

October 24, 2008

Ratings Lowered On Class B, C, And D Notes In TDA 25's Spanish RMBS Transaction

Surveillance Credit Analyst:

Rocio Romero Castillo, Madrid (34) 91-389-6968; rocio_romero@standardandpoors.com

MADRID (Standard & Poor's) Oct. 24, 2008—Standard & Poor's Ratings Services said today that it has lowered and removed from CreditWatch negative its credit ratings on the class B, C, and D notes issued by TDA 25, Fondo de Titulizacion de Activos. We have also affirmed our ratings on the class A and NAS-IO notes (see list below).

Today's rating actions follow a full credit and cash flow analysis of the most recent transaction information that we have received. The results of our analysis showed that the credit enhancement available for TDA 25's class B, C, and D notes was insufficient to maintain the current ratings.

The reserve fund in this transaction has depleted due to defaults and low levels of available excess spread. TDA 25 features a structural mechanism that traps excess spread to provision for gross defaults and due and unpaid principal of nondefaulted loans. Levels of available excess spread in the first three years after closing are lower because of the NAS-IO class of notes. As of the latest interest payment date there was about €81,000 of uncured defaults.

In addition, the current level of delinquencies greater than 90 days, which totaled in excess of 7% as of the latest interest payment date, is well above the average of the Spanish residential mortgage-backed securities (RMBS) transactions that we rate.

In our view, there is no risk of default in the class D notes in the medium

term, as principal can be used to cover interest shortfalls. However, if gross cumulative defaults reach the level of the interest deferral trigger, set at 3.9% of the initial balance of the collateral, the interest on this class will be paid after amortization of the senior classes. Currently, the cumulative defaults as a percentage of the initial balance of the pool are 1.25%.

Although we have seen limited recoveries to date, this is to be expected due to the length of the foreclosure period and it is still within the limit of our stresses.

The originators of this transaction are two Spanish financial entities: Banco Gallego, S.A. and Unión de Crédito para la Financiación Mobiliaria e Inmobiliaria, Credifimo, E.F.C., S.A.U. (Credifimo). The loans, mainly originated in Andalucia, Madrid, and Galicia, are first-ranking securities and were for the purpose of property acquisition.

Further information on these transactions is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4017.

RATINGS LIST

RATINGS LOWERED AND REMOVED FROM CREDITWATCH NEGATIVE

TDA 25, Fondo de Titulizacion de Activos
€265 Million Residential Mortgage-Backed Floating-Rate Notes

Class	Rating	
	To	From
B	BBB	A-/ Watch Neg
C	BB	BBB/Watch Neg
D	B	BB/Watch Neg

RATINGS AFFIRMED

A	AAA
NAS-IO	AAA

Additional Contact:

Structured Finance Europe; StructuredFinanceEurope@standardandpoors.com

Copyright © 2008 Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P). S&P and/or its third party licensors have exclusive proprietary rights in the data or information provided herein. This data/information may only be used internally for business purposes and shall not be used for any unlawful or unauthorized purposes. Dissemination, distribution or reproduction of this data/information in any form is strictly prohibited except with the prior written permission of S&P. Because of the possibility of human or mechanical error by S&P, its affiliates or its third party licensors, S&P, its affiliates and its third party licensors do not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. S&P GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P, its affiliates and its third party licensors be liable for any direct, indirect, special or consequential damages in connection with subscriber's or others use of the data/information contained herein. Access to the data or information contained herein is subject to termination in the event any agreement with a third-party of information or software is terminated.

Analytic services provided by Standard & Poor's Ratings Services (Ratings Services) are the result of separate activities designed to preserve the independence and objectivity of ratings opinions. The credit ratings and observations contained herein are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of the information contained herein should not rely on any credit rating or other opinion contained herein in making any investment decision. Ratings are based on information received by Ratings Services. Other divisions of Standard & Poor's may have information that is not available to Ratings Services. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during the ratings process.

Ratings Services receives compensation for its ratings. Such compensation is normally paid either by the issuers of such securities or third parties participating in marketing the securities. While Standard & Poor's reserves the right to disseminate the rating, it receives no payment for doing so, except for subscriptions to its publications. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Any Passwords/user IDs issued by S&P to users are single user-dedicated and may ONLY be used by the individual to whom they have been assigned. No sharing of passwords/user IDs and no simultaneous access via the same password/user ID is permitted. To reprint, translate, or use the data or information other than as provided herein, contact Client Services, 55 Water Street, New York, NY 10041; (1)212.438.9823 or by e-mail to: research_request@standardandpoors.com.