

Otra Información Relevante de

BBVA RMBS 17 FONDO DE TITULIZACIÓN

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 17 FONDO DE TITULIZACIÓN** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

- La Agencia de Calificación **Axesor Rating (“Axesor”)**, con fecha 18 de diciembre de 2020, comunica que ha confirmado la calificación asignada a los Bonos emitidos por el Fondo:
 - **Bonos:** **A+(sf)**

Se adjunta la comunicación emitida por Axesor.

Madrid, 24 de diciembre de 2020.


ISSUE RATING

 Structured Finance RMBS
 Rating

 Issue: 1,584,000,000 €
 Coupon: EUR3M+0.30 %
 Amortization: Sequential

 First rating date: 24/11/2016
 Review date: 18/12/2020

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Executive Summary

BBVA RMBS 17 FT is a granular securitization fund with static pool of first ranking, prime-secured loans, structured under Spanish legislation. The fund's target was to obtain funding and liquidity by issuing bonds. The collateral consists of a portfolio of residential mortgage loans originated by Banco Bilbao Vizcaya Argentaria S.A ("BBVA"). The legal maturity date is August 16, 2066.

Class	Rating	Notional (Thds€) (1)	Coupon	Credit Enhancement	Legal Maturity Date
A	A+	1.174.804	EUR3M+0.30%	20.71%	16/08/2066
Loan B	NR	216.000	EUR3M+0.15%	5.18%	16/08/2066
Reserve Fund	-	72.000			

(1) As of payment date 31 Oct 2020

The rating addresses the timely payment of interest and the ultimate payment of principal on the Class A notes by the legal maturity date established in the prospectus. All figures in the report refer to the pool cut as of 31 October 2020. The figures related to the liabilities (Class A and Loan B) refer to the payment date falling on 18 November 2020.

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Main Figures:

Main figures	
Issuer	BBVA RMBS 17 FT
Purpose	Liquidity and Funding
Fund Type	Closed
Asset Class	Residential Mortgage Loans
Originator/Seller/Service	BBVA
Constitution Date	21/11/2016
Closing Date	23/11/2016
Assets(Thds€)	1,352,237
Assets Cash Balance(Thds€)	106,208
Liabilities (Thds€)	1,390,804
Listing	AIAF
Settlement	IBERCLEAR
Call	10%
Payment Date	Quarterly (February, May, August, November)
1st Payment Date	16/02/2017
Legal Maturity Date	16/08/2066

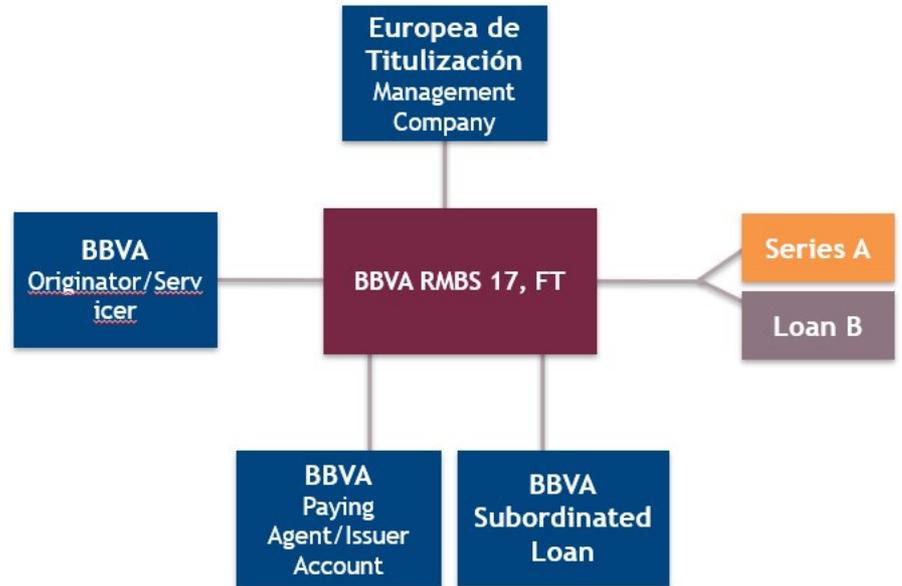
Source: Europea de Titulización, S.A., SGFT, BBVA

Participants

Participants	Function
Banco Bilbao Vizcaya Argentaria S.A	Originator/Seller
Banco Bilbao Vizcaya Argentaria S.A	Service
BBVA and Europea de Titulización S.A, SGFT	Arranger
Europea de Titulización S.A.	Management Company
Banco Bilbao Vizcaya Argentaria S.A	Paying Agent
Banco Bilbao Vizcaya Argentaria S.A	Bank Account
Deloitte & Touche España, S.L.	Auditor
Uría Menéndez Abogados S.L.P	Legal Adviser

Source: Europea de Titulización, S.A., SGFT BBVA

Transaction Diagram



1. Rating Rationale

Axesor rating has affirmed its credit rating to A+(sf) on the notes issued by BBVA RMBS 17 FT.

The rating addresses the timely payment of interests and the ultimate payment of principal on the Class A notes on the legal final maturity of August 2066.

BBVA RMBS 17 FT is a granular cash-flow securitization transaction of a €1.352MM static portfolio of Spanish mortgage loans originated by BBVA. The assets backing the notes are mortgage loans secured by residential properties located in Spain. The portfolio will be serviced by BBVA.

The portfolio has amortized in line with our expectation, at 75,1% of the initial portfolio balance. The portfolio remains granular with 13,247 outstanding mortgage loans. The constant monthly prepayment rate for the last year is 3.58%. After 4 years since the inception of the transaction, delinquency levels (+90 days in arrears) remain low at a rate of 0.05% meanwhile the doubtful loans ratio (+18 months) remains very close to zero, at a rate of 0.012%.

The pool has exhibited improved credit metrics since the initial closing date and prior reviews. Axesor has recalculated its assumptions for the cash flow analysis. Additionally, Axesor conducted a sensitivity analysis to assess the impact on the rating of changes in the expected default and recovery rates, individually or combined over the base case assumptions.

With that in mind, Axesor performed different cash flow scenarios with different assumptions on the default rate and the recovery rate associated with different rating levels to analyse the current situation of the fund. The overall PD of the pool of Assets has improved slightly due mainly to an improvement in the Loan to Value metric from 74,21% in 2016 to 64,91% in 2020 and a greater seasoning of the portfolio.

The credit enhancement for the senior tranche has increased to 20.71% from 16.00% at the initial closing, due to the deleveraging of the transaction.

However, due to the current economic situation in Spain, we also analyzed different stresses scenarios, which included a lower recovery rates due to a decrease in property values and a greater PD as a greater percentage of the borrowers default in their loans.

Following the application of our credit and cash flow stresses, the available credit enhancement for the senior class notes commensurates with A+(sf) rating.

The transaction is exposed to counterparty risk through Banco Bilbao Vizcaya Argentaria S.A. as bank account provider and paying agent of the notes. The transaction's documented rating requirements for Banco Bilbao Vizcaya Argentaria S.A. under its different roles and its replacement mechanisms, adequately mitigate its exposure to counterparty risk.

1.1. Sensitivity Analysis

Factors that individually or in the aggregate could impact the rating:

► **Positive Factors (↑):**

The overall good performance of the securitized portfolio in the fund, keeping the delinquencies as observed in previous periods and an improvement in the recovery rates of the underlying assets.

► **Negative Factors (↓):**

A greater than expected increase in the PD of the underlying assets, as a result of an increase delinquencies, an increase of LTV metric and a potential decrease in the Recovery Rates as a result of the current Pandemic. All these factors could decrease the Fund's Credit Enhancement and thus, the credit Rating.

Regulatory information

Sources of information

The credit rating assigned in this report has been made solicited by the originator of the assets, taking part in the process. The credit rating is based in:

1. Public information from public access sources.
2. Information provided by the originator of assets assigned or that shall be assigned to the securitization fund.

From the time of the assignment of the credit rating, all information provided by the originator of the assets, by the servicer of the assets (other than the originator) or by a third participant in the transaction, shall be reviewed and analyzed with the aim to assess the following issues:

1. The performance of the credit quality of the assets comprising the collateral of the Fund.
2. The level of credit enhancement.
3. The evolution of the quantitative triggers of the Fund.
4. The evolution of the qualitative triggers (counterparty risks).

The information has been thoroughly reviewed to ensure that it is valid, coherent and consistent and it is considered as satisfactory. Nevertheless, Axesor Rating assumes no responsibility for the accuracy of the information provided and the conclusions drawn from it.

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies, and in accordance with the Structured Finance Rating Methodology that can be consulted on www.axesor-rating.com/en-US/about-axesor/methodology and according to the Structured Finance Rating scale available at www.axesor-rating.com/en-US/about-axesor/rating-scale.
- Axesor publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months axesor has not provided ancillary services to the rated entity or its related third parties.
- The issued credit rating has been notified to the rated entity, and has not been modified since.

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