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## Various Rating Actions Taken In Spanish RMBS Transactions Bankinter 5, 8, And 10 Following Criteria Updates

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### OVERVIEW

- We have reviewed Bankinter 5, 8, and 10 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.
- Our updated RAS criteria constrain our ratings on several classes of notes in each transaction.
- Following our review, we have taken various rating actions in all three transactions.
- Bankinter 5, 8, and 10 are Spanish RMBS transactions, which closed between December 2002 and June 2005 and securitize mainly first-ranking mortgage loans. Bankinter originated the pools, which comprise loans granted to prime borrowers secured over owner-occupied residential properties in Spain.

MADRID (Standard & Poor's) March 5, 2015--Standard & Poor's Ratings Services today took various credit rating actions in Bankinter 5 Fondo de Titulizacion Hipotecaria, Bankinter 8 Fondo de Titulizacion de Activos, and Bankinter 10, Fondo de Titulizacion de Activos.

Specifically, we have:

- Affirmed our rating on Bankinter 10's class E notes; and

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- Lowered our ratings on Bankinter 5's class A, B, and C notes, Bankinter 8's class A, B, and C notes, and Bankinter 10's class A2, B, C, and D 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 these transactions, 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 as of each transaction's latest payment date. 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 the notes' legal final maturity.

Our RAS criteria designate the country risk sensitivity for RMBS as 'moderate'. Under our RAS criteria, these transactions' 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. Under our RAS criteria, two additional notches of uplift can be achieved if certain conditions are met.

As all six of the conditions in paragraph 48 of the RAS criteria are met in Bankinter 8, we can assign ratings in this transaction up to a maximum of six notches (two additional notches of uplift) above the sovereign rating--as the credit enhancement for Bankinter 8's class A notes is sufficient to pass an "extreme" stress (see "Understanding Standard & Poor's Rating Definitions," published on June 3, 2009 for our definitions of severe and extreme levels of economic stress). We can assign a maximum of four notches of uplift in Bankinter 10.

As our long-term rating on the Kingdom of Spain is 'BBB', our RAS criteria cap at 'AA (sf)' the maximum potential rating for Bankinter 8's class A notes, and at 'A+ (sf)' for Bankinter 10's class A2 notes. The maximum potential rating for Bankinter 5's class A notes is the 'BBB' sovereign rating.

Bankinter 5, 8, and 10's notes amortize pro rata and can switch to sequential

*Various Rating Actions Taken In Spanish RMBS Transactions Bankinter 5, 8, And 10 Following Criteria Updates*

- Low Interest Rates Are Only Slowly Reviving Europe's Housing Markets, Feb. 5, 2015
- Spanish RMBS Index Report Q2/Q3 2014: Delinquencies Continue To Rise As The Housing Market Slowly Recovers, Jan. 2, 2015
- Credit Conditions: The Eurozone Crawls Into 2015 With Weak Momentum, Dec. 4, 2014
- 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
- 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
- Various Rating Actions Taken In Spanish RMBS Transactions Bankinter 5, 6, And 8 Following Review, June 4, 2014
- Various Rating Actions Taken In Spanish RMBS Transactions Bankinter 10, 11, And 13 Following Review, June 4, 2014

RATINGS LIST

Class	Rating	
	To	From

Bankinter 5 Fondo de Titulizacion Hipotecaria  
€710 Million Mortgage-Backed Floating-Rate Notes

Ratings Lowered

A	BBB (sf)	A+ (sf)
B	BB (sf)	A+ (sf)
C	B (sf)	BBB (sf)

Bankinter 8 Fondo de Titulizacion de Activos  
€1.07 Billion Mortgage-Backed Floating-Rate Notes

Ratings Lowered

A	AA- (sf)	AA (sf)
B	BBB (sf)	A+ (sf)
C	BB (sf)	A- (sf)

Bankinter 10, Fondo de Titulizacion de Activos  
€1.74 Billion Mortgage-Backed Floating-Rate Notes

*Various Rating Actions Taken In Spanish RMBS Transactions Bankinter 5, 8, And 10 Following Criteria Updates*

Ratings Lowered

A2	A+ (sf)	AA (sf)
B	BBB (sf)	A+ (sf)
C	BB (sf)	A- (sf)
D	B- (sf)	B (sf)

Rating Affirmed

E	CCC- (sf)
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