

C.N.M.V
Dirección General de Mercados e Inversores
C/ Edison, 4
Madrid

COMUNICACIÓN DE HECHO RELEVANTE

TDA 25, FONDO DE TITULIZACIÓN DE ACTIVOS (En proceso de liquidación)

Como continuación al Hecho Relevante publicado el pasado 23 de julio de 2019, la Sociedad Gestora ha iniciado el proceso tendente a la obtención de ofertas por los activos de los que es titular el Fondo TDA 25 (en proceso de liquidación) en condiciones de igualdad para todos los inversores interesados en su adquisición que muestren el debido interés y acrediten, entre otras condiciones, la solvencia necesaria, todo ello de acuerdo con los términos y contenidos en el documento adjunto.

Al objeto de asistir a la Sociedad Gestora en el citado proceso, se ha designado como asesor financiero a Crowe Advisory SP, S.L. y como asesor jurídico a Herbert Smith Freehills, LLP.

En Madrid, a 30 de septiembre de 2019

Ramón Pérez
Consejero-Delegado
Titulización de Activos, SGFT, S.A.

A photograph of a cable-stayed bridge tower at sunset. The tower is a dark, slender vertical structure with a glowing light at its top. Numerous cables fan out from the tower to the bridge deck. The sky is a warm, golden-orange color with some light clouds. The water below is also a similar color, reflecting the sky. The overall mood is serene and professional.

Project TDA25

Crowe Spain | Financial Advisory

September 2019

Audit | Tax | Advisory

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Dear Sirs

The present document has been prepared by Crowe Advisory SP, S.L (hereinafter "Crowe") to provide potential investors with preliminary information on the investment opportunity consisting of the fund "TDA25, Fondo De Titulizacion De Activos" (hereinafter "TDA25" or "The Seller").

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The Opportunity

Investment opportunity

Opportunity description

- The managing Company of the fund, **Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A., (TDA)** has retained Crowe Advisory SP, S.L. (hereinafter “the Advisor”) to provide advisory services for the sale of a NPL, PL and REO fund portfolio, **TDA25, Fondo De Titulizacion De Activos** (hereinafter “The Seller”). The Seller additionally appointed Herbert Smith Freehills as legal advisor of the transaction.
- The managing Company was established in 1992 dedicated to services rendering related to the securitization of assets. The Company is bound to the regime and supervision of the Spanish National Securities Market Commission (CNMV) and regulated by the specific Spanish legislation on this matter.
- This transaction represents a unique opportunity for the successful investor to enter into and/or consolidate its competitive position in the Spanish Real Estate Market and to take control of a significant portfolio of mortgage loans.

Portfolio description

- TDA25 includes **#798 loans** (NPL + PL) with a total Outstanding Balance (hereinafter “OB”) of approximately €72.1m as at Aug-19 and **#259 REOs** with a total of #279 properties. The portfolio has been split in the following segments:
 - Non-Performing Loans (NPL): With a total OB of €22.6m, #179 loans and an appraisal value amounting to c.€36.9m.
 - Performing loans (PL): With a total OB of €49.5m, #619 loans and an appraisal value amounting to c.€113.5m. Note that this segment includes loans with less than 90 unpaid days.
 - Real Estate Owned (REO): With an appraisal value amounting to c.€20.2m and #259 assets.
- All the loans are related to first mortgages and intended for housing purchase, construction or rehabilitation.
- The loan grantors of the portfolio are Banco Gallego (Currently owned by Banco Sabadell with #157 loans and 1 REO) and Credifimo with #641 loans and #258 REO.

Transaction Process

- More information relating the Portfolio and the Process will be provided once the potential acquirer list is narrowed and the Confidential Information Memorandum and Process letter are distributed if applicable, which will be provided through the virtual dataroom during October.
- A Vendor Due Diligence report regarding data accuracy verification might be provided if required during the process.
- Please note that the Seller is **highly committed** with the closing of the transaction and its price expectation is aligned with the current market for this type of assets (taking into consideration the characteristics of the Portfolio). However, consider that, given that this is a listed fund, the Seller will look after the interests of the bondholders.
- Note that this process will be conducted with strict compliance of applicable existing legislation.

The Opportunity

Portfolio composition

The Portfolio is mainly comprised by Performing Loans with an OB amounting to €49,464k related to 619 loans of whom only 26 loans have unpaid amounts. The remaining portfolio is integrated by NPL with an OB amounting to €22.635k and REOs with an appraisal value amounting to €20.2k

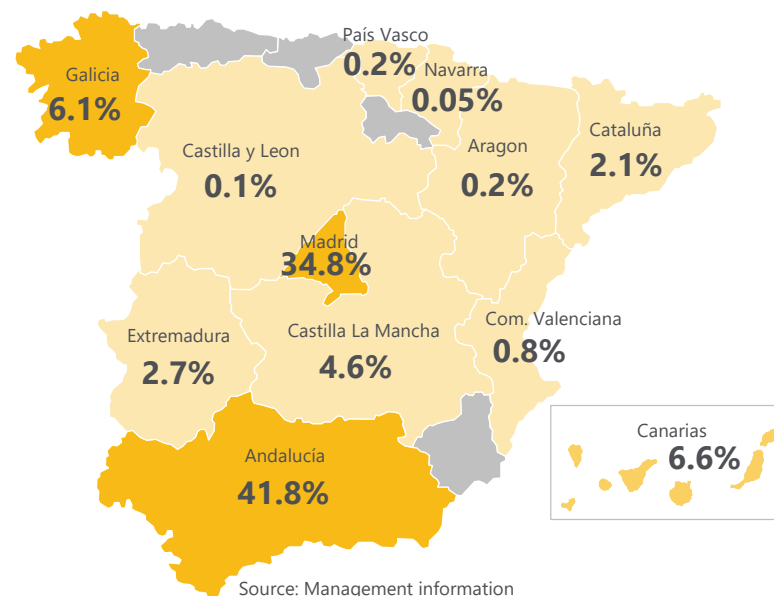
Portfolio composition - Project TDA-25

€ in thousands	NPL	PL	NPL+PL	REO	Total
OB	22.635	49.464	72.100	n/a	72.100
Average OB	126	80	90	n/a	90
#Loans	179	619	798	259	1.057
% as total of loans	22,4%	77,6%	100,0%	n/a	n/a
Total ticket amount (w/o interest)	3.881	18	3.899	-	3.899
Average ticket by debtor	22	0	5	n/a	5
Total unpaid interest amount	3.756	4	3.759	-	3.759
Average unpaid interest by debtor	21	0	5	n/a	5
Average origination date	may-05	dic-04	ene-05	n/a	ene-05
First unpaid average date	jul-11	n/a	jun-12	n/a	jun-12
Average unpaid months	83,5	0,1	18,8	n/a	19
#Collaterals	216	729	945	279	1.224
Appraisal value	36.979	113.548	150.527	20.200	170.727
Average appraisal date	abr-05	nov-04	dic-04	ago-15	ago-07
Loan to value (initial amount)*	75,8%	72,9%	73,5%	n/a	73,5%
#Unpaid	179	26	205	259	464
#Up to date payment	-	593	593	-	593
Credifimo loans (%)	98,3%	75,1%	80,3%	99,6%	85,1%
Banco Gallego loans (%)	1,7%	24,9%	19,7%	0,4%	14,9%

Source: Management information

*LTV is calculated as initial loan amount/ initial appraisal amount

Geographic distribution of the NPL + PL based on OB

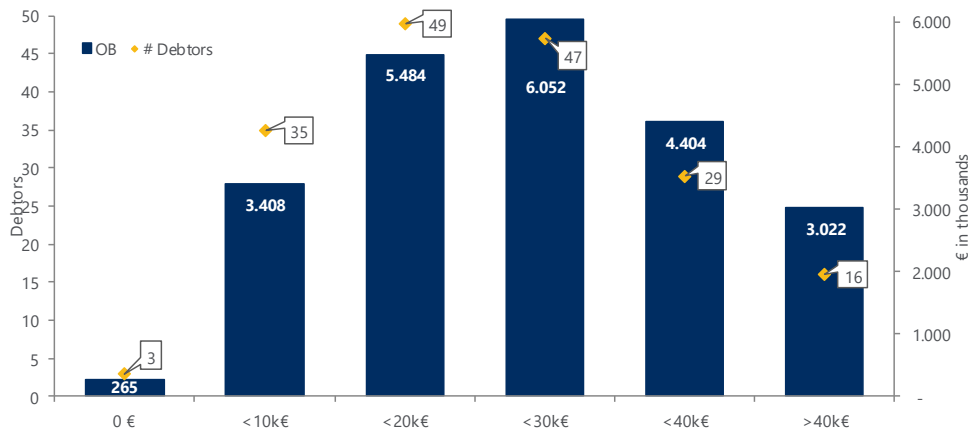


72.6% of the Portfolio in terms of appraisal value is located in Andalucía and Madrid

The Opportunity

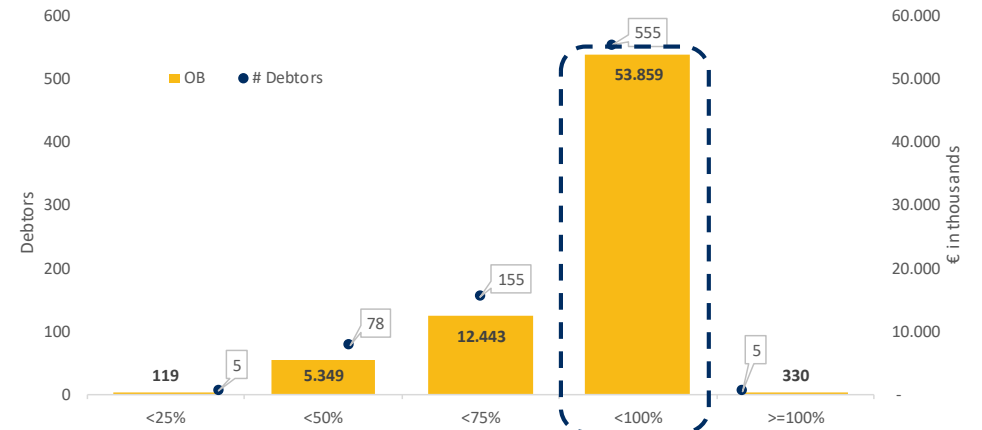
Portfolio composition

OB and # of loans by unpaid amount range



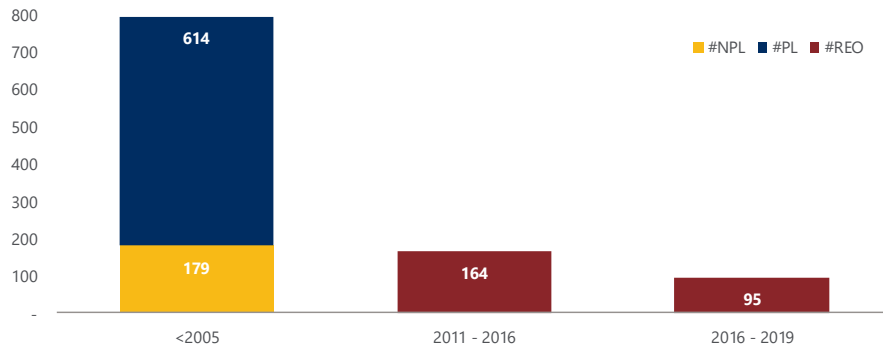
67.2% of the NPL OB have an unpaid amount lower than €30k

OB and # of loans by LTV range



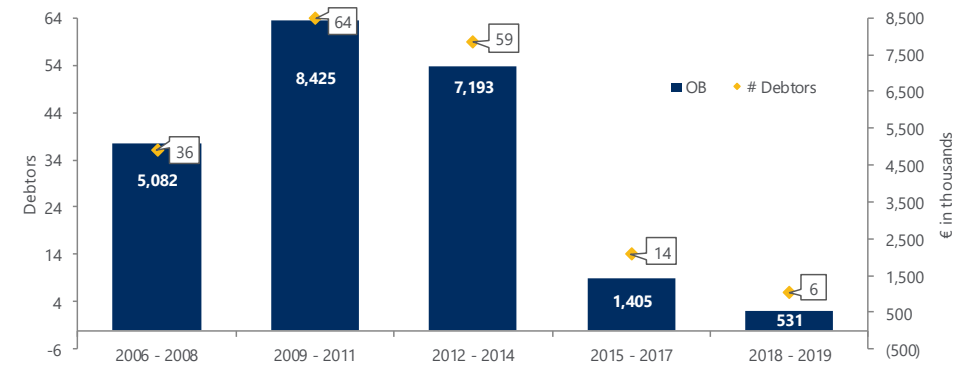
74.7% of the NPL and PL OB have a LTV ranging between 75% and 100% considering LTV as initial loan amount / appraisal amount

NPL, PL and REOs by appraisal date



NPL and PL have appraisal dates older than 2005 while REOs were updated during foreclosure process

OB and # of loans by first unpaid date

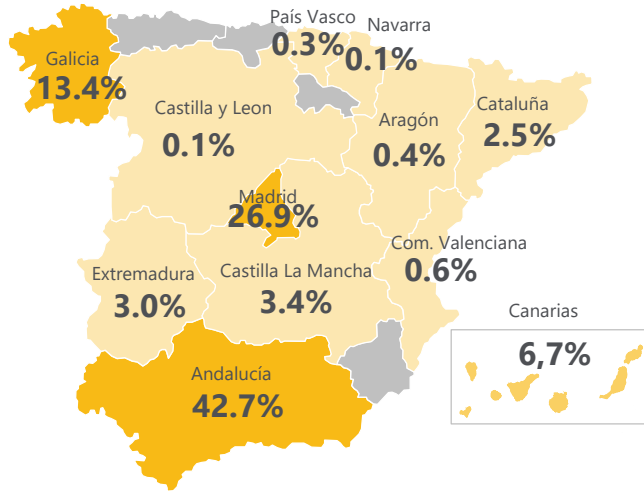


91.4% of the NPL unpaid rate is previous to 2014

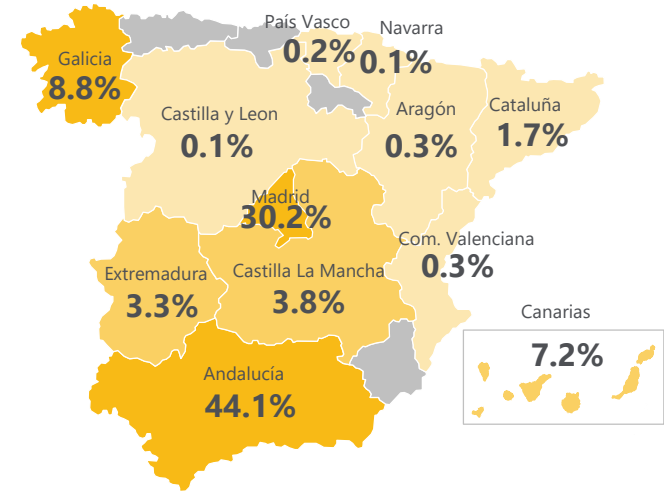
The Opportunity

Geographic distribution by type of asset

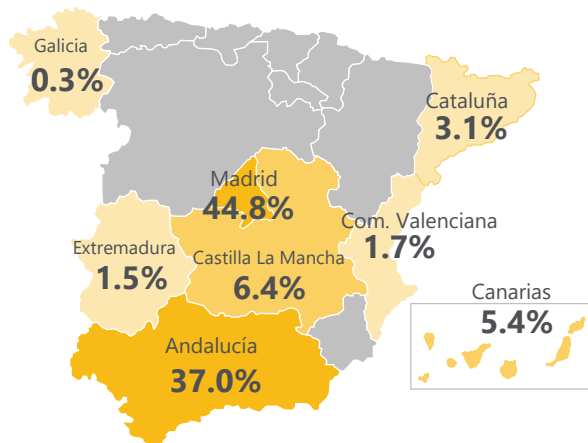
Total loans Geographic distribution



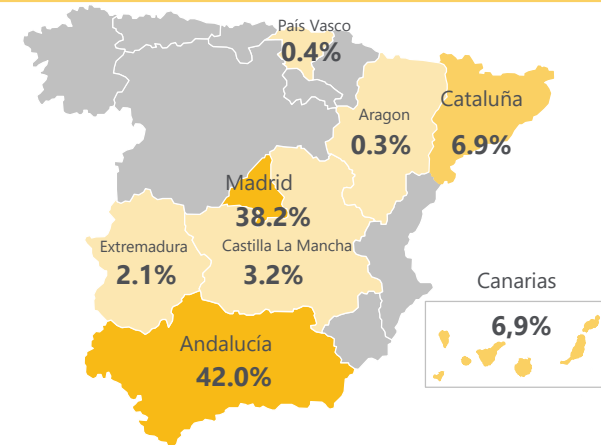
PL Geographic distribution based on OB



NPL Geographic distribution based on OB



REO Geographic distribution based on appraisal value



Source: Management information

The Transaction

Overview of the Transaction structure

Exclusive Transaction

Sales process

Estimated Closing

- A limited number of investors will be invited to participate in the Transactions and will kindly be requested to submit a scanned copy of the signed Non Disclosure Agreement (hereinafter "NDA") to the following email tda25@crowe.es. All communications and enquiries must be addressed to this address.
 - Once the NDA is signed, the shortlisted potential investors will have access to the virtual dataroom which is expected to be opened during October 2019.
 - The Seller will consider more attractive offers from bidders who, among other requirements, comply with the following:
 - _ Provide a **strong commitment with the price consistency** through the whole process.
 - _ Provide enough commitment and capabilities to **comply with the Transaction calendar**.
 - _ **Reasonable approach and acceptance of the SPA**.
 - _ **Provide strong commitment with the management of the Portfolio according to best market practices**, minimizing reputational risks to the seller.
 - The potential buyers will be required to consummate the Transaction in accordance with applicable regulatory rules. Potential bidders will at all times be required to acknowledge all the applicable legislation applicable to the TDA25 fund and to comply with applicable data protection and anti-money laundering regulations.
 - The bidders will commit to comply with certain regulatory undertakings given the regulations applicable to TDA25
- The transaction process has been designed to allow enough time for the potential investors to **fully analyse all the information available**.
 - The sale process, information and transaction documentation has been developed following international standard for such sales, providing both efficiency and transparency to participating investors.
 - Potential buyers will need to ensure that they are in compliance with all relevant legislation and regulations and that they have the appropriate acquisition structure mandated by legislation and regulation to attain the proposed timetable and sale arrangements.
- The Seller is highly committed to the signing of the Transaction, which is expected **to be signed during January and will be closed as soon as possible thereafter**.

The Transaction

Tentative calendar of the Transaction

September/October

M	T	W	T	F	S	S
30	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November

M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

December

M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

January

M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Key:

Start of the transaction

Confidential info distribution and Q&A process

Due Diligence (if applicable)

Bank holidays

Non-binding phase

Binding phase

Closing

Date

Milestones

30 th of September	Teaser and relevant fact release
	Deadline for the submission of the Non-Binding Offers
October	Communication to shortlisted investors and distribution of the NDA.
	Execution of the NDA and Virtual dataroom ("VDR") opening
November	Detailed information distribution and Q&A period
	SPA made available to investors
	Due Diligence and Management Meeting period
December	Deadline for submission on the SPA mark-ups
	Deadline for the submission of the binding offers
December	Communication to final investors
January	SPA signing



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