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

# **COMUNICACIÓN DE HECHO RELEVANTE**

TDA CAM 7, FONDO DE TITULIZACIÓN DE ACTIVOS Actuaciones sobre las calificaciones de los bonos por parte de Fitch Ratings.

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 Fitch Ratings, con fecha 10 de diciembre de 2013, donde se llevan a cabo las siguientes actuaciones:
  - Bono A2: de BBB (sf) / perspectiva negativa a BBB- (sf) / perspectiva negativa.
  - Bono A3: de BBB (sf) / perspectiva negativa a BBB- (sf) / perspectiva negativa.
  - Bono B: afirmado como CCC (sf).

En Madrid, a 12 de diciembre de 2013

Ramón Pérez Hernández Director General



Tagging Info

# Fitch Downgrades 19 & Affirms 17 Tranches of TDA CAM Series Ratings Endorsement

10 Dec 2013 1:30 PM (EST)

Link to Fitch Ratings' Report: Fitch Downgrades 19 & Affirms 17 Tranches of TDA CAM Series

Fitch Ratings-London-10 December 2013: Fitch Ratings has downgraded 19 and affirmed 17 tranches of the TDA CAM series, 11 Spanish RMBS transactions originated by Banco CAM, which is now a subsidiary of Banco de Sabadell (BB+/Stable/B). A full list of rating actions is available at www.fitchratings.com or by clicking on the link above.

#### KEY RATING DRIVERS

There has been a marked increase in defaults in the TDA CAM series over the past 12 months. The performance deterioration is indicative of weak underwriting policies, which included origination via brokers. Nevertheless, the degree of recent performance worsening across all series is unexpected given the loans' seasoning and low current loan to value (CLTV) ratio.

Asset performance deterioration has translated into inadequate levels of credit enhancement for the current rating levels despite recoveries. Fitch believes that the recoveries in these transactions to date have been a result of the originator purchasing defaulted assets at prices that are preferential to the issuers, thereby boosting recoveries. This view is based on the absence of repossessions at the SPV level in all 11 deals and the stronger than average recovery rates.

Fitch understands that following the integration of Banco CAM into Banco de Sabadell, this practice is set to discontinue, and therefore the timing and amount of future recoveries will become more uncertain, potentially resulting in increased losses for these transactions.

There has been a significant amount of loan modifications in these transactions compromising both maturity extensions and interest rate changes ranging between 1.59% and 10.87% of current collateral balance. The average maturity extension in the TDA CAM series is 7.3 years. Fitch has included additional stresses for modified loans in its analysis.

## TDA CAM 1, 2, 3 and 4

These seasoned transactions closed between March 2003 and February 2005. They are characterised by CLTV loans below 40%. Given the age of the transactions, the collateral pools benefit from positive price indexation despite property price adjustment in Spain since 2008.

Over the past 12 months, loans in arrears over three months have increased for TDA CAM 2, 3 and 4 from between 1.37% and 1.83% to between 0.96% and 2.14%. Loans in arrears for TDA CAM 1 remained broadly flat at 0.96%.

The transactions benefit from comparatively low gross cumulative defaults, although they have also increased from between 0.58% and 1.8% to between 0.87% and 2.48% of the original collateral balance. The transactions have been unable to cover the comparatively small increase in defaults with excess spread and this has led to all four transactions experiencing reserve funds draws. The reserve funds for these transactions currently range from 94.5% to 65.6% of target (TDA CAM 1 and TDA CAM 4, respectively). As a result of the worsening collateral performance and reserve fund draws, Fitch has taken negative rating actions on the junior tranches of these transactions.

#### TDA CAM 5

TDA CAM 5 has a higher CLTV (52.3%) than the earlier transactions in the series. Gross cumulative defaults have increased by 4.09% to 5.65% over the same period. This has led to the reserve fund being almost fully depleted at 9.5% of target. If cumulative defaults continue on the recent trend Fitch expects that the reserve fund will be fully utilised and a principal deficiency ledger (PDL) will be applied. As a result, Fitch has downgraded both notes in this transaction.

#### TDA CAM 6, 7, 8 and 9

These transactions are currently the worst performing of the series. Along with TDA CAM 11 and 12, these transactions have the highest CLTVs at between 52.5% and 60.8%. Gross cumulative defaults have increased substantially over the past year from between 5.58% and 9.05% to between 8.14% and 12.55%. Loans in arrears greater than three months fell from between 4.22% and 5.78% at their peak over the past 12 months to between 3.49% and 4.8%. However, this was likely due to loans rolling into default rather than recovering to performing.

Subsequently PDLs in the transactions have begun being allocated (TDA CAM 6, 7 and 8) or increased further (TDA CAM 9). The PDLs for these transactions currently stand at between EUR6.68m (TDA CAM 7) and EUR35.38m (TDA CAM 9).

Due to the poor performance of the collateral, interest deferral on the junior notes for TDA CAM 8 and 9 has begun. If the current performance trend of these transactions continues, Fitch expects TDA CAM 6 and 7 will also begin deferring interest on the junior notes in the near term. Fitch has taken negative rating actions across the structures on all tranches of TDA CAM 6-9.

#### TDA CAM 11 and 12

TDA CAM 11 and 12 have experienced a significant increase in gross cumulative defaults over the past 12 months, TDA CAM 11 increased to 7.54% from 4.3% and TDA CAM 12 increased to 6% from 3.15%. The performance is unsurprising given the collateral pools for TDA CAM 11 and 12 have experienced negative indexation of 27.7% and 18.3%, respectively.

TDA CAM 11 and 12 were restructured in June 2013. This led to a removal of the hedging swap, which left the transactions exposed to basis and reset risk. To offset this risk, the reserve fund targets were increased to EUR87.3m and EUR89.5m, respectively. The reserve funds are currently at 92.7% of target for TDA CAM 11 and 90.1% of target for TDA CAM 12. The swap was significantly out of the money for the issuer, which has currently resulted in a beneficial increase in excess spread in both transactions.

The previous downgrades of the class A, B and C notes were due to a combination of the weakening asset performance as well as the possible future impact on transaction cash flows following the removal of the swaps. There has been no unexpected change in asset performance since the restructure and therefore the transhes of both transactions have been affirmed.

### RATING SENSITIVITIES

A worsening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift of the underlying interest rates might jeopardise the underlying borrowers' affordability.

For TDA CAM 11 and 12 due to these transactions being unhedged, an unexpected sharp rise in interest rates beyond Fitch's stressed expectations would cause the transactions to suffer cash shortfalls which may cause the agency to take action.

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Additional information is available at www.fitchratings.com.

#### Sources of Information:

Sources of information: Investor and Servicer reports and loan-by-loan data provided by provided by Titulizacion de Activos, SGFT, S.A.

Applicable criteria, 'EMEA Residential Mortgage Loss Criteria', dated 6 June 2013; 'EMEA Criteria Addendum - Spain', dated 20 March 2013; 'Counterparty Criteria for Structured Finance and Covered Bonds' and 'Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum', dated 13 May 2013; 'Global Structured Finance

Rating Criteria', dated 13 May 2013; 'Criteria for Servicing Continuity Risk in Structured Finance', dated 29 July 2013 are available at www.fitchratings.com.

#### **Applicable Criteria and Related Research:**

Criteria for Servicing Continuity Risk in Structured Finance
EMEA Residential Mortgage Loss Criteria
EMEA Criteria Addendum - Spain - Amended
Counterparty Criteria for Structured Finance and Covered Bonds
Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum
Global Structured Finance Rating Criteria

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# FitchRatings

Fitch Downgrades 19 & Affirms 17 Tranches of TDA CAM Series																		
ral Legal Name	Class	CUSE			Prior Recovery	r Prior Rating Watch/Outlook				Rating Type	New Recovery New Rating Watch Eatimate Outlook	F Rating Action		rst Title Surveillance Analyst Phone Number		Committee Chairper	Committee Chairpe	Committee roon Chairperson Phone Number Reason for Withdrawal
AM 1, FTA	CassA	COMP	ES0338448006	AA-st	y Laterial	Rating Outlook Stable	Affirmed		AA- sf	Long Term Rating	Rating Outlook Stable	20 dic 2013 Donovan, James	Analyst	+64 203 530 1672	20 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrimani, Lara	Senior Director	+64 203 530 2052
CAM I, FTA	Class B		ES0338448014	AA-st		Rating Outlook Negative	Downgrade		Ast	Long Term Rating	Rating Outlook Negati		Analyst	+44 200 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
AM 11, FTA	Class A2		ES0377845013	A-st		Rating Outlook Negative	Affirmed		A-sf	Long Term Rating	Rating Outlook Negati		Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
AM 11, FTA	Class A3		ES0377845021	A-st		Rating Outlook Negative	Affirmed		A-st	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donosen, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M 11, FTA	Class A4		ES0377845039	A-st		Rating Outlook Negative	Affirmed		A-sf	Long Term Rating	Rating Outlook Negati	e 20 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 2052
M 11, FTA	Class B		ES0377845047	000 st		Rating Outlook Negative	Affirmed		D00 st	Long Term Rating	Rating Outook Negati	s 10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M 11, FTA	Class C		ES0377845054	CCC of	RE 85%		Affirmed		CCC of	Long Term Rating	RE 85%	20 dic 2013 Donovan, James	Analyst	+64 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
M 12, FTA	Class A2		ES0377104015	A-st		Rating Outlook Negative	Affirmed		A- st	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
IM 12, FTA	Class A3		ES0377104023	A-st		Rating Outlook Negative	Affirmed		A-st	Long Term Rating	Rating Outlook Negati	e 20 dic 2013 Donovan, James	Analyst	+64 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
M 12, FTA	Class A4		ES0377104031	A- st		Rating Outlook Negative	Affirmed		A- st	Long Term Rating	Rating Outlook Negati	10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M 12, FTA	Class B		ES0377104049	989 /		Rating Outlook Negative	Affirmed		999 of	Long Term Rating	Rating Outlook Negati	e 10 dic 2013 Donovan, James	Analyst	+44 203 510 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 2052
M 12, FTA	Class C		ES0377104056	000 st	PE 85%	Rating Outlook Negative	Affirmed		000 st	Long Term Rating	RE 85%	10 dic 2013 Donosan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M2,FTA	Class A		ES0338449004	AA-d		Rating Outlook Stable	Affirmed		AA-sf	Long Term Rating	Rating Outlook Stable	20 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
12, FTA	Class B		E50338449012	Asf		Rating Outlook Negative	Downgrade		D0D sf	Long Term Rating	Rating Outlook Negati	10 dic 2013 Donosen, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
3,FTA	Class A		£50377990009	AA-st		Rating Outlook Stable	Affirmed		AA-sf	Long Term Rating	Rating Outlook Stable	30 dic 2013 Donovan, James	Analyst	+64 203 530 1672	30 North Colonnade, Canary Wharf , London, £14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 2052
13, FTA	Class B		ES0377990017	An st		Rating Outlook Negative	Downgrade		000-sf	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
4,FTA	Class A		ES0377991007	AA-st		Rating Outlook Negative	Affirmed		AA- sf	Long Term Rating	Rating Outlook Negati	e 20 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, ES4 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
A 4, FTA	Class B		ES0377991015	000 st		Rating Outlook Negative	Downgrade		DDD- sf	Long Term Rating	Rating Outlook Negati	10 dic 2013 Donoien, James	Analyst	+44 203 530 1672	30 North Colonrade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
AS, FTA	Class A		ES037799200S	Asf		Rating Outlook Negative	Downgrade		500 d	Long Term Rating	Rating Outlook Negati	e 20 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+64 203 530 3052
IS, FTA	Class B		E50377992013	56 sf		Rating Outlook Negative	Downgrade		CCC sf	Long Term Rating	RE 100%	10 dic 2013 Donoien, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
16,FTA	Class A2		£50377993011	Asf		Rating Outlook Negative	Downgrade		899-sf	Long Term Rating	Rating Outlook Negati	e 20 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Sesior Director	+44 203 530 2052
IG, FTA	Class A3		E50377993029	Asf		Rating Outlook Negative	Downgrade		DDD- sf	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donoien, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
6,FTA	Class B		£50377993037	B of		Rating Outlook Negative	Downgrade	1	CCC of	Long Term Rating	RE BOYL	30 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Sesior Director	+44 203 530 2052
A7, FTA	Class A2		ES0377994019	500 sf		Rating Outlook Negative	Downgrade		DDD- sf	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donoien, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
17,FTA	Class A3		ES0377994027	989 of		Rating Outlook Negative	Downgrade		899-sf	Long Term Rating	Rating Outlook Negati	e 10 dic 2013 Donovar, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
IT, FTA	Class B		ES0377994035	000 sf	PE 85%	Rating Watch Off	Aftirmed	-	000 st	Long Term Rating	RE 80%	10 dic 2013 Donosan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+64 203 530 1052
M.B., FTA	Class A		ES0377966009	999 d		Rating Outlook Negative	Downgrade		EQ of	Long Term Rating	Rating Outlook Negati		Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GSR	Patrignani, Lara	Senior Director	+64 203 530 2052
M B, FTA	Class B		ES0377966017	0.0		Rating Outlook Negative	Downgrade		000 st	Long Term Rating	RE 100%	10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M.S., FTA	Class C		ES0377966025	CCC #	RE 65%	Rating Watch Off	Downgrade		CC if	Long Term Rating	RE GSN	20 dic 2013 Donovan, James	Analyst	+64 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
MA, FTA	Class D		ES0377966033	OC at	RE 10%	Rating Watch Off	Aftirmed		CC st	Long Term Rating	RE 10%	10 dic 2013 Donovan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052
M.S. FTA	Class A1		ES0377955002	989 of		Rating Outlook Negative	Downgrade		B of	Long Term Rating	Rating Outlook Negati	e 10 dic 2013 Donovar, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
M S, FTA	Class A2		ES0377955010	888 sf		Rating Outlook Negative	Downgrade	-	D at	Long Term Rating	Rating Outlook Negati	s 10 dic 2013 Donosan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+64 203 530 1052
M.S. FTA	Class A3		ES0377955028	989 of		Rating Outlook Negative	Downgrade		B of	Long Term Rating	Rating Outlook Negati	e 10 dic 2013 Donovar, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+64 203 530 3052
M 9, FTA	Class B		ES0377955036	0.0		Rating Outlook Negative	Downgrade	-	000 st	Long Term Rating	RE 100%	10 dic 2013 Donosan, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+64 203 530 1052
M.S. FTA	Class C		ES0377955044	CCC st	RE 40%	Rating Watch Off	Downgrade		CC if	Long Term Rating	RE 15%	10 dic 2013 Donovar, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Patrignani, Lara	Senior Director	+44 203 530 3052
M 9, FTA	Class D		ES0377955051	OC at	PE 0%	Rating Watch Off	Affirmed		CC af	Long Term Rating	RE 0%	10 dic 2013 Donoien, James	Analyst	+44 203 530 1672	30 North Colonnade, Canary Wharf , London, E14 SQN GBR	Patrignani, Lara	Senior Director	+44 203 530 1052

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