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**COMUNICACIÓN DE HECHO RELEVANTE**

**TDA IBERCAJA 4, 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 enero de 2015, donde se llevan a cabo las siguientes actuaciones:

- Bono A1, de **A+ (sf)** a **AA (sf).**
- Bono A2, de **A+ (sf)** a **BBB+ (sf).**
- Bono A3PAC, de **A+ (sf)** a **AA (sf).**
- Bono B, confirmado como **BBB (sf).**
- Bono C, de **BBB- (sf)** a **BB+ (sf).**
- Bono D, confirmado como **B (sf).**
- Bono E, confirmado como **B- (sf).**
- Bono F, confirmado como **D (sf).**

En Madrid, a 23 de enero de 2015

Ramón Pérez Hernández
Director General

# Various Rating Actions Taken In Three TDA Ibercaja Spanish RMBS Transactions Following Application Of Updated Criteria


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OVERVIEW

- We have reviewed TDA Ibercaja 4, 5, and 6 by conducting our credit and cash flow analysis under our updated Spanish RMBS criteria and our updated criteria for rating single-jurisdiction securitizations above the sovereign foreign currency rating.
- Following our review, we have taken various rating actions in these transactions.
- TDA Ibercaja 4, 5 and 6 are Spanish RMBS transactions, which securitize portfolios of first-ranking mortgage loans granted to Spanish residents. The transactions closed in October 2006, May 2007, and June 2008, respectively.

LONDON (Standard & Poor's) Jan. 23, 2015--Standard & Poor's Ratings Services today took various credit rating actions in TDA Ibercaja 4 Fondo de Titulizacion de Activos, TDA Ibercaja 5, Fondo de Titulizacion de Activos, and TDA Ibercaja 6, Fondo de Titulizacion de Activos.

Specifically, we have:

- Raised our ratings on TDA Ibercaja 4's class A1 and A3PAC notes;
- Lowered our ratings on TDA Ibercaja 4's class A2 and C notes, TDA Ibercaja 5's class A1, A2, and B notes, and TDA Ibercaja 6's class B, C, and D notes; and



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- Affirmed our ratings on TDA Ibercaja 4's class B, D, E, and F notes, TDA Ibercaja 5's class C, D, and E notes, and TDA Ibercaja 6's class A notes (see list below).

Upon publishing our updated criteria for Spanish residential mortgage-backed securities (RMBS criteria) and our updated criteria for rating single-jurisdiction securitizations above the sovereign foreign currency rating (RAS criteria), we placed those ratings that could potentially be affected "under criteria observation" (see "Italian And Spanish RMBS And Covered Bond Program Ratings Placed Under Criteria Observation," and "Italy And Spain RMBS Methodology And Assumptions," both published on Sept. 18, 2014, and "Methodology And Assumptions For Ratings Above The Sovereign--Single-Jurisdiction Structured Finance," published on Sept. 19, 2014).

Following our review of this transaction, our ratings that could potentially be affected by the criteria are no longer under criteria observation.

Today's rating actions follow our credit and cash flow analysis of the most recent transaction information that we have received dated October 2014. Our analysis reflects the application of our RMBS criteria and our RAS criteria.

Under our RAS criteria, we applied a hypothetical sovereign default stress test to determine whether a tranche has sufficient credit and structural support to withstand a sovereign default and so repay timely interest and principal by legal final maturity.

Our RAS criteria designate the country risk sensitivity for RMBS as 'moderate'. Under our RAS criteria, this transaction's notes can therefore be rated four notches above the sovereign rating, if they have sufficient credit enhancement to pass a minimum of a "severe" stress (see "Understanding Standard & Poor's Rating Definitions," published on June 3, 2009 for our definitions of severe and extreme levels of economic stress).

Credit enhancement has increased in all of the transactions since our previous reviews, as shown below:

| Class | Available credit enhancement (%) |
|---|---|
| TDA Ibercaja 4 | |
| A1 | 10.86 |
| A2 | 10.86 |
| A3PAC | 10.86 |
| B | 8.77 |
| C | 4.58 |
| D | 2.78 |
| E | 1.64 |
| TDA Ibercaja 5 | |

| | |
|---|---|
| A1 | 9.16 |
| A2 | 9.16 |
| B | 3.76 |
| C | 1.96 |
| D | 1.17 |
| TDA Ibercaja 6 | |
| A | 10.28 |
| B | 6.86 |
| C | 5.14 |
| D | 3.43 |

TDA Ibercaja 4 and 5 have amortizing reserve funds, which currently represent 1.61% of the outstanding balance of the mortgage assets for TDA Ibercaja 4, and 1.17% for TDA Ibercaja 5, respectively. The cash reserves are at their target amounts for both transactions.

TDA Ibercaja 6's amortizing reserve fund has not been fully funded since June 2012. It currently represents 3.43% of the outstanding note balance of the mortgage assets. This is below the target reserve level of 4.67% of the outstanding note balance.

Severe delinquencies of more than 90 days are at 1.16% for TDA Ibercaja 4, 0.92% for TDA Ibercaja 5, and 1.03% for TDA Ibercaja 6. They are, on average, lower for these transactions than our Spanish RMBS index (see "Spanish RMBS Index Report Q2/Q3 2014: Delinquencies Continue To Rise As The Housing Market Slowly Recovers," published on Jan. 2, 2015). Defaults are defined as mortgage loans in arrears either equal to--or higher than--18 months in all three transactions. Cumulative defaults (net of recoveries) are 0.61% of the initial pool balance for TDA Ibercaja 4, 1.23% for TDA Ibercaja 5, and 2.26% for TDA Ibercaja 6. In all three transactions, cumulative defaults are lower than in other Spanish RMBS transactions that we rate. Prepayment levels remain low and the transaction is unlikely to pay down significantly in the near term, in our opinion.

After applying our RMBS criteria to these transactions, our credit analysis results show an increase in the WAFF for all rating levels, since our previous review (see "Various Rating Actions Taken On Spanish RMBS Transaction TDA Ibercaja 3's Class A, B, And C Notes Following Review," published on June 14, 2013, and "Ratings Lowered On Spanish RMBS Transaction TDA Ibercaja 7's Class B And C Notes; Rating Affirmed On Class A Notes," published on July 25, 2013). The weighted-average loss severity (WALS) has increased at each rating level for all transactions.

| Rating level | WAFF (%) | WALS (%) | CC (%) |
|---|---|---|---|
| TDA Ibercaja 4 | | | |
| AAA | 22.17 | 23.05 | 5.11 |
| AA | 16.86 | 19.83 | 3.34 |

| | | | |
|---|---|---|---|
| A | 13.76 | 14.70 | 2.02 |
| BBB | 10.07 | 12.15 | 1.22 |
| BB | 6.65 | 10.46 | 0.70 |
| B | 5.59 | 8.97 | 0.50 |
| TDA Ibercaja 5 | | | |
| AAA | 26.61 | 32.73 | 8.71 |
| AA | 21.56 | 29.11 | 6.28 |
| A | 18.50 | 23.05 | 4.26 |
| BBB | 14.99 | 19.85 | 2.98 |
| BB | 11.51 | 17.67 | 2.03 |
| B | 10.38 | 15.73 | 1.63 |
| TDA Ibercaja 6 | | | |
| AAA | 28.07 | 36.44 | 10.23 |
| AA+ | 25.43 | 34.59 | 8.80 |
| AA | 22.79 | 32.74 | 7.46 |
| AA- | 21.42 | 30.60 | 6.55 |
| A+ | 20.73 | 29.54 | 6.12 |
| A | 18.67 | 26.33 | 4.92 |
| A- | 17.18 | 25.18 | 4.33 |

CC--Credit coverage.

The increases in the respective WAFFs in all three transactions are mainly due to adjustment factors that we have applied to the original loan-to-value (LTV) ratios, the different adjustments that we apply to seasoned loans, geographical province concentration adjustments, and adjustment factors that we apply for jumbo loans under our RMBS criteria. The increase in the WALS is mainly due to the application of our revised market value decline assumptions and the indexing of our valuations under our RMBS criteria. The overall effect is an increase in the required credit coverage for each rating level for all of the transactions since our previous review.

Following the application of our RAS criteria and our RMBS criteria, we have determined that our assigned rating on each class of notes in this transaction should be the lower of (i) the rating as capped by our RAS criteria and (ii) the rating that the class of notes can attain under our RMBS criteria. In this transaction, none of the ratings on the notes are constrained by the rating on the sovereign.

In all of the transactions, the pro rata conditions are currently met and the notes are repaying pro rata. Our RMBS criteria envisage two different starting points for the recession, at inception and at the end of the third year. Delaying the recession until the end of the third year results in the transactions paying pro rata in our cash flow analysis. Our cash flow analysis results show that pro rata redemption is less beneficial for all of the tranches in all of the transactions.

Each transaction has an interest deferral trigger. TDA Ibercaja 4's class B to E notes are 14.00%, 9.00%, 7.00% and 4.00%, respectively, of the cumulative defaults over the portfolio's closing balance. For TDA Ibercaja 5's class B, C, and D notes, they are 8.79%, 6.58%, and 3.95%, respectively. For TDA Ibercaja 6's class B, C, and D notes, they are 9.00%, 7.50%, and 5.00%, respectively. We do not expect any of these triggers to be breached in the near term in all of the transactions.

Each transaction has an interest swap to mitigate the mismatch between the reference index on the asset pool and that on the notes. In TDA Ibercaja 4 and 5, the swap counterparty pays to the issuer three-month Euro Interbank Offered Rate (EURIBOR) over the balance that the issuer receives, plus a margin of 65 basis points (bps), plus the servicing fees (if the servicer is replaced). In TDA Ibercaja 6, the swap counterparty pays to the issuer three-month EURIBOR over the balance that the issuer receives, plus a margin of 60 bps, plus the servicing fees (if the servicer is replaced).

TDA Ibercaja 4's class A1, A2, and A3PAC notes pass our cash flow stresses under our RAS criteria at 'AA', 'BBB+', and 'AA' rating levels, respectively. Our downgrade of the class A2 notes reflects the fact that the issuer currently distributes principal so that the class A1 and A3PAC notes amortize faster than the class A2 notes. The priority of payments currently allocates a higher relative proportion of principal to the class A1 and A3PAC notes than the A2 notes. This leads to a key difference in our cash flow runs results, which is reflected in the magnitude of their upgrades. We have affirmed our ratings on the class B, D, E, and F notes, as the available credit enhancement is commensurate with our currently assigned ratings. We have downgraded the class C notes by one notch as a result of our revised credit assumptions.

TDA Ibercaja 5's class A1 and A2 notes pass our cash flow stresses under our RAS criteria at 'A+' and 'A-' rating levels, respectively. We have therefore lowered our ratings on these tranches. We have affirmed our ratings on the class C, D, and E notes, as the available credit enhancement is commensurate with our currently assigned ratings. We have downgraded the class B notes by one notch as a result of our revised credit assumptions.

TDA Ibercaja 6's class A notes do not pass our cash flow stresses under our RAS criteria. Our criteria therefore constrain our rating on this tranche at a 'BBB' rating level, in line with our long-term 'BBB' sovereign rating on Spain and the performance of the portfolio. We have therefore affirmed our 'BBB (sf)' rating on the class A notes. We have downgraded the class B, C, and D notes as a result of our revised credit assumptions.

We also consider credit stability in our analysis (see "Methodology: Credit Stability Criteria," published on May 3, 2010). To reflect moderate stress conditions, we adjusted our WAFF assumptions for all three transactions by assuming additional arrears of 4% and 8% for one-year and three-year horizons, respectively. This did not result in our rating deteriorating below the maximum projected deterioration that we would associate with each relevant rating level, as outlined in our credit stability criteria.

In our opinion, the outlook for the Spanish residential mortgage and real estate market is not benign and we have therefore increased our expected 'B' foreclosure frequency assumption to 3.33% from 2.00%, when we apply our RMBS criteria, to reflect this view (see "Outlook Assumptions For The Spanish Residential Mortgage Market," published on Sept. 18, 2014). We base these assumptions on our expectation of modest economic growth, continuing high unemployment, and our view that the falls in house prices observed in 2014 will level off in 2015.

On the back of improving but still depressed macroeconomic conditions, we don't expect the performance of the transactions in our Spanish RMBS index to improve in 2015.

We expect severe arrears in the portfolio to remain at their current levels, as there are a number of downside risks. These include weak economic growth, high unemployment, and fiscal tightening. On the positive side, we expect interest rates to remain low for the foreseeable future.

TDA Ibercaja 4, 5, and 6 are Spanish RMBS transactions, which securitize portfolios of first-ranking mortgage loans granted to Spanish residents. The transactions closed in October 2006, May 2007, and June 2008, respectively.

STANDARD & POOR'S 17G-7 DISCLOSURE REPORT

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an asset-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

Related Criteria

- Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- Methodology And Assumptions For Ratings Above The Sovereign--Single-Jurisdiction Structured Finance, Sept. 19, 2014
- Italy And Spain RMBS Methodology And Assumptions, Sept. 18, 2014
- Europe Asset Isolation And Special-Purpose Entity Criteria--Structured

Finance, Sept. 13, 2013
- Counterparty Risk Framework Methodology And Assumptions, June 25, 2013
- Methodology: Credit Stability Criteria, May 3, 2010
- Understanding Standard & Poor's Rating Definitions, June 3, 2009

Related Research

- Spanish RMBS Index Report Q2/Q3 2014: Delinquencies Continue To Rise As The Housing Market Slowly Recovers, Jan. 2, 2015
- Standard & Poor's Ratings Definitions, Nov. 20, 2014
- Italian And Spanish RMBS And Covered Bond Program Ratings Placed Under Criteria Observation, Sept. 18, 2014
- Outlook Assumptions For The Spanish Residential Mortgage Market, Sept. 18, 2014
- Credit Conditions: Europe Decelerates (Again) Amid Rising Geopolitical Risks, Sept. 16, 2014
- Low Interest Rates Are Underpinning Europe's House Price Recovery, July 28, 2014
- European Structured Finance Scenario And Sensitivity Analysis 2014: The Effects Of The Top Five Macroeconomic Factors, July 8, 2014
- Global Structured Finance Scenario And Sensitivity Analysis: Understanding The Effects Of Macroeconomic Factors On Credit Quality, July 2, 2014
- Spanish RMBS Index Report Q1 2014: Collateral Performance Continues To Deteriorate Despite Signs Of Economic Recovery, June 6, 2014
- Various Rating Actions Taken On Spanish RMBS Transaction TDA Ibercaja 3's Class A, B, And C Notes Following Review, June 14, 2013
- Ratings Lowered On Spanish RMBS Transaction TDA Ibercaja 7's Class B And C Notes; Rating Affirmed On Class A Notes, July 25, 2013

RATINGS LIST

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

TDA Ibercaja 4, Fondo de Titulizacion de Activos
€1.411 Billion Mortgage-Backed Floating-Rate Notes

Ratings Lowered

| | | |
|---|---|---|
| A2 | BBB+ (sf) | A+ (sf) |
| C | BB+ (sf) | BBB- (sf) |

Ratings Affirmed

| | |
|---|---|
| B | BBB (sf) |
| D | B (sf) |
| E | B- (sf) |
| F | D (sf) |

Ratings Raised

| | | |
|---|---|---|
| A1 | AA (sf) | A+ (sf) |
| A3PAC | AA (sf) | A+ (sf) |

TDA Ibercaja 5, Fondo de Titulizacion de Activos
€1.207 Billion Secured Floating-Rate Notes

Ratings Lowered

| | | |
|---|---|---|
| A1 | A+ (sf) | AA- (sf) |
| A2 | A- (sf) | AA- (sf) |
| B | BB (sf) | BB+ (sf) |

Ratings Affirmed

| | |
|---|---|
| C | B (sf) |
| D | B- (sf) |
| E | D (sf) |

TDA Ibercaja 6, Fondo de Titulizacion de Activos
€1.521 Billion Asset-Backed Floating-Rate Notes

Rating Affirmed

| | |
|---|---|
| A | BBB (sf) |

Ratings Lowered

| | | |
|---|---|---|
| B | BB (sf) | BBB (sf) |
| C | B (sf) | BBB- (sf) |
| D | B- (sf) | BB- (sf) |

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