

BBVA HIPOTECARIO 3 Fondo de Titulización de Activos

Brief report

Date: 02/28/2006
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 Fitch / Moody's / S&P	
		Current	Original			Final maturity (legal)	Next	Current	Original
Series A1 ES0314227002	06/16/2005 4,495	53,783.33 241,756,068.35 53.78%	100,000.00 449,500,000.00	Floating 3-M Euribor + 0.050% 21.Feb/May/Aug/Nov	2.6580% 05/22/2006 357.390228 Gross 303.781694 Net	11/21/2038 Quarterly 21.Feb/May/Aug/Nov	05/22/2006 "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	2.7780% 05/22/2006 694.500000 Gross 590.325000 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	2.9280% 05/22/2006 732.000000 Gross 622.200000 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	3.2080% 05/22/2006 802.000000 Gross 681.700000 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		1,242,256,068.35	1,450,000,000.00						

Estimated average life (in years) and maturity according to different hypothesis of constant prepayment rates (CPR)											
		% Monthly CPR (SMM)		0.00	0.70	0.80	0.90	1.00	1.10	1.20	1.30
		% Annual equivalent CPR		0.00	8.08	9.19	10.28	11.36	12.43	13.49	14.53
Series A1	With optional redemption *	Average life	Years	0.93	0.64	0.61	0.59	0.57	0.55	0.54	0.52
		Final Maturity	Years	02/04/2007	10/18/2006	10/08/2006	09/30/2006	09/24/2006	09/18/2006	09/11/2006	09/05/2006
			Years	1.73	1.22	1.22	0.98	0.98	0.98	0.98	0.98
	Without optional redemption *	Average life	Years	0.93	0.64	0.61	0.59	0.57	0.55	0.54	0.52
		Final Maturity	Years	02/04/2007	10/18/2006	10/08/2006	09/30/2006	09/24/2006	09/18/2006	09/11/2006	09/05/2006
			Years	1.73	1.22	1.22	0.98	0.98	0.98	0.98	0.98
Series A2	With optional redemption *	Average life	Years	5.54	4.17	4.02	3.88	3.77	3.64	3.52	3.40
		Final Maturity	Years	09/12/2011	04/30/2010	03/06/2010	01/12/2010	12/06/2009	10/19/2009	09/03/2009	07/21/2009
			Years	9.48	7.48	7.23	6.99	6.99	6.73	6.48	6.23
	Without optional redemption *	Average life	Years	5.90	4.49	4.34	4.19	4.06	3.93	3.81	3.70
		Final Maturity	Years	01/19/2012	08/25/2010	06/30/2010	05/09/2010	03/20/2010	02/01/2010	12/19/2009	11/08/2009
			Years	28.50	28.50	28.50	28.50	28.50	28.50	28.50	28.50
Series B	With optional redemption *	Average life	Years	6.75	5.16	4.99	4.81	4.70	4.54	4.38	4.24
		Final Maturity	Years	11/28/2012	04/28/2011	02/23/2011	12/19/2010	11/08/2010	09/13/2010	07/15/2010	05/23/2010
			Years	9.48	7.48	7.23	6.99	6.99	6.73	6.48	6.23
	Without optional redemption *	Average life	Years	7.26	5.62	5.44	5.26	5.10	4.96	4.80	4.66
		Final Maturity	Years	05/31/2013	10/11/2011	08/07/2011	06/02/2011	04/05/2011	02/10/2011	12/14/2010	10/26/2010
			Years	28.75	28.75	28.75	28.75	28.75	28.75	28.75	28.75
Series C	With optional redemption *	Average life	Years	6.75	5.16	4.99	4.81	4.70	4.55	4.38	4.24
		Final Maturity	Years	11/28/2012	04/28/2011	02/23/2011	12/19/2010	11/08/2010	09/13/2010	07/15/2010	05/23/2010
			Years	9.48	7.48	7.23	6.99	6.99	6.73	6.48	6.23
	Without optional redemption *	Average life	Years	7.26	5.62	5.44	5.26	5.10	4.96	4.80	4.66
		Final Maturity	Years	05/31/2013	10/11/2011	08/07/2011	06/02/2011	04/05/2011	02/10/2011	12/15/2010	10/26/2010
			Years	28.75	28.75	28.75	28.75	28.75	28.75	28.75	28.75

* 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
Class A	93.98%	1,167,456,068.35	8.12%	94.84%	1,375,200,000.00
Series A1	19.46%	241,756,068.35		31.00%	449,500,000.00
Series A2	74.52%	925,700,000.00		63.84%	925,700,000.00
Series B	4.50%	55,900,000.00	3.62%	3.86%	55,900,000.00
Series C	1.52%	18,900,000.00	2.10%	1.30%	18,900,000.00
Issue of Bonds		1,242,256,068.35			1,450,000,000.00
Subord. Line of Credit (Available)	2.10%	26,100,000.00		1.80%	26,100,000.00

Other financial operations (current)			
Assets		Balance	Interest
Treasury Account		3,945,905.31	2.543%
Amortization Account		0.00	
Servicer ppal collect not yet credited		12,025,774.99	
Servicer ints collect not yet credited		2,926,358.58	
Liabilities		Available	Balance Interest
Subordinated Line of Credit		26,100,000.00	0.00 4.608%
Start-up Loan		1,330,282.60	4.608%

Additional information

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Collateral: Residential mortgage loans

General			
	Current	At constitution date	
Count	6,309	6,795	
Principal			
Principal outstanding	1,226,315,881.45	1,450,012,562.59	
Average loan	194,375.64	213,394.05	
Minimum	711.96	3,040.36	
Maximum	7,482,231.85	7,891,415.63	
Interest rate			
Weighted average (wac)	3.33%	3.20%	
Minimum	2.36%	2.13%	
Maximum	6.00%	6.50%	
Final maturity			
Weighted average (WARM) (months)	111	117	
Minimum	11/30/2006	05/31/2008	
Maximum	08/31/2034	03/31/2041	
Index (distribution)			
3-month EURIBOR/MIBOR	24.20	24.50	
4-month EURIBOR/MIBOR	0.44	0.41	
5-month EURIBOR/MIBOR	0.11	0.10	
6-month EURIBOR/MIBOR	14.25	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	18.67	18.58	
1-year EURIBOR/MIBOR (Mortgage Market)	36.29	35.08	
Mortgage Market: Banks	3.42	3.43	
Mortgage Market: All Institutions	2.11	2.14	
Fixed Interest	0.18	0.18	

Prepayments					
	Current month	Last 3 months	Last 6 months	Last 12 months	Historical
Single month. mort. (SMM)	0.84%	0.81%	0.73%		0.76%
Annual Percentage Rate (CPR)	9.61%	9.34%	8.37%		8.70%

LTV Distribution				
	Current		At constitution date	
	% Pool	% LTV	% Pool	% LTV
0.01 - 10%	1.25	7.33	0.96	6.96
10.01 - 20%	4.46	15.68	3.42	15.46
20.01 - 30%	9.43	25.52	7.55	25.60
30.01 - 40%	15.03	35.54	12.33	35.26
40.01 - 50%	21.65	44.62	21.45	45.25
50.01 - 60%	18.13	54.80	18.70	55.08
60.01 - 70%	12.78	64.41	14.35	64.63
70.01 - 80%	6.64	74.88	8.31	75.22
80.01 - 90%	8.08	85.03	5.90	85.23
90.01 - 100%	2.35	93.80	6.82	94.25
100.01 - 110%	0.18	105.46	0.02	107.83
110.01 - 120%			0.17	117.27
Weighted average (WALTV)	50.63		54.12	
Minimum	0.30		1.17	
Maximum	176.45		182.24	

Geographic distribution		
	Current	At constitution date
Andalucia	21.21%	22.22%
Aragon	1.83%	1.75%
Asturias	1.56%	1.46%
Balearic Islands	2.25%	2.14%
Basque Country	4.83%	4.86%
Canary Islands	9.39%	9.65%
Cantabria	0.54%	0.51%
Castilla-La Mancha	1.94%	1.97%
Castilla-Leon	4.40%	4.56%
Catalonia	19.32%	19.05%
Ceuta	0.21%	0.19%
Extremadura	0.90%	0.84%
Galicia	2.68%	2.59%
La Rioja	1.27%	1.18%
Madrid	13.25%	13.01%
Melilla	0.09%	0.08%
Murcia	2.32%	2.35%
Navarra	0.74%	0.70%
Valencia	11.28%	10.90%

Current delinquency										
Aging	Assets	Overdue debt					Outstanding debt	Total debt		% Total debt / Appraisal Value
		Principal	Interest	Other	Total	%				
Up to 1 month	320	573,548.98	170,636.63	0.00	744,185.61	63.09	57,338,543.58	58,082,729.19	75.91	38.79
1 to 2 months	80	178,409.92	48,676.79	0.00	227,086.71	19.25	11,061,421.88	11,288,508.59	14.75	41.27
2 to 3 months	28	73,263.08	20,395.81	0.00	93,658.89	7.94	2,799,895.28	2,893,554.17	3.78	22.07
3 to 6 months	3	78,615.00	10,957.54	22.38	89,594.92	7.60	3,895,259.79	3,984,854.71	5.21	69.03
6 to 12 months	2	16,924.47	7,111.03	1,043.67	25,079.17	2.13	243,614.45	268,693.62	0.35	58.23
Total	433	920,761.45	257,777.80	1,066.05	1,179,605.30		75,338,734.98	76,518,340.28		38.96