

**Hecho Relevante de**

**BBVA RMBS 1 Fondo de Titulización de Activos**

En virtud de lo establecido en el apartado 4.1.4 del Módulo Adicional a la Nota de Valores del Folleto Informativo de **BBVA RMBS 1 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 **Moody’s Investors Service** (“**Moody’s**”), con fecha 15 de abril de 2011, comunica que ha confirmado las calificaciones asignadas a las siguientes Series de Bonos emitidos por **BBVA RMBS 1 Fondo de Titulización de Activos**:
  - **Serie A2: Aaa (sf)** (anterior **Aaa (sf)**, bajo revisión)
  - **Serie A3: Aaa (sf)** (anterior **Aaa (sf)**, bajo revisión)

Así mismo, Moody’s comunica que ha bajado la calificación asignada a las siguientes Series de Bonos:

- **Serie B: A3 (sf)** (anterior **A1 (sf)**, bajo revisión)
- **Serie C: B3 (sf)** (anterior **Ba3 (sf)**, bajo revisión)

Se adjunta la comunicación emitida por Moody’s.

Madrid, 15 de abril de 2011.

Enrique Pescador Abad  
Director de Organización y Control

**Rating Action: Moody's Investors Service takes action on Spanish RMBS notes issued by BBVA RMBS 1 FTA**

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Global Credit Research - 15 Apr 2011

Madrid, April 15, 2011 – Moody's Investors Service announced today that it has downgraded the rating of Class B and C notes and has confirmed the rating of the A2 and A3 notes issued by BBVA RMBS 1 FTA. A detailed list of the rating actions is provided at the end of this press release.

The ratings of the notes were placed on review for possible downgrade in February 2011 due to the worse than expected performance of the collateral. All the loans were originated by Banco Bilbao Vizcaya Argentaria (BBVA Aa2/P-1).

#### RATINGS RATIONALE

Today's rating action concludes the review and takes into consideration the worse-than-expected performance of the collateral. It also reflects Moody's negative sector outlook for Spanish RMBS and the weakening of the macro-economic environment in Spain, including high unemployment rates.

The ratings of the notes take into account the credit quality of the underlying mortgage loan pools, from which Moody's determined the MILAN Aaa Credit Enhancement (MILAN Aaa CE) and the lifetime losses (expected loss), as well as the transaction structure and any legal considerations as assessed in Moody's cash flow analysis. The expected loss and the Milan Aaa CE are the two key parameters used by Moody's to calibrate its loss distribution curve, used in the cash flow model to rate European RMBS transactions.

#### Portfolio Expected Loss:

Moody's has reassessed its lifetime loss expectation taking into account the collateral performance to date, as well as the current macroeconomic environment in Spain. In February 2011, cumulative write-offs rose to 2.38% of the original pool balance. The share of 90+ day arrears stood at 2.50% of current pool balance. Moody's expects the portfolio credit performance to be under stress, as Spanish unemployment remains elevated. The rating agency believes that the anticipated tightening of Spanish fiscal policies is likely to weigh on the recovery in the Spanish labour market and constrain future Spanish households finances. Moody's also has concerns over the timing and degree of future recoveries in a weaker Spanish housing market. On the basis of Moody's negative sector outlook for Spanish RMBS, the rating agency has updated the portfolio expected loss assumption to 2.55% of original pool balance up from 1.90% at December 2008.

#### MILAN Aaa CE:

Moody's has assessed the loan-by-loan information to determine the MILAN Aaa CE. Moody's has increased its MILAN Aaa CE assumptions for 11%, up from 10% at December 2008. The increase in the MILAN Aaa CE reflects the exposure to broker origination (28.90%) and non Spanish nationals (5.80%). In addition 14.36% of the portfolio correspond to temporary workers. Credit enhancement under the Class A (including subordination and reserve fund) is 11.83%.

The rating addresses the expected loss posed to investors by the legal final maturity of the notes. In Moody's opinion, the structure allows for timely payment of interest and principal with respect of the notes by the legal final maturity. Moody's ratings only address the credit risk associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

#### TRANSACTION FEATURES

BBVA RMBS 1 closed in February 2007. The transaction is backed by portfolios of first-ranking mortgage loans originated by BBVA secured on residential properties located in Spain, for an overall balance at closing of EUR 2.5 billion. The purpose of the mortgage loans were the acquisition or refurbishment of residential properties. The majority of the collateral includes loans with high Loan-to-Value: loans with LTV over 80% represent 75% of the current pool balance. The portfolios are also quite concentrated in the area of Catalonia, Madrid and Andalusia. The loans had been originated between 2003 and June 2006, with a weighted average seasoning of 1.75 years at closing and a weighted average remaining term of 28.72 years.

Reserve fund: The rapidly increasing levels of defaulted loans ultimately resulted in draws to the reserve fund. The reserve fund represents 0.23% of the outstanding amount of the notes and it is currently at 10% of its target.

Commingling: All of the payments under the loans in this pool are collected by the servicer under a direct debit scheme into the collection accounts held at BBVA (Aa2/P-1) and are transferred to the treasury account held at BBVA every two days.

Swap: According to the swap agreement entered into between the Fondo and BBVA (Aa2 / P-1), on each payment date:

- The Fondo will pay the amount of interest actually received from the loans; and
- BBVA will pay the sum of (1) the weighted average coupon on the notes plus 65 bps, over a notional calculated as the daily average outstanding amount of the loans not more than 90 days in arrears and (2) the servicing fee due on such payment date

For details on the deal structure, please refer to the BBVARMBS 1, New Issue Reports. The report is available on [www.moody.com](http://www.moody.com).

The principal methodologies used in this rating were Moody's Updated Methodology for Rating Spanish RMBS published in July 2008, Cash Flow Analysis in EMEARMBS: Testing Features with the MARCO Model (Moody's Analyser of Residential Cash Flows) published in January 2006, Moody's Approach to Automated Valuation Models in Rating UK RMBS published in August 2008, A Framework for Stressing House Prices in RMBS Transactions in EMEA published in July 2008. Moody's also took into account its Rating Implementation Guidance: "Global Structured Finance Operational Risk Guidelines: Moody's Approach to Analyzing Performance Disruption Risk" published in March 2011.

Moody's Investors Service did not receive or take into account a third-party due diligence report on the underlying assets or financial instruments related to the monitoring of this transaction in the past six months.

#### LIST OF RATINGS ACTIONS

Issuer: BBVARMBS 1 Fondo de Titulización de Activos

...EUR1,400MA2 Certificate, Confirmed at Aaa (sf); previously on Feb 8, 2011 Aaa (sf) Placed Under Review for Possible Downgrade

...EUR495MA3 Certificate, Confirmed at Aaa (sf); previously on Feb 8, 2011 Aaa (sf) Placed Under Review for Possible Downgrade

...EUR120MB Certificate, Downgraded to A3 (sf); previously on Feb 8, 2011 A1 (sf) Placed Under Review for Possible Downgrade

...EUR85MC Certificate, Downgraded to B3 (sf); previously on Feb 8, 2011 Ba3 (sf) Placed Under Review for Possible Downgrade

#### REGULATORY DISCLOSURES

The ratings have been disclosed to the rated entity or its designated agents and issued with no amendment resulting from that disclosure.

Information sources used to prepare the credit ratings are the following: parties involved in the ratings, parties not involved in the ratings, public information, and confidential and proprietary Moody's Investors Service information.

Moody's Investors Service considers the quality of information available on the issuer or obligation satisfactory for the purposes of maintaining a credit rating.

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Please see ratings tab on the issuer/entity page on [Moody.com](http://Moody.com) for the last rating action and the rating history.

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Please see the Credit Policy page on [Moody.com](http://Moody.com) for the methodologies used in determining ratings, further information on the meaning of each rating category and the definition of default and recovery.

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