



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-AA5
Mortgage Pass-Through Certificates, Series 2006-AA5

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
A-1	32052QAA0	Senior	Var-30/360	230,626,000.00	6.626003	3,771,466.91	1,273,440.39	5,044,907.30	0.00	226,854,533.09	0.00
A-2	32052QAB8	Senior	Var-30/360	14,721,000.00	6.626003	240,735.06	81,284.49	322,019.55	0.00	14,480,264.94	0.00
A-R	32052QAC6	Senior	Var-30/360	100.00	6.626003	100.00	0.55	100.55	0.00	0.00	0.00
B-1	32052QAD4	Junior	Var-30/360	8,221,000.00	6.626003	814.93	45,393.64	46,208.57	0.00	8,220,185.07	0.00
B-2	32052QAE2	Junior	Var-30/360	2,480,000.00	6.626003	245.84	13,693.74	13,939.58	0.00	2,479,754.16	0.00
B-3	32052QAF9	Junior	Var-30/360	1,827,000.00	6.626003	181.11	10,088.09	10,269.20	0.00	1,826,818.89	0.00
B-4	32052QAG7	Junior	Var-30/360	1,305,000.00	6.626003	129.36	7,205.78	7,335.14	0.00	1,304,870.64	0.00
B-5	32052QAH5	Junior	Var-30/360	1,044,000.00	6.626003	103.49	5,764.62	5,868.11	0.00	1,043,896.51	0.00
B-6	32052QAJ1	Junior	Var-30/360	783,477.55	6.626003	77.66	4,326.10	4,403.77	0.03	783,399.86	0.03
Totals				261,007,577.55		4,013,854.36	1,441,197.40	5,455,051.77	0.03	256,993,723.16	0.03



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Principal Distribution Detail

Class	Cusip	Original Certificate Balance	Beginning Certificate Balance	Scheduled Principal Distribution	Unscheduled Principal Adjustments	Net Principal Distribution	Current Realized Losses	Ending Certificate Balance	Ending Certificate Factor
A-1	32052QAA0	230,626,000.00	230,626,000.00	3,771,466.91	0.00	3,771,466.91	0.00	226,854,533.09	0.98364682687
A-2	32052QAB8	14,721,000.00	14,721,000.00	240,735.06	0.00	240,735.06	0.00	14,480,264.94	0.98364682687
A-R	32052QAC6	100.00	100.00	100.00	0.00	100.00	0.00	0.00	0.00000000000
B-1	32052QAD4	8,221,000.00	8,221,000.00	814.93	0.00	814.93	0.00	8,220,185.07	0.99990087200
B-2	32052QAE2	2,480,000.00	2,480,000.00	245.84	0.00	245.84	0.00	2,479,754.16	0.99990087200
B-3	32052QAF9	1,827,000.00	1,827,000.00	181.11	0.00	181.11	0.00	1,826,818.89	0.99990087200
B-4	32052QAG7	1,305,000.00	1,305,000.00	129.36	0.00	129.36	0.00	1,304,870.64	0.99990087200
B-5	32052QAH5	1,044,000.00	1,044,000.00	103.49	0.00	103.49	0.00	1,043,896.51	0.99990087200
B-6	32052QAJ1	783,477.55	783,477.55	77.66	0.00	77.66	0.03	783,399.86	0.99990083371
Totals		261,007,577.55	261,007,577.55	4,013,854.36	0.00	4,013,854.36	0.03	256,993,723.16	



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Interest Distribution Detail

Class	Beginning Certificate Balance	Pass Through Rate (%)	Current Interest	Total Interest Due	Net Interest Shortfall	Interest Paid
A-1	230,626,000.00	6.626003	1,273,440.39	1,273,440.39	0.00	1,273,440.39
A-2	14,721,000.00	6.626003	81,284.49	81,284.49	0.00	81,284.49
A-R	100.00	6.626003	0.55	0.55	0.00	0.55
B-1	8,221,000.00	6.626003	45,393.64	45,393.64	0.00	45,393.64
B-2	2,480,000.00	6.626003	13,693.74	13,693.74	0.00	13,693.74
B-3	1,827,000.00	6.626003	10,088.09	10,088.09	0.00	10,088.09
B-4	1,305,000.00	6.626003	7,205.78	7,205.78	0.00	7,205.78
B-5	1,044,000.00	6.626003	5,764.62	5,764.62	0.00	5,764.62
B-6	783,477.55	6.626003	4,326.10	4,326.10	0.00	4,326.10
Totals	261,007,577.55		1,441,197.40	1,441,197.40	0.00	1,441,197.40



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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 (%)
A-1	32052QAA0	230,626,000.00	1,000.000000000	16.353173131	5.521668808	983.646826869	6.626003
A-2	32052QAB8	14,721,000.00	1,000.000000000	16.353173131	5.521668808	983.646826869	6.626003
A-R	32052QAC6	100.00	1,000.000000000	1,000.000000000	5.521668808	0.000000000	6.626003
B-1	32052QAD4	8,221,000.00	1,000.000000000	0.099128003	5.521668798	999.900871997	6.626003
B-2	32052QAE2	2,480,000.00	1,000.000000000	0.099128003	5.521668798	999.900871997	6.626003
B-3	32052QAF9	1,827,000.00	1,000.000000000	0.099128003	5.521668798	999.900871997	6.626003
B-4	32052QAG7	1,305,000.00	1,000.000000000	0.099128003	5.521668798	999.900871997	6.626003
B-5	32052QAH5	1,044,000.00	1,000.000000000	0.099128003	5.521668798	999.900871997	6.626003
B-6	32052QAJ1	783,477.55	1,000.000000000	0.099128003	5.521668798	999.900833706	6.626003
Totals		261,007,577.55	1,000.000000000	15.378305863	5.521668809	984.621694023	



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Pool Level Data

Distribution Date		8/25/06
Cut-off Date		7/ 1/06
Record Date		7/31/06
Determination Date		8/18/06
Accrual Period 30/360	Begin	7/ 1/06
	End	8/ 1/06
Number of Days in 30/360 Accrual Period		30

Collateral Detail

Original Mortgage Loan Details

Original Aggregate Loan Count		959
Original Stated Principal Balance		261,007,577.52
Original Weighted Average Mortgage Rate	7.00100%	
Original Weighted Average Net Mortgage Rate	6.62600%	
Original Weighted Average Remaining Term	360	



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Current Mortgage Loan Details

Beginning Aggregate Loan Count	959
Loans Paid Off or otherwise removed pursuant to the PSA	<u>5</u>
Ending Aggregate Loan Count	954

Beginning Pool Stated Principal Balance	261,007,577.52
Scheduled Principal	25,873.16
Unscheduled Principal	3,987,981.20
Realized Principal Losses	<u>0.00</u>
Ending Pool Stated Principal Balance	256,993,723.16

Beginning Weighted Average Mortgage Rate	7.00100%
Beginning Weighted Average Net Mortgage Rate	6.62600%
Ending Weighted Average Mortgage Rate	6.99219%
Ending Weighted Average Net Mortgage Rate	6.61719%

Beginning Weighted Average Remaining Term to Maturity	360
Ending Weighted Average Remaining Term to Maturity	359



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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	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%

	Foreclosure				Bankruptcy				REO			
	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %	Count	Count %	Balance	Balance %
Group 1	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%	0	0.00000%	0.00	0.00000%

60+ Delinquency, Foreclosure, REO and Bankruptcy

0.00



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Available Funds

Interest

Scheduled Interest	1,520,922.85
Plus: Compensating Interest	1,839.65
Less: Master Servicer Fee	<u>80,259.83</u>
Less: Trustee Fee	1,305.04
Total Interest Available	1,441,197.63

Principal

Scheduled Principal	25,873.16
Paid in Full Principal	3,939,600.00
Curtailment Principal	48,381.20
Liquidation Principal	0.00
Repurchased Principal	0.00
Substitution Adjustment Principal	0.00
Unanticipated Principal Recoveries	0.00
Remaining Amounts in Supplemental Account	<u>0.00</u>
Total Principal Available	<u>4,013,854.36</u>

Total Available Funds

5,455,051.99



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Principal Distribution Amounts

Senior and Subordinate Percentages

Senior Percentage Original	93.99999%
Senior Prepayment Percentage Original	100.00000%
Senior Percentage	93.99999%
Senior Prepayment Percentage	100.00000%
Subordinate Percentages	6.00001%
Subordinate Prepayment Percentage	0.00000%

Principal Distribution Amounts

Senior Principal Distribution Amount	4,012,301.97
Subordinate Principal Distribution Amount	<u>1,552.39</u>
Total Principal Distribution Amount	4,013,854.36

Conditions for Senior Prepayment Interest Shifting

Delinquency Test Pass	YES
Loss Test Pass	YES



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Distribution Account	
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	Beginning Balance	0.00
Deposits	Available Funds	5,455,051.99
	Other Deposits Required by the PSA	<u>0.00</u>
	Total Deposits	5,455,051.99
Withdrawals	To the Senior Classes	5,367,027.40
	To the Subordinate Classes	<u>88,024.59</u>
	Total Withdrawals	<u>5,455,051.99</u>
	Ending Balance	0.00

Fees of the Trust	
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Gross Master Servicing Fee	80,259.83
Net Master Servicing Fee	78,420.18
Trustee Fee	<u>1,305.04</u>
Total Net Loan Fees	79,725.22



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Mortgage Prepayment Details

Principal Balance of Loans Paid in Full	3,939,600.00
Prepayment Interest Excess (to Master Servicer)	0.00
Prepayment Interest Shortfall	1,839.65
Compensating Interest	1,839.65
Non-Supported Prepayment Interest Shortfall	0.00
CPR %	16.87160%
SMM %	1.52807%

Loan Substitution

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

Net Interest Shortfalls

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



The BANK
of NEW YORK

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Servicer Advances		
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Principal Advances	0.00
Interest Advances	<u>0.00</u>
Total Advances	0.00

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

NONE



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Realized Loss Detail

Current Period Realized Losses	0.00
Cumulative Realized Losses	0.00
Total Liquidated Loan Balance	0.00
Total Liquidated Proceeds	0.00
Subsequent Recoveries	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			

Bankruptcy, Fraud and Special Hazard Coverage Amounts

Original Bankruptcy Loss Limit	150,000.00
Original Bankruptcy Loss Limit %	0.057%
Current Bankruptcy Loss Limit	150,000.00
Current Bankruptcy Loss Limit %	0.058%
Original Special Hazard Loss Limit	3,887,000.00
Original Special Hazard Loss Limit %	1.489%
Current Special Hazard Loss Limit	2,569,937.23
Current Special Hazard Loss Limit %	1.000%
Original Fraud Loss Limit	5,220,152.00
Original Fraud Loss Limit %	2.000%
Current Fraud Loss Limit	5,220,152.00
Current Fraud Loss Limit %	2.031%



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Credit Enhancements

Subordination

Credit Support

	Original	Current
Class A	245,347,100.00	241,334,798.03
Class A Percentage	93.999991%	93.906884%
Class B-1	8,221,000.00	8,220,185.07
Class B-1 Percentage	3.149717%	3.198594%
Class B-2	2,480,000.00	2,479,754.16
Class B-2 Percentage	0.950164%	0.964908%
Class B-3	1,827,000.00	1,826,818.89
Class B-3 Percentage	0.699980%	0.710842%
Class B-4	1,305,000.00	1,304,870.64
Class B-4 Percentage	0.499985%	0.507744%
Class B-5	1,044,000.00	1,043,896.51
Class B-5 Percentage	0.399988%	0.406195%
Class B-6	783,477.55	783,399.86
Class B-6 Percentage	0.300174%	0.304832%

Material Changes to Pool Assets Disclosure

Material Modifications, extensions or waivers to pool asset terms, fees, penalties or payments
Material breaches of pool asset representations or warranties or transaction covenants

NONE
NONE



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<u>Issuance Coupon</u>		Number of Items	Percent of Items	Principal Balance	Percent of Balance
< =	5.000000000000	0	0.000	0.00	0.000
5.000000000000	- 5.501000000000	0	0.000	0.00	0.000
5.501000000000	- 6.001000000000	5	0.524	1,679,265.96	0.653
6.001000000000	- 6.501000000000	216	22.642	53,667,561.11	20.883
6.501000000000	- 7.001000000000	432	45.283	107,628,282.80	41.880
7.001000000000	- 7.501000000000	183	19.182	53,313,429.67	20.745
7.501000000000	- 8.001000000000	87	9.119	29,590,766.03	11.514
8.001000000000	- 8.501000000000	31	3.249	11,114,417.59	4.325
8.501000000000	- 9.001000000000	0	0.000	0.00	0.000
9.001000000000	- 9.501000000000	0	0.000	0.00	0.000
9.501000000000	- 10.001000000000	0	0.000	0.00	0.000
10.001000000000	- 10.501000000000	0	0.000	0.00	0.000
10.501000000000	- 11.001000000000	0	0.000	0.00	0.000
11.001000000000	- 11.501000000000	0	0.000	0.00	0.000
11.501000000000	- 12.001000000000	0	0.000	0.00	0.000
12.001000000000	- 12.501000000000	0	0.000	0.00	0.000
>	12.501000000000	0	0.000	0.00	0.000
Wgt Ave / Total:		954	100.000	256,993,723.16	100.000

<u>Update Face</u>		Number of Items	Percent of Items	Principal Balance	Percent of Balance
< =	0.00	0	0.000	0.00	0.000
0.00	- 25,000.00	0	0.000	0.00	0.000
25,000.00	- 50,000.00	2	0.210	74,445.87	0.029
50,000.00	- 75,000.00	17	1.782	1,081,370.00	0.421
75,000.00	- 100,000.00	40	4.193	3,552,661.79	1.382
100,000.00	- 125,000.00	66	6.918	7,575,235.38	2.948
125,000.00	- 150,000.00	94	9.853	13,073,891.38	5.087
150,000.00	- 175,000.00	98	10.273	15,949,471.03	6.206
175,000.00	- 200,000.00	73	7.652	13,928,555.12	5.420
200,000.00	- 225,000.00	81	8.491	17,265,874.32	6.718
225,000.00	- 250,000.00	63	6.604	14,999,372.41	5.836



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Update Face			Number of Items	Percent of Items	Principal Balance	Percent of Balance
250,000.00	-	275,000.00	72	7.547	19,001,706.47	7.394
275,000.00	-	300,000.00	57	5.975	16,431,286.40	6.394
300,000.00	-	325,000.00	49	5.136	15,335,827.15	5.967
325,000.00	-	350,000.00	40	4.193	13,487,672.05	5.248
350,000.00	-	375,000.00	36	3.774	13,032,652.46	5.071
375,000.00	-	400,000.00	32	3.354	12,456,778.56	4.847
400,000.00	-	425,000.00	48	5.031	19,924,747.82	7.753
425,000.00	-	450,000.00	5	0.524	2,189,791.76	0.852
450,000.00	-	475,000.00	10	1.048	4,612,609.30	1.795
475,000.00	-	500,000.00	8	0.839	3,920,252.50	1.525
500,000.00	-	525,000.00	6	0.629	3,071,639.51	1.195
525,000.00	-	550,000.00	6	0.629	3,220,700.00	1.253
550,000.00	-	575,000.00	5	0.524	2,837,075.58	1.104
575,000.00	-	600,000.00	3	0.314	1,780,400.00	0.693
600,000.00	-	625,000.00	3	0.314	1,863,112.14	0.725
625,000.00	-	650,000.00	11	1.153	7,100,291.71	2.763
650,000.00	-	675,000.00	0	0.000	0.00	0.000
675,000.00	-	700,000.00	3	0.314	2,082,886.88	0.810
700,000.00	-	725,000.00	0	0.000	0.00	0.000
725,000.00	-	750,000.00	0	0.000	0.00	0.000
750,000.00	-	775,000.00	2	0.210	1,527,800.00	0.594
775,000.00	-	800,000.00	2	0.210	1,592,000.00	0.619
>		800,000.00	22	2.306	24,023,615.57	9.348
Wgt Ave / Total:			954	100.000	256,993,723.16	100.000

Update Term			Number of Items	Percent of Items	Principal Balance	Percent of Balance
< =		120	0	0.000	0.00	0.000
120	-	180	0	0.000	0.00	0.000
180	-	300	1	0.105	417,000.00	0.162
300	-	360	953	99.895	256,576,723.16	99.838
>		360	0	0.000	0.00	0.000
Wgt Ave / Total:			954	100.000	256,993,723.16	100.000