Otra Información relevante de **HIPOCAT 9 FONDO DE TITULIZACIÓN DE ACTIVOS**

En virtud de lo establecido en el Folleto Informativo de **HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS** (el "**Fondo**") se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

La Agencia de Calificación **Fitch Ratings** ("**Fitch**"), con fecha 20 de julio de 2022, comunica que ha afirmado las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:

- **Serie A2a:** **A+sf**
- **Serie A2b:** **A+sf**
- **Serie B:** **A+sf**
- **Serie C:** **A+sf**
- **Serie E:** **Csf**

Asimismo, Fitch ha elevado la calificación de la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie D:** **BB+sf** (anterior, **BBsf**)

Se adjunta la comunicación emitida por Fitch.

Madrid, 27 de julio de 2022.

FitchRatings

RATING ACTION COMMENTARY

Fitch Upgrades 2 Tranches of 3 Hipocat RMBS Series; Affirms Others

Wed 20 Jul, 2022 - 8:55 ET

Fitch Ratings - Madrid - 20 Jul 2022: Fitch Ratings has taken multiple rating actions on three Spanish Hipocat RMBS transactions, including upgrading two tranches. All Outlooks are Stable. A full list of rating actions is below.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
Hipocat 11, FTA				
Class A2 ES0345672010	LT	Asf Rating Outlook Stable	Upgrade	A-sf Rating Outlook Stable
Class B ES0345672036	LT	CCsf	Affirmed	CCsf

Class C ES0345672044	LT	CCsf	Affirmed	CCsf
Class D ES0345672051	LT	Csf	Affirmed	Csf
Hipocat 9, FTA				
Class A2a ES0345721015	LT	A+sf Rating Outlook Stable	Affirmed	A+sf Rating Outlook Stable
Class A2b ES0345721023	LT	A+sf Rating Outlook Stable	Affirmed	A+sf Rating Outlook Stable
Class B ES0345721031	LT	A+sf Rating Outlook Stable	Affirmed	A+sf Rating Outlook Stable
Class C ES0345721049	LT	A+sf Rating Outlook Stable	Affirmed	A+sf Rating Outlook Stable
Class D ES0345721056	LT	BB+sf Rating Outlook Stable	Upgrade	BBsf Rating Outlook Stable
Class E ES0345721064	LT	Csf	Affirmed	Csf
Hipocat 10, FTA				

Class A2 ES0345671012	LT A+sf Rating Outlook Stable Affirmed	A+sf Rating Outlook Stable
Class B ES0345671046	LT BB+sf Rating Outlook Stable Affirmed	BB+sf Rating Outlook Stable
Class C ES0345671053	LT CCsf Affirmed	CCsf
Class D ES0345671061	LT Csf Affirmed	Csf

VIEW ADDITIONAL RATING DETAILS

TRANSACTION SUMMARY

The transactions comprise mortgages serviced by Banco Bilbao Vizcaya Argentaria, S.A. (BBVA, BBB+/Stable/F2)

KEY RATING DRIVERS

Stable Asset Performance: The rating actions reflect the broadly stable asset performance outlook driven by a low share of loans in arrears over 90 days (less than 0.5% for all three transactions) and high portfolio seasoning of more than 17 years. However, downside performance risk has increased as the recent rise in inflation may put pressure on household financing, especially for more vulnerable borrowers like self-employed individuals. To capture this downside risk into the analysis, Fitch has constrained the upgrade of Hipocat 9 class D and Hipocat 11 class A notes to one notch below their model-implied ratings.

Credit Enhancement (CE) Increased: The upgrades of the class D and A notes of Hipocat 9 and 11, respectively, and the affirmation of the rest of the notes reflect Fitch's view that the notes are sufficiently protected by CE of 64.9%, 49.2% and 20.5% for Hipocat 9, Hipocat 10 and Hipocat 11, respectively, for most senior classes to absorb the projected losses commensurate with current and higher ratings.

Fitch expects CE for all transactions to continue increasing due to the sequential amortisation of the notes that becomes mandatory after the portfolio balance is less than 10% of its initial balance (now at around 12% across the three transactions). The negative CE ratios on Hipocat 10's class C and D notes, and Hipocat 11's class B to D notes are reflected in the low sub-investment-grade ratings of the notes.

Payment Interruption Risk: Fitch views the three transactions as being exposed to payment interruption risk in the event of a servicer disruption, where we expect the available reserve funds (partially funded for Hipocat 9 and fully depleted for Hipocat 10 and Hipocat 11) to be insufficient to cover senior fees, net swap payments and senior notes' interest during the period of time needed to implement alternative servicing arrangements. The notes' maximum achievable ratings are 'A+sf', in line with Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria.

Interest Deferability Caps Ratings: Consistent with the principles of Fitch's Global Structured Finance Rating Criteria, the maximum achievable rating of the class B to D notes for both Hipocat 10 and Hipocat 11 is 'BB+sf', reflecting the non-reversible interest deferability on the notes driven by the large volume of gross cumulative defaults that exceeded the contractually defined thresholds. Interest payments on these notes will only resume after full amortisation of the senior notes.

Hipocat 9 and Hipocat 10 each has an Environmental, Social and Governance (ESG) Relevance Score of 5 for transaction & collateral structure due to unmitigated payment interruption risk, resulting in the ratings being at least a notch lower.

Hipocat 11 has an ESG Relevance Score of 4 for transaction & collateral structure due to unmitigated payment interruption risk. This has no rating impact as the ratings are currently below the 'A+sf' cap for payment interruption risk.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to negative rating action/downgrade:

The transactions' performance may be affected by adverse changes in market conditions and the economic environment. Weakening economic performance is strongly correlated to increasing levels of delinquencies and defaults that could reduce CE available to the notes.

In addition, unanticipated declines in recoveries could result in lower net proceeds, which may make certain notes' ratings susceptible to a negative rating action depending on the extent of the decline in recoveries. Fitch conducts sensitivity analyses by stressing both a transaction's base-case foreclosure frequency (FF) and recovery rate (RR) assumptions, and examining the rating implications on all classes of issued notes. A 15% increase in weighted average WAFF and a 15% decrease in WARR indicate downgrades of up to two notches on the notes.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

Hipocat 9's and Hipocat 10's class A notes could be upgraded on improved liquidity protection against a servicer disruption. This because the ratings are capped at 'A+sf' due to unmitigated payment interruption risk.

Stable to improved asset performance driven by stable delinquencies and defaults would lead to increasing CE levels and, potentially, upgrades. A decrease in WAFF of 15% and an increase in WARR of 15% indicate upgrades of no more than two notches on the notes.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Structured Finance transactions have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of seven notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of seven notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAAsf' to 'Dsf'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

USE OF THIRD PARTY DUE DILIGENCE PURSUANT TO SEC 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. 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.

Fitch did not undertake a review of the information provided about the underlying asset pools ahead of the transactions' initial closing. The subsequent performance of the transactions 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.

The latest loan-by-loan portfolio data sourced from the European Data Warehouse did not include information about "maximum balance" of the loans that permit further drawdowns. Fitch assumed each loan to exercise the full drawdown capability up to the permitted maximum equivalent to 80% of the original loan-to-value.

Overall, and together with any assumptions referred to above, 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.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Hipocat 9 and Hipocat 10 each has an ESG Relevance Score of 5 for transaction & collateral structure due to unmitigated payment interruption risk, which has a negative impact on the credit profile, and is highly relevant to the ratings, resulting in a change to the rating of at least one notch downgrade.

Hipocat 11 has an ESG Relevance Score of 4 for transaction & collateral structure due to unmitigated payment interruption risk, which has a negative impact on the credit profile, and is relevant to the rating.

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of 3. This means ESG issues are credit neutral or have only a minimal credit impact on the transactions, either due to their nature or the way in which they are being managed.

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PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 20 Sep 2021)

Global Structured Finance Rating Criteria (pub. 26 Oct 2021) (including rating assumption sensitivity)

Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 04 Nov 2021)

Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 04 Nov 2021)

European RMBS Rating Criteria (pub. 23 May 2022) (including rating assumption sensitivity)

Structured Finance and Covered Bonds Country Risk Rating Criteria (pub. 15 Jul 2022)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Multi-Asset Cash Flow Model, v2.12.2 (1)

ResiGlobal Model: Europe, v1.8.1 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Hipocat 10, FTA	EU Issued, UK Endorsed
Hipocat 11, FTA	EU Issued, UK Endorsed
Hipocat 9, FTA	EU Issued, UK Endorsed

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SOLICITATION STATUS

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

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Structured Finance   Structured Finance: RMBS   Europe   Spain