



## Rating Lowered To 'D (sf)' On Class B Notes In Hipocat 11's Spanish RMBS Transaction Due To Missed Interest Payment

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OVERVIEW

- The class B notes defaulted on their interest payment on the Oct. 15, 2010 payment date.
- We have therefore lowered the rating on the class B notes to 'D (sf)'.
- The other rated notes in this transaction remain unaffected by today's rating action.
- Caixa d'Estalvis de Catalunya originated the Spanish mortgage loans that back this RMBS transaction, which closed in March 2007.

MADRID (Standard & Poor's) Nov. 19, 2010--Standard & Poor's Ratings Services today lowered to 'D (sf)' its credit rating on Hipocat 11, Fondo de Titulizacion de Activos's class B mortgage-backed notes, following the interest payment default on the October payment date (see list below).

The class A2 and A3 notes, which we placed on CreditWatch negative in July 2010, remain unaffected by today's rating action. The class C and D notes are currently rated 'D (sf)' and are also unaffected.

This transaction features an interest-deferral mechanism based on the portion of defaults in the portfolio, with defaults being defined as assets in arrears for more than 18 months. The trigger levels for the class B and C notes are 13.20% and 8.90%, respectively. Based on the investor report dated October 2010, the ratio of cumulative defaults over the original balance was 13.55%; therefore, both trigger levels have been hit.

In addition, the cash reserve was fully drawn as of the October 2009 payment

date and it has not been replenished since then.

Caixa d'Estalvis de Catalunya originated the Spanish mortgage loans that back this residential mortgage-backed securities (RMBS) transaction, which closed in March 2007.

#### RELATED CRITERIA AND RESEARCH

- Ratings Lowered In Hipocat 11's Spanish RMBS Transaction Following Receipt Of Revised Information, July 14, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Methodology And Assumptions: Update To The Criteria For Rating Spanish Residential Mortgage-Backed Securities, Jan. 6, 2009
- Methodology And Assumptions: Update To The Cash Flow Criteria For European RMBS Transactions, Jan. 6, 2009
- Criteria for Rating Spanish Residential Mortgage-Backed Securities, March 1, 2002

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at [www.standardandpoors.com](http://www.standardandpoors.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) 495-783-4011.

#### RATINGS LIST

Class	To	Rating	From
Hipocat 11, Fondo de Titulización de Activos €1.628 Billion Residential Mortgage-Backed Floating-Rate Notes			

#### Rating Lowered

B	D (sf)		CCC (sf)/Watch Neg
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#### Ratings Unaffected

A2	BBB- (sf)/Watch Neg		
A3	BBB- (sf)/Watch Neg		
C	D (sf)		
D	D (sf)		

#### **Additional Contact:**

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