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Dirección General de Mercados e Inversores
C/ Edison 4
Madrid

COMUNICACIÓN DE HECHO RELEVANTE

TDA 27, FONDO DE TITULIZACIÓN DE ACTIVOS (En proceso de liquidación) Actuaciones sobre las calificaciones de las series de bonos por parte de Fitch Ratings.

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica el siguiente Hecho Relevante:

Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings con fecha 22 de enero 2018, donde se llevan a cabo las siguientes actuaciones:

- Serie A2, subida a **B (sf)** desde **CCC (sf)**; **perspectiva estable; eliminada la perspectiva de revisión pendiente de evolución.**
- Serie A3, afirmado como **CCC (sf)**; **recuperación estimada elevada al 95% desde el 65%; eliminada la perspectiva de revisión pendiente de evolución.**
- Serie B, afirmado como **CC (sf)**; **recuperación estimada del 0%; eliminada la perspectiva de revisión pendiente de evolución.**
- Serie C, bajada a **C (sf)** desde **CC (sf)**; **recuperación estimada del 0%; eliminada la perspectiva de revisión pendiente de evolución.**
- Serie D, bajada a **C (sf)** desde **CC (sf)**; **recuperación estimada del 0%.**
- Serie E, afirmado como **C (sf)**; **recuperación estimada del 0%; eliminada la perspectiva de revisión pendiente de evolución.**
- Serie F, afirmado como **C (sf)**; **recuperación estimada del 0%; eliminada la perspectiva de revisión pendiente de evolución.**

En Madrid, a 23 de enero de 2018

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Consejero Delegado



Fitch Takes Rating Action on TdA 27, Affirms TdA 25 and TdA 28; Off Watch Evolving

Fitch Ratings-London-22 January 2018: Fitch Ratings has upgraded TdA 27, FTA's class A2 notes and downgraded the class C and D notes. Fitch has affirmed TdA 25, FTA and TdA 28, FTA. A full list of rating actions is at the end of this rating action commentary. The removal of Rating Watch follows the implementation of Fitch's new European RMBS Rating criteria, published on 27 October 2017.

KEY RATING DRIVERS

Asset Performance Stabilising

The transactions were issued at or around the peak of the previous Spanish real estate cycle. The loan portfolios have therefore experienced falling market prices and low realised recovery rates on the substantial foreclosure activity that occurred after the financial and sovereign crisis. The performing part of the TdA mortgage pools comprise a significant portion (86% of current balance for TdA 25, 16% for TdA 27, 37% for TdA 28) of loans originated by Credifimo, a specialised lender targeting mainly non-prime low income borrowers. Exposure to these loans is a key driver of the weak performance. Cumulative gross default levels are stabilising and delinquencies are decreasing in all three transactions, but incoming recoveries remain low.

Large Deficiency Ledgers, Depleted Reserve Funds

The outstanding amortisation deficits remain elevated but have stopped increasing, and the reserve funds are fully depleted. As a result, available excess spread and enforcement proceeds are key elements for repayment of the notes.

Performance-based Principal Allocation for TdA 27

TdA 27's class A2 and A3 notes have been repaying sequentially since transaction closing, but would rank pro-rata upon breach of a delinquency ratio (set at 6% of outstanding portfolio balance). The ratio currently stands at 0.35%. In Fitch's 'Bsf' cash-flow projections, available principal funds are sufficient to repay the class A2 notes.

Expected Performance for TdA 25 and TdA 28

The notes' ratings are distressed, while Fitch's sector-specific RMBS criteria do not explicitly include assumptions for rating scenarios below 'Bsf'. Therefore, in line with its Global Structured Finance Rating Criteria, Fitch has made projections of the portfolio's expected future performance based on the current circumstances, without applying additional stress.

Fitch estimated a foreclosure frequency rate for each portfolio, based on its annualised cumulative default rate multiplied by each weighted average life based on the portfolio amortisation, subject to a floor (10%) and a cap (30%) derived from the historical performance of Spanish RMBS transactions. We assumed a recovery rate of 45% on outstanding and future defaults. This estimate was based on historical observations, but also takes into account the continued positive momentum in the Spanish real estate market, as highlighted by Fitch in its annual outlook in December 2017

(<https://www.fitchratings.com/site/re/906817>).

Fitch multiplied the derived foreclosure frequency rates by 2 to infer default expectations for the outstanding late delinquencies (claims currently in arrears for more than three months). We did not consider excess spread as floor clauses in Spanish mortgage contracts might be invalid in future leading to lower interest income for the SPVs. Furthermore, the cash flow impact of structural features, such as liquidity facility payments and reserve funds were taken into account in case they have a repayment impact on the most senior class of notes. Fitch used the outcomes of these calculations as an indication of the ability to repay the respective class A notes.

VARIATIONS FROM CRITERIA

None

RATING SENSITIVITIES

TdA 27's class A2 notes are sensitive to the timing and magnitude of arrears as the pro rata trigger might stop sequential principal allocation. In case of a prolonged trigger breach over the short to medium term, a downgrade of this class is likely.

The transactions are sensitive to the development of the Spanish real estate prices as all transactions have a large backlog of defaulted loans and repossessed properties, whose realised recoveries cash flows can impact the ratings of the most senior classes of notes, if significantly above Fitch's expectations.

USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO RULE 17G-10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch in relation to this rating action.

DATA ADEQUACY

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pools and the transactions. There were no findings that affected the rating analysis. Fitch has not reviewed the results of any third

party assessment of the asset portfolio information or conducted a review of origination files as part of its ongoing monitoring.

Fitch did not undertake a review of the information provided about the underlying asset pools ahead of the transactions' initial closing. The subsequent performance of the transactions over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

Overall, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

SOURCES OF INFORMATION

The information below was used in the analysis.

- TdA 25: Issuer and servicer reports dated 31 December 2017 and provided by Titulizacion de Activos, SGFT.
- TdA 27: Issuer and servicer reports dated up to 31 December 2017 and provided by Titulizacion de Activos, SGFT.
- Loan level data dated August 2017 was used to run the ResiGlobal Model and the data source was Titulizacion de Activos, SGFT.
- TdA 28: Issuer and servicer reports dated 31 October 2017 and provided by Titulizacion de Activos, SGFT.

MODELS

EMEA Cash Flow Model. (<https://www.fitchratings.com/site/structuredfinance/emeacfm>)

ResiEMEA. (<https://www.fitchratings.com/site/structuredfinance/rmbs/resiemea>)

The rating actions are as follows:

TDA 25:

Class A (ISIN ES0377929007) affirmed at 'Csf'; Recovery Estimate 45%; off Rating Watch Evolving (RWE)

Class B (ISIN ES0377929015) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class C (ISIN ES0377929023) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class D (ISIN ES0377929031) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

TDA 27:

Class A2 (ISIN ES0377954013) upgraded to 'Bsf' from 'CCsf'; Outlook Stable; off RWE

Class A3 (ISIN ES0377954021) affirmed at 'CCsf'; Recovery Estimate raised to 95% from 65%; off RWE

Class B (ISIN ES0377954039) affirmed at 'CCsf'; Recovery Estimate 0%; off RWE

Class C (ISIN ES0377954047) downgraded to 'Csf' from 'CCsf'; Recovery Estimate 0%; off RWE

Class D (ISIN ES0377954054) downgraded to 'Csf' from 'CCsf'; Recovery Estimate 0%

Class E (ISIN ES0377954062) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class F (ISIN ES0377954070) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

TDA 28:

Class A (ISIN ES0377930005) affirmed at 'CCsf'; Recovery Estimate 55%; off RWE

Class B (ISIN ES0377930013) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class C (ISIN ES0377930021) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class D (ISIN ES0377930039) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class E (ISIN ES0377930047) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

Class F (ISIN ES0377930054) affirmed at 'Csf'; Recovery Estimate 0%; off RWE

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Additional information is available on www.fitchratings.com

Applicable Criteria

European RMBS Rating Criteria (pub. 27 Oct 2017) (<https://www.fitchratings.com/site/re/905365>)
Fitch's Interest Rate Stress Assumptions for Structured Finance and Covered Bonds - Excel File (pub. 17 Feb 2017) (<https://www.fitchratings.com/site/re/894478>)
Global Structured Finance Rating Criteria (pub. 03 May 2017) (<https://www.fitchratings.com/site/re/897411>)
Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898537>)
Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898538>)
Structured Finance and Covered Bonds Country Risk Rating Criteria (pub. 18 Sep 2017) (<https://www.fitchratings.com/site/re/903496>)
Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 17 Feb 2017) (<https://www.fitchratings.com/site/re/893890>)

Additional Disclosures

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