

# BBVA HIPOTECARIO 3 Fondo de Titulización de Activos

## Brief report

**Date:** 08/31/2008  
**Currency:** EUR

**Date of constitution**  
 06/13/2005

**VAT Reg. no.**  
 G84373000

**Management Company**  
 Europea 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) Current		Interest type Reference rate and margin Payment Date	Interest Rate Next coupon	Redemption		Rating		
		Original				Final maturity (legal)	Next	Fitch / Moody's / S&P	Current	Original
Series A1 ES0314227002	06/16/2005 4,495	0.00	100,000.00	Floating 3-M Euribor+0.050%	21.Feb/May/Aug/Nov	11/21/2038 Quarterly	Amortized	AAA	AAA	AAA
Series A2 ES0314227010	06/16/2005 9,257	66,040.21 611,334,223.97 66.04%	100,000.00 925,700,000.00	Floating 3-M Euribor+0.170%	21.Feb/May/Aug/Nov	11/21/2038 Quarterly	"Pass-Through" Secuential / Pro rata under certain circumstances	AAA	AAA	AAA
Series B ES0314227028	06/16/2005 559	94,018.04 52,556,084.36 94.02%	100,000.00 55,900,000.00	Floating 3-M Euribor+0.320%	21.Feb/May/Aug/Nov	11/21/2038 Quarterly	To be determined "Pass-Through" Secuential / deferred start / Secuential	A	A	A
Series C ES0314227036	06/16/2005 189	94,025.97 17,770,908.33 94.03%	100,000.00 18,900,000.00	Floating 3-M Euribor+0.600%	21.Feb/May/Aug/Nov	11/21/2038 Quarterly	To be determined "Pass-Through" Pro rata deferred start / Secuential	BBB+	BBB+	BBB
<b>Total</b>		681,661,216.66		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)									
				0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44		
Series A2	With optional redemption *	Average life	3.39	3.19	3.01	2.78	2.62	2.47	2.33	2.25			
		Final Maturity	01/20/2012	08/11/2011	02/09/2011	12/06/2011	04/14/2011	02/19/2011	12/28/2010	11/29/2010			
	Without optional redemption *	Average life	5.98	5.72	5.48	4.98	4.72	4.48	4.23	4.23			
		Final Maturity	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	11/21/2012	11/21/2012			
	Series B	With optional redemption *	Average life	3.39	3.19	3.01	2.78	2.62	2.47	2.33	2.25		
			Final Maturity	01/20/2012	08/11/2011	02/09/2011	12/06/2011	04/14/2011	02/19/2011	12/28/2010	11/29/2010		
Without optional redemption *		Average life	5.98	5.72	5.48	4.98	4.72	4.48	4.23	4.23			
		Final Maturity	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	11/21/2012	11/21/2012			
Series C		With optional redemption *	Average life	3.39	3.19	3.01	2.78	2.62	2.47	2.33	2.25		
			Final Maturity	01/20/2012	08/11/2011	02/09/2011	12/06/2011	04/14/2011	02/19/2011	12/28/2010	11/29/2010		
	Without optional redemption *	Average life	5.98	5.72	5.48	4.98	4.72	4.48	4.23	4.23			
		Final Maturity	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	11/21/2012	11/21/2012			

\* 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
Class A	89.68%	611,334,223.97	13.92%	94.84%	1,375,200,000.00
Series A1	0.00%	0.00		31.00%	449,500,000.00
Series A2	89.68%	611,334,223.97		63.84%	925,700,000.00
Series B	7.71%	52,556,084.36	6.21%	3.86%	55,900,000.00
Series C	2.61%	17,770,908.33	3.60%	1.30%	18,900,000.00
Issue of Bonds		681,661,216.66			1,450,000,000.00
Subord. Line of Credit (Available)	3.60%	24,539,803.80		1.80%	26,100,000.00

Other financial operations (current)			
Assets	Balance	Interest	
Treasury Account	2,511,723.02	4.944%	
Amortization Account		0.00	
Servicer ppal collect not yet credited		7,253,589.89	
Servicer ints collect not yet credited		2,637,028.41	
Liabilities	Available	Balance	Interest
Subordinated Line of Credit	24,539,803.80	0.00	6.963%
Start-up Loan		0.00	6.963%

#### Additional information

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Ernst&Young

### Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	4,721	6,795	
<b>Principal</b>			
Principal outstanding	673,286,460.30	1,450,012,562.59	
Average loan	142,615.22	213,394.05	
Minimum	193.78	3,040.36	
Maximum	6,081,904.74	7,891,415.63	
<b>Interest rate</b>			
Weighted average (wac)	5.67%	3.20%	
Minimum	3.00%	2.13%	
Maximum	8.64%	6.50%	
<b>Final maturity</b>			
Weighted average (WARM) (months)	90	117	
Minimum	09/18/2008	05/31/2008	
Maximum	08/31/2034	03/31/2041	
<b>Index (principal outstanding distribution)</b>			
3-month EURIBOR/MIBOR	24.61%	24.50%	
4-month EURIBOR/MIBOR	0.47%	0.41%	
5-month EURIBOR/MIBOR	0.13%	0.10%	
6-month EURIBOR/MIBOR	13.61%	15.29%	
7-month EURIBOR/MIBOR	0.29%	0.17%	
9-month EURIBOR/MIBOR	0.08%	0.06%	
10-month EURIBOR/MIBOR	0.00%	0.00%	
11-month EURIBOR/MIBOR	0.07%	0.06%	
1-year EURIBOR/MIBOR	19.80%	18.58%	
1-year EURIBOR/MIBOR (Mortgage Market)	35.89%	35.08%	
Mortgage Market: Banks	3.03%	3.43%	
Mortgage Market: All Institutions	1.98%	2.14%	
Fixed Interest	0.03%	0.18%	

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	3.64	7.19	0.96	6.96
10.01 - 20%	8.48	15.60	3.42	15.46
20.01 - 30%	18.29	25.35	7.55	25.60
30.01 - 40%	22.06	34.78	12.33	35.26
40.01 - 50%	20.68	44.90	21.45	45.25
50.01 - 60%	12.58	54.28	18.70	55.08
60.01 - 70%	7.73	64.52	14.35	64.63
70.01 - 80%	5.30	73.64	8.31	75.22
80.01 - 90%	1.17	84.00	5.90	85.23
90.01 - 100%	0.04	91.57	6.82	94.25
100.01 - 110%	0.02	105.48	0.02	107.83
110.01 - 120%			0.17	117.27
Weighted average (WALTV)	39.95		54.12	
Minimum	0.13		1.17	
Maximum	158.39		182.24	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.29%	0.42%	0.50%	0.55%	0.61%
Annual Percentage Rate (CPR)	3.48%	4.98%	5.79%	6.39%	7.12%

Geographic distribution		
	Current	At constitution date
Andalucia	21.80%	22.22%
Aragon	1.92%	1.75%
Asturias	1.67%	1.46%
Balearic Islands	2.29%	2.14%
Basque Country	5.00%	4.86%
Canary Islands	7.99%	9.65%
Cantabria	0.53%	0.51%
Castilla-La Mancha	1.96%	1.97%
Castilla-Leon	4.72%	4.56%
Catalonia	19.98%	19.05%
Ceuta	0.18%	0.19%
Extremadura	0.97%	0.84%
Galicia	3.00%	2.59%
La Rioja	1.23%	1.18%
Madrid	12.21%	13.01%
Melilla	0.06%	0.08%
Murcia	2.40%	2.35%
Navarra	0.83%	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	%				
<b>Delinquencies</b>										
Up to 1 month	418	901,448.53	319,862.18	0.00	1,221,310.71	34.55	56,271,279.95	57,492,590.66	76.13	30.30
from > 1 to ≤ 2 months	51	204,837.98	74,709.87	0.00	279,547.85	7.91	7,574,329.69	7,853,877.54	10.40	37.37
from > 2 to ≤ 3 months	9	58,219.86	11,639.12	0.00	69,858.98	1.98	1,665,746.12	1,735,605.10	2.30	30.01
from > 3 to ≤ 6 months	14	151,947.44	44,293.77	728.21	196,969.42	5.57	1,832,974.69	2,029,944.11	2.69	40.64
from > 6 to < 12 months	16	453,005.56	54,247.29	4,513.09	511,765.94	14.48	1,145,737.10	1,657,503.04	2.19	15.08
from ≥ 12 to < 18 months	10	247,387.17	121,157.49	12,571.79	381,116.45	10.78	1,799,896.66	2,181,013.11	2.89	37.99
from ≥ 18 to < 24 months	7	193,417.95	87,947.70	7,298.23	288,663.88	8.17	882,203.64	1,170,867.52	1.55	53.88
from ≥ 24 months	5	448,615.52	131,022.68	5,924.25	585,562.45	16.57	814,274.33	1,399,836.78	1.85	20.72
Subtotal	530	2,658,880.01	844,880.10	31,035.57	3,534,795.68	100.00	71,986,442.18	75,521,237.86	100.00	30.55
<b>Doubt debts (subjectives)</b>										
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>530</b>	<b>2,658,880.01</b>	<b>844,880.10</b>	<b>31,035.57</b>	<b>3,534,795.68</b>		<b>71,986,442.18</b>	<b>75,521,237.86</b>		<b>30.55</b>