

**Hecho Relevante de**

**BBVA RMBS 4 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 4 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 **Standard & Poor’s Rating Services** (“**S&P**”), con fecha 15 de septiembre de 2010, comunica que ha puesto bajo observación negativa las calificaciones asignadas a las Series de Bonos emitidos por **BBVA RMBS 4 Fondo de Titulización de Activos**:
  - **Serie A1:**       **AAA**, observación negativa        (anterior **AAA**)
  - **Serie A2:**       **AAA**, observación negativa        (anterior **AAA**)
  - **Serie A3:**       **AAA**, observación negativa        (anterior **AAA**)
  - **Serie B:**         **A**, observación negativa               (anterior **A**)
  - **Serie C:**         **BBB**, observación negativa           (anterior **BBB**)

Se adjunta la comunicación emitida por S&P.

Madrid, 16 de septiembre de 2010.

Mario Masiá Vicente  
Director General

## Ratings Put On CreditWatch Negative In Three BBVA Spanish RMBS Transactions

**Surveillance Credit Analyst:**

Paloma Mateo-Guerrero, Madrid (34) 91-788-7211; paloma\_mateo-guerrero@standardandpoors.com

**Secondary Contact:**

Soledad Martinez-Tercero, Madrid (34) 91-3896-954; soledad\_martinez-tercero@standardandpoors.com

### OVERVIEW

- As a result of the level of defaults and a structural mechanism requiring a full provisioning for defaulted loans, the three transactions have depleted their cash reserves and weakened the credit enhancement levels of their structures.
- As a result, we have placed on CreditWatch negative the ratings on the subordinated notes in the case of BBVA RMBS 2, and all the notes in the case of BBVA RMBS 4 and 5.
- BBVA 2 RMBS FTA, BBVA 4 RMBS FTA, and BBVA 5 RMBS FTA closed in March 2007, November 2007, and June 2008, respectively.

MADRID (Standard & Poor's) Sept. 15, 2010--Standard & Poor's Ratings Services today placed on CreditWatch negative its credit ratings on all classes of notes in BBVA RMBS 4, Fondo de Titulización de Activos and BBVA RMBS 5, Fondo de Titulización de Activos, and the class B and C notes in BBVA RMBS 2, Fondo de Titulización de Activos. At the same time, we affirmed the ratings on the class A2 to A4 notes in BBVA RMBS 2 (see list below).

Today's rating actions are a consequence of the weak performance of these three transactions, in our opinion, that may adversely affect the levels of credit enhancement available.

As of July 2010, defaulted loans (defined as loans in arrears for more than 12 months in BBVA RMBS 2 and 4, and 18 months in BBVA RMBS 5) were at 1.56% of the outstanding balance of assets for BBVA RMBS 2, 1.98% for BBVA RMBS 4, and 1.16% for BBVA RMBS 5. These default levels have caused the depletion of the

### *Ratings Put On CreditWatch Negative In Three BBVA Spanish RMBS Transactions*

reserve funds in these transactions as follows:

- For BBVA RMBS 2 and 4, it was a considerable or full depletion of their reserve funds (to 1.46% and 0.00% of their required levels, respectively).
- For BBVA RMBS 5, the depleted amount is smaller (to 66.78% of its required level). However, given that the definition of defaulted loans for this fund is 18 months instead of the typical 12 months and that the seasoning is only 42.1 months compared with 65.4 months in BBVA RMBS 2 and 56 months in BBVA RMBS 4, we believe that there could be additional defaults that would negatively affect the performance of this transaction.

In addition, the shorter seasoning in BBVA RMBS 4 and especially in BBVA RMBS 5 has a negative effect on the current weighted-average foreclosure frequency (WAFF) and weighted-average loss severity (WALS), as both transactions do not benefit from the increase of the Spanish house price index before 2008. This also has a negative effect on BBVA RMBS 2's junior classes.

By contrast, senior classes in BBVA RMBS 2 continue to have sufficient credit enhancement available to maintain their 'AAA (sf)' ratings. Loans in this transaction were originated earlier than in the other two transactions. The longer seasoning and a lower pool factor also benefit the transaction.

The portfolios comprise mortgages granted to individuals for the acquisition of residential and non-residential properties and a maximum loan-to-value ratio of 100%. Banco Bilbao Vizcaya S.A originated these loans.

#### RELATED CRITERIA AND RESEARCH

- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Methodology And Assumptions: Update To The Criteria For Rating Spanish Residential Mortgage-Backed Securities, Jan. 6, 2009
- Methodology And Assumptions: Update To The Cash Flow Criteria For European RMBS Transactions, Jan. 6, 2009
- Criteria for Rating Spanish Residential Mortgage-Backed Securities, March 1, 2002

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

#### RATINGS LIST

Class	To	Rating	From
-------	----	--------	------

Ratings Placed On CreditWatch Negative

*Ratings Put On CreditWatch Negative In Three BBVA Spanish RMBS Transactions*

BBVA RMBS 2, Fondo de Titulización de Activos  
€5 Billion Mortgage-Backed Floating-Rate Notes

B	A (sf)/Watch Neg	A (sf)
C	BBB (sf)/Watch Neg	BBB (sf)

BBVA RMBS 4, Fondo de Titulización de Activos  
€4.9 Billion Mortgage-Backed Floating-Rate Notes

A1	AAA (sf)/Watch Neg	AAA (sf)
A2	AAA (sf)/Watch Neg	AAA (sf)
A3	AAA (sf)/Watch Neg	AAA (sf)
B	A (sf)/Watch Neg	A (sf)
C	BBB (sf)/Watch Neg	BBB (sf)

BBVA RMBS 5, Fondo de Titulización de Activos  
€5 Billion Mortgage-Backed Floating-Rate Notes

A	AAA (sf)/Watch Neg	AAA (sf)
B	A (sf)/Watch Neg	A (sf)
C	BBB- (sf)/Watch Neg	BBB- (sf)

Ratings Affirmed

BBVA RMBS 2, Fondo de Titulización de Activos  
€5 Billion Mortgage-Backed Floating-Rate Notes

A2	AAA (sf)
A3	AAA (sf)
A4	AAA (sf)

**Additional Contact:**

Structured Finance Europe; [StructuredFinanceEurope@standardandpoors.com](mailto:StructuredFinanceEurope@standardandpoors.com)

Copyright © 2010 by Standard & Poor's Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies,

No content (including ratings, credit-related analyses and data, 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 S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, 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, 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) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. 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's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. 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.

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 credit-related 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](http://www.standardandpoors.com) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) and [www.globalcreditportal.com](http://www.globalcreditportal.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](http://www.standardandpoors.com/usratingsfees).

The McGraw-Hill Companies