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Madrid

COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE

TDA SABADELL RMBS 4, FONDO DE TITULIZACIÓN

Actuaciones sobre las calificaciones de los bonos por parte de DBRS Morningstar.

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica la siguiente Información Relevante:

- I. Respecto al Fondo arriba mencionado adjuntamos nota de prensa publicada por DBRS Morningstar el día 28 de noviembre de 2024, donde se lleva a cabo la siguiente actuación:

- Bono A, confirmado como **AA (sf)**.
- Bono B, confirmado como **BBB (hight) (sf)**.

En Madrid a 28 de noviembre de 2024

Ramón Pérez Hernández
Consejero Delegado

PRESS RELEASE

NOVEMBER 28, 2023

DBRS Morningstar Confirms Credit Ratings on TDA Sabadell RMBS 4, Fondo de Titulización

RMBS

DBRS Ratings GmbH (DBRS Morningstar) confirmed its credit ratings on the bonds issued by TDA Sabadell RMBS 4, Fondo de Titulización (the Issuer) as follows:

- Class A Notes at AA (sf)
- Class B Notes at BBB (high) (sf)

The credit rating on the Class A Notes addresses the timely payment of interest and the ultimate payment of principal on or before the legal final maturity date in November 2063. The credit rating on the Class B Notes addresses the ultimate payment of interest and principal on or before the legal final maturity date.

The confirmations follow an annual review of the transaction and are based on the following analytical considerations:

- Portfolio performance, in terms of delinquencies, defaults, and losses, as of the August 2023 payment date;
- Portfolio default rate (PD), loss given default (LGD), and expected loss assumptions on the remaining receivables; and
- Current available credit enhancement to the Class A Notes to cover the expected losses assumed at the AA (sf) credit rating level and to the Class B Notes at BBB (high) (sf) once the Class A Notes are fully amortised and the reserve fund starts providing credit enhancement to the Class B Notes.

The transaction is a securitisation of Spanish residential mortgage loans originated and serviced by Banco de Sabadell, S.A. (Banco Sabadell) in Spain. The Issuer used the proceeds of the Class A and Class B Notes to fund the purchase of the mortgage portfolio from Banco Sabadell. In addition, Banco Sabadell provided a separate additional subordinated loan to fund both the initial expenses and the reserve fund.

PORTFOLIO PERFORMANCE

As of August 2023, loans two to three months in arrears represented 0.6% of the outstanding portfolio balance, up from 0.4% in August 2022. The 90+ days delinquency ratio increased to 0.6% from 0.4% in the same period, and the cumulative default ratio increased to 0.7% since closing.

PORTFOLIO ASSUMPTIONS AND KEY DRIVERS

DBRS Morningstar conducted a loan-by-loan analysis of the remaining pool of receivables and updated its base case PD and LGD assumptions to 1.7% and 22.8%, respectively.

CREDIT ENHANCEMENT

As of the August 2023 payment date, credit enhancement to the Class A Notes was 21.2%, up from 19.1% as of the August 2022 payment date.

The Class A Notes benefit from EUR 570 million subordination of the Class B Notes and from the reserve fund, currently at its target level of EUR 178.7 million (4.9% of Class A and Class B Notes' outstanding balance), which is available to cover senior expenses as well as the interest and principal on the Class A Notes until they are repaid in full. The reserve fund will become available to the Class B Notes once the Class A Notes have been fully repaid. The reserve fund does not amortise if certain performance triggers are breached. The Class A Notes' principal payments are senior to the Class B Notes' interest payments in the pre-enforcement priority of payments.

Banco Sabadell acts as the account bank for the transaction. Based on the account bank's reference credit rating of "A" (which is one notch below its DBRS Morningstar Long Term Critical Obligations Rating (COR) of A (high)), the downgrade provisions outlined in the transaction documents, and other mitigating factors inherent in the transaction structure, DBRS Morningstar considers the risk arising from the exposure to Banco Sabadell to be consistent with the AA (sf) credit rating on the Class A Notes, as described in DBRS Morningstar's "Legal Criteria for European Structured Finance Transactions" methodology.

An interest rate swap contract with Banco Sabadell mitigates the interest rate risk in the transaction. The DBRS Morningstar Long-Term COR of Banco Sabadell is above the First Credit Rating Threshold as described in DBRS Morningstar's "Derivative Criteria for European Structured Finance Transactions" methodology, given the AA (sf) credit rating on the Class A Notes.

DBRS Morningstar's credit rating on the Class A and Class B Notes addresses the credit risk associated with the identified financial obligations in accordance with the relevant transaction documents.

DBRS Morningstar's credit ratings do not address nonpayment risk associated with contractual payment obligations contemplated in the applicable transaction documents that are not financial obligations.

DBRS Morningstar's long-term credit ratings provide opinions on risk of default. DBRS Morningstar considers risk of default to be the risk that an issuer will fail to satisfy the financial obligations in accordance with the terms under which a long-term obligation has been issued.

ENVIRONMENTAL, SOCIAL, GOVERNANCE CONSIDERATIONS

There were no Environmental/Social/Governance factors that had a significant or relevant impact on the credit analysis.

A description of how DBRS Morningstar considers ESG factors within the DBRS Morningstar analytical framework can be found in the DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings at <https://www.dbrsmorningstar.com/research/416784/dbrs-morningstar-criteria-approach-to-environmental-social-and-governance-risk-factors-in-credit-ratings>.

DBRS Morningstar analysed the transaction structure in Intex DealMaker.

Notes:

All figures are in euros unless otherwise noted.

The principal methodology applicable to the credit ratings is the "Master European Structured Finance Surveillance Methodology" (22 October 2023), <https://www.dbrsmorningstar.com/research/422281/master-european-structured-finance-surveillance-methodology>.

Other methodologies referenced in this transaction are listed at the end of this press release.

DBRS Morningstar has applied the principal methodology consistently and conducted a review of the transaction in accordance with the principal methodology.

A review of the transaction legal documents was not conducted as the legal documents have remained unchanged since the most recent credit rating action.

For a more detailed discussion of the sovereign risk impact on Structured Finance ratings, please refer to “Appendix C: The Impact of Sovereign Ratings on Other DBRS Morningstar Credit Ratings” of the “Global Methodology for Rating Sovereign Governments” at: <https://www.dbrsmorningstar.com/research/421590/global-methodology-for-rating-sovereign-governments>.

The DBRS Morningstar Sovereign group releases baseline macroeconomic scenarios for rated sovereigns. DBRS Morningstar analysis considered impacts consistent with the baseline scenarios as set forth in the following report: <https://www.dbrsmorningstar.com/research/384482/baseline-macroeconomic-scenarios-application-to-credit-ratings>.

The sources of data and information used for these credit ratings includes investor reports provided by the management company, Titulización de Activos, S.G.F.T., S.A, and loan-level data provided by the European DataWarehouse GmbH.

DBRS Morningstar did not rely upon third-party due diligence in order to conduct its analysis.

At the time of the initial credit ratings, DBRS Morningstar was supplied with third-party assessments. However, this did not impact the credit rating analysis.

DBRS Morningstar considers the data and information available to it for the purposes of providing these credit ratings to be of satisfactory quality.

DBRS Morningstar does not audit or independently verify the data or information it receives in connection with the credit rating process.

The last credit rating action took place on 30 December 2022, when DBRS Morningstar confirmed the credit rating on the Class A Notes at AA (sf) and upgraded the credit rating on the Class B Notes to BBB (high) (sf) from BB (sf).

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

Sensitivity Analysis: To assess the impact of changing the transaction parameters on the credit rating, DBRS Morningstar considered the following stress scenarios as compared with the parameters used to determine the credit rating (the Base Case):

- DBRS Morningstar expected a lifetime base case PD and 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 loans for the Issuer are 1.7% and 22.8%, respectively.
- The risk sensitivity overview below illustrates the credit 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 credit rating of the Class A Notes would be expected to remain at AA (sf), assuming no change in the PD. If the PD increases by 50%, the credit rating of the Class A Notes would be expected to remain at AA (sf), assuming no change in the LGD. Furthermore, if both the PD and LGD increase by 50%, the credit rating of the Class A Notes would be expected to remain at AA (sf).

Class A Notes Risk Sensitivity:

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

Class B Notes Risk Sensitivity:

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

For further information on DBRS Morningstar historical default rates published by the European Securities and Markets Authority (ESMA) in a central repository, see: <https://registers.esma.europa.eu/cerep-publication>. For further information on DBRS Morningstar historical default rates published by the Financial Conduct Authority (FCA) in a central repository, see <https://data.fca.org.uk/#/ceres/craStats>.

These credit ratings are endorsed by DBRS Ratings Limited for use in the United Kingdom.

Lead Analyst: Shalva Beshia, Assistant Vice President

Rating Committee Chair: Alfonso Candelas, Senior Vice President

Initial Credit Rating Date: 29 November 2017

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The credit rating methodologies used in the analysis of this transaction can be found at: <https://www.dbrsmorningstar.com/about/methodologies>.

- Legal Criteria for European Structured Finance Transactions (30 June 2023), <https://www.dbrsmorningstar.com/research/416730/legal-criteria-for-european-structured-finance-transactions>
- Master European Structured Finance Surveillance Methodology (22 October 2023), <https://www.dbrsmorningstar.com/research/422281/master-european-structured-finance-surveillance-methodology>
- DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings (4 July 2023), <https://www.dbrsmorningstar.com/research/416784/dbrs-morningstar-criteria-approach-to-environmental-social-and->

[governance-risk-factors-in-credit-credit ratings](#)

-- Interest Rate Stresses for European Structured Finance Transactions (15 September 2023), <https://www.dbrsmorningstar.com/research/420602/interest-rate-stresses-for-european-structured-finance-transactions>

-- Operational Risk Assessment for European Structured Finance Servicers (15 September 2023), <https://www.dbrsmorningstar.com/research/420572/operational-risk-assessment-for-european-structured-finance-servicers>

-- Derivative Criteria for European Structured Finance Transactions (18 September 2023), <https://www.dbrsmorningstar.com/research/420754/derivative-criteria-for-european-structured-finance-transactions>.

-- European RMBS Insight Methodology (27 March 2023) and European Asset RMBS Insight Model v 6.0.1.0, <https://www.dbrsmorningstar.com/research/411634/european-rmbs-insight-methodology>

-- European RMBS Insight: Spanish Addendum (1 March 2023), <https://www.dbrsmorningstar.com/research/410420/european-rmbs-insight-spanish-addendum>

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

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

Ratings

TDA Sabadell RMBS 4, Fondo de Titulización

Date Issued	Debt Rated	Action	Rating	Trend	Attributes
28-Nov-23	Class A Notes	Confirmed	AA (sf)	--	EU U
28-Nov-23	Class B Notes	Confirmed	BBB (high) (sf)	--	EU U

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