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Dirección General de Mercados e Inversores
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Madrid

COMUNICACIÓN DE HECHO RELEVANTE

TDA IBERCAJA 3, 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 12 de junio de 2018, donde se llevan a cabo las siguientes actuaciones:

- Bono A, desde **A+ (sf)/perspectiva de revisión positiva** a **AA (sf)**
- Bono B, desde **BB+ (sf)/perspectiva de revisión positiva** a **BB+ (sf)**
- Bono C, desde **BB (sf)/perspectiva de revisión positiva** a **BB+ (sf)**

En Madrid, a 15 de junio de 2018

Ramón Pérez Hernández
Consejero Delegado

S&P Global Ratings

RatingsDirect®

Various Rating Actions Taken In Spanish RMBS Transaction TDA Ibercaja 3

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OVERVIEW

- On March 23, 2018, we raised our unsolicited long-term sovereign rating on Spain to 'A-' from 'BBB+'.
- Following the sovereign upgrade, on April 6, 2018, we raised our long-term issuer credit rating on Banco Santander, the swap counterparty in this transaction.
- On April 17, 2018, we revised our outlook assumptions for the Spanish residential mortgage market to benign to reflect the improved Spanish residential mortgage and real estate market, and lowered our projected losses at the 'B' rating level for the archetypal Spanish pool.
- On April 24, 2018, we placed on CreditWatch positive our ratings on TDA Ibercaja 3's notes, as we needed to conduct a full analysis to determine the impact of these recent events.
- Following our review of this transaction under our relevant criteria, we have taken various rating actions and resolved our CreditWatch placements.
- TDA Ibercaja 3 is a Spanish RMBS transaction that closed in May 2006.

MADRID (S&P Global Ratings) June 12, 2018--S&P Global Ratings today raised and removed from CreditWatch positive its credit ratings on TDA Ibercaja 3 Fondo de Titulizacion de Activos' class A and C notes. At the same time, we affirmed and removed from CreditWatch positive our 'BB+ (sf)' rating on the class B notes (see list below).

Today's rating actions follow the application of our relevant criteria and our full analysis of the most recent transaction information that we have received, and reflect the transaction's current structural features (see "Related Criteria"). We have also considered our updated outlook assumptions for the Spanish residential mortgage market (see "Outlook Assumptions For The Spanish Residential Mortgage Market," published on April 17, 2018).

Our structured finance ratings above the sovereign (RAS) criteria classify the sensitivity of this transaction as moderate (see "Ratings Above The Sovereign - Structured Finance: Methodology And Assumptions," published on Aug. 8, 2016). Therefore, after our March 23, 2018 upgrade of Spain to 'A-' from 'BBB+', the highest rating that we can assign to the senior-most tranche in this transaction is six notches above the Spanish sovereign rating, or 'AAA (sf)', if certain conditions are met (see "Spain Long-Term Ratings Raised To 'A-' On Economic Growth And Budgetary Consolidation; Outlook Positive"). For all the other tranches, the highest rating that we can assign is four notches above the sovereign rating.

Following the sovereign upgrade, on April 6, 2018, we raised to 'A' from 'A-' our long-term issuer credit rating (ICR) on Banco Santander S.A., which is the swap provider in this transaction (see "Reduced Funding Risks Lead To Upgrades At Several Spanish Banks").

The servicer, Ibercaja Banco S.A. has a standardized, integrated, and centralized servicing platform. It is a servicer for a large number of Spanish residential mortgage-backed securities (RMBS) transactions, and the historical performance of the Ibercaja Banco transactions has outperformed our Spanish RMBS index (see "Spanish RMBS Index Report Q1 2018," published on May 24, 2018).

The swap counterparty is Banco Santander. Considering the remedial actions defined in the swap counterparty agreement, and the current ICR, the maximum rating on the notes in this transaction is now two notches higher, or 'AAA (sf)', than at our previous review, (see "Counterparty Risk Framework Methodology And Assumptions," published on June 25, 2013, and "All Ratings Raised In Spanish RMBS Transaction TDA Ibercaja 3" published on Feb 2, 2018).

Our European residential loans criteria, as applicable to Spanish residential loans, establish how our loan-level analysis incorporates our current opinion of the local market outlook (see "Methodology And Assumptions: Assessing Pools Of European Residential Loans," published on Aug. 4, 2017). Our current outlook for the Spanish housing and mortgage markets, as well as for the overall economy in Spain, is benign. Therefore, we revised our expected level of losses for an archetypal Spanish residential pool at the 'B' rating level to 0.9% from 1.6%, in line with our European residential loans criteria, by lowering our foreclosure frequency assumption to 2.00% from 3.33% for the archetypal pool at the 'B' rating level (see "Guidance: Methodology And Assumptions: Assessing Pools Of European Residential Loans," published on April 17, 2018).

After applying our European residential loans criteria to this transaction, the overall effect in our credit analysis results is a decrease in the weighted-average foreclose frequency for each rating level compared with our previous review, mainly driven by our revised foreclosure frequency assumptions.

Rating level	WAFF (%)	WALS (%)
AAA	14.26	12.91
AA	9.80	9.56
A	7.36	5.12
BBB	5.46	3.27
BB	3.62	2.24
B	2.19	2.00

TDA Ibercaja 3's class A, B, and C notes' credit enhancement has increased to 9.7%, 3.1%, and 1.6%, respectively, due to the notes' amortization, which is pro rata, and the reserve fund being at its required and floor level.

Following the application of our criteria, we have determined that our assigned ratings on the classes of notes in this transaction should be the lower of (i) the rating as capped by our RAS criteria, (ii) the rating as capped by our counterparty criteria, or (iii) the rating that the class of notes can attain under our European residential loans criteria.

The application of our European residential loans criteria, reflecting our updated credit figures, indicates that the available credit enhancement for the class A notes is commensurate with a 'AA+' rating. However, the application of our RAS criteria caps our rating on the class A notes at four notches above our unsolicited 'A-' long-term sovereign rating on Spain. We have therefore raised to 'AA (sf)' from 'A+ (sf)' and removed from CreditWatch positive our rating on the class A notes.

Our European residential loans criteria, including our updated credit figures, indicate that the available credit enhancement for the class B notes is still commensurate with a 'BB+ (sf)' rating, excluding the application of a commingling loss. Consequently, our rating on this class of notes is linked to our long-term ICR on the servicer, Ibercaja Banco (BB+/Positive/B). We have therefore affirmed and removed from CreditWatch positive our 'BB+ (sf)' rating on the class B notes. Our RAS criteria do not cap our ratings on this class of notes as the highest achievable rating is lower than our sovereign rating.

We have raised and removed from CreditWatch positive our rating on the class C notes as the credit enhancement for this class of notes is commensurate with the stresses we apply at a higher level than that currently assigned. Our rating on the class C notes is linked to our long-term ICR on the servicer, Ibercaja Banco (BB+/Positive/B), as in our cash flow analysis we are excluding the application of a commingling loss. Our RAS criteria do not cap our rating on this class of notes as the highest achievable rating is lower than our sovereign rating.

TDA Ibercaja 3 is a Spanish RMBS transaction that closed in May 2006. The transaction securitizes residential loans originated by Ibercaja Banco, which were granted to individuals for the acquisition of their first residence, mainly concentrated in Madrid and Aragon, Ibercaja Banco's main markets.

RELATED CRITERIA

- Criteria - Structured Finance - General: Methodology And Assumptions: Assessing Pools Of European Residential Loans, Aug. 4, 2017
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria - Structured Finance - General: Ratings Above The Sovereign - Structured Finance: Methodology And Assumptions, Aug. 8, 2016
- Criteria - Structured Finance - General: Methodology: Criteria For Global Structured Finance Transactions Subject To A Change In Payment Priorities Or Sale Of Collateral Upon A Nonmonetary EOD, March 2, 2015
- Criteria - Structured Finance - General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- General Criteria: Methodology Applied To Bank Branch-Supported Transactions, Oct. 14, 2013
- Criteria - Structured Finance - General: Counterparty Risk Framework Methodology And Assumptions, June 25, 2013
- Criteria - Structured Finance - General: Global Derivative Agreement Criteria, June 24, 2013
- Criteria - Structured Finance - General: Criteria Methodology Applied To Fees, Expenses, And Indemnifications, July 12, 2012
- General Criteria: Methodology: Credit Stability Criteria, May 3, 2010
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Structured Finance - General: Standard & Poor's Revises Criteria Methodology For Servicer Risk Assessment, May 28, 2009

RELATED RESEARCH

- Spanish RMBS Index Report Q1 2018, May 24, 2018
- Ratings On 213 Tranches In 82 Spanish RMBS Transactions Placed On CreditWatch Positive, April 24, 2018
- Outlook Assumptions For The Spanish Residential Mortgage Market, April 17, 2018
- Guidance: Methodology And Assumptions: Assessing Pools Of European Residential Loans, April 17, 2018
- Reduced Funding Risks Lead To Upgrades At Several Spanish Banks, April 6, 2018
- Spain Long-Term Ratings Raised To 'A-' On Economic Growth And Budgetary

Consolidation; Outlook Positive, March 23, 2018
- All Ratings Raised In Spanish RMBS Transaction TDA Ibercaja 3, Feb. 2, 2018
- 2017 EMEA RMBS Scenario And Sensitivity Analysis, July 6, 2017
- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016

RATINGS LIST

Class	Rating	
	To	From

TDA Ibercaja 3, Fondo de Titulizacion de Activos
€1.007 Billion Mortgage-Backed Floating-Rate Notes

Ratings Raised And Removed From CreditWatch Positive

A	AA(sf)	A+ (sf)/Watch Pos
C	BB+ (sf)	BB (sf)/Watch Pos

Rating Affirmed And Removed From CreditWatch Positive

B	BB+ (sf)	BB+ (sf)/Watch Pos