

C. N. M. V.  
Dirección General de Mercados e Inversores  
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Madrid

### **COMUNICACIÓN DE HECHO RELEVANTE**

#### **TDA 19-MIXTO, FONDO DE TITULIZACIÓN DE ACTIVOS Actuaciones sobre las calificaciones de los bonos por parte de Fitch Ratings.**

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica el siguiente Hecho Relevante:

I. Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings, con fecha 22 de agosto de 2017, donde se lleva a cabo la siguiente actuación:

- Bono A, afirmado como **AA+ (sf)**; **perspectiva positiva.**
- Bono B, afirmado como **AA+ (sf)**; **perspectiva positiva.**
- Bono C, afirmado como **AA+ (sf)**; **perspectiva positiva.**
- Bono D, subida a **A+ (sf)** desde **A (sf)**; **perspectiva estable.**

En Madrid a 25 de agosto de 2017

Ramón Pérez Hernández  
Consejero Delegado



## Fitch Upgrades 2 Spanish RMBS; Affirms Others

Fitch Ratings-London-22 August 2017: Fitch Ratings has upgraded a tranche each of TDA 19 - Mixto, FTA (TDA 19) and IM BCG 2, FTA (BCG 2). A full list of rating actions follows at the end of this rating action commentary.

TDA 19 is a Spanish prime RMBS transaction comprising mortgage loans serviced by Cajamar Caja Rural, Sociedad Cooperativa de Credito (BB-/Positive), and Banco Bilbao Vizcaya Argentaria, S.A. (A-/Stable). BCG 2 is also a Spanish prime RMBS transaction comprising loans originated and serviced by Banco Caixa Geral, which is a 99.9%-owned subsidiary of Caixa Geral de Depositos (BB-/Stable/B), a Portuguese bank.

### KEY RATING DRIVERS

#### Stable Asset Performance

The rating actions are driven by the strong performance of the underlying mortgage portfolios. Late-stage arrears (loans with more than three monthly payments overdue) represent 0.23% of the current portfolio balance for TDA 19 (as of June 2017) and 0.12% for BCG 2 (as of July 2017). Gross defaults (loans with more than 12 monthly payments overdue) have increased only marginally over the last 12 months to stand at 1.3% of the original pool balance for TDA 19 and 0.3% for BCG 2. Fitch expects the performance to remain stable given the limited pipeline of arrears, the seasoning of the portfolios and the high quality of the collateralised assets.

The securitised mortgage portfolios are now reasonably seasoned so that the weighted average current loan-to-value (LTV) ratio has fallen to around 37% and 55% for TDA 19 and BCG 2, respectively compared with a weighted average original LTV of 74% and 72%.

#### Credit Enhancement (CE) Build-up

The rating actions also reflect high structural CE for both transactions. Available CE for TDA 19 ranges from 27.9% to 12.1% for class A and D respectively and Fitch expects CE to continue building up for every tranche inclusive of the class D notes as the reserve fund is not permitted to amortise. While the class A to C notes are paying down on a pro-rata basis, the class D notes will only amortise after all senior notes are fully redeemed due to an irreversible trigger breach in the past.

CE for the class A notes in IM BCG 2 stands at 15% and Fitch expects CE to continue increasing given the strictly sequential amortisation of the notes and a non-amortising reserve fund of EUR39 million.

#### Counterparty Exposures

The rating on TDA 19's class D notes is capped at the rating of the SPV account bank provider (BNP Paribas; A+/Stable/F1), because the reserve fund kept at this bank account represents the only source of structural CE for the class D notes.

The maximum achievable rating for BCG 2 is 'A+sf' based on the counterparty arrangement defined within the transaction documents and Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria. The transaction defines counterparty triggers at 'BBB+//F2' before remedial actions are taken to replace the SPV bank account provider.

#### Geographic Concentration Risk

Fitch has applied a 15% increase to the base foreclosure frequency assumption for loans located in regions that each represent more than 35% of the portfolio balance, such as Catalonia that accounts for 45% of TDA 19's portfolio.

### RATING SENSITIVITIES

The ratings on TDA 19's class A to C notes are sensitive to changes to Spain's Country Ceiling and, consequently, changes to the highest achievable rating for Spanish structured finance notes. The rating on the class D notes is sensitive to a downgrade of the SPV account bank provider's rating if other forms of enhancement, such as excess spread, do not sufficiently compensate the loss of the reserve fund.

Deterioration in asset performance may result from economic factors, in particular from increasing unemployment and interest rates. An increase in defaults and the associated pressure on excess spread and reserve fund could result in negative rating actions for both transactions.

### USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO RULE 17G-10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch in relation to this rating action.

## DATA ADEQUACY

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pools and the transactions. There were no findings that affected the rating analysis. Fitch has not reviewed the results of any third-party assessment of the asset portfolio information or conducted a review of origination files as part of its ongoing monitoring.

For TDA 19 Fitch did not undertake a review of the information provided about the underlying asset pool ahead of the transaction's initial closing. The subsequent performance of the transaction over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

For BCG 2 prior to the transaction closing, Fitch reviewed the results of a third-party assessment conducted on the asset portfolio information and concluded that there were no findings that affected the rating analysis. Prior to the transaction closing, Fitch conducted a review of a small targeted sample of the origination files and found the information contained in the reviewed files to be adequately consistent with the originator's policies and practices and the other information provided to the agency about the asset portfolio.

Overall, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

## SOURCES OF INFORMATION

The information below was used in the analysis.

- Loan-by-loan data provided by Titulizacion de Activos, SGFT (TDA) as at 31 May 2017
- Loan-by-loan data provided by IM Titulizacion SGFT (IM) as at 30 June 2017
- Transaction reporting provided by TDA as at 22 June 2017
- Transaction reporting provided by IM as at 24 July 2017

## MODELS

### ResiEMEA

ResiEMEA.

EMEA RMBS Surveillance Model

EMEA RMBS Surveillance Model. (<https://www.fitchratings.com/site/structuredfinance/rmbs/emearsm>)

EMEA CashFlow Model

EMEA Cash Flow Model. (<https://www.fitchratings.com/site/structuredfinance/emeacfm>)

Fitch has taken the following rating actions:

TDA 19 - Mixto, FTA (TDA 19)

Class A (ISIN ES0377964004): affirmed at 'AA+sf'; Outlook Positive

Class B (ISIN ES0377964012): affirmed at 'AA+sf'; Outlook Positive

Class C (ISIN ES0377964020): affirmed at 'AA+sf'; Outlook Positive

Class D (ISIN ES0377964038): upgraded to 'A+sf' from 'Asf'; Outlook Stable

IM BCG 2, FTA

Class A (ISIN ES0347421002): upgraded to 'A+sf' from 'Asf'; Outlook Stable

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

### Applicable Criteria

Criteria Addendum: Spain Residential Mortgage Assumptions (pub. 02 Dec 2016) (<https://www.fitchratings.com/site/re/891432>)

Criteria for Country Risk in Global Structured Finance and Covered Bonds (pub. 26 Sep 2016)

(<https://www.fitchratings.com/site/re/881269>)

EMEA RMBS Rating Criteria (pub. 29 Nov 2016) (<https://www.fitchratings.com/site/re/891276>)

Global Structured Finance Rating Criteria (pub. 03 May 2017) (<https://www.fitchratings.com/site/re/897411>)

Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 23 May 2017)

(<https://www.fitchratings.com/site/re/898537>)

Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 23 May 2017)

(<https://www.fitchratings.com/site/re/898538>)

Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 17 Feb 2017)

(<https://www.fitchratings.com/site/re/893890>)

### Additional Disclosures

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