

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

## **COMUNICACIÓN DE HECHO RELEVANTE**

### **TDA CAM 8, FONDO DE TITULIZACIÓN DE ACTIVOS**

#### **Actuaciones sobre las calificaciones de los bonos por parte de Fitch Ratings.**

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica el siguiente Hecho Relevante:

- I. Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings, con fecha 28 de julio de 2017, donde se llevan a cabo las siguientes actuaciones:
  - Bono A, **confirmado como BB- (sf) / perspectiva estable.**
  - Bono B, **confirmado como CCC (sf), RE 90%.**
  - Bono C, **confirmado como CC (sf), RE 0%.**
  - Bono D, **confirmado como CC (sf), RE 0%.**

En Madrid, a 28 de julio de 2017

Ramón Pérez Hernández  
Consejero Delegado



## Fitch Takes Rating Actions on 11 TDA CAM RMBS Transactions

Fitch Ratings-Madrid/London-28 July 2017: Fitch Ratings has affirmed 27 tranches, upgraded five tranches, downgraded three tranches and revised the Outlooks on six tranches of 11 TDA CAM transactions. A full list of rating actions is available at the end of this commentary.

The series of Spanish RMBS transactions comprise residential mortgages originated by Banco CAM (now Banco de Sabadell).

### KEY RATING DRIVERS

#### Error Correction

The downgrade of TDA CAM 11's class A2, A3 and A4 notes to 'A+sf' from 'AA-sf' follows the correction of an error that occurred during the last annual surveillance review on 4 August 2016. In accordance with Fitch's structured finance counterparty criteria, the notes' ratings should have remained capped at the 'Asf' rating category level, the highest achievable rating category considering the SPV account bank replacement trigger defined within the transaction documents of 'BBB'/F2'.

#### Stable Asset Performance

The securitised mortgage portfolios have built some substantial seasoning of between 10 and 17 years. Consequently, the weighted average current loan-to-value (LTV) ratios have dropped to between 29% and 58%, compared with the weighted average original LTV of around 75%. This supports Fitch's view that credit performance will remain stable in the near term. All transactions have reported marginal increases in cumulative defaults and stable arrears over the last 12 months. As of the end of May 2017, three months plus arrears remained below the Spanish RMBS average of 0.86% across all TDA CAM transactions.

The revision of the Outlook on TDA CAM 1-3's senior tranches to Positive reflects the Positive Outlook on the highest achievable structured finance rating of 'AA+sf' in Spain following the sovereign rating action on 21 July 2017. Fitch expects TDA CAM 6, 8 and 9 will continue bringing down default provisioning requirements in the short to medium term, as fewer default entries are expected in the upcoming periods.

#### Portfolio Risky Attributes

Fitch has applied a 15% increase to the base foreclosure frequency assumption for loans located in regions that represent each more than 35% of the portfolio balance, such as Valencia, which has exposure that ranges between 62% and 32% across the transactions. Additionally, the portfolios include between 14%-27% of second home loans, which are considered riskier than mortgages for the acquisition of the borrower's first home and are subject to an increased foreclosure frequency of 50%.

#### Payment Interruption Risk

Fitch views TDA CAM 5-9 as exposed to payment interruption risk as the available structural mitigants (ie. the reserve funds that are below the target level between 0% and 83% as of the last reporting periods) are insufficient to fully cover stressed senior fees, net swap payments and stressed note interests in the event of a servicer disruption. As a result, Fitch has established a rating cap on the notes at 'Asf' unless payment interruption risk is sufficiently mitigated. This constitutes a variation from our Structure Finance and Covered Bonds Counterparty Criteria, as the collection account bank (Banco Sabadell) is not rated by Fitch.

The revision of the Outlook on TDA CAM 7 senior and mezzanine tranches to Positive mainly reflects the improving balance of the transaction reserve fund, which stands at around 30% of its target amount after being fully depleted for almost three years. Thus, Fitch views payment interruption risk on this transaction as gradually reducing.

### VARIATION FROM CRITERIA

#### Rating Cap Due to Payment Interruption Risk

According to Fitch's Structure Finance and Covered Bonds Counterparty Criteria, the maximum achievable rating for transactions exposed to payment interruption risk is five notches above the rating of the collection account bank, so long as the bank is a regulated institution in a developed market. The collection account bank in TDA CAM 5 to 9 transactions is not rated by Fitch, but the maximum achievable rating for these transactions of 'Asf' is based on the established retail franchise of Banco Sabadell, the public credit ratings of Banco Sabadell from recognised international rating agencies, and the robust banking sector supervision in Spain.

### RATING SENSITIVITIES

The rating of the class A tranches of TDA CAM 1 to 3 are sensitive to changes in Spain's Country Ceiling of 'AA+' and consequently changes to the highest achievable 'AA+sf' rating for Spanish structured finance notes.

A weakening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift in interest rates could jeopardise the ability of the underlying borrowers to meet their payment obligations. This could have negative rating implications, especially for junior tranches that are less protected by structural credit enhancement.

#### USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO RULE 17G-10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch 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 pools and the transactions. There were no findings that affected the rating analysis except for missing current information about the origination channels. Fitch has assumed for TDA CAM 5 to 9 that 10% of the portfolio is originated via brokers, due to the broker origination share in other TDA CAM 11 and 12 transactions and the historical evidence of a gradual introduction of broker origination at some retail banks in Spain during the last decade. 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 at:

- February 2017 for TDA CAM 4, 11 and 12
- March 2017 for TDA CAM 2, 3, 5, 6 and 9
- April 2017 for TDA CAM 7 and 8
- May 2017 for TDA CAM 1

Transaction reporting provided by Titulizacion de Activos SGFT dated since closing and until:

- End of March 2017 for TDA CAM 4, 11 and 12
- End of April 2017 for TDA CAM 2, 3, 5, 6 and 9
- End of May 2017 for TDA CAM 7 and 8
- End of June 2017 for TDA CAM 1.

#### MODELS

ResiEMEA. (<https://www.fitchratings.com/jsp/creditdesk/ToolsAndModels.faces?context=2&detail=135>)

EMEA RMBS Surveillance Model. ([https://www.fitchratings.com/web\\_content/pages/rmbs/emea-rmbs-surveillance-model.htm](https://www.fitchratings.com/web_content/pages/rmbs/emea-rmbs-surveillance-model.htm))

EMEA

Cash Flow Model. ([https://www.fitchratings.com/web\\_content/pages/sf/emea-cash-flow-model.htm](https://www.fitchratings.com/web_content/pages/sf/emea-cash-flow-model.htm))

The rating actions are as follows:

#### TDA CAM 1

Class A (ES0338448006) affirmed at 'AA+sf', Outlook revised to Positive from Stable

Class B (ES0338448014) affirmed at 'Asf', Outlook Stable

#### TDA CAM 2

Class A (ES0338449004) affirmed at 'AA+sf', Outlook revised to Positive from Stable

Class B (ES0338449012) affirmed at 'Asf', Outlook Stable

#### TDA CAM 3

Class A (ES0377990009) affirmed at 'AA+sf', Outlook revised to Positive from Stable

Class B (ES0377990017) affirmed at 'Asf', Outlook Stable

#### TDA CAM 4

Class A (ES0377991007) upgraded to 'AAsf' from 'AA-sf', Outlook Stable  
Class B (ES0377991015) upgraded to 'BBBsf' from 'BBB-sf', Outlook Stable

**TDA CAM 5**

Class A (ES0377992005) upgraded to 'A-sf' from 'BBBsf', Outlook revised to Stable from Positive  
Class B (ES0377992013) affirmed at 'Bsf', Outlook Stable

**TDA CAM 6**

Class A3 (ES0377993029) affirmed at 'BBsf', Outlook Stable  
Class B (ES0377993037) affirmed at 'CCCs', Recovery Estimate (RE) revised to 70% from 60%

**TDA CAM 7**

Class A2 (ES0377994019) affirmed at 'BBB-sf', Outlook revised to Positive from Stable  
Class A3 (ES0377994027) affirmed at 'BBB-sf', Outlook revised to Positive from Stable  
Class B (ES0377994035) affirmed at 'CCCs', RE revised to 90% from 70%

**TDA CAM 8**

Class A (ES0377966009) affirmed at 'BB-sf', Outlook Stable  
Class B (ES0377966017) affirmed at 'CCCs', RE 90%  
Class C (ES0377966025) affirmed at 'CCsf', RE 0%  
Class D (ES0377966033) affirmed at 'CCsf', RE 0%

**TDA CAM 9**

Class A1 (ES0377955002) affirmed at 'Bsf', Outlook Stable  
Class A2 (ES0377955010) affirmed at 'Bsf', Outlook Stable  
Class A3 (ES0377955028) affirmed at 'Bsf', Outlook Stable  
Class B (ES0377955036) affirmed at 'CCCs', RE revised to 60% from 50%  
Class C (ES0377955044) affirmed at 'CCsf', RE 0%  
Class D (ES0377955051) affirmed at 'CCsf', Recovery Estimate 0%

**TDA CAM 11**

Class A2 (ES0377845013) affirmed at 'A+sf', Outlook Stable  
Class A3 (ES0377845021) affirmed at 'A+sf', Outlook Stable  
Class A4 (ES0377845039) affirmed at 'A+sf', Outlook Stable  
Class B (ES0377845047) upgraded to 'A+sf' from 'Asf', Outlook Stable  
Class C (ES0377845054) upgraded to 'B+sf' from 'Bsf'; Outlook Stable

**TDA CAM 12**

Class A2 (ES0377104015) downgraded to 'A+sf' from 'AA-sf', Outlook Stable  
Class A3 (ES0377104023) downgraded to 'A+sf' from 'AA-sf', Outlook Stable  
Class A4 (ES0377104031) downgraded to 'A+sf' from 'AA-sf', Outlook Stable  
Class B (ES0377104049) affirmed at 'A+sf', Outlook Stable  
Class C (ES0377104056) affirmed at 'Bsf'; Outlook Stable

**Contacts:**

Lead Surveillance Analyst  
Ricardo Garcia  
Associate Director  
+34 91 702 5772  
Fitch Ratings  
Plaza de Colon, 2 Torre II, planta 5  
Madrid, 28046

**Committee Chairperson**

Juan David Garcia  
Senior Director  
+34 91 702 5774

Media Relations: Athos Larkou, London, Tel: +44 203 530 1549, Email: athos.larkou@fitchratings.com.

Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

**Applicable Criteria**

Criteria Addendum: Spain Residential Mortgage Assumptions (pub. 02 Dec 2016) (<https://www.fitchratings.com/site/re/891432>)  
Criteria for Country Risk in Global Structured Finance and Covered Bonds (pub. 26 Sep 2016) (<https://www.fitchratings.com/site/re/881269>)  
EMEA RMBS Rating Criteria (pub. 29 Nov 2016) (<https://www.fitchratings.com/site/re/891276>)  
Global Structured Finance Rating Criteria (pub. 03 May 2017) (<https://www.fitchratings.com/site/re/897411>)  
Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898537>)  
Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898538>)  
Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 17 Feb 2017) (<https://www.fitchratings.com/site/re/893890>)

**Additional Disclosures**

Dodd-Frank Rating Information Disclosure Form (<https://www.fitchratings.com/site/dodd-frank-disclosure/1027143>)  
Solicitation Status (<https://www.fitchratings.com/site/pr/1027143#solicitation>)  
Endorsement Policy (<https://www.fitchratings.com/regulatory>)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings)

(<https://www.fitchratings.com/understandingcreditratings>). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT [WWW.FITCHRATINGS.COM](http://WWW.FITCHRATINGS.COM) (<https://www.fitchratings.com>). PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT [HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory) (<https://www.fitchratings.com/site/regulatory>). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2017 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely

responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

#### **Solicitation Status**

Fitch Ratings was paid to determine each credit rating announced in this Rating Action Commentary (RAC) by the obligatory being rated or the issuer, underwriter, depositor, or sponsor of the security or money market instrument being rated, except for the following:

**Endorsement Policy** - Fitch's approach to ratings endorsement so that ratings produced outside the EU may be used by regulated entities within the EU for regulatory purposes, pursuant to the terms of the EU Regulation with respect to credit rating agencies, can be found on the EU Regulatory Disclosures (<https://www.fitchratings.com/regulatory>) page. The endorsement status of all International ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for all structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.