

Hecho Relevante de

BBVA RMBS 11 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 11 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 **DBRS Ratings Limited** (“**DBRS**”), con fecha 26 de enero de 2015 comunica que ha confirmado las calificaciones asignadas a las Series de Bonos emitidos por el Fondo:
 - **Serie A: AA (sf)**
 - **Serie B: BBB (sf)**
 - **Serie C: B (high) (sf)**

Se adjunta la comunicación emitida por DBRS.

Madrid, 27 de enero de 2015.

Mario Masiá Vicente
Director General



Date of Release: January 26, 2015

DBRS Confirms Ratings on BBVA RMBS 11 Fondo de Titulización de Activos

DBRS Ratings Limited (DBRS) has today taken the following rating actions on the bonds issued by BBVA RMBS 11, Fondo de Titulización de Activos (the Issuer):

- Series A notes confirmed at AA (sf);
- Series B notes confirmed at BBB (sf);
- Series C notes confirmed at B (high) (sf).

The confirmation of the ratings of the Series A, Series B and Series C notes is based upon the following analytical considerations, as described more fully below:

- Portfolio performance, in terms of delinquencies and defaults, as of the October 2014 payment date.
- Updated portfolio default rate, loss given default and expected loss assumptions for the remaining collateral pool.
- Incorporation of a sovereign-related stress component in the rating analysis to address the impact of macroeconomic variables on collateral performance given the long-term foreign and local currency rating of A (low) for the Kingdom of Spain.
- Current available credit enhancement to the Series A notes to cover the expected losses at the AA (sf) rating level, to the Series B notes to cover the expected losses at the BBB (sf) rating level, and to the Series C notes to cover the expected losses at the B (high) (sf) rating level.

BBVA RMBS 11, Fondo de Titulización de Activos is a securitisation of a portfolio of mortgage loans originated and serviced by Banco Bilbao Vizcaya Argentaria S.A. (BBVA).

The portfolio is well-seasoned (just over five years) and geographically diversified across Spain with some concentrations in the regions of Andalusia (14.82%), Madrid (22.33%) and Catalonia (18.49%).

The 90+ delinquency ratio has remained low since June 2012 and it is currently at 0.70%. The current cumulative default ratio (as a percentage of the original balance) is also low at 0.29%.

The Series A notes are supported by subordination of the Series B and Series C notes as well as a Cash Reserve Fund set up at transaction close with the proceeds of a subordinated loan. Credit

enhancement for the Series A notes (as a percentage of the performing portfolio) increased steadily to 29.32% from 26.38% in June 2012. The Series B notes are supported by subordination of the Series C notes and the Cash Reserve Fund. Credit enhancement for the Series B notes has increased to 19.89% from 17.83% at closing. Credit enhancement for the Series C notes is provided by the Cash Reserve Fund and has increased to 13.79% from 12.31% at closing. The Cash Reserve Fund is available to protect the Series A, Series B and Series C notes against interest and principal shortfall on an ongoing basis and is only allowed to amortise under certain conditions. Additionally, the Cash Reserve Fund is subject to a floor of EUR 89.25 million. The current balance of the Cash Reserve Fund is EUR 178.50 million and it is at the current target level. The Issuer also has an Interest Reserve Fund which is available to cover interest shortfall on the Series A notes.

BBVA acts as Account Bank (as holder of the Treasury Account) and Paying Agent for this transaction. BBVA's Issuer and Senior Debt public rating by DBRS is currently at "A", which complies with the Minimum Institution Rating given the rating assigned to the Series A notes, as described in the DBRS Legal Criteria for European Structured Finance.

The Issuer has a replacement trigger for the Treasury Account; where, in the event BBVA were to be downgraded below BBB by DBRS, the Management Company shall find a replacement institution, which is rated at least BBB by DBRS. However, the DBRS Legal Criteria for European Structured Finance Transactions as of 31 December 2014 refers to the Account Bank having the "minimum rating [of "A" with respect to a AAA or AA transaction]...combined with a provision to replace within 30 calendar days of a downgrade below that level, is generally sufficient to mitigate the risk of that counterparty's default such that risk may not need to be specifically modelled." Given the combination of the current rating of BBVA and the replacement provision described above, additional cash flow analysis for the Series A notes included scenarios where the transaction did not benefit from the reserve funds. In these scenarios, the available credit enhancement to the Series A notes was sufficient to cover DBRS expected losses at the AA (sf) rating level.

Notes:

All figures are in euros unless otherwise noted.

The principal methodology applicable is the Master European Structured Finance Surveillance Methodology. Other methodologies and criteria referenced in this transaction are listed at the end of this press release.

This can be found on www.dbrs.com at:

<http://www.dbrs.com/about/methodologies>

For a more detailed discussion of sovereign risk impact on Structured Finance ratings, please refer to the DBRS commentary "The Effect of Sovereign Risk on Securitisations in the Euro Area" at: <http://www.dbrs.com/industries/bucket/id/10036/name/commentaries/>.

The sources of information used for this rating include payment reports provided by Europea de Titulización, S.A., S.G.F.T. and data from the European DataWarehouse. DBRS considers the information available to it for the purposes of providing this rating was of satisfactory quality.

DBRS does not audit the information it receives in connection with the rating process, and it does not and cannot independently verify that information in every instance.

The last rating action on this transaction took place on 6 March 2014 when DBRS confirmed the ratings of AA (sf) to the Series A notes, BBB (sf) to the Series B notes and B (high) to the Series C notes.

Information regarding DBRS ratings, including definitions, policies and methodologies are available on www.dbrs.com.

To assess the impact of the changing the transaction parameters on the rating, DBRS considered the following stress scenarios, as compared to the parameters used to determine the rating (the Base Case):

-- DBRS expected a lifetime base case Probability of Default (PD) and Loss Given Default (LGD) for the pool based on a review of the current assets. Adverse changes to asset performance may cause stresses to base case assumptions and therefore have a negative effect on credit ratings.

-- The base case PD and LGD of the current pool of mortgages for the Issuer are 5.36% and 43.87%, respectively. At the AA (sf) rating level, the corresponding PD is 21.71% and the LGD is 59.41%.

-- The Risk Sensitivity overview below illustrates the ratings expected if the PD and LGD increase by a certain percentage over the base case assumption. For example, if the LGD increases by 50%, the rating of the Series A notes would be expected to fall to A (high) (sf), the rating of the Series B notes would be expected to remain at BBB (sf) and the rating of the Series C notes would be expected to remain at B (high), assuming no change in the PD. If the PD increases by 50%, the rating for the Series A notes would be expected to fall to A (high) (sf), the rating of the Series B notes would be expected to remain at BBB (sf) and the rating of the Series C notes would be expected to remain at B (high), assuming no change in the LGD. Furthermore, if both the PD and LGD increase by 50%, the rating of the Series A notes would be expected to fall to BBB (sf), the rating of the Series B notes would be expected to remain at BBB (sf) and the rating of the Series C notes would be expected to remain at B (high).

Series A Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of AA (sf)
- 50% increase in LGD, expected rating of A (high) (sf)
- 25% increase in PD, expected rating of AA (sf)
- 50% increase in PD, expected rating of A (high) (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of A (high) (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of A (low) (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of A (low) (sf)

-- 50% increase in PD and 50% increase in LGD, expected rating of BBB (sf)

Series B Notes Risk Sensitivity:

-- 25% increase in LGD, expected rating of BBB (sf)

-- 50% increase in LGD, expected rating of BBB (sf)

-- 25% increase in PD, expected rating of BBB (sf)

-- 50% increase in PD, expected rating of BBB (sf)

-- 25% increase in PD and 25% increase in LGD, expected rating of BBB (sf)

-- 25% increase in PD and 50% increase in LGD, expected rating of BBB (sf)

-- 50% increase in PD and 25% increase in LGD, expected rating of BBB (sf)

-- 50% increase in PD and 50% increase in LGD, expected rating of BBB (sf)

Series C Notes Risk Sensitivity:

-- 25% increase in LGD, expected rating of B (high) (sf)

-- 50% increase in LGD, expected rating of B (high) (sf)

-- 25% increase in PD, expected rating of B (high) (sf)

-- 50% increase in PD, expected rating of B (high) (sf)

-- 25% increase in PD and 25% increase in LGD, expected rating of B (high) (sf)

-- 25% increase in PD and 50% increase in LGD, expected rating of B (high) (sf)

-- 50% increase in PD and 25% increase in LGD, expected rating of B (high) (sf)

-- 50% increase in PD and 50% increase in LGD, expected rating of B (high) (sf)

For further information on DBRS historic default rates published by the European Securities and Markets Administration (ESMA) in a central repository, see:

<http://cerp.esma.europa.eu/cerp-web/statistics/defaults.xhtml>.

Ratings assigned by DBRS Ratings Limited are subject to EU regulations only.

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The rating methodologies and criteria used in the analysis of this transaction can be found at:
<http://www.dbrs.com/about/methodologies>

Legal Criteria for European Structured Finance Transactions
Master European Structured Finance Surveillance Methodology
Operational Risk Assessment for European Structured Finance Servicers
Master European Residential Mortgage-Backed Securities Rating Methodology and Jurisdictional Addenda
Unified Interest Rate Model for European Securitisations

Ratings

Issuer	Debt Rated	Rating Action	Rating	Trend	Notes Published	Issued
BBVA RMBS 11 Fondo de Titulización de Activos	Series A	Confirmed	AA (sf)	--	Jan 26, 2015	EU
BBVA RMBS 11 Fondo de Titulización de Activos	Series B	Confirmed	BBB (sf)	--	Jan 26, 2015	EU
BBVA RMBS 11 Fondo de Titulización de Activos	Series C	Confirmed	B (high) (sf)	--	Jan 26, 2015	EU

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