

101 Barclay Street, 4W
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-FA7
Mortgage Pass-Through Certificates, Series 2006-FA7

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	32052GAA2	Senior	Fix-30/360	48,075,394.76	5.750000	155,600.27	230,361.27	385,961.54	0.00	47,919,794.48	0.00
A-2	32052GAB0	Senior	Fix-30/360	14,405,000.00	5.750000	0.00	69,023.96	69,023.96	0.00	14,405,000.00	0.00
A-3	32052GAC8	Senior	Fix-30/360	6,850,000.00	6.250000	0.00	35,677.08	35,677.08	0.00	6,850,000.00	0.00
A-4	32052GAD6	Senior	Fix-30/360	20,654,000.00	6.250000	0.00	107,572.92	107,572.92	0.00	20,654,000.00	0.00
A-5	32052GAE4	Senior	Var-30/360	41,653,596.50	5.650000	103,733.52	196,119.02	299,852.53	0.00	41,549,862.99	0.00
A-6	32052GAF1	Senior	Fix-30/360	66,817,589.50	6.250000	7,658,327.11	348,008.28	8,006,335.38	0.00	59,159,262.40	0.00
A-7	32052GAG9	Senior	Fix-30/360	0.00	6.250000	0.00	0.00	0.00	0.00	0.00	0.00
A-8	32052GAH7	Senior	Fix-30/360	1,707,650.01	6.250000	0.00	0.00	0.00	0.00	1,716,544.02	0.00
A-9	32052GAJ3	Strip IO	Var-30/360	41,653,596.50	1.350000	0.00	46,860.30	46,860.30	0.00	41,549,862.99	0.00
A-PO	32052GAK0	Strip PO	Fix-30/360	178,950.88	0.000000	135.69	0.00	135.69	0.00	178,815.19	0.00
A-R	32052GAL8	Residual	Fix-30/360	0.00	6.250000	0.00	0.00	0.00	0.00	0.00	0.00
B-1	32052GAM6	Subordinate	Fix-30/360	4,662,271.54	6.250000	2,360.17	24,282.66	26,642.83	0.00	4,659,911.37	0.00
B-2	32052GAN4	Subordinate	Fix-30/360	1,951,021.28	6.250000	987.66	10,161.57	11,149.23	0.00	1,950,033.62	0.00
B-3	32052GAP9	Subordinate	Fix-30/360	1,409,570.42	6.250000	713.56	7,341.51	8,055.08	0.00	1,408,856.86	0.00
B-4	32052GAQ7	Subordinate	Fix-30/360	976,010.13	6.250000	494.08	5,083.39	5,577.47	0.00	975,516.05	0.00
B-5	32052GAR5	Subordinate	Fix-30/360	650,340.43	6.250000	329.22	3,387.19	3,716.41	0.00	650,011.21	0.00
B-6	32052GAS3	Subordinate	Fix-30/360	650,812.14	6.250000	329.46	3,389.65	3,719.11	0.00	650,482.68	0.00
Totals				210,642,207.59		7,923,010.74	1,087,268.80	9,010,279.53	0.00	202,728,090.87	0.00

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Principal Distribution Detail

Class	Cusip	Original Certificate Balance	Beginning Certificate Balance	Scheduled Principal Distribution	Accretion Principal	Net Principal Distribution	Deferred Interest	Current Realized Losses	Ending Certificate Balance	Ending Certificate Factor
A-1	32052GAA2	48,304,000.00	48,075,394.76	155,600.27	0.00	155,600.27	0.00	0.00	47,919,794.48	0.99204609312
A-2	32052GAB0	14,405,000.00	14,405,000.00	0.00	0.00	0.00	0.00	0.00	14,405,000.00	1.00000000000
A-3	32052GAC8	6,850,000.00	6,850,000.00	0.00	0.00	0.00	0.00	0.00	6,850,000.00	1.00000000000
A-4	32052GAD6	20,654,000.00	20,654,000.00	0.00	0.00	0.00	0.00	0.00	20,654,000.00	1.00000000000
A-5	32052GAE4	41,806,000.00	41,653,596.50	103,733.52	0.00	103,733.52	0.00	0.00	41,549,862.99	0.99387319973
A-6	32052GAF1	69,300,000.00	66,817,589.50	7,658,327.11	0.00	7,658,327.11	0.00	0.00	59,159,262.40	0.85366901009
A-7	32052GAG9	3,531,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00000000000
A-8	32052GAH7	1,690,000.00	1,707,650.01	0.00	8,894.01	0.00	8,894.01	0.00	1,716,544.02	1.01570652149
A-9	32052GAJ3	41,806,000.00	41,653,596.50	0.00	0.00	0.00	0.00	0.00	41,549,862.99	0.99387319973
A-PO	32052GAK0	179,227.49	178,950.88	135.69	0.00	135.69	0.00	0.00	178,815.19	0.99769957164
A-R	32052GAL8	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00000000000
B-1	32052GAM6	4,667,000.00	4,662,271.54	2,360.17	0.00	2,360.17	0.00	0.00	4,659,911.37	0.99848111707
B-2	32052GAN4	1,953,000.00	1,951,021.28	987.66	0.00	987.66	0.00	0.00	1,950,033.62	0.99848111707
B-3	32052GAP9	1,411,000.00	1,409,570.42	713.56	0.00	713.56	0.00	0.00	1,408,856.86	0.99848111707
B-4	32052GAQ7	977,000.00	976,010.13	494.08	0.00	494.08	0.00	0.00	975,516.05	0.99848111707
B-5	32052GAR5	651,000.00	650,340.43	329.22	0.00	329.22	0.00	0.00	650,011.21	0.99848111707
B-6	32052GAS3	651,472.19	650,812.14	329.46	0.00	329.46	0.00	0.00	650,482.68	0.99848111707
Totals		217,029,799.68	210,642,207.59	7,923,010.74	8,894.01	7,923,010.74	8,894.01	0.00	202,728,090.87	

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Interest Distribution Detail

Class	Beginning Certificate Balance	Pass Through Rate (%)	Effective Coupon (%)	Current Interest	Deferred Interest	Total Interest Due	Net Rate Carryover Paid	Net Interest Shortfall	Interest Paid	Net Rate Carryover After Dist.
A-1	48,075,394.76	5.750000	5.750000	230,361.27	0.00	230,361.27	0.00	0.00	230,361.27	0.00
A-2	14,405,000.00	5.750000	5.750000	69,023.96	0.00	69,023.96	0.00	0.00	69,023.96	0.00
A-3	6,850,000.00	6.250000	6.250000	35,677.08	0.00	35,677.08	0.00	0.00	35,677.08	0.00
A-4	20,654,000.00	6.250000	6.250000	107,572.92	0.00	107,572.92	0.00	0.00	107,572.92	0.00
A-5	41,653,596.50	5.650000	5.650000	196,119.02	0.00	196,119.02	0.00	0.00	196,119.02	0.00
A-6	66,817,589.50	6.250000	6.250000	348,008.28	0.00	348,008.28	0.00	0.00	348,008.28	0.00
A-7	0.00	6.250000	0.000000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-8	1,707,650.01	6.250000	0.000000	0.00	8,894.01	8,894.01	0.00	0.00	0.00	0.00
A-9	41,653,596.50	1.350000	1.350000	46,860.30	0.00	46,860.30	0.00	0.00	46,860.30	0.00
A-PO	178,950.88	0.000000	0.000000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-R	0.00	6.250000	0.000000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B-1	4,662,271.54	6.250000	6.250000	24,282.66	0.00	24,282.66	0.00	0.00	24,282.66	0.00
B-2	1,951,021.28	6.250000	6.250000	10,161.57	0.00	10,161.57	0.00	0.00	10,161.57	0.00
B-3	1,409,570.42	6.250000	6.250000	7,341.51	0.00	7,341.51	0.00	0.00	7,341.51	0.00
B-4	976,010.13	6.250000	6.250000	5,083.39	0.00	5,083.39	0.00	0.00	5,083.39	0.00
B-5	650,340.43	6.250000	6.250000	3,387.19	0.00	3,387.19	0.00	0.00	3,387.19	0.00
B-6	650,812.14	6.250000	6.250000	3,389.65	0.00	3,389.65	0.00	0.00	3,389.65	0.00
Totals	210,642,207.59			1,087,268.80	8,894.01	1,096,162.81	0.00	0.00	1,087,268.80	0.00

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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	32052GAA2	48,304,000.00	995.267364111	3.221270992	4.768989453	992.046093119	5.750000
A-2	32052GAB0	14,405,000.00	1,000.000000000	0.000000000	4.791666667	1,000.000000000	5.750000
A-3	32052GAC8	6,850,000.00	1,000.000000000	0.000000000	5.208333333	1,000.000000000	6.250000
A-4	32052GAD6	20,654,000.00	1,000.000000000	0.000000000	5.208333333	1,000.000000000	6.250000
A-5	32052GAE4	41,806,000.00	996.354506626	2.481306894	4.691169135	993.873199732	5.650000
A-6	32052GAF1	69,300,000.00	964.178780724	110.509770639	5.021764483	853.669010085	6.250000
A-7	32052GAG9	3,531,000.00	0.000000000	0.000000000	0.000000000	0.000000000	6.250000
A-8	32052GAH7	1,690,000.00	1,010.443793403	0.000000000	0.000000000	1,015.706521493	6.250000
A-9	32052GAJ3	41,806,000.00	996.354506626	0.000000000	1.120898820	993.873199732	1.350000
A-PO	32052GAK0	179,227.49	998.456668673	0.757097028	0.000000000	997.699571645	0.000000
A-R	32052GAL8	100.00	0.000000000	0.000000000	0.000000000	0.000000000	6.250000
B-1	32052GAM6	4,667,000.00	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
B-2	32052GAN4	1,953,000.00	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
B-3	32052GAP9	1,411,000.00	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
B-4	32052GAQ7	977,000.00	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
B-5	32052GAR5	651,000.00	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
B-6	32052GAS3	651,472.19	998.986831308	0.505714240	5.203056413	998.481117068	6.250000
Totals		217,029,799.68	970.568133503	36.506556941	5.009767330	934.102557201	

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Pool Level Data

Distribution Date		01/25/07
Cut-off Date		10/01/06
Record Date		12/29/06
Determination Date		01/01/07
LIBOR Determination Date		12/21/06
Accrual Period 30/360	Begin	12/01/06
	End	01/01/07
Number of Days in 30/360 Accrual Period		30

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One-Month Libor Rate 5.35000%

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Collateral Detail

Original Mortgage Loan Details

Original Aggregate Loan Count	862
Original Stated Principal Balance	217,029,799.68
Original Weighted Average Mortgage Rate	7.07905%
Original Weighted Average Net Mortgage Rate	6.24484%
Original Weighted Average Remaining Term	360

Current Mortgage Loan Details

Beginning Aggregate Loan Count	845
Loans Paid Off or otherwise removed pursuant to the PSA	<u>16</u>
Ending Aggregate Loan Count	829

Beginning Pool Stated Principal Balance	210,642,207.60
Scheduled Principal	106,672.07
Unscheduled Principal	7,807,444.66
Realized Principal Losses	<u>0.00</u>
Ending Pool Stated Principal Balance	202,728,090.87

Beginning Weighted Average Mortgage Rate	7.06938%
Beginning Weighted Average Net Mortgage Rate	6.24469%
Ending Weighted Average Mortgage Rate	7.05742%
Ending Weighted Average Net Mortgage Rate	6.24449%

Beginning Weighted Average Remaining Term to Maturity	358
Ending Weighted Average Remaining Term to Maturity	357

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Delinquency Information

Delinquency Information

	30-59 Days				60-89 Days				90+ Days			
	Loan Count	Loan Count %	Balance	Balance %	Loan Count	Loan Count %	Balance	Balance %	Loan Count	Loan Count %	Balance	Balance %
Group 1	6	0.72376%	1,765,782.56	0.87101%	2	0.24125%	484,737.85	0.23911%	0	0.00000%	0.00	0.00000%

	Foreclosure				Bankruptcy				REO			
	Loan Count	Loan Count %	Balance	Balance %	Loan Count	Loan Count %	Balance	Balance %	Loan Count	Loan 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

484,737.85

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Available Funds

Interest

Scheduled Interest	1,236,527.72
Plus: Compensating Interest	4,397.98
Less: Master Servicer Fee	42,830.58
Less: Excess Master Servicer Fee	100,878.92
Less: Trustee Fee	<u>1,053.21</u>
Total Interest Available	1,096,162.98

Principal

Scheduled Principal	106,672.07
Paid in Full Principal	7,681,784.05
Curtailment Principal	125,660.61
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>7,914,116.73</u>

Total Available Funds	9,010,279.71
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Principal Distribution Amounts

Senior and Subordinate Percentages

Senior Percentage Original	95.24536%
Senior Prepayment Percentage Original	100.00000%
Senior Percentage	95.10602%
Senior Prepayment Percentage	100.00000%
Subordinate Percentages	4.89398%
Subordinate Prepayment Percentage	0.00000%

Principal Distribution Amounts

Senior Principal Distribution Amount	7,908,766.88
Subordinate Principal Distribution Amount	5,214.15
PO Principal Distribution Amount	<u>135.69</u>
Total Principal Distribution Amount	7,914,116.73

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	9,010,279.71
	Other Deposits Required by the PSA	<u>0.00</u>
	Total Deposits	9,010,279.71
Withdrawals	To the Senior Classes	8,951,419.40
	To the Subordinate Classes	<u>58,860.12</u>
	Total Withdrawals	<u>9,010,279.53</u>
	Ending Balance	0.00

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Fees of the Trust

Gross Master Servicing Fee	42,830.58
Net Master Servicing Fee	38,432.60
Trustee Fee	1,053.21
Excess Master Servicing Compensation	100,878.92
Total Net Loan Fees	140,364.73

Mortgage Prepayment Details

Principal Balance of Loans Paid in Full	7,681,784.05
Prepayment Interest Excess (to Master Servicer)	0.00
Prepayment Interest Shortfall	4,397.98
Compensating Interest	4,397.98
Non-Supported Prepayment Interest Shortfall	0.00
CPR %	36.45780%
SMM %	3.70837%

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	0.00

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Net Interest Shortfalls

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

Servicer Advances

Principal Advances	501.18
Interest Advances	<u>9,504.19</u>
Total Advances	10,005.37

Advances made with Regard to the Mortgage Loans Other than Principal and Interest on Delinquent Payments NONE

Senior Principal Distribution Amounts
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PO Principal Amounts

Beginning PO Balance	178,950.88
PO Scheduled Principal	129.86
PO Prepayments & Recoveries	5.83
PO Liquidation Principal	0.00
PO Principal Loss	<u>0.00</u>
Ending PO Balance	178,815.19

NON-PO Principal Amounts

Beginning Non-PO Balance	210,463,256.72
Non-PO Scheduled Principal	106,542.21
Non-PO Prepayments & Recoveries	7,807,438.83
Non-PO Liquidation Principal	0.00
Non-PO Principal Loss	<u>0.00</u>
Ending Non-PO Balance	202,549,275.68

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

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Bankruptcy, Fraud and Special Hazard Coverage Amounts

Original Bankruptcy Loss Limit	150,000.00
Original Bankruptcy Loss Limit %	0.069%
Current Bankruptcy Loss Limit	150,000.00
Current Bankruptcy Loss Limit %	0.074%
Original Special Hazard Loss Limit	3,445,000.00
Original Special Hazard Loss Limit %	1.587%
Current Special Hazard Loss Limit	2,027,280.91
Current Special Hazard Loss Limit %	1.000%
Original Fraud Loss Limit	4,340,596.00
Original Fraud Loss Limit %	2.000%
Current Fraud Loss Limit	4,340,596.00
Current Fraud Loss Limit %	2.141%

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Credit Enhancements

Subordination

Credit Support

	Original	Current
Class A	206,719,327.49	192,433,279.08
Class A Percentage	95.249283%	94.921862%
Class B-1	4,667,000.00	4,659,911.37
Class B-1 Percentage	2.150396%	2.298602%
Class B-2	1,953,000.00	1,950,033.62
Class B-2 Percentage	0.899876%	0.961896%
Class B-3	1,411,000.00	1,408,856.86
Class B-3 Percentage	0.650141%	0.694949%
Class B-4	977,000.00	975,516.05
Class B-4 Percentage	0.450169%	0.481194%
Class B-5	651,000.00	650,011.21
Class B-5 Percentage	0.299959%	0.320632%
Class B-6	651,472.19	650,482.68
Class B-6 Percentage	0.300176%	0.320865%

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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Mortgage Pass-Through Certificates, Series 2006-FA7