Feb/May/Aug/Nov	2.4000% 02/21/2006 438.163739 Gross 372.439178 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	02/21/2006 "Pass-Through"	AAA Aaa AAA	AAA Aaa AAA	
Series A2 ES0314227010	06/16/2005 9,257	100,000.00 925,700,000.00 100.00%	100,000.00 925,700,000.00	Floating 3-M Euribor + 0.170% 21.Feb/May/Aug/Nov	2.5200% 02/21/2006 644.000000 Gross 547.400000 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Secuential / Pro rata under certain circumstances	AAA Aaa AAA	AAA Aaa AAA	
Series B ES0314227028	06/16/2005 559	100,000.00 55,900,000.00 100.00%	100,000.00 55,900,000.00	Floating 3-M Euribor + 0.320% 21.Feb/May/Aug/Nov	2.6700% 02/21/2006 682.333333 Gross 579.983333 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	A A2 A	A A2 A	
Series C ES0314227036	06/16/2005 189	100,000.00 18,900,000.00 100.00%	100,000.00 18,900,000.00	Floating 3-M Euribor + 0.600% 21.Feb/May/Aug/Nov	2.9500% 02/21/2006 753.888889 Gross 640.805556 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+ Baa2 BBB	BBB+ Baa2 BBB	
Total		1,321,621,631.30	1,450,000,000.00							

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)												
Series	Option	Average life	Years	% Monthly CPR (SMM)								
				0,00	0,70	0,80	0,90	1,00	1,10	1,20	1,30	
Series A1	With optional redemption *	Average life	Years	0,95	0,65	0,62	0,59	0,58	0,56	0,54	0,52	
		Final Maturity	Years	12/14/2006	08/23/2006	08/12/2006	08/05/2006	07/29/2006	07/22/2006	07/15/2006	07/08/2006	
	Without optional redemption *	Average life	Years	2,14	1,39	1,39	1,14	1,14	1,14	1,14	1,14	
		Final Maturity	Years	02/21/2008	05/21/2007	05/21/2007	02/21/2007	02/21/2007	02/21/2007	02/21/2007	02/21/2007	
	Series A2	With optional redemption *	Average life	Years	5,79	4,37	4,21	4,06	3,92	3,81	3,69	3,56
			Final Maturity	Years	10/14/2011	05/12/2010	03/16/2010	11/30/2009	10/23/2009	09/06/2009	07/23/2009	07/23/2009
Without optional redemption *		Average life	Years	9,90	7,90	7,64	7,39	7,15	7,15	6,90	6,90	
		Final Maturity	Years	11/21/2015	11/21/2013	08/21/2013	05/21/2013	02/21/2013	02/21/2013	11/21/2012	11/21/2012	
Series B		With optional redemption *	Average life	Years	7,00	5,37	5,19	5,01	4,85	4,74	4,57	4,42
			Final Maturity	Years	12/28/2012	05/15/2011	03/11/2011	01/02/2011	11/03/2010	09/24/2010	07/24/2010	06/01/2010
	Without optional redemption *	Average life	Years	9,90	7,90	7,64	7,39	7,15	7,15	6,90	6,64	
		Final Maturity	Years	11/21/2015	11/21/2013	08/21/2013	05/21/2013	02/21/2013	02/21/2013	11/21/2012	08/21/2012	
	Series C	With optional redemption *	Average life	Years	7,46	5,78	5,60	5,41	5,25	5,09	4,93	4,79
			Final Maturity	Years	06/14/2013	10/09/2011	08/04/2011	05/28/2011	03/29/2011	02/02/2011	12/04/2010	10/15/2010
Without optional redemption *		Average life	Years	28,91	28,91	28,91	28,91	28,91	28,91	28,91	28,91	
		Final Maturity	Years	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	

\* Optional clean up call when the amount of the outstanding balance of the securitised assets is less than 10 per 100 of the initial outstanding balance.  
Hypothesis of delinquency and default assumptions of the securitised assets: 0%

### Credit enhancement and financial operations

Credit enhancement (CE)					
	Current		At issue date		% CE
	% CE	% CE	% CE	% CE	
Class A	94.34%	1,246,821,631.30	7.63%	94.84%	6.96%
Series A1	24.30%	321,121,631.30	31.00%	449,500,000.00	
Series A2	70.04%	925,700,000.00	63.84%	925,700,000.00	
Series B	4.23%	55,900,000.00	3.40%	55,900,000.00	3.10%
Series C	1.43%	18,900,000.00	1.97%	18,900,000.00	1.80%
Issue of Bonds		1,321,621,631.30		1,450,000,000.00	
Subord. Line of Credit (Available)	1.97%	26,100,000.00	1.80%	26,100,000.00	

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	35,504,487.77	2.281%	
Amortization Account		0.00	
Servicer ppal collect not yet credited	19,906,457.65		
Servicer intls collect not yet credited	3,049,561.31		
Liabilities	Available	Balance	Interest
Subordinated Line of Credit	26,100,000.00		0.00
Start-up Loan		1,463,310.86	4.350%

### Additional information

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Ernst&Young

## Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	6,421	6,795	
Principal			
Principal outstanding	1,269,140,038.06	1,450,012,562.59	
Average loan	197,654.58	213,394.05	
Minimum	2,718.70	3,040.36	
Maximum	7,574,090.71	7,891,415.63	
Interest rate			
Weighted average (wac)	3.21%	3.20%	
Minimum	2.20%	2.13%	
Maximum	6.00%	6.50%	
Final maturity			
Weighted average (WARM) (months)	112	117	
Minimum	11/30/2006	05/31/2008	
Maximum	08/31/2034	03/31/2041	
Index (distribution)			
3-month EURIBOR/MIBOR	24.00	24.50	
4-month EURIBOR/MIBOR	0.43	0.41	
5-month EURIBOR/MIBOR	0.11	0.10	
6-month EURIBOR/MIBOR	14.28	15.29	
7-month EURIBOR/MIBOR	0.19	0.17	
9-month EURIBOR/MIBOR	0.07	0.06	
10-month EURIBOR/MIBOR	0.00	0.00	
11-month EURIBOR/MIBOR	0.07	0.06	
1-year EURIBOR/MIBOR	19.03	18.58	
1-year EURIBOR/MIBOR (Mortgage Market)	36.07	35.08	
Mortgage Market: Banks	3.45	3.43	
Mortgage Market: All Institutions	2.11	2.14	
Fixed Interest	0.20	0.18	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	1.26%	0.89%	0.87%		0.80%
Annual Percentage Rate (CPR)	14.12%	10.18%	10.00%		9.22%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.18	7.33	0.96	6.96
10.01 - 20%	4.40	15.80	3.42	15.46
20.01 - 30%	8.92	25.60	7.55	25.60
30.01 - 40%	14.30	35.56	12.33	35.26
40.01 - 50%	21.12	44.63	21.45	45.25
50.01 - 60%	18.72	54.80	18.70	55.08
60.01 - 70%	13.14	64.66	14.35	64.63
70.01 - 80%	6.76	74.81	8.31	75.22
80.01 - 90%	7.56	85.20	5.90	85.23
90.01 - 100%	3.71	93.18	6.82	94.25
100.01 - 110%	0.17	107.30	0.02	107.83
110.01 - 120%			0.17	117.27
Weighted average (WALTV)	51.50		54.12	
Minimum	1.04		1.17	
Maximum	177.75		182.24	

Geographic distribution		
	Current	At constitution date
Andalucia	21.50%	22.22%
Aragon	1.84%	1.75%
Asturias	1.54%	1.46%
Balearic Islands	2.26%	2.14%
Basque Country	4.82%	4.86%
Canary Islands	9.37%	9.65%
Cantabria	0.55%	0.51%
Castilla-La Mancha	1.95%	1.97%
Castilla-Leon	4.34%	4.56%
Catalonia	19.17%	19.05%
Ceuta	0.20%	0.19%
Extremadura	0.89%	0.84%
Galicia	2.72%	2.59%
La Rioja	1.25%	1.18%
Madrid	13.28%	13.01%
Melilla	0.08%	0.08%
Murcia	2.32%	2.35%
Navarra	0.73%	0.70%
Valencia	11.20%	10.90%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%		%		
Up to 1 month	418	736,325.25	239,400.90	0.00	975,726.15	73.37	75,472,605.50	76,448,331.65	82.33	36.50
1 to 2 months	66	140,789.36	32,550.28	0.00	173,339.64	13.03	7,844,492.89	8,017,832.53	8.64	33.64
2 to 3 months	22	35,780.76	10,568.61	0.00	46,349.37	3.49	3,451,230.96	3,497,580.33	3.77	43.33
3 to 6 months	5	94,472.37	20,436.85	0.00	114,909.22	8.64	4,505,345.42	4,620,254.64	4.98	70.42
6 to 12 months	2	13,092.82	5,474.88	1,043.67	19,611.37	1.47	247,446.10	267,057.47	0.29	57.87
Total	513	1,020,460.56	308,431.52	1,043.67	1,329,935.75		91,521,120.87	92,851,056.62		37.38

### Additional information