

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 Standard & Poor's.**

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 Standard & Poor's, con fecha 16 de julio de 2019, donde se llevan a cabo las siguientes actuaciones:

- Bono A, afirmado como **AAA (sf)**
- Bono B, desde **D (sf)** a **CCC (sf)**
- Bono C, desde **D (sf)** a **CC (sf)**
- Bono D, afirmado como **D (sf)**

En Madrid, a 16 de julio de 2019

Ramón Pérez Hernández  
Consejero Delegado

# TDA CAM 8 Class B And C Spanish RMBS Notes Ratings Raised Following Review

July 16, 2019

## Ratings List

Issuer		
Class	Rating to	Rating from
<b>TDA CAM 8, Fondo de Titulizacion de Activos</b>		
A	AAA (sf)	AAA (sf)
B	CCC (sf)	D (sf)
C	CC (sf)	D (sf)
D	D (sf)	D (sf)

## PRIMARY CREDIT ANALYST

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## Overview

- Following our review of TDA CAM 8 under our relevant criteria, we have raised our ratings on the class B and C notes. At the same time, we have affirmed our ratings on the class A and D notes.
- TDA CAM 8 is a Spanish RMBS transaction that closed in June 2007.

MADRID (S&P Global Ratings) July 16, 2019--S&P Global Ratings today raised its credit ratings on TDA CAM 8 Fondo de Titulizacion de Activos' class B and C notes. At the same time, we have affirmed our ratings on the class A and D notes (see list above).

Today's rating actions follow the application of our relevant criteria and our full analysis of the most recent transaction information that we have received, and reflect the transactions' current structural features (see "Related Criteria").

We do not rate the guaranteed investment contract (GIC) provider, Societe Generale (Madrid Branch). Therefore, in accordance with our bank branch criteria, in our analysis we have used the rating on the parent company, Societe Generale (A/Stable/A-1) and the sovereign rating on Spain to infer the rating on the transaction account provider (see "Methodology Applied To Bank Branch-Supported Transactions," published on Oct. 14, 2013).

Banco de Sabadell S.A. is the servicer in this transaction and JP Morgan Securities PLC is the swap counterparty. The hedge agreement mitigates basis risk arising from the different indexes between the securitized assets and the notes. In addition, JP Morgan Securities pays a margin of 65 basis points. The remedial actions defined in the swap agreement are in line with option one of

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our previous counterparty criteria. Furthermore, we assess the collateral framework as strong under our new counterparty criteria (see "Counterparty Risk Framework: Methodology And Assumptions," published on March 8, 2019). Based on the combination of the replacement commitment and the collateral posting framework, the maximum supported rating in this transaction is 'AAA (sf)'.

Our European residential loans criteria, as applicable to Spanish residential loans, establish how our loan-level analysis incorporates our current opinion of the local market outlook (see "Methodology And Assumptions: Assessing Pools Of European Residential Loans," published on Aug. 4, 2017). Our current outlook for the Spanish housing and mortgage markets, as well as for the overall economy in Spain, is benign. Therefore, our expected level of losses for an archetypal Spanish residential pool at the 'B' rating level is 0.9%. Our foreclosure frequency assumption is 2.00% for the archetypal pool at the 'B' rating level.

Below are the credit analysis results after applying our European residential loans criteria to this transaction.

### WAFF And WALs Levels

Rating level	WAFF (%)	WALS (%)
AAA	21.43	17.22
AA	14.52	12.72
A	10.95	7.14
BBB	8.10	4.74
BB	5.25	3.37
B	3.07	2.37

WAFF--Weighted-average foreclosure frequency. WALs--Weighted-average loss severity.

The class A, B, C, and D notes' credit enhancement has increased to 16.40%, 6.02%, 1.80%, and (1.09%), respectively, from 13.55%, 4.38%, 0.64%, and (1.92%) since our previous review due to the notes' amortization and the replenishment of the reserve fund, which is today at 62.4% of its required level (see "Various Rating Actions Taken In Three TDA CAM Spanish RMBS Transactions," published on May 24, 2018). The class D notes are not asset-backed as they were used at closing to fund the reserve fund.

Following the application of our criteria, we have determined that our assigned ratings on the classes of notes in this transaction should be the lower of (i) the rating as capped by our sovereign risk criteria; (ii) the rating as capped by our counterparty criteria; and (iii) the rating that the class of notes can attain under our European residential loans criteria.

The application of our criteria and related credit and cash flow analysis indicates that the available credit enhancement for the class A notes is still commensurate with a 'AAA (sf)' rating. We have therefore affirmed our rating on the class A notes.

The class B and C notes experienced interest shortfalls following their interest deferral trigger breaches. Consequently, interest payments on the class B and C notes became subordinated in the priority of payments and defaulted between the May 2013 and the August 2017 and November 2017 payment dates, respectively. Due to recoveries and the negative interest rate environment, interest amounts due on these classes of notes have since fully repaid. Since then, interest payments on these classes of notes have continued, and will continue to be subordinated in the priority of payments until the amortization of their respective senior notes, but will remain senior

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to the reserve fund, which has been partially replenished.

Due to the negative three-month Euro Interbank Offered Rate (EURIBOR; the index to which the notes are referenced), no interest was due for the class B notes and only about 0.15% was due for the class C notes on the most recent payment dates. However, given the transaction's stable performance, with incoming recoveries that have repaid all due amounts on the class B and C notes since the May 2013 payment date, and a replenishment of the reserve fund to 62% of its required level, we do not expect these tranches to default again in the short term. Today's upgrades of the class B and C notes to 'CCC (sf)' and 'CC (sf)' consider the abovementioned factors and reflects the application of our relevant criteria for this scenario (see "Structured Finance Temporary Interest Shortfall Methodology," published on Dec. 15, 2015, "Post-Default Ratings Methodology: When Does S&P Global Ratings Raise A Rating From 'D' Or 'SD'?", published on March 23, 2015, and "Criteria For Assigning 'CCC+', 'CCC', 'CCC-', And 'CC' Ratings," published on Oct. 1, 2012). The difference in resulting ratings is based on the effect that a slowdown in recoveries and subsequent potential reserve fund depletion could have on these classes of notes, where the class C notes would be the first ones affected. We will closely monitor the payment evolution of these classes of notes.

The issuer used the class D notes at closing to fund the reserve fund, and they continue to experience interest shortfalls because of their subordination to the reserve fund. We have therefore affirmed our 'D (sf)' rating on this class of notes.

TDA CAM 8 is a Spanish residential mortgage-backed securities (RMBS) transaction, which closed in June 2007. Caja de Ahorros del Mediterráneo (CAM), now merged with Banco de Sabadell, originated the pool, which comprises loans granted to borrowers secured over vacation homes and owner-occupied residential properties in CAM's home market of Valencia.

## Related Criteria

- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Guidance | Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Criteria | Structured Finance | General: Methodology And Assumptions: Assessing Pools Of European Residential Loans, Aug. 4, 2017
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria | Structured Finance | General: Structured Finance Temporary Interest Shortfall Methodology, Dec. 15, 2015
- General Criteria: Post-Default Ratings Methodology: When Does S&P Global Ratings Raise A Rating From 'D' Or 'SD'?, March 23, 2015
- Criteria | Structured Finance | General: Methodology: Criteria For Global Structured Finance Transactions Subject To A Change In Payment Priorities Or Sale Of Collateral Upon A Nonmonetary EOD, March 2, 2015
- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- General Criteria: Methodology: Timeliness Of Payments: Grace Periods, Guarantees, And Use Of 'D' And 'SD' Ratings, Oct. 24, 2013

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- General Criteria: Methodology Applied To Bank Branch-Supported Transactions, Oct. 14, 2013
- Criteria - Structured Finance - General: Global Derivative Agreement Criteria, June 24, 2013
- General Criteria: Criteria For Assigning 'CCC+', 'CCC', 'CCC-', And 'CC' Ratings, Oct. 1, 2012
- Criteria - Structured Finance - General: Criteria Methodology Applied To Fees, Expenses, And Indemnifications, July 12, 2012
- General Criteria: Methodology: Credit Stability Criteria, May 3, 2010
- Criteria - Structured Finance - General: Standard & Poor's Revises Criteria Methodology For Servicer Risk Assessment, May 28, 2009

## **Related Research**

- Spanish RMBS Index Report Q1 2019, May 28, 2019
- Spain 'A-/A-2' Ratings Affirmed; Outlook Positive, March 22, 2019
- Various Rating Actions Taken In Three TDA CAM Spanish RMBS Transactions, May 24, 2018
- Ratings On 213 Tranches In 82 Spanish RMBS Transactions Placed On CreditWatch Positive, April 24, 2018
- Outlook Assumptions For The Spanish Residential Mortgage Market, April 17, 2018
- 2017 EMEA RMBS Scenario And Sensitivity Analysis, July 6, 2017
- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016

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