

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

## **COMUNICACIÓN DE HECHO RELEVANTE**

### **TDA 26-MIXTO, 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 arriba mencionado adjuntamos nota de prensa publicada por Fitch Ratings el día 19 de diciembre de 2019, donde se llevan a cabo las siguientes actuaciones:
  - Bono 1-A2, afirmado como **A+(sf); perspectiva estable.**
  - Bono 1-B, afirmado como **A+(sf); perspectiva estable.**
  - Bono 1-C, subida a **A+(sf)** desde **A(sf)**; **perspectiva estable.**
  - Bono 1-D, afirmado como **CCC(sf); recuperación estimada del 20%.**
  - Bono 2-A, afirmado como **A+(sf); perspectiva estable.**
  - Bono 2-B, afirmado como **A-(sf); perspectiva estable.**
  - Bono 2-C, afirmado como **CCC(sf); recuperación estimada del 90%.**

En Madrid a 20 de diciembre de 2019

Ramón Pérez Hernández  
Consejero Delegado

19 Dec 2019 | Upgrade

## Fitch Upgrades 1 Tranche of TDA 26-Mixto Series 1 & 2; Affirms Others

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Fitch Ratings-Madrid-19 December 2019:

Fitch Ratings has upgraded one and affirmed six tranches of TDA-26-Mixto Series 1 and Series 2.

TDA 26-Mixto, FTA - Series 1

----Class 1-A2 ES0377953015; Long Term Rating; Affirmed; A+sf; RO:Sta

----Class 1-B ES0377953023; Long Term Rating; Affirmed; A+sf; RO:Sta

----Class 1-C ES0377953031; Long Term Rating; Upgrade; A+sf; RO:Sta

----Class 1-D ES0377953049; Long Term Rating; Affirmed; CCCsf

TDA 26-Mixto, FTA - Series 2

----Class 2-A ES0377953056; Long Term Rating; Affirmed; A+sf; RO:Sta

----Class 2-B ES0377953064; Long Term Rating; Affirmed; A+sf; RO:Sta

----Class 2-C ES0377953072; Long Term Rating; Affirmed; CCCsf

### Transaction Summary

The two Spanish RMBS transactions comprise residential mortgages serviced by Banco Sabadell and Banca March.

### KEY RATING DRIVERS

#### Payment Interruption Risk

TDA 26-Mixto Series 1 and Series 2 remain exposed to payment interruption risk in the event of a servicer disruption, as the available structural mitigants (ie. cash reserve funds that can be depleted by losses) are deemed insufficient to cover stressed senior fees, net swap payments and senior note interest due amounts while an alternative servicer arrangement was implemented. As a result, Fitch continues to cap the notes' rating at 'A+sf'.

#### Excessive Counterparty Exposure (ECE)

TDA 26-Mixto Series 1 class C rating is capped at 'A+sf', equal to its SPV account bank provider's deposit ratings (Societe Generale, SA, 'A+'). The rating cap reflects the excessive counterparty dependency on the SPV account bank holding the cash reserves, as the sudden loss of these funds would imply a downgrade of 10 or more notches of the notes in accordance with Fitch's criteria.

#### Stable Credit Enhancement (CE)

The rating actions reflect that current and projected CE for the notes is sufficient to withstand projected stresses, as reflected in the upgrade and affirmations. CE for all the notes is expected to be broadly stable while the transactions continue amortising on a pro rata basis. The amortisation of the notes will switch to sequential when the outstanding portfolio balance represents less than 10% of their original amount (currently 14% for Series 1 and 33% for Series 2) or sooner if certain performance triggers are breached.

#### 5% Minimum Loss Analysis

Fitch's credit analysis of the portfolios is subject to the minimum lifetime credit loss expectation as per the agency's criteria. The performance adjustment factor of 100% on TDA 26-Mixto Series 1 reflects the repurchase of some defaulted loans in the past by the originators.

Fitch expects the performance to remain stable given the significant seasoning of the securitised portfolios of approximately 14 years. However, performance volatility cannot be ruled out, especially for TDA 26-Mixto Series 2 given its very small portfolio size that comprises fewer than 300 loans as of September 2019. Cumulative defaults, defined as mortgages in arrears by more than 12 months, stand at 3.4% and 1.4% of the initial portfolio balance for Series 1 and Series 2, respectively, as of the latest reporting date.

#### Regional Concentration

The securitised portfolios are exposed to geographical concentration. Around 27% and 45% of the properties in TdA 26-Series 1 and TdA 26-Series 2, respectively, are located in the Balears Island region. In line with Fitch's European RMBS rating criteria, we apply higher rating multiples to the base foreclosure frequency assumption to the portion of the portfolio that exceeds 2.5x the population share of these regions relative to the national count.

#### RATING SENSITIVITIES

A worsening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift of interest rates could jeopardise the underlying borrowers' affordability. This could have negative rating implications, especially for junior tranches that are less protected by

structural CE.

The ratings on TDA 26-Mixto Series 1 class A and B notes and Series 2 class A notes could be upgraded if the transactions' liquidity protection against a servicer disruption event strengthens, all else being equal. For TDA 26-Mixto Series 2, the reducing loan count (currently fewer than 300 loans) could prevent upgrades for the mezzanine tranches. This is due to the pro-rata allocation of principal and the limited CE increase expected over the medium term.

#### USE OF THIRD PARTY DUE DILIGENCE PURSUANT TO SEC 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. 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 sourced from European Data Warehouse as at September 2019.

Issuer and servicer reports provided by Titulizacion De Activos SGFT, S.A. as at October 2019.

#### PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

TDA 26-Mixto Series 1 class C rating is linked to the Deposit Rating of Societe Generale, SA.

## MODELS

[ResiGlobal.](#)

[EMEA Cash Flow Model.](#)

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

### **Applicable Criteria**

[European RMBS Rating Criteria \(pub. 25 Oct 2019\)](#)

[Fitch Ratings Interest Rate Stress Assumptions for Structured Finance and Covered Bonds \(Excel\) \(pub. 06 Dec 2019\)](#)

[Global Structured Finance Rating Criteria \(pub. 02 May 2019\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub. 18 Apr 2019\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub. 18 Apr 2019\)](#)

[Structured Finance and Covered Bonds Country Risk Rating Criteria \(pub. 23 Oct 2018\)](#)

## **Additional Disclosures**

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