



101 Barclay Street, 8W
New York, NY 10286

Officer: Kelly Crosson
212-815-3235

Associate: William J. Herrmann
212-815-7080

First Horizon Asset Securities Inc.
First Horizon Alternative Mortgage Securities Trust 2006-AA1
Mortgage Pass-Through Certificates, Series 2006-AA1
The Bank of New York, as Trustee

Certificateholder Monthly Distribution Summary

Class	Cusip	Class Description	Certificate Rate Type	Beginning Balance	Pass Through Rate (%)	Principal Distribution	Interest Distribution	Total Distribution	Current Realized Losses	Ending Balance	Cumulative Realized Losses
1A1	32051GV28	Senior	Var-30/360	204,069,002.39	6.230841	5,434,151.77	1,059,601.30	6,493,753.07	0.00	198,634,850.62	0.00
1A2	32051GV36	Senior	Var-30/360	12,797,562.64	6.230841	340,786.19	66,449.65	407,235.84	0.00	12,456,776.45	0.00
2A1	32051GV44	Senior	Var-30/360	177,391,137.38	6.261176	5,120,265.49	925,564.22	6,045,829.72	0.00	172,270,871.89	0.00
2A2	32051GV51	Senior	Var-30/360	19,710,031.86	6.261176	568,915.66	102,839.98	671,755.64	0.00	19,141,116.20	0.00
2AR	32051GV69	Senior	Var-30/360	0.00	6.261176	0.00	0.44	0.44	0.00	0.00	0.00
B1	32051GV77	Junior	Var-30/360	13,905,255.09	6.245605	1,726.51	72,372.28	74,098.79	0.00	13,903,528.57	0.00
B2	32051GV85	Junior	Var-30/360	5,309,279.22	6.245605	659.21	27,633.05	28,292.27	0.00	5,308,620.00	0.00
B3	32051GV93	Junior	Var-30/360	4,045,165.12	6.245605	502.26	21,053.75	21,556.01	0.00	4,044,662.86	0.00
B4	32051GW27	Junior	Var-30/360	2,781,051.02	6.245605	345.30	14,474.46	14,819.76	0.00	2,780,705.71	0.00
B5	32051GW35	Junior	Var-30/360	2,022,582.56	6.245605	251.13	10,526.88	10,778.01	0.00	2,022,331.43	0.00
B6	32051GW43	Junior	Var-30/360	1,770,534.46	6.245605	219.83	9,215.05	9,434.88	0.00	1,770,314.62	0.00
Totals				443,801,601.74		11,467,823.35	2,309,731.06	13,777,554.43	0.00	432,333,778.35	0.00



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Principal Distribution Detail

Class	Cusip	Original Certificate Balance	Beginning Certificate Balance	Scheduled Principal Distribution	Accretion Principal	Unscheduled Principal Adjustments	Net Principal Distribution	Current Realized Losses	Ending Certificate Balance	Ending Certificate Factor
1A1	32051GV28	230,020,000.00	204,069,002.39	5,434,151.77	0.00	0.00	5,434,151.77	0.00	198,634,850.62	0.86355469358
1A2	32051GV36	14,425,000.00	12,797,562.64	340,786.19	0.00	0.00	340,786.19	0.00	12,456,776.45	0.86355469358
2A1	32051GV44	208,540,000.00	177,391,137.38	5,120,265.49	0.00	0.00	5,120,265.49	0.00	172,270,871.89	0.82608071299
2A2	32051GV51	23,171,000.00	19,710,031.86	568,915.66	0.00	0.00	568,915.66	0.00	19,141,116.20	0.82608071299
2AR	32051GV69	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00000000000
B1	32051GV77	13,915,000.00	13,905,255.09	1,726.51	0.00	0.00	1,726.51	0.00	13,903,528.57	0.99917560723
B2	32051GV85	5,313,000.00	5,309,279.22	659.21	0.00	0.00	659.21	0.00	5,308,620.00	0.99917560723
B3	32051GV93	4,048,000.00	4,045,165.12	502.26	0.00	0.00	502.26	0.00	4,044,662.86	0.99917560723
B4	32051GW27	2,783,000.00	2,781,051.02	345.30	0.00	0.00	345.30	0.00	2,780,705.71	0.99917560723
B5	32051GW35	2,024,000.00	2,022,582.56	251.13	0.00	0.00	251.13	0.00	2,022,331.43	0.99917560723
B6	32051GW43	1,771,775.26	1,770,534.46	219.83	0.00	0.00	219.83	0.00	1,770,314.62	0.99917560723
Totals		506,010,875.26	443,801,601.74	11,467,823.35	0.00	0.00	11,467,823.35	0.00	432,333,778.35	



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Interest Distribution Detail

Class	Beginning Certificate Balance	Pass Through Rate (%)	Current Interest	Deferred Interest	Total Interest Due	Net Interest Shortfall	Interest Paid
1A1	204,069,002.39	6.230841	1,059,601.30	0.00	1,059,601.30	0.00	1,059,601.30
1A2	12,797,562.64	6.230841	66,449.65	0.00	66,449.65	0.00	66,449.65
2A1	177,391,137.38	6.261176	925,564.22	0.00	925,564.22	0.00	925,564.22
2A2	19,710,031.86	6.261176	102,839.98	0.00	102,839.98	0.00	102,839.98
2AR	0.00	6.261176	0.00	0.00	0.00	0.00	0.44
B1	13,905,255.09	6.245605	72,372.28	0.00	72,372.28	0.00	72,372.28
B2	5,309,279.22	6.245605	27,633.05	0.00	27,633.05	0.00	27,633.05
B3	4,045,165.12	6.245605	21,053.75	0.00	21,053.75	0.00	21,053.75
B4	2,781,051.02	6.245605	14,474.46	0.00	14,474.46	0.00	14,474.46
B5	2,022,582.56	6.245605	10,526.88	0.00	10,526.88	0.00	10,526.88
B6	1,770,534.46	6.245605	9,215.05	0.00	9,215.05	0.00	9,215.05
Totals	443,801,601.74		2,309,730.62	0.00	2,309,730.62	0.00	2,309,731.06



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Current Payment Information
Factors per \$1,000

Class	Cusip	Original Certificate Balance	Beginning Certificate Balance	Principal Distribution	Interest Distribution	Ending Certificate Balance	Pass Through Rate (%)
1A1	32051GV28	230,020,000.00	887.179386105	23.624692520	4.606561606	863.554693584	6.230841
1A2	32051GV36	14,425,000.00	887.179386105	23.624692520	4.606561606	863.554693584	6.230841
2A1	32051GV44	208,540,000.00	850.633630868	24.552917878	4.438305480	826.080712991	6.261176
2A2	32051GV51	23,171,000.00	850.633630868	24.552917878	4.438305480	826.080712991	6.261176
2AR	32051GV69	100.00	0.000000000	0.000000000	4.356156266	0.000000000	6.261176
B1	32051GV77	13,915,000.00	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
B2	32051GV85	5,313,000.00	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
B3	32051GV93	4,048,000.00	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
B4	32051GW27	2,783,000.00	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
B5	32051GW35	2,024,000.00	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
B6	32051GW43	1,771,775.26	999.299682939	0.124075712	5.201026091	999.175607226	6.245605
Totals		506,010,875.26	877.059414014	22.663195419	4.564587784	854.396218516	



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Pool Level Data

Distribution Date		9/25/06
Cut-off Date		2/ 1/06
Record Date		8/31/06
Determination Date		9/20/06
Accrual Period 30/360	Begin	8/ 1/06
	End	9/ 1/06
Number of Days in 30/360 Accrual Period		30

Collateral Detail

Original Mortgage Loan Details

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Original Aggregate Loan Count	1,280	758	2,038
Original Stated Principal Balance	259,771,201.78	246,239,673.48	506,010,875.26
Original Weighted Average Mortgage Rate	6.64180%	6.66353%	
Original Weighted Average Net Mortgage Rate	6.26680%	6.28853%	
Original Weighted Average Remaining Term	359	359	



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Current Mortgage Loan Details

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Beginning Aggregate Loan Count	1,156	664	1,820
Loans Paid Off or otherwise removed pursuant to the PSA	<u>24</u>	<u>14</u>	<u>38</u>
Ending Aggregate Loan Count	1,132	650	1,782
Beginning Pool Stated Principal Balance	232,180,088.93	211,621,512.80	443,801,601.73
Scheduled Principal	33,126.14	22,144.03	55,270.17
Unscheduled Principal	5,743,996.67	5,668,556.53	11,412,553.20
Realized Principal Losses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Ending Pool Stated Principal Balance	226,402,966.12	205,930,812.24	432,333,778.36
Beginning Weighted Average Mortgage Rate	6.60584%	6.63618%	
Beginning Weighted Average Net Mortgage Rate	6.23084%	6.26118%	
Ending Weighted Average Mortgage Rate	6.59999%	6.62967%	
Ending Weighted Average Net Mortgage Rate	6.22499%	6.25467%	
Beginning Weighted Average Remaining Term to Maturity	353	353	
Ending Weighted Average Remaining Term to Maturity	352	352	



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Delinquency Information

Delinquency Information

	30-59 Days				60-89 Days				90+ Days			
	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %
Group 1	10	0.88339%	2,213,369.41	0.97762%	2	0.17668%	265,976.19	0.11748%	1	0.08834%	136,000.00	0.06007%
Group 2	10	1.53846%	3,341,917.96	1.62284%	2	0.30769%	1,309,133.51	0.63572%	1	0.15385%	1,260,000.00	0.61186%
Total	20	1.12233%	5,555,287.37	1.28495%	4	0.22447%	1,575,109.70	0.36433%	2	0.11223%	1,396,000.00	0.32290%

	Foreclosure				Bankruptcy				REO			
	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %
Group 1	1	0.08834%	135,200.00	0.05972%	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%
Group 2	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%
Total	1	0.05612%	135,200.00	0.03127%	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
60+ Delinquency, Foreclosure, REO and Bankruptcy	537,176.19	2,569,133.51	3,106,309.70



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Available Funds

Interest

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Scheduled Interest	1,274,151.16	1,165,622.34	2,439,773.50
Plus: Compensating Interest	3,969.90	4,675.66	8,645.56
Less: Master Servicer Fee	<u>71,782.34</u>	<u>65,426.32</u>	<u>137,208.66</u>
Total Interest Available	1,206,338.71	1,104,871.68	2,311,210.39

Principal

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Scheduled Principal	33,126.14	22,144.03	55,270.17
Paid in Full Principal	5,724,162.42	5,652,740.57	11,376,902.99
Curtailement Principal	19,834.25	15,815.96	35,650.21
Liquidation Principal	0.00	0.00	0.00
Repurchased Principal	0.00	0.00	0.00
Substitution Adjustment Principal	0.00	0.00	0.00
Unanticipated Principal Recoveries	0.00	0.00	0.00
Remaining Amounts in Supplemental Account	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Principal Available	<u>5,777,122.81</u>	<u>5,690,700.56</u>	<u>11,467,823.37</u>

Total Available Funds

6,983,461.52	6,795,572.24	13,779,033.76
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Principal Distribution Amounts

Senior and Subordinate Percentages

	Group I	Group II
Senior Percentage Original	94.10012%	94.09982%
Senior Prepayment Percentage Original	100.00000%	100.00000%
Senior Percentage	93.40446%	93.13853%
Senior Prepayment Percentage	100.00000%	100.00000%
Subordinate Percentages	6.59554%	6.86147%
Subordinate Prepayment Percentage	0.00000%	0.00000%

Principal Distribution Amounts

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Senior Principal Distribution Amount	5,774,937.96	5,689,181.15	11,464,119.12
Subordinate Principal Distribution Amount	<u>2,184.85</u>	<u>1,519.41</u>	<u>3,704.25</u>
Total Principal Distribution Amount	5,777,122.81	5,690,700.56	11,467,823.37

Conditions for Senior Prepayment Interest Shifting

Delinquency Test Pass	YES
Loss Test Pass	YES



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Distribution Account

		<u>Group I</u>	<u>Group II</u>	<u>Total</u>
	Beginning Balance	0.00	0.00	0.00
Deposits	Available Funds	6,983,461.52	6,795,572.24	13,779,033.76
	Other Deposits Required by the PSA	0.00	0.00	0.00
	Total Deposits	6,983,461.52	6,795,572.24	13,779,033.76
Withdrawals	To the Trustee,	773.93	705.41	1,479.34
	To the Senior Classes	6,900,988.91	6,717,585.79	13,618,574.71
	To the Subordinate Classes	81,698.67	77,281.05	158,979.72
	Total Withdrawals	6,983,461.52	6,795,572.24	13,779,033.76
	Ending Balance	0.00	0.00	0.00

Fees of the Trust

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Gross Master Servicing Fee	71,782.34	65,426.32	137,208.66
Net Master Servicing Fee	67,812.45	60,750.66	128,563.10
Trustee Fee	773.93	705.41	1,479.34
Bond Insurance Premium	0.00	0.00	0.00
Total Net Loan Fees	68,586.38	61,456.06	130,042.44



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Mortgage Prepayment Details

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Principal Balance of Loans Paid in Full	5,724,162.42	5,652,740.57	11,376,902.99
Prepayment Interest Excess (to Master Servicer)	0.00	0.00	0.00
Prepayment Interest Shortfall	3,969.90	4,675.66	8,645.56
Compensating Interest	3,969.90	4,675.66	8,645.56
Non-Supported Prepayment Interest Shortfall	0.00	0.00	0.00
CPR %	25.96633%	27.80891%	
SMM %	2.47429%	2.67891%	

Loan Substitution

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Aggregate Stated of Principal Balances Removed	0.00	0.00	0.00
Aggregate Stated of Principal Balance Added	0.00	0.00	0.00
Aggregate Principal Substitution Shortfall Amount	0.00	0.00	0.00

Net Interest Shortfalls

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Net Prepayment Interest Shortfalls	0.00	0.00	0.00
Relief Act Reduction Shortfalls	0.00	0.00	0.00
Total Net Interest Shortfalls	0.00	0.00	0.00



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Servicer Advances

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Principal Advances	-0.01	858.45	858.44
Interest Advances	<u>5,762.08</u>	<u>31,049.45</u>	<u>36,811.53</u>
Total Advances	5,762.07	31,907.90	37,669.97

Advances made regarding the Mortgage Loans other than for Delinquent Principal and Interest

NONE



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Realized Loss Detail

	<u>Group I</u>	<u>Group II</u>	<u>Total</u>
Current Period Realized Losses	0.00	0.00	0.00
Cumulative Realized Losses	0.00	0.00	0.00
Total Liquidated Loan Balance	0.00	0.00	0.00
Total Liquidated Proceeds	0.00	0.00	0.00
Subsequent Recoveries	0.00	0.00	0.00

<u>Group</u>	<u>Loan ID</u>	<u>Liquidation Balance</u>	<u>Liquidation Proceeds</u>	<u>Realized Loss</u>
Group I	N/A			
Group II	N/A			

Bankruptcy, Fraud and Special Hazard Coverage Amounts

Original Bankruptcy Loss Limit	150,000.00
Original Bankruptcy Loss Limit %	0.030%
Current Bankruptcy Loss Limit	150,000.00
Current Bankruptcy Loss Limit %	0.035%
Original Special Hazard Loss Limit	5,060,109.00
Original Special Hazard Loss Limit %	1.000%
Current Special Hazard Loss Limit	4,323,337.78
Current Special Hazard Loss Limit %	1.000%
Original Fraud Loss Limit	10,120,218.00
Original Fraud Loss Limit %	2.000%
Current Fraud Loss Limit	10,120,218.00
Current Fraud Loss Limit %	2.341%



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Credit Enhancements

Subordination

Credit Support

	Original	Current
Class A	476,156,100.00	402,503,615.16
Class A Percentage	94.099974%	93.100201%
Class B1	13,915,000.00	13,903,528.57
Class B1 Percentage	2.749941%	3.215925%
Class B2	5,313,000.00	5,308,620.00
Class B2 Percentage	1.049977%	1.227899%
Class B3	4,048,000.00	4,044,662.86
Class B3 Percentage	0.799983%	0.935542%
Class B4	2,783,000.00	2,780,705.71
Class B4 Percentage	0.549988%	0.643185%
Class B5	2,024,000.00	2,022,331.43
Class B5 Percentage	0.399991%	0.467771%
Class B6	1,771,775.26	1,770,314.62
Class B6 Percentage	0.350146%	0.409479%

Material Changes to Pool Assets Disclosure

Material Modifications, extensions or waivers to pool asset terms, fees, penalties or payments	NONE
Material breaches of pool asset representations or warranties or transaction covenants	NONE



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