

Hecho Relevante de HIPOCAT 11 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 29 de septiembre de 2015, comunica que ha confirmado las calificaciones crediticias de las siguientes Series de Bonos emitidos por **HIPOCAT 11 Fondo de Titulización de Activos**:

- **Serie B:** CC (anterior CC)
- **Serie C:** CC (anterior CC)
- **Serie D:** C (anterior C)

- La Agencia de Calificación **Fitch Ratings**, con fecha 29 de septiembre de 2015, comunica que ha empeorado las calificaciones crediticias de las siguientes Series de Bonos emitidos por **HIPOCAT 11 Fondo de Titulización de Activos**:

- **Serie A2:** CCC (anterior B)
- **Serie A3:** CCC (anterior B)

Adjuntamos la comunicación emitida por Fitch Ratings.

Barcelona, 2 de octubre de 2015

Javier García García
Director General

Fitch Takes Actions on Hipocat Series

Fitch Ratings, London, 29 September 2015: Fitch Ratings has upgraded two, downgraded seven and affirmed 21 tranches of the Hipocat series, seven RMBS originated and serviced by Catalunya Banc (now part of BBVA Group rated A-/Stable/F2).

KEY RATING DRIVERS

Improving Asset Performance

Over the last 12 months the asset performance has improved substantially across transactions. Fitch notes a strong decrease in proportion of advanced delinquencies, defined as loans with three or more monthly instalments overdue, in Hipocat 7, 8, 9, 10 and 11 to between 4.1% (Hipocat 7) and 7.7% (Hipocat 11) of the current pool, compared to a range between 6.1% (Hipocat 7) and 12.2% (Hipocat 11). This trend is visible also in Fitch's 3M+ arrears index currently down to 1.5%.

Fitch also notes that in these transactions loans in advanced arrears have continued to roll through defaulted status (defined as 18 or more monthly payments overdue) and currently the volume of cumulative defaults ranges between 3% (Hipocat 7) and 22.9% (Hipocat 11) of the initial pool balance.

The asset performance has remained solid in Hipocat 5 and 6, the most seasoned transactions of the series. Late stage arrears are stable, between 1.5% (Hipocat 5) and 3.6% (Hipocat 6), while gross cumulative defaults are reported respectively at 0.2% and 0.6%.

The agency believes that going forward the asset performance is likely to continue improving across transactions, mainly driven by the high seasoning of the underlying portfolio, between 120 months (Hipocat 11) and 190 months (Hipocat 5) and the better macroeconomic conditions. This expectation reflects the Outlook revision to stable for most tranches.

Exposure to Payment Interruption Risk

Fitch found that payment interruption risk is adequately covered in Hipocat 5 and 6 as the respective cash reserves are sufficient to cover the payment of senior and swap fees as well as interest on notes in a rising Euribor scenario in case of a disruption in the payment collection process. This risk is not mitigated in the other transactions due to severely drawn (Hipocat 7) or depleted cash reserves and consequently the notes are capped at a maximum rating of three notches above the servicer rating, as per Fitch Counterparty criteria assumptions.

Since Catalunya Banc is now part of the BBVA Group, the notes can achieve a maximum rating of 'AA-sf'. This driver, in combination with the solid credit enhancement, reflects the upgrade of the senior notes of Hipocat 7.

Increasing Deficiency Ledgers

The Principal Deficiency Ledgers (PDL) have remained broadly unchanged in Hipocat 8 and 9 at 12.4m and 18.7m respectively. Meanwhile, they increased sharply in Hipocat 10 and 11 in response to the large flow of period defaults, low recovery income and insufficient excess spread. To date they are reported between 77.8m in Hipocat 10 and 131.7m in Hipocat 11,

compared to 44m (Hipocat 10) and 101.7m (Hipocat 11) 12 months ago. These factors have led to the downgrade of the senior notes in Hipocat 10 and 11 to respectively 'Bsf' and 'CCCSf'.

Low Exposure to Payment Holidays

The exposure to payment holidays has decreased further to a range between 0.3% (Hipocat 5) and 1% (Hipocat 9 and 11) of the current pool. Fitch believes that going forward this ratio is likely to diminish as most borrowers have fully utilised the available payment holiday period under the terms and conditions of the mortgage agreement.

In its analysis the agency has associated more conservative default assumptions to these loans in order to factor the weaker borrower profile and found that the transactions were resilient to this stress.

RATING SENSITIVITIES

Recovery expectations beyond Fitch's stresses would trigger rating actions.

Consistent performance improvement beyond the agency expectations would lead to positive rating actions.

DUE DILIGENCE USAGE

No third party due diligence was provided or reviewed in relation to this rating action.

DATA ADEQUACY

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pool and the transaction. There were no findings that were material to this analysis. Fitch has not reviewed the results of any third party assessment of the asset portfolio information or conducted a review of origination files as part of its ongoing monitoring.

Fitch did not undertake a review of the information provided about the underlying asset pools ahead of the transactions' initial closing. The subsequent performance of the transactions over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

Overall, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

SOURCES OF INFORMATION

The information below was used in the analysis.

-Loan-by-loan data provided by European Data Warehouse as of mid-June 2015 (Hipocat 6 and 8), mid-July 2015 (Hipocat 5, 7 and 9), end-July 2015 (Hipocat 10), and provided by CX Catalunya Caixa (Hipocat 11) as of beginning of July 2015.

-Transaction reporting provided by CX Catalunya Caixa as of end-June 2015 (Hipocat 6 and 8), end-July 2015 (Hipocat 5, 6, 7, 8, 9 and 11), end-August 2015 (Hipocat 10).

MODELS

https://www.fitchratings.com/web_content/pages/rmbs/emea-rmbs-surveillance-model.htm
EMEA RMBS Surveillance Model.

Contacts:

Lead Surveillance Analyst

Francesco Lanni, CFA

Associate Director

+44 20 3530 1685

Fitch Ratings Limited

30 North Colonnade

London E14 5GN

Committee Chairperson

Lara Patrignani

Senior Director

+44 20 3530 1052

Additional information is available at www.fitchratings.com.