

**Hecho Relevante de BBVA HIPOTECARIO 3 FONDO DE TITULIZACIÓN DE ACTIVOS**

En virtud de lo establecido en el apartado III.4.2.d del Folleto Informativo de **BBVA HIPOTECARIO 3 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 **Fitch Ratings** (“**Fitch**”) con fecha 6 de octubre de 2011, comunica que ha confirmado las calificaciones asignadas a las Series de Bonos emitidos por el Fondo:
  - **Serie A2:** **AAAsf**, perspectiva estable
  - **Serie B:** **Asf**, perspectiva estable (anterior **Asf**, perspectiva negativa)
  - **Serie C:** **BBsf**, perspectiva estable (anterior **BBsf**, perspectiva negativa)

Se adjunta la comunicación emitida por Fitch.

Madrid, 7 de octubre de 2011.

Mario Masiá Vicente  
Director General

## FITCH AFFIRMS BBVA HIPOTECARIO 3, FTA'S NOTES

Fitch Ratings-London-06 October 2011: Fitch Ratings has affirmed BBVA Hipotecario 3, FTA's notes as follows:

EUR210,266,460 class A2 notes (ISIN ES0314227010): affirmed at 'AAAsf', Outlook Stable

EUR46,525,861 class B notes (ISIN ES0314227028): affirmed at 'Asf', Outlook revised to Stable from Negative

EUR14,300,000 class C notes (ISIN ES0314227036): affirmed at 'BBsf', Outlook revised to Stable from Negative

The affirmation reflects the notes' increasing credit enhancement levels due to the structural deleveraging alongside the transaction's improved performance since the last rating action in November 2010. Additionally, the transaction benefits from a EUR18.2m subordinated line of credit agreement with Banco Bilbao Vizcaya Argentaria (BBVA; 'AA-/Stable/'F1+'), which may be drawn to account for any defaults in the collateral portfolio.

Fitch has also revised the class B and C notes' Outlooks to Stable from Negative, as their credit enhancement levels can withstand the agency's 'A' and 'BB' rating stress scenarios respectively, with a significant cushion.

The current defaults on principal in the portfolio have decreased to EUR12.88m from EUR13.68m since the last rating action and represent 4.7% of the outstanding balance. Both 90+ day and 180+ day loans in arrears have also decreased to EUR2.38m and EUR1.03m from EUR4.92m and EUR1.45m, respectively, since the last rating action. Currently, 90+ and 180+ delinquent loans account for 0.87% and 0.38% of the outstanding portfolio balance, respectively.

100% of the collateral portfolio is secured on first-ranking mortgages, allowing for potentially high recovery rates on the defaulted assets. Total recoveries currently account for 38% of the total defaults since closing. However, this figure has been increasing since the last rating action as recoveries are realised on defaulted loans.

The transaction benefits from 50bps guaranteed excess spread via an interest rate swap agreement between the issuer and BBVA.

BBVA Hipotecario 3 FTA is a securitisation of loans originated by BBVA and granted to Spanish SMEs and self employed individuals. The transaction is relatively granular at an obligor level with the 10 largest obligors accounting for 7.8% of the outstanding balance, whereas 22% of the portfolio is originated in Andalucia.

Fitch has assigned an Issuer Report Grade (IRG) of One Star "poor" to reflect the quality of investor reporting. Fitch notes that the investor reports provide sufficient details on a monthly basis regarding the transaction, but lack information concerning the portfolio's industry stratification and the counterparty rating triggers.

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Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Sources of information: transaction trustee reports

Applicable criteria: 'Criteria for Rating European Granular Corporate Balance-Sheet Securitisations (SME CLOs)', dated 6 June 2011, 'Criteria for European Structured Credit Issuer Report Grades', dated 16 February 2010, 'Servicing Continuity Risk Criteria for Structured Finance Transactions', dated 17 March 2010, 'Criteria for Structured Finance Recovery Ratings', dated 12 July 2011 and 'Counterparty Criteria For Structured Finance Transactions', dated 14 March 2011, are available from [www.fitchratings.com](http://www.fitchratings.com).

Applicable Criteria and Related Research:

Criteria for Rating European Granular Corporate Balance-Sheet Securitisations (SME CLOs)

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=622549](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=622549)

Criteria for European Structured Credit Issuer Report Grades (EMEA CDO)

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=500088](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=500088)

Criteria for Servicing Continuity Risk in Structured Finance

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=649174](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=649174)

Criteria for Structured Finance Recovery Ratings

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=644902](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=644902)

Counterparty Criteria for Structured Finance Transactions

[http://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=605425](http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=605425)

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