

# Hecho Relevante 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 **Fitch Ratings**, con fecha 3 de diciembre de 2013, comunica que ha confirmado las calificaciones crediticias de las siguientes Series de Bonos emitidos por **HIPOCAT 10 Fondo de Titulización de Activos**.

-	Serie A2 :	BBB -	anterior	BBB-
-	Serie A3 :	BBB -	anterior	BBB-
-	Serie B:	В	anterior	В
-	Serie C:	СС	anterior	CC
-	Serie D:	С	anterior	С

Adjuntamos las comunicaciones emitidas por Fitch Ratings.

Barcelona, 4 de diciembre de 2013

Carles Fruns Moncunill Director General

# **Fitch**Ratings

Fitch Downgrades 10 & Affirms 27 Tranches of Hipocat Series Ratings Endorsement

Policy 03 Dec 2013 1:56 PM (EST)

Link to Fitch Ratings' Report: Fitch Takes Action on Hipocat Series

Fitch Ratings-London-03 December 2013: Fitch Ratings has downgraded 10 and affirmed 27 tranches of the Hipocat series, 10 Spanish RMBS originated by Catalunya Banc (unrated). A full list of rating actions is available at www.fitchratings.com or by clicking on the link above.

#### KEY RATING DRIVERS

The underlying pools comprise residential mortgages that have special flexibility features such as enabling performing borrowers to access payment holidays schemes and/or further draw downs. Fitch believes the payment holidays and further draw down mechanisms introduce additional credit risks to the transactions, and consequently has captured within its credit analysis more conservative default and recovery assumptions than for standard prime Spanish residential mortgage portfolios.

#### Hipocat 4, 5, 6 and 16

The performance of these underlying pools is characterised by contained gross cumulative defaults between 0.1% (Hipocat 4 and 5) and 0.3% (Hipocat 6) of the original collateral balance, and stable dynamic arrears in excess of three months in the range of 0.6% (Hipocat 16) and 1.3% (Hipocat 5) of the current collateral balance. Hipocat 6 is currently showing more volatile arrears at 3.4%. The current amount of loans with payment holidays is low, between 1% (Hipocat 4) and 2.7% (Hipocat 6) of the current pool balance.

The combination of stable arrears and default patterns and sufficient excess spread in place, has meant reserve funds are currently at their target levels. The repayment of the notes and the amortisation of the pools are progressing steadily and this is helping to maintain or build up the structural subordination available to the rated notes.

The affirmation of most tranches within these four transactions reflects that the overall credit positions are robust and sufficiently protected by available credit enhancement. However, Fitch has downgraded Hipocat 4's class C notes by two notches to 'Asf'/Negative because we consider the combination of credit stresses that could materialise at the tail end of this transaction with a pool factor of 16.7% to be material to the rating. Given the stable performance and the resiliency of Hipocat 16 to rating stresses, Fitch has revised the Outlook on the class A notes to Stable from Negative.

#### Hipocat 7 and 8

The underlying portfolios are characterised by higher levels of gross cumulative defaults, ranging from 1.2% (Hipocat 7) and 2.6% (Hipocat 8) relative to the original collateral balance, and more volatile 90+ days arrears at between 6.1% and 7.1% of the current pool balance. In addition, around 4% of the current portfolio balance is under payment holidays in both transactions.

Fitch expects the underlying pools will continue deteriorating and therefore expects further draws on the reserve funds, which currently stand at EUR17m (68% of target balance in Hipocat 7) and EUR3.9m (18.7% of target balance in Hipocat 8). Based on this adverse credit trend, the agency has downgraded Hipocat 8's class B, C and D notes and affirmed the other tranches which Fitch judges to be sufficiently protected by their respective credit enhancement.

#### Hipocat 9, 10 and 11

The performance of the underlying pools has been weak. To date, the level of gross cumulative defaults are between 5.8% (Hipocat 9) and 17.5% (Hipocat 11) of the original pool balance, which is significantly higher than the Fitch index for similarly rated Spanish transactions (3.8%). In addition, 90+ days arrears relative to current pool balances are showing volatile trends ranging between 10.3% (Hipocat 9) and 14.3% (Hipocat 11). These transactions have the highest exposure to payment holidays across the series at 5.1% (Hipocat 9) and 6.7% (Hipocat 11) of the current pool balance.

The combination of large amounts of defaults, insufficient excess spread and limited income from recoveries, have contributed to the full depletion of the respective reserve funds and an increase of unprovisioned defaults during the last year for Hipocat 10 and 11 (EUR17m for Hipocat 10 from EUR5.5m a year ago, and EUR59.9m for Hipocat 11 from EUR53.4m).

Fitch believes performance will continue deteriorating and expects cash flow stresses to become more pronounced, as new provisioning requirements will be debited. This is reflected in the downgrade of the class A2a, A2b, B and C notes of Hipocat 9 and the class A2 and A3 notes of Hipocat 11.

#### Hipocat 20

The performance of the underlying pool has remained weak with gross cumulative defaults at 1.1% of the original balance and increasing pipeline of 90+ days arrears at 5.5% of the current pool balance. The portion of borrowers on payment holidays is currently 4.1% of the current pool balance.

The steady repayment of the notes and the fully funded reserve fund are helping to build up large credit enhancement of 44.9% to the most senior class. In Fitch's view, this is sufficient to withstand our rating stresses commensurate with the current rating, as reflected by the affirmation.

#### Payment Interruption Risk

In the event of a servicer disruption situation, and given the insufficient mitigants such as liquidity sources available to the rated notes, we consider that Hipocat 7, 8 and 9 are more exposed to a potential payment interruption risk. As such, Fitch continues to cap the rating of these transactions' most senior notes to 'Asf'.

#### RATING SENSITIVITIES

A worsening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift of the underlying interest rates might jeopardise the underlying borrowers' affordability.

For Hipocat 7, 8 and 9 and considering the lack of purpose-specific liquidity sources, a sudden credit deterioration of the underlying pool combined with a servicer disruption event could put pressure on the most senior ratings if payment interruption risk was considered a real possibility.

Finally, an abrupt rise of further advances across the Hipocat transactions could increase the risk of lower recovery expectations and introduce downward pressure on the ratings.

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Additional information is available at www.fitchratings.com.

Fitch's analysis of Representations, Warranties & Enforcement Mechanisms for transactions rated on or after 26 September 2011, can be found in the pre-sale or new issue report appendix dated 3 February 2012. In addition see "Representations, Warranties, and Enforcement Mechanisms in Global Structured Finance Transactions" dated 17 April 2012 at www.fitchratings.com. A comparison of the transaction's RW&Es to those typical for that asset class is available by accessing the presale or new issue reports.

Sources of information: Investor and Servicer reports and loan-by-loan data provided by the SPV trustee CX Titulizacion SGFT, S.A.

Applicable criteria, 'EMEA Residential Mortgage Loss Criteria', dated 6 June 2013; 'EMEA Criteria Addendum - Spain', dated 20 March 2013; 'Counterparty Criteria for Structured Finance and Covered Bonds' and 'Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum', dated 13 May 2013; 'Global Structured Finance Rating Criteria', dated 13 May 2013; 'Criteria for Servicing Continuity Risk in Structured Finance', dated 29 July 2013 are available at www.fitchratings.com.

### Applicable Criteria and Related Research:

EMEA Residential Mortgage Loss Criteria

EMEA Criteria Addendum - Spain - Mortgage Loss and Cash Flow Assumptions - Effective 11 August 2011 to 20 March 2013

Counterparty Criteria for Structured Finance and Covered Bonds

Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum Global Structured Finance Rating Criteria Criteria for Servicing Continuity Risk in Structured Finance

# **Additional Disclosure**

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## **Fitch**Ratings

									Ad	dd Title Here							
				Prior					New								Committee
Deal Legal Name	Class CUSIP	ISIN	Prior Rating	Recover Estimate	/ Prior Rating Watch/Outlook	Rating Action	New Rat	ng Rating Type	Recovery N Estimate O	4ew Rating Watch / Dutlook	Rating Action Effective Date Surveillance Analyst	Surveillance Analyst Title	Surveillance Analyst Phone Number	Surveillance Analyst Address	Committee Chairperso	n Title	Ison Chairperson Phone Number
Hipocat 10, FTA	Class A2	E50345671012	000-sf		Rating Outlook Negative	Affirmed	000- sf	Long Term Rating	R	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 10, FTA	Class A3	E\$0345671020	BBB- sf		Rating Outlook Negative	Alferned	BBB- sf	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 10, FTA	Class B	150345671046	II sf		Rating Outlook Negative	Affirmed	B sf	Long Term Rating	n	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colormade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 10, FTA	Class C	ES0345671053	CC sf	RE 0%	Rating Watch Off	Attrend	CC af	Long Term Rating	RE 0%		03 des 2013 Kamara, Brahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharl , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 10, FTA	Class D	E\$0345671061	Cuf	RE ON	Rating Watch Off	Affirmed	Caf	Long Term Rating	RE 0%		03 des 2013 Kamara, Ibrahim	Analyst	+64 0203 530 1553	30 North Colormade, Canary Wharf, London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 11, FTA	Class A2	E\$0345672010	BB- sf		Rating Outlook Negative	Downgrade	B af	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 11, ITA	Class A3	E50345672028	00-sf		Rating Outlook Negative	Downgrade	B sf	Long Term Rating	n	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+64 0203 530 1553	30 North Colormade, Canary Wharf, London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocal 11, FTA	Class B	ES0345672036	CC #	RE 20%	Rating Watch Off	Atterned	CC at	Long Term Rating	RE 0%		03 des 2013 Kamara, Brahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 11, FTA	Class C	E\$0345672044	CC sf	RE ON	Rating Watch Off	Affirmed	CC ví	Long Term Rating	RE ON		03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, 114 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 11, FTA	Class D	E\$0345672051	C af	RE 0%	Rating Watch Off	Atterned	Cal	Long Term Rating	RE 0%		03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 15, FTA	Class A	E50345676003	A+ sf		Rating Outlook Negative	Affirmed	A+ sf	Long Term Rating	n	lating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, 114 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocal 16, FTA	Class B	ES0345876011	BBB af		Rating Outlook Negative	Atterned	BBB sf	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Brahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 15, FTA	Class C	E50345676029	BB sf		Rating Outlook Negative	Affirmed	05 sf	Long Term Rating	n	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, 114 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 20, FTA	Bonos Titulizacion de Activos	ES0345680005	AA- st		Rating Outlook Stable	Alferned	AA- st	Long Term Rating	R	tating Outlook Stable	03 des 2013 Kamara, Brahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 4, FTA	Class A	E50372269003	AA- sf		Rating Outlook Stable	Affirmed	AA- 1f	Long Term Rating	n	lating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, £14 SGN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 4, FTA	Class B	ES0372269011	AA- st		Rating Outlook Stable	Atterned	AA- sf	Long Term Rating	R	tating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 4, FTA	Class C	E50372269029	AA- sf		Rating Outlook Negative	Downgrade	Asf	Long Term Rating	n	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, £14 SGN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 5, FTA	Class A	E50344264009	AA-st		Rating Outlook Stable	Atterned	AA- af	Long Term Rating	R	tating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 5, FTA	Class B	E50344264017	AA-sf		Rating Outlook Negative	Affirmed	AA- 1f	Long Term Rating	R.	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colormade, Canary Wharf, London, #14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocal 5, FTA	Class C	E\$0344264025	BBB+ sf		Rating Outlook Negative	Atterned	BBB+ sf	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 6, FTA	Class A	E\$0345782009	AA- sf		Rating Outlook Stable	Affirmed	AA-1f	Long Term Rating	R	lating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colormade, Canary Wharf, London, E14 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 6, FTA	Class B	E\$0345782017	AA-st		Rating Outlook Stable	Atterned	AA- sf	Long Term Rating	R	tating Outlook Stable	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 6, FTA	Class C	E\$0345782025	A sf		Rating Outlook Negative	Affirmed	Ast	Long Term Rating	R	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colormade, Canary Wharf, London, E14 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 7, FTA	Class A2	E\$0345783015	Ast		Rating Outlook Negative	Atterned	Ast	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5CN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 7, FTA	Class B	E50345783023	Asf		Rating Outlook Negative	Affirmed	Asf	Long Term Rating	R.	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Anabyst	+64 0203 530 1553	30 North Colormade, Canary Wharf, London, E14 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 7, FTA	Class C	E\$0345783031	BBB af		Rating Outlook Negative	Atterned	BBB sf	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SCN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 7, FTA	Class D	E\$0345783049	BB sf		Rating Outlook Negative	Affirmed	85 sf	Long Term Rating	n	lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, E14 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 8, FTA	Class A2	ES0345784013	Ast		Rating Outlook Negative	Atterned	Ast	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SCN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat II, FTA	Class B	E50345784021	Asf		Rating Outlook Negative	Downgrade	000 sf	Long Term Rating		lating Outlook Negative	03 des 2013 Karnara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf, London, 814 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 8, FTA	Class C	ES0345784039	Ast		Rating Outlook Negative	Downgrade	BB af	Long Term Rating	R	tating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat B, FTA	Class D	E50345784047	BB sf		Rating Outlook Negative	Downgrade	B af	Long Term Rating		lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf, London, 814 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 9, FTA	Class A2a	E\$0345721015	Ast		Rating Outlook Negative	Downgrade	888 sf	Long Term Rating		lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 9, FTA	Class A2b	150345721023	Asf		Rating Outlook Negative	Downgrade	000 sf	Long Term Rating		lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocal 9, FTA	Class B	E\$0345721031	Ast		Rating Outlook Negative	Downgrade	BB af	Long Term Rating		lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 SGN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 9, FTA	Class C	E50345721049	000 sf		Rating Outlook Negative	Downgrade	B sf	Long Term Rating		lating Outlook Negative	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colornade, Canary Wharf, London, E14 5GN GBR	Gardia, Juan	Senior Director	+34 91 702 5774
Hipocat 9, FTA	Class D	E\$0345721056	CCC of	RE 50%		Afferred	CCC #	Long Term Rating	RE 0%	_	03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 1553	30 North Colonnade, Canary Wharf , London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5774
Hipocat 9, FTA	Class E	E\$0345721064	Csf	RE O%		Affirmed	Caf	Long Term Rating	RE 0%		03 des 2013 Kamara, Ibrahim	Analyst	+44 0203 530 2553	30 North Colornade, Canary Wharf, London, E14 5GN GBR	Garcia, Juan	Senior Director	+34 91 702 5734