

BBVA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 10/31/2008
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 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 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	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 21.Feb/May/Aug/Nov	Amortized	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	5.1330% 11/21/2008 866,293461 Gross 710.360638 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	11/21/2008 "Pass-Through" Sequential / Pro rata under certain circumstances	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	5.2830% 11/21/2008 1,269,337558 Gross 1,040.856798 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Sequential	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	5.5630% 11/21/2008 1,336,725426 Gross 1,096.114849 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	To be determined "Pass-Through" Pro rata deferred start / Sequential	BBB+	BBB+	
Total			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)											
			% Monthly CPR (SMM)								
			% Annual equivalent CPR								
			0,17	0,34	0,51	0,69	0,87	1,06	1,25	1,44	
Series A2	With optional redemption *	Average life	3.22	3.03	2.85	2.64	2.48	2.39	2.26	2.13	
		Final Maturity	01/18/2012	10/11/2011	07/09/2011	06/20/2011	04/25/2011	03/23/2011	02/02/2011	12/17/2010	
		Date	5.81	5.56	5.31	4.81	4.56	4.31	4.06	3.81	
		Date	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	02/21/2013	11/21/2012	
	Without optional redemption *	Average life	3.78	3.55	3.35	3.16	2.98	2.82	2.67	2.54	
		Final Maturity	11/08/2012	05/20/2012	05/03/2012	12/26/2011	10/24/2011	08/26/2011	03/07/2011	05/14/2011	
		Date	25.82	25.82	25.82	25.82	25.82	25.82	25.82	25.82	
		Date	08/21/2034	08/21/2034	08/21/2034	08/21/2034	08/21/2034	08/21/2034	08/21/2034	08/21/2034	
Series B	With optional redemption *	Average life	3.22	3.03	2.85	2.64	2.48	2.39	2.26	2.13	
		Final Maturity	01/18/2012	10/11/2011	07/09/2011	06/20/2011	04/25/2011	03/23/2011	02/02/2011	12/17/2010	
		Date	5.81	5.56	5.31	4.81	4.56	4.31	4.06	3.81	
		Date	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	02/21/2013	11/21/2012	
	Without optional redemption *	Average life	3.78	3.55	3.35	3.16	2.98	2.82	2.67	2.54	
		Final Maturity	11/08/2012	05/20/2012	05/03/2012	12/26/2011	10/24/2011	08/26/2011	03/07/2011	05/14/2011	
		Date	26.07	26.07	26.07	26.07	26.07	26.07	26.07	26.07	
		Date	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	11/21/2034	
Series C	With optional redemption *	Average life	3.22	3.03	2.85	2.64	2.48	2.39	2.26	2.13	
		Final Maturity	01/18/2012	10/11/2011	07/09/2011	06/20/2011	04/25/2011	03/23/2011	02/02/2011	12/17/2010	
		Date	5.81	5.56	5.31	4.81	4.56	4.31	4.06	3.81	
		Date	08/21/2014	05/21/2014	02/21/2014	08/21/2013	05/21/2013	02/21/2013	02/21/2013	11/21/2012	
	Without optional redemption *	Average life	3.78	3.55	3.35	3.16	2.98	2.82	2.67	2.54	
		Final Maturity	11/08/2012	05/20/2012	05/03/2012	12/26/2011	10/24/2011	08/26/2011	03/07/2011	05/14/2011	
		Date	26.07	26.07	26.07	26.07	26.07	26.07	26.07	26.07	
		Date	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
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%	6.96%	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	32,858,821.54	4.944%	
Amortization Account		0.00	
Servicer ppal collect not yet credited	8,906,684.06		
Servicer ints collect not yet credited	2,584,683.63		
Liabilities	Available	Balance	Interest
Subordinated Line of Credit	24,539,803.80	0.00	6.963%
Start-up Loan		0.00	6.963%

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Fund Auditors

Ernst&Young

Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	4,597	6,795	
Principal			
Principal outstanding	647,008,692.22	1,450,012,562.59	
Average loan	140,745.85	213,394.05	
Minimum	197.86	3,040.36	
Maximum	5,986,257.70	7,891,415.63	
Interest rate			
Weighted average (wac)	5.75%	3.20%	
Minimum	3.00%	2.13%	
Maximum	8.64%	6.50%	
Final maturity			
Weighted average (WARM) (months)	89	117	
Minimum	11/15/2008	05/31/2008	
Maximum	08/31/2034	03/31/2041	
Index (principal outstanding distribution)			
3-month EURIBOR/MIBOR	24.78%	24.50%	
4-month EURIBOR/MIBOR	0.48%	0.41%	
5-month EURIBOR/MIBOR	0.13%	0.10%	
6-month EURIBOR/MIBOR	13.35%	15.29%	
7-month EURIBOR/MIBOR	0.30%	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	19.81%	18.58%	
1-year EURIBOR/MIBOR (Mortgage Market)	35.99%	35.08%	
Mortgage Market: Banks	2.99%	3.43%	
Mortgage Market: All Institutions	1.99%	2.14%	
Fixed Interest	0.03%	0.18%	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.61%	0.47%	0.49%	0.54%	0.61%
Annual Percentage Rate (CPR)	7.06%	5.52%	5.72%	6.32%	7.09%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	3.59	6.88	0.96	6.96
10.01 - 20%	8.67	15.46	3.42	15.46
20.01 - 30%	18.94	25.13	7.55	25.60
30.01 - 40%	23.12	34.80	12.33	35.26
40.01 - 50%	20.38	44.98	21.45	45.25
50.01 - 60%	12.21	54.44	18.70	55.08
60.01 - 70%	7.11	64.34	14.35	64.63
70.01 - 80%	4.72	73.18	8.31	75.22
80.01 - 90%	1.19	83.43	5.90	85.23
90.01 - 100%	0.04	91.30	6.82	94.25
100.01 - 110%	0.02	103.31	0.02	107.83
110.01 - 120%			0.17	117.27
Weighted average (WALTV)	39.30		54.12	
Minimum	0.12		1.17	
Maximum	157.28		182.24	

Geographic distribution		
	Current	At constitution date
Andalucia	21.87%	22.22%
Aragon	1.92%	1.75%
Asturias	1.67%	1.46%
Balearic Islands	2.34%	2.14%
Basque Country	4.95%	4.86%
Canary Islands	7.91%	9.65%
Cantabria	0.54%	0.51%
Castilla-La Mancha	1.97%	1.97%
Castilla-Leon	4.72%	4.56%
Catalonia	19.99%	19.05%
Ceuta	0.18%	0.19%
Extremadura	0.98%	0.84%
Galicia	3.02%	2.59%
La Rioja	1.23%	1.18%
Madrid	12.16%	13.01%
Melilla	0.06%	0.08%
Murcia	2.43%	2.35%
Navarra	0.83%	0.70%
Valencia	11.23%	10.90%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt	% Total debt / Appraisal Value	
		Principal	Interest	Other	Total	%				
<i>Delinquencies</i>										
Up to 1 month	466	1,150,904.97	393,176.75	0.00	1,544,081.72	36.27	70,723,705.33	72,267,787.05	80.46	27.96
from > 1 to ≤ 2 months	41	221,030.37	70,108.59	0.00	291,138.96	6.84	6,023,725.47	6,314,864.43	7.03	34.95
from > 2 to ≤ 3 months	13	87,857.84	24,822.29	192.77	112,872.90	2.65	2,088,866.81	2,201,739.71	2.45	31.72
from > 3 to ≤ 6 months	9	106,365.83	20,970.81	106.50	127,443.14	2.99	799,187.15	926,630.29	1.03	27.61
from > 6 to < 12 months	18	436,713.32	106,224.07	22,805.22	565,742.61	13.29	2,439,090.39	3,004,833.00	3.35	36.12
from ≥ 12 to < 18 months	13	441,379.11	120,588.87	7,034.80	569,002.78	13.37	1,495,174.61	2,064,177.39	2.30	21.59
from ≥ 18 to < 24 months	7	202,500.17	87,310.93	11,536.65	301,347.75	7.08	890,526.68	1,191,874.43	1.33	33.10
from ≥ 2 years	7	558,668.04	177,474.36	8,855.33	744,997.73	17.50	1,103,062.66	1,848,060.39	2.06	24.91
Subtotal	574	3,205,419.65	1,000,676.67	50,531.27	4,256,627.59	100.00	85,563,339.10	89,819,966.69	100.00	28.45
<i>Doubt debts (subjectives)</i>										
	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
Total	574	3,205,419.65	1,000,676.67	50,531.27	4,256,627.59		85,563,339.10	89,819,966.69		28.45

Additional information