

C. N. M. V.
Dirección General de Mercados e Inversores
C/ Edison 4
Madrid

COMUNICACIÓN DE HECHO RELEVANTE

SOL-LION, FONDO DE TITULIZACIÓN DE ACTIVOS

Actuaciones sobre las calificaciones de los bonos por parte de Standard & Poor's.

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 Standard & Poor's, con fecha 29 de mayo de 2019, donde se llevan a cabo las siguientes actuaciones:

- Bono A, afirmado como **AAA (sf)**
- Bono B, desde **AA (sf)** a **AA+ (sf)**
- Bono C, desde **AA- (sf)** a **AA (sf)**

En Madrid, a 27 de junio de 2019

Ramón Pérez Hernández
Consejero Delegado

Ratings Raised On SOL-LION's Spanish RMBS Notes Following Review

Primary Credit Analyst:

Eva Gomez, London (44) 20-7176-3885; eva.gomez@spglobal.com

Research Contributor:

Tripti Gawankar, CRISIL Global Analytical Center, an S&P affiliate, Mumbai

OVERVIEW

- Following our review of SOL-LION under our relevant criteria, we have raised our ratings on the class B and C notes, and affirmed our rating on the class A notes.
- SOL-LION is a Spanish RMBS transaction that securitizes a portfolio of first-ranking residential mortgage loans originated by ING Bank (Madrid Branch).

MADRID (S&P Global Ratings) May 29, 2019--S&P Global Ratings today raised its credit ratings on SOL-LION, Fondo de Titulizacion de Activos' class B and C notes. At the same time, we affirmed our rating on the class A notes (see list below).

Today's rating actions follow the implementation of our revised structured finance sovereign risk criteria and counterparty criteria (see "Related Criteria"). They also reflect our full analysis of the most recent transaction information that we have received and the transaction's current structural features.

Upon revising our structured finance sovereign risk criteria, we placed our rating on the class B notes under criteria observation (see "209 European Structured Finance Ratings Placed Under Criteria Observation Due To Revised Sovereign Risk Criteria," published on March 1, 2019 and "Criteria |

Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions," published on Jan. 30, 2019). Following our review of the transaction's performance and the application of our structured finance sovereign risk criteria, our rating on these notes is no longer under criteria observation.

The analytical framework in our revised structured finance sovereign risk criteria assesses the ability of a security to withstand a sovereign default scenario. These criteria classify the sensitivity of this transaction as low. Therefore, the highest rating that we can assign to the tranches in this transaction is six notches above the Spanish sovereign rating, or 'AAA (sf)', if certain conditions are met.

In order to rate a structured finance tranche above a sovereign that is rated 'A+' and below, we account for the impact of a sovereign default to determine if under such stress the security continues to meet its obligations. For Spanish transactions, we typically use asset-class specific assumptions from our standard 'A' run to replicate the impact of the sovereign default scenario.

We have also applied our new structured finance counterparty criteria (see "Counterparty Risk Framework: Methodology And Assumptions," published on March 8, 2019).

ING Bank N.V. (Madrid Branch) provides the interest rate swap contract, which is in line with our previous counterparty criteria. Under our new criteria, our collateral assessment is moderate and considering the downgrade language in the swap documents and the current resolution counterparty rating (RCR) on ING Bank N.V., the parent of the swap provider, the maximum supported rating on the notes is 'AAA (sf)' (see "Methodology Applied To Bank Branch-Supported Transactions," published on Oct. 14, 2013).

Our European residential loans criteria, as applicable to Spanish residential loans, establish how our loan-level analysis incorporates our current opinion of the local market outlook (see "Methodology And Assumptions: Assessing Pools Of European Residential Loans," published on Aug. 4, 2017). Our current outlook for the Spanish housing and mortgage markets, as well as for the overall economy in Spain, is benign. Therefore, our expected level of losses for an archetypal Spanish residential pool at the 'B' rating level is 0.9%. Our foreclosure frequency assumption is 2.00% for the archetypal pool at the 'B' rating level.

After applying our European residential loans criteria to this transaction, the overall effect in our credit analysis results is a slight decrease in the weighted-average foreclosure frequency (WAFF) at all rating levels since our March 2018 review (see "All Ratings Raised In Spanish RMBS Transaction SOL-LION Following Review," published on March 23, 2018). This is mainly due to the increased seasoning of the collateral. Additionally, our weighted-average loss severity (WALS) assumptions have slightly decreased at

all rating levels since our previous review, mainly due to the decrease of the weighted-average current loan-to-value (LTV) ratio of the collateral.

Below are the credit analysis results after applying our European residential loans criteria to this transaction.

Rating level	WAFF (%)	WALS (%)
AAA	7.28	43.16
AA	4.87	36.65
A	3.66	22.82
BBB	2.69	13.57
BB	1.72	2.00
B	0.99	2.00

The class A, B, and C notes' credit enhancement based on the performing balances remains stable at 11.99%, 7.94%, and 3.88%, respectively, due to the pro rata amortization of the notes, and the reserve fund being at its required level.

Following the application of our revised criteria, we have determined that our assigned ratings on the classes of notes in this transaction should be the lower of (i) the rating as capped by our sovereign risk criteria, (ii) the rating as capped by our counterparty criteria, or (iii) the rating that the class of notes can attain under our European residential loans criteria. Our ratings on the notes are no longer capped by the application of our sovereign risk criteria. Our credit and cash flow results indicate that available credit enhancement for the class A, B, and C notes is commensurate with 'AAA (sf)', 'AA+ (sf)' and 'AA (sf)' ratings, respectively. We have therefore raised our ratings on these classes of notes to these rating levels, and affirmed our 'AAA (sf)' rating on the class A notes.

SOL-LION is a Spanish residential mortgage-backed securities (RMBS) transaction that securitizes a portfolio of first-ranking residential mortgage loans originated by ING Bank N.V. (Madrid Branch).

RELATED CRITERIA

- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Criteria | Structured Finance | General: Methodology And Assumptions: Assessing Pools Of European Residential Loans, Aug. 4, 2017
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- Criteria | Structured Finance | General: Methodology: Criteria For Global

Structured Finance Transactions Subject To A Change In Payment Priorities Or Sale Of Collateral Upon A Nonmonetary EOD, March 2, 2015

- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- General Criteria: Methodology Applied To Bank Branch-Supported Transactions, Oct. 14, 2013
- Criteria - Structured Finance - General: Global Derivative Agreement Criteria, June 24, 2013
- Criteria - Structured Finance - General: Criteria Methodology Applied To Fees, Expenses, And Indemnifications, July 12, 2012
- General Criteria: Methodology: Credit Stability Criteria, May 3, 2010
- Criteria - Structured Finance - General: Standard & Poor's Revises Criteria Methodology For Servicer Risk Assessment, May 28, 2009

RELATED RESEARCH

- Spanish RMBS Index Report Q1 2019, May 28, 2019
- European Economic Snapshots: Domestic Demand Still A Safety Net, April 12, 2019
- 209 European Structured Finance Ratings Placed Under Criteria Observation Due To Revised Sovereign Risk Criteria, March 1, 2019
- Spain 'A-/A-2' Ratings Affirmed; Outlook Positive, March 22, 2019
- European RMBS Index Report 2018, Feb. 19, 2019
- Europe's Housing Markets Ease Off The Accelerator, Feb. 19, 2019
- Why 2019 Could Be A Good Year For Spanish RMBS Ratings, Feb. 6, 2019
- European Economic Snapshots For 1Q2019 Published, Dec. 18, 2018
- Outlook Assumptions For The Spanish Residential Mortgage Market, April 17, 2018
- All Ratings Raised In Spanish RMBS Transaction SOL-LION Following Review, March 23, 2018
- 2017 EMEA RMBS Scenario And Sensitivity Analysis, July 6, 2017
- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016

RATINGS LIST

SOL-LION, Fondo de Titulizacion de Activos

RATINGS RAISED

Class	Rating	
	To	From
B	AA+ (sf)	AA (sf)
C	AA (sf)	AA- (sf)

RATING AFFIRMED

Class	Rating
-------	--------

Ratings Raised On SOL-LION's Spanish RMBS Notes Following Review

A AAA (sf)

Copyright © 2019 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.