

# BBVA HIPOTECARIO 3 Fondo de Titulización de Activos



## Brief report

Date: 06/30/2006  
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 Générale

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 Nº bonds	Principal outstanding (Bond Unit / Series Total / %Factor)		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating		
		Current	Original			Final maturity (legal)	Next	Fitch / Moody's / S&P	Current	Original
Series A1 ES0314227002	06/16/2005 4,495	39,087.83 175,699,795.85 39.09%	100,000.00 449,500,000.00	Floating 3-M Euribor + 0.050% 21.Feb/May/Aug/Nov	2.9430% 08/21/2006 290.784139 Gross 247.166518 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	08/21/2006 "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	3.0630% 08/21/2006 774.258333 Gross 658.119583 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Secutorial / 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	3.2130% 08/21/2006 812.175000 Gross 690.348750 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secutorial	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	3.4930% 08/21/2006 882.952778 Gross 750.509861 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Secutorial	BBB+ Baa2 BBB	BBB+ Baa2 BBB	
Total		1,176,199,795.85	1,450,000,000.00							

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)													
Series	With optional redemption *	Average life	Years	% Monthly CPR (SMM)									
				0,00	0,51	0,60	0,69	0,78	0,87	0,97	1,06		
Series A1	With optional redemption *	Average life	0,62	0,47	0,46	0,44	0,42	0,41	0,40	0,39			
		Final Maturity	12/12/2006	10/19/2007	10/13/2006	10/07/2006	09/30/2006	09/27/2006	09/24/2006	09/20/2006			
	Without optional redemption *	Average life	0,62	0,47	0,46	0,44	0,42	0,41	0,40	0,39			
		Final Maturity	12/12/2006	10/19/2006	10/13/2006	10/07/2006	09/30/2006	09/27/2006	09/24/2006	09/20/2006			
	Series A2	With optional redemption *	Average life	5,26	4,28	4,13	3,99	3,86	3,76	3,64	3,51		
			Final Maturity	08/01/2011	08/08/2010	06/16/2010	04/26/2010	03/07/2010	02/01/2010	12/17/2009	11/02/2009		
Without optional redemption *		Average life	5,64	4,60	4,45	4,31	4,18	4,05	3,93	3,82			
		Final Maturity	12/19/2011	12/02/2010	10/10/2010	08/21/2010	07/04/2010	05/18/2010	04/04/2010	02/20/2010			
Series B		With optional redemption *	Average life	6,47	5,34	5,17	4,99	4,83	4,71	4,57	4,42		
			Final Maturity	10/16/2012	08/30/2011	06/30/2011	04/26/2011	02/27/2011	01/14/2011	11/21/2010	09/29/2010		
	Without optional redemption *	Average life	7,01	5,79	5,63	5,45	5,29	5,13	4,99	4,85			
		Final Maturity	05/02/2013	02/12/2012	12/13/2011	10/09/2011	08/14/2011	06/15/2011	04/24/2011	03/05/2011			
	Series C	With optional redemption *	Average life	6,47	5,34	5,17	4,99	4,83	4,71	4,57	4,42		
			Final Maturity	10/16/2012	08/31/2011	07/01/2011	04/26/2011	02/27/2011	01/14/2011	11/21/2010	09/29/2010		
Without optional redemption *		Average life	7,01	5,79	5,63	5,45	5,29	5,13	4,99	4,85			
		Final Maturity	05/03/2013	02/12/2012	12/13/2011	10/09/2011	08/14/2011	06/15/2011	04/24/2011	03/05/2011			

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

### Credit enhancement and financial operations

Credit enhancement (CE)						
	Current			At issue date		
	%	Amount	% CE	%	Amount	% CE
Class A	93.64%	1,101,399,795.85	8.58%	94.84%	1,375,200,000.00	6.96%
Series A1	14.94%	175,699,795.85		31.00%	449,500,000.00	
Series A2	78.70%	925,700,000.00		63.84%	925,700,000.00	
Series B	4.75%	55,900,000.00	3.83%	3.86%	55,900,000.00	3.10%
Series C	1.61%	18,900,000.00	2.22%	1.30%	18,900,000.00	1.80%
Issue of Bonds		1,176,199,795.85			1,450,000,000.00	
Subord. Line of Credit (Available)	2.22%	26,100,000.00		1.80%	26,100,000.00	

Other financial operations (current)			
Assets	Balance		Interest
	Available	Balance	
Treasury Account		35,068,197.70	2.818%
Amortization Account		0.00	
Servicer ppal collect not yet credited		12,635,611.71	
Servicer ints collect not yet credited		2,966,733.96	
Liabilities	Available	Balance	Interest
Subordinated Line of Credit	26,100,000.00	0.00	4.893%
Start-up Loan		1,197,254.34	4.893%

#### Additional information

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### 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

## Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	6,069	6,795	
Principal			
Principal outstanding	1,131,208,707.46	1,450,012,562.59	
Average loan	186,391.28	213,394.05	
Minimum	626.44	3,040.36	
Maximum	7,296,901.11	7,891,415.63	
Interest rate			
Weighted average (wac)	3.63%	3.20%	
Minimum	2.36%	2.13%	
Maximum	6.00%	6.50%	
Final maturity			
Weighted average (WARM) (months)	107	117	
Minimum	01/01/1900	05/31/2008	
Maximum	08/31/2034	03/31/2041	
Index (distribution)			
3-month EURIBOR/MIBOR	24.19	24.50	
4-month EURIBOR/MIBOR	0.45	0.41	
5-month EURIBOR/MIBOR	0.11	0.10	
6-month EURIBOR/MIBOR	14.15	15.29	
7-month EURIBOR/MIBOR	0.20	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	19.06	18.58	
1-year EURIBOR/MIBOR (Mortgage Market)	36.01	35.08	
Mortgage Market: Banks	3.39	3.43	
Mortgage Market: All Institutions	2.09	2.14	
Fixed Interest	0.20	0.18	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.33	7.50	0.96	6.96
10.01 - 20%	5.45	15.97	3.42	15.46
20.01 - 30%	9.78	25.61	7.55	25.60
30.01 - 40%	17.84	35.62	12.33	35.26
40.01 - 50%	21.33	44.87	21.45	45.25
50.01 - 60%	17.07	54.84	18.70	55.08
60.01 - 70%	10.98	64.00	14.35	64.63
70.01 - 80%	7.31	74.72	8.31	75.22
80.01 - 90%	6.97	84.04	5.90	85.23
90.01 - 100%	1.89	93.16	6.82	94.25
100.01 - 110%	0.02	104.00	0.02	107.83
110.01 - 120%			0.17	117.27
Weighted average (WALTV)	48.93		54.12	
Minimum	0.26		1.17	
Maximum	173.82		182.24	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.89%	0.60%	0.61%	0.74%	0.72%
Annual Percentage Rate (CPR)	10.15%	7.02%	7.13%	8.58%	8.26%

Geographic distribution		
	Current	At constitution date
Andalucia	21.18%	22.22%
Aragon	1.90%	1.75%
Asturias	1.61%	1.46%
Balearic Islands	2.31%	2.14%
Basque Country	4.88%	4.86%
Canary Islands	9.17%	9.85%
Cantabria	0.55%	0.51%
Castilla-La Mancha	1.96%	1.97%
Castilla-Leon	4.52%	4.56%
Catalonia	19.25%	19.05%
Ceuta	0.20%	0.19%
Extremadura	0.93%	0.84%
Galicia	2.68%	2.59%
La Rioja	1.16%	1.18%
Madrid	13.27%	13.01%
Melilla	0.09%	0.08%
Murcia	2.32%	2.35%
Navarra	0.76%	0.70%
Valencia	11.26%	10.90%

Current delinquency									
Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%			
Up to 1 month	460	819,975.49	268,268.73	0.00	1,088,244.22	75.00	76,412,970.77	77,501,214.99	87.43
1 to 2 months	67	113,170.75	32,948.00	11.53	146,130.28	10.07	6,417,806.42	6,563,936.70	7.41
2 to 3 months	21	78,570.03	21,195.98	0.00	99,766.01	6.88	3,013,093.89	3,112,859.90	3.51
3 to 6 months	7	57,793.98	12,758.61	83.16	70,635.75	4.87	1,007,781.79	1,078,417.54	1.22
6 to 12 months	2	6,570.36	3,289.97	81.59	9,941.92	0.69	101,201.84	111,143.76	0.13
12 to 18 months	2	24,533.81	10,613.41	1,043.67	36,190.89	2.49	236,005.11	272,196.00	0.31
Total	559	1,100,614.42	349,074.70	1,219.95	1,450,909.07		87,188,859.82	88,639,768.89	37.27

### Additional information