

C. N. M. V.  
Dirección General de Mercados e Inversores  
C/ Miguel Ángel 11  
Madrid

### **COMUNICACIÓN DE HECHO RELEVANTE**

#### **EMPRESAS HIPOTECARIO TDA CAM 3, 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 23 de julio de 2012, donde se llevan a cabo las siguientes actuaciones:

- Bono A2, de **A+ (sf)** a **A- (sf)**
- Bono B, de **BB+ (sf)** a **B+ (sf)**
- Bono C, de **B- (sf)** a **CCC- (sf)**

En Madrid, a 24 de julio de 2012

Ramón Pérez Hernández  
Director General

# RatingsDirect<sup>®</sup>

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## Ratings Lowered In Three Of Banco CAM's Spanish SME Securitizations

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OVERVIEW

- Despite their seasoning, these transactions are still experiencing considerable levels of defaults.
- As such, we have lowered several ratings in Empresas Hipotecario TDA CAM 3, FTPYME TDA CAM 4, and Empresas Hipotecario TDA CAM 5.
- In FTPYME TDA CAM 4, we have also affirmed our 'D (sf)' rating on the class D notes.
- In Empresas Hipotecario TDA CAM 5, we have also placed the class B and C notes on CreditWatch negative, and affirmed our 'D (sf)' rating on the class D notes.
- These transactions closed in 2006 and 2007, and are collateralized by loans granted to SMEs in their normal course of business.
- They were originated by Banco CAM, which has now merged with Banco Sabadell.
- As of today, the three transactions are in their remedy periods, and we have received a detailed confirmation of the remedy actions that are being taken.

MADRID (Standard & Poor's) July 23, 2012--Standard & Poor's Ratings Services today took various credit rating actions in Empresas Hipotecario TDA CAM 3, Fondo de Titulización de Activos; FTPYME TDA CAM 4, Fondo de Titulización de Activos; and Empresas Hipotecario TDA CAM 5, Fondo de Titulización de Activos.

Specifically, we:

- Lowered our ratings on Empresas Hipotecario TDA CAM 3's class A2, B, and

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C notes;

- Lowered our ratings on FTPYME TDA CAM 4's class A2, A3(CA), B, and C notes, and affirmed our rating on the class D notes; and
- Lowered our ratings on Empresas Hipotecario TDA CAM 5's class A2, A3, B, and C notes, placed our ratings on the class B and C notes on CreditWatch negative, and affirmed our rating on the class D notes (see list below).

We have reviewed these three small and midsize enterprise (SME) securitizations that are originated by Banco CAM S.A.U.

Given the poor performance these transactions have shown since our last review in November 2010, we have today lowered all of our ratings in Empresas Hipotecario TDA CAM 3, FTPYME TDA CAM 4, and Empresas Hipotecario TDA CAM 5 (except for those that were already rated 'D (sf)').

Moreover, the three transactions are in their remedy periods established in the transactions' documents. We have given an extension to the remedy periods documented, as we have received detailed plans of the actions to be taken. This follows our April 30, 2012 downgrades of Condefederación Española de Cajas de Ahorros (BBB-/Stable/A-3), Instituto de Crédito Oficial (BBB+/Negative/A-3), and Banco Santander S.A. (A-/Negative/A-2), which are the main counterparties in these transactions (see "Negative Rating Actions On 16 Spanish Banks Following Sovereign Downgrade").

**EMPRESAS HIPOTECARIO TDA CAM 3**

This transaction was originated in July 2006. We have previously taken negative rating action on the notes, most recently in the last quarter of 2010. Since then, the performance has further deteriorated as a result of higher risk exposure to borrower concentration.

Arrears of 90+ days over the outstanding balance of the nondefaulted assets have increased, to 21.49% in April 2012 from 2.23% in May 2011. Also, defaults are still appearing in this transaction, and reached 3.23% over the outstanding balance of the assets in April 2012, compared with 2.07% in May 2011. This is mainly due to borrower concentration. The top 10 borrowers currently represent 29.16% of the pool, up from 14.57% at closing. The deterioration of one borrower may affect the whole structure.

In addition, the current level of defaults is affecting the credit enhancement levels in the transaction, as the reserve fund (currently at 2.49% of the required level) is not enough to protect the most junior notes from the defaulting assets.

We have received written details from the trustee (Titulización de Activos S.G.F.T., S.A.) of the remedy actions taking place in this transaction. As such, even though the remedy period has expired, we are giving credit to this remedy plan in our analysis.

Based on the above, we have today lowered our ratings on the class A2, B, and

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C notes to 'A- (sf)', 'B+ (sf)', and 'CCC- (sf)', respectively.

FTPYME TDA CAM 4

This transaction was originated in December 2006. We have previously taken negative rating action on the notes, most recently in the last quarter of 2010. Since then, the performance has further deteriorated as a result of early arrears becoming longer-term arrears and subsequently defaults.

Arrears of 90+ days over the outstanding balance of the nondefaulted assets have increased, to 6.89% in May 2012 from 3.03% in June 2011. Also, defaults are still appearing in this transaction, and reached 7.59% over the outstanding balance of the assets in May 2012, compared with 5.30% in June 2011. This is mainly due to a deterioration in the credit quality of the assets, as borrower concentration has slightly increased, to 4.70% of the outstanding balance currently, from 4.11% as of closing.

In addition, the current level of defaults is affecting the credit enhancement levels in the transaction, as the reserve fund (currently 37.16% of the required level) is not enough to protect the most junior notes from the defaulting assets.

Moreover, given the rate at which defaults are increasing, the level of cumulative defaults over the original balance of the securitized assets has increased to 3.88% as of May 2012, compared with 2.76% a year before. This level is close to the interest-deferral trigger for the class C notes, which was established at closing at 4.85%, and which given the increasing trend is likely to be reached in the next few months.

We have received written details from the trustee (Titulización de Activos S.G.F.T.) of the remedy actions taking place in this transaction. As such, even though the remedy period has expired, we are giving credit to this remedy plan in our analysis.

Based on the above, we have today lowered our ratings on the class A2, A3(CA), B, and C notes to 'A+ (sf)', 'A+ (sf)', 'BB (sf)', and 'CCC- (sf)', respectively.

EMPRESAS HIPOTECARIO TDA CAM 5

This transaction was originated in October 2007. We have previously taken negative rating action on the notes, most recently in the last quarter of 2010. Since then, the performance has further deteriorated and, as a consequence, on the last payment date (in May 2012), the reserve fund has been fully depleted.

Arrears of 90+ days over the outstanding balance of the nondefaulted assets have increased, to 5.76% in May 2012 from 2.31% in June 2011. Also, defaults are still appearing in this transaction at a considerable rate, reaching 7.40% over the outstanding balance of the assets in May 2012, compared with 4.71% in

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June 2011. This is not due to borrower concentration, as we might have expected, given the 43.97% pool factor in the transaction (the top 10 borrowers represented 7.04% of the pool at closing and 7.97% today)--but rather to a deterioration in the credit quality of the assets.

In addition, given the rate at which defaults are increasing, the level of cumulative defaults over the original balance of the securitized assets has increased to 6.65% as of May 2012, compared with 4.91% a year before. This level is close to the interest-deferral trigger for the class C notes, which was established at closing at 7.30%, and which given the increasing trend is likely to be reached in the next few months.

Besides, given that the only noteholder in this transaction is Banco CAM, no remedy actions are going to be taken in this transaction, as their intention is to early-amortize this transaction.

Based on the above, we have lowered our ratings on the class A2 and A3 notes to 'BBB- (sf)', which is equivalent to our rating on the swap counterparty, Confederación Española de Cajas de Ahorros (BBB-/Stable/A-3); this is limiting the ratings on these notes. We have also lowered to 'CCC- (sf)' and placed on CreditWatch negative our ratings on both the class B and C notes, due to the considerable level of defaults that affect the likelihood of repayment of these notes when this transaction early-amortizes. In addition, we have affirmed our 'D (sf)' rating on the class D notes, as interest payments on this class of notes, which were used to fund the reserve fund at closing, are defaulting.

Banco CAM, which has now merged with Banco Sabadell S.A., is the originator of these transactions, which are backed by secured loans in the case of Empresas Hipotecario TDA CAM 3 and 5, and secured and unsecured loans in the case of FTPYME TDA CAM 4. The loans are granted to Spanish SMEs in their normal course of business.

### STANDARD & POOR'S 17G-7 DISCLOSURE REPORT

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an residential mortgage-backed security as defined in the Rule, to include a description of the representations, warranties and enforcement mechanisms available to investors and a description of how they differ from the representations, warranties and enforcement mechanisms in issuances of similar securities. The Rule applies to in-scope securities initially rated (including preliminary ratings) on or after Sept. 26, 2011.

If applicable, the Standard & Poor's 17g-7 Disclosure Reports included in this credit rating report are available at <http://standardandpoorsdisclosure-17g7.com>.

### RELATED CRITERIA AND RESEARCH

- Negative Rating Actions On 16 Spanish Banks Following Sovereign Downgrade, April 30, 2012

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- Counterparty Risk Framework Methodology And Assumptions, May 31, 2012
- European Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, March 14, 2012
- Global Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, Nov. 4, 2011
- Principles Of Credit Ratings, Feb. 16, 2011
- Ratings Lowered On Eight Tranches And Affirmed On Five Tranches In Three Of CAM's Spanish SME ABS Securitizations, Nov. 16, 2010
- Methodology And Assumptions: Update To The Criteria For Rating European SME Securitizations, Jan. 6, 2009

RATINGS LIST

Class	To	Rating	From
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Empresas Hipotecario TDA CAM 3, Fondo de Titulización de Activos  
€750 Million Mortgage-Backed Floating-Rate Notes

Ratings Lowered

A2	A- (sf)		A+ (sf)
B	B+ (sf)		BB+ (sf)
C	CCC- (sf)		B- (sf)

FTPYME TDA CAM 4, Fondo de Titulización de Activos  
€1.529 Billion Floating-Rate Notes

Ratings Lowered

A2	A+ (sf)		AA+ (sf)
A3(CA)	A+ (sf)		AA+ (sf)
B	BB (sf)		BBB+ (sf)
C	CCC- (sf)		B+ (sf)

Rating Affirmed

D	D (sf)		
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Empresas Hipotecario TDA CAM 5, Fondo de Titulización de Activos  
€1,430.8 Million Floating-Rate Notes

Ratings Lowered

A2	BBB- (sf)		AA- (sf)
A3	BBB- (sf)		AA- (sf)

Ratings Lowered And Placed On CreditWatch Negative

B	CCC- (sf)/Watch Neg		BB+ (sf)
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*Ratings Lowered In Three Of Banco CAM's Spanish SME Securitizations*

C                    CCC- (sf)/Watch Neg            B- (sf)

Rating Affirmed

D                    D (sf)

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