

**Hecho Relevante de**

**HIPOCAT 10, Fondo de Titulización de Activos**

En virtud de lo establecido en el Folleto Informativo de **HIPOCAT 10, Fondo de Titulización de Activos** se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Moody's**, con fecha 11 de agosto de 2010, comunica que ha puesto en revisión para posible "downgrade" dos Series de Bonos de **HIPOCAT 10, Fondo de Titulización de Activos**:
    - **Serie A2**
    - **Serie B**
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Adjuntamos la comunicación emitida por Moody's.

Barcelona, 17 de agosto de 2010

Carles Fruns Moncunill  
*Director General*

**Rating Action: Moody's placed on review notes in 3 Hipocat Spanish RMBS and updates on deals managed by GaT**

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Global Credit Research - 11 Aug 2010

**Approximately EUR 1.9 billion of debt securities affected**

London, 11 August 2010 -- Moody's notes that the share of written-off loans has been understated in recent investor reports for most of the transactions managed by Gestión de Activos Titulizados (GaT). Loans subject to (1) "compra-venta" (sale of mortgage properties to real estate companies with funds flowing back to the SPV) or (2) "cesión de remate" (third party assignment in an auction) were not reported within the cumulative write-off figures. Loans subject to "compra-venta" and "cesión de remate" were however correctly accounted for in terms of notes amortization and trigger computation. Moody's understands that the error was limited to the write-off amount in the reporting module of GaT's application, with the accounting module correctly reporting all written-off loans. GaT intends to rectify the investor reports by the next payment date of each of the transactions currently reporting understated cumulative write-offs.

In some of the transactions the preliminary restated amounts of defaulted loans are significantly higher than previously reported figures indicating a deterioration in asset performance not reflected in the current loss assumptions for these portfolios. As a result Moody's has placed on review for possible downgrade the ratings of the following classes of notes:

- Class D issued by Hipocat 8,
- Classes A2 and B issued by Hipocat 10 and
- Classes A, B and C issued by Hipocat 17.

Moody's notes that all classes of notes in Hipocat 9 and class A3 and A4 notes in Hipocat 10 are already on review for possible downgrade because of worse than expected performance. In all other transactions managed by GaT and not affected by today's action the underlying assumptions are still well positioned in relation to preliminary restated numbers. Moody's is pending of receiving final figures for all the deals, which may result in additional revisions should these be higher than the preliminary numbers provided by GaT.

Hipocat 8, 10 and 17 closed in May 2005, July 2006 and December 2008 respectively. The transactions are backed by portfolios of first-ranking mortgage loans originated by Caixa Catalunya (currently Caixa Catalunya, Tarragona i Manresa, A3/P-2) and secured on residential properties located in Spain, for an overall balance at closing of EUR 1.5 billion, EUR 1.53 billion and EUR 1.1 billion, respectively. Hipocat 8 and 10 consist of the securitisation of the first drawdown of Caixa Catalunya's flexible mortgage loan. The product, named "Crédito Total" offers the possibility of withdrawing additional funds up to the minimum of the original loan-to-value (LTV) or 80% LTV and enjoying grace periods of interest and principal. Hipocat 17 is backed by standard mortgage loans.

Hipocat 8 and 10 pools include a large share of loans with LTV over 80% and have a current weighted average LTV of 63.3%, and 72.0% respectively as at June 2010. Loans with LTV over 80% were not securitized in the case of Hipocat 17, which has a current weighted average LTV of 58.4%. The pools are fairly concentrated in the region of Catalonia (82.2%, 70.4% and 59.7% as of May 2010) where Caixa Catalunya has its highest expertise.

The ratio of loans more than 90 days in arrears as a percentage of current pool balance, stood at 1.08%, 3.55% and 0.71% of current pool balance for Hipocat 8, 10 and 17 respectively, as of June 2010. According to the restated figures the cumulative write-offs (including loans subject to "compra-venta" and "cesión de remate") are equal to 1.56%, 8.62% and 1.39% of original pool balance in Hipocat 8, 10 and 17 respectively as of June 2010.

The rapidly increasing levels of defaulted loans ultimately resulted in draws to the reserve fund Hipocat 10 which stands at 8.9% of its target balance. Available funds will ultimately increase as recoveries from written-off loans are collected. However, Moody's remains concerned about the uncertainty relating to the timing and the amount of recoveries. In this same transaction, Class D interests were deferred on the interest payment date falling on 26th July 2010, following the interest deferral trigger breach for this tranche.

Moody's will reassess its lifetime loss expectation for Hipocat 8, 10 and 17, currently standing at 0.8%, 4% and 1.2% respectively, to account for the collateral performance to date as well as our expectations for these transactions in the context of a current macroeconomic environment in Spain. As part of its analysis, Moody's will also assessed loan-by-loan information for the outstanding portfolios to determine the credit support consistent with target rating levels and the volatility of the distribution of future losses.

Moody's ratings address the expected loss posed to investors by the legal final maturity of the notes. Moody's ratings address only the credit risks associated with the transaction. Other risks have not been addressed, but may have a significant effect on yield to investors.

Moody's monitors the transactions referred to in this press release using the rating methodology for Spanish RMBS transactions as described in the report "Moody's Updated Methodology for Rating Spanish RMBS," July 2008, and "Revising Default/Loss Assumptions Over the Life of an ABS/RMBS Transaction," December 2008. These reports can be found at [www.moody.com](http://www.moody.com) in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Rating Methodologies sub-directory on Moody's website. In addition, Moody's publishes a weekly summary of structured finance credit, ratings and methodologies, available to all registered users of our website, at [www.moody.com/SFQuickCheck](http://www.moody.com/SFQuickCheck).

**LIST OF DETAILED RATING ACTIONS**

Issuer: HIPOCAT 10 FONDO DE TITULIZACIÓN DE ACTIVOS

EUR733.4MA2 Notes, Aa2 (sf) Placed Under Review for Possible Downgrade; previously on Dec 18, 2009 Downgraded to Aa2 (sf)

EUR54.8M B Notes, Ba1 (sf) Placed Under Review for Possible Downgrade; previously on Dec 18, 2009 Downgraded to Ba1 (sf)

Issuer: HIPOCAT 8 Fondo de Titulizacion de Activos

EUR32.7M D Certificate, Baa2 (sf) Placed Under Review for Possible Downgrade; previously on May 10, 2005 Definitive Rating Assigned Baa2 (sf)

Issuer: Hipocat 17 Fondo de Titulizacion de Activos

EUR1070.8MA Certificate, Aaa (sf) Placed Under Review for Possible Downgrade; previously on Dec 16, 2008 Definitive Rating Assigned Aaa (sf)

EUR4.4M B Certificate, Aa3 (sf) Placed Under Review for Possible Downgrade; previously on Dec 16, 2008 Definitive Rating Assigned Aa3 (sf)

EUR24.8M C Certificate, Baa3 (sf) Placed Under Review for Possible Downgrade; previously on Dec 16, 2008 Definitive Rating Assigned Baa3 (sf)

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