

Hecho Relevante de

BBVA RMBS 5 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 5 FONDO DE TITULIZACIÓN DE ACTIVOS** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **DBRS Ratings Limited** (“**DBRS**”), con fecha 27 de octubre de 2015, comunica que ha bajado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie C: B (sf)** (anterior **BB (sf)**)

Asimismo, DBRS ha confirmado las calificaciones asignadas a las restantes Series de Bonos:

- **Serie A: A (sf)**
- **Serie B: BB (high) (sf)**

Se adjunta la comunicación emitida por DBRS.

Madrid, 28 de octubre de 2015.

Mario Masiá Vicente
Director General



Date of Release: October 27, 2015

DBRS Downgrades One Class of BBVA RMBS 5 and Confirms Remaining Classes

DBRS Ratings Limited (DBRS) has today taken the following rating actions on the bonds issued by BBVA RMBS 5 FTA (the Issuer):

- Series A notes confirmed at A (sf)
- Series B notes confirmed at BB (high) (sf)
- Series C notes downgraded to B (sf) from BB (sf)

The above rating actions reflect the following analytical considerations, as described more fully below:

- An amendment to the transaction signed on 23 October 2015.
- Portfolio performance, in terms of delinquencies and defaults, as of the September 2015 payment date.
- Updated portfolio default rate, loss given default and expected loss assumptions for the remaining collateral pool.
- Current available credit enhancement to the Series A, B and C notes to cover the expected losses at the A (sf), BB (high) (sf) and B (sf) rating levels, respectively.

BBVA RMBS 5 FTA is a securitisation of Spanish prime residential mortgages originated and serviced by Banco Bilbao Vizcaya Argentaria, S.A. (BBVA).

The structural amendment consists of a reduction in the reserve fund and the introduction of a floor at 0% on the interest rate of the notes. The reserve fund has been reduced to EUR 250.00 million (compared to EUR 348.51 million at the DBRS initial rating), and the new target balance will be set at the lower of EUR 250.00 million or 10.00% of the outstanding principal of the notes, subject to a floor of EUR 125.00 million.

As of the September 2015 payment date, two- to three-month arrears are at 1.11%, down slightly from 1.27% in September 2014. The 90+ delinquency ratio was at 0.88%. The current gross cumulative default ratio is at 6.84%.

Post-restructure, credit enhancement to the Series A notes is 19.92%, compared to 19.03% at the DBRS initial rating. Credit enhancement to the Series A notes consists of subordination of the Series B and Series C notes as well as the reserve fund. Credit enhancement to the Series B notes is 11.26%, compared to 11.97% at the DBRS initial rating. Credit enhancement to the Series B notes consists of subordination of the Series C notes and the reserve fund. Credit enhancement to the Series C notes is 8.66%, compared to 9.85% at the DBRS initial rating. Credit enhancement to the Series C notes consists solely of the reserve fund.

BBVA is the account bank for the transaction. The DBRS “A” rating of BBVA complies with the Minimum Institution Rating given the rating assigned to the Series A notes, as described in DBRS’s “Legal Criteria for European Structured Finance Transactions” methodology.

Notes:

All figures are in euros unless otherwise noted.

The principal methodology applicable is the “Master European Structured Finance Surveillance Methodology,” which can be found on www.dbrs.com at <http://www.dbrs.com/about/methodologies>. Other methodologies and criteria referenced in this transaction are listed at the end of this press release.

DBRS has applied the principal methodology consistently and conducted a review of the transaction in accordance with the principal methodology. DBRS conducted a review of the amendments to the deed of constitution of the fund, which spells out the amendments under consideration, along with the relative notification to CNMV. The other transaction legal documents have remained unchanged since the most recent rating action, and were not reviewed.

For a more detailed discussion of the sovereign risk impact on Structured Finance ratings, please refer to DBRS’s “The Effect of Sovereign Risk on Securitisations in the Euro Area” commentary on <http://www.dbrs.com/industries/bucket/id/10036/name/commentaries/>.

The sources of information used for this rating include information provided by Europea de Titulizacion S.A., S.G.F.T. and data from the European DataWarehouse.

DBRS does not rely upon third-party due diligence in order to conduct its analysis. DBRS was not supplied with third-party assessments; however, this did not impact the rating analysis.

DBRS considers the information available to it for the purposes of providing this rating was of satisfactory quality.

DBRS does not audit the information it receives in connection with the rating process, and it does not and cannot independently verify that information in every instance.

The last rating action on this transaction took place on 5 August 2014, when DBRS confirmed the ratings on the Series A, Series B and Series C notes.

Information regarding DBRS ratings, including definitions, policies and methodologies is available at www.dbrs.com.

To assess the impact of changing the transaction parameters on the rating, DBRS considered the following stress scenarios as compared with the parameters used to determine the rating (the base case):

- DBRS expected a lifetime base case probability of default (PD) and loss given default (LGD) for the pool based on a review of the current assets. Adverse changes to asset performance may cause stresses to base case assumptions and therefore have a negative effect on credit ratings.
- The base case PD and LGD of the current pool of mortgages for the Issuer are 9.19% and 40.54%, respectively. At the A (sf) rating level, the corresponding PD is 24.22% and the LGD is 52.57%.
- The Risk Sensitivity overview below illustrates the ratings expected if the PD and LGD increase by a certain percentage over the base case assumption. For example, if the LGD increases by 50%, the rating of the Series A notes would be expected to remain at A (sf), assuming no change in the PD. If the PD increases by 50%, the rating for the Series A notes would be expected to remain at A (sf), assuming no change in the LGD. Furthermore, if both the PD and LGD increase by 50%, the rating of the Series A notes would be expected to fall to BBB (low) (sf).

Series A Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of A (sf)
- 50% increase in LGD, expected rating of A (sf)
- 25% increase in PD, expected rating of A (sf)
- 50% increase in PD, expected rating of A (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of A (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of BBB (high) (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of BBB (high) (sf)
- 50% increase in PD and 50% increase in LGD, expected rating of BBB (low) (sf)

Series B Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of BB (high) (sf)
- 50% increase in LGD, expected rating of BB (high) (sf)
- 25% increase in PD, expected rating of BB (low) (sf)
- 50% increase in PD, expected rating of B (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of BB (low) (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of B (high) (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of B (sf)
- 50% increase in PD and 50% increase in LGD, expected rating of B (sf)

Series C Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of B (sf)

- 50% increase in LGD, expected rating of B (sf)
- 25% increase in PD, expected rating below B (sf)
- 50% increase in PD, expected rating below B (sf)
- 25% increase in PD and 25% increase in LGD, expected rating below B (sf)
- 25% increase in PD and 50% increase in LGD, expected rating below B (sf)
- 50% increase in PD and 25% increase in LGD, expected rating below B (sf)
- 50% increase in PD and 50% increase in LGD, expected rating below B (sf)

For further information on DBRS historic default rates published by the European Securities and Markets Administration in a central repository, see <http://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>.

Ratings assigned by DBRS Ratings Limited are subject to EU regulations only.

Initial Lead Analyst: David Sanchez Rodriguez
Initial Rating Date: 25 October 2012
Initial Rating Committee Chair: Claire Mezzanotte

Lead Surveillance Analyst: Andrew Lynch
Rating Committee Chair: Diana Turner

DBRS Ratings Limited
1 Minster Court, 10th Floor
Mincing Lane
London
EC3R 7AA
United Kingdom
Registered in England and Wales: No. 7139960.

The rating methodologies and criteria used in the analysis of this transaction can be found at <http://www.dbrs.com/about/methodologies>.

- Legal Criteria for European Structured Finance Transactions (September 2015)
- Master European Structured Finance Surveillance Methodology (April 2015)
- Operational Risk Assessment for European Structured Finance Servicers (January 2015)
- Master European Residential Mortgage-Backed Securities Rating Methodology and Jurisdictional Addenda (September 2015)
- Unified Interest Rate Model for European Securitisations (October 2015)

A description of how DBRS analyses structured finance transactions and how the methodologies are collectively applied can be found at <http://www.dbrs.com/research/278375>.

For more information on this credit or on this industry, visit www.dbrs.com or contact us at info@dbrs.com.

Ratings

Issuer	Debt Rated	Rating Action	Rating	Trend	Notes Published	Issued
BBVA RMBS 5 FTA	Series A	Confirmed	A (sf)	--	Oct 27, 2015	EU
BBVA RMBS 5 FTA	Series B	Confirmed	BB (high) (sf)	--	Oct 27, 2015	EU
BBVA RMBS 5 FTA	Series C	Downgraded	B (sf)	--	Oct 27, 2015	EU

US = USA Issued, NRSRO
CA = Canada Issued, NRSRO
EU = EU Issued
E = [EU Endorsed](#)
[Unsolicited Participating](#)
[Unsolicited Non-participating](#)

ALL DBRS RATINGS ARE SUBJECT TO DISCLAIMERS AND CERTAIN LIMITATIONS. PLEASE READ THESE [DISCLAIMERS AND LIMITATIONS](#) AND ADDITIONAL INFORMATION REGARDING DBRS RATINGS, INCLUDING [DEFINITIONS](#), [POLICIES](#), [RATING SCALES](#) AND [METHODOLOGIES](#).

Contacts

Andrew Lynch

Senior Financial Analyst, EU Surveillance - Global Structured Finance

+44 20 7855 6680

alynch@dbrs.com

Alfonso Candelas

Vice President, EU Surveillance - Global Structured Finance

+44 20 7855 6624

acandelasbernal@dbrs.com

Claire Mezzanotte

Group Managing Director - Global Structured Finance

+1 212 806 3272

cmezzanotte@dbrs.com

Copyright © 2015, DBRS Limited, DBRS, Inc. and DBRS Ratings Limited (collectively, DBRS). All rights reserved. The information upon which DBRS ratings and reports are based is obtained by DBRS from sources DBRS believes to be reliable. DBRS does not audit the information it receives in connection with the rating process, and it does not and cannot independently verify that information in every instance. The extent of any factual investigation or independent verification depends on facts and circumstances. DBRS ratings, reports and any other information provided by DBRS are provided "as is" and without representation or warranty of any kind. DBRS hereby disclaims any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, fitness for any particular purpose or non-infringement of any of such information. In no event shall DBRS or its directors, officers, employees, independent contractors, agents and representatives (collectively, DBRS Representatives) be liable (1) for any inaccuracy, delay, loss of data, interruption in service, error or omission or for any damages resulting therefrom, or (2) for any direct, indirect, incidental, special, compensatory or consequential damages arising from any use of ratings and rating reports or arising from any error (negligent or otherwise) or other circumstance or contingency within or outside the control of DBRS or any DBRS Representative, in connection with or related to obtaining, collecting, compiling, analyzing, interpreting, communicating, publishing or delivering any such information. Ratings and

other opinions issued by DBRS are, and must be construed solely as, statements of opinion and not statements of fact as to creditworthiness or recommendations to purchase, sell or hold any securities. A report providing a DBRS rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. DBRS receives compensation for its rating activities from issuers, insurers, guarantors and/or underwriters of debt securities for assigning ratings and from subscribers to its website. DBRS is not responsible for the content or operation of third party websites accessed through hypertext or other computer links and DBRS shall have no liability to any person or entity for the use of such third party websites. This publication may not be reproduced, retransmitted or distributed in any form without the prior written consent of DBRS. ALL DBRS RATINGS ARE SUBJECT TO DISCLAIMERS AND CERTAIN LIMITATIONS. PLEASE READ THESE DISCLAIMERS AND LIMITATIONS AT <http://www.dbrs.com/about/disclaimer>. ADDITIONAL INFORMATION REGARDING DBRS RATINGS, INCLUDING DEFINITIONS, POLICIES, RATING SCALES AND METHODOLOGIES, ARE AVAILABLE ON <http://www.dbrs.com>.



[close Request a DBRS.com Trial Now!](#) or [Contact Us](#) to get started.