

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

COMUNICACIÓN DE HECHO RELEVANTE

TDA CAM 11, 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 9 de diciembre de 2014, donde se llevan a cabo las siguientes actuaciones:

- Bono A2, de **A- (sf) / perspectiva negativa** a **A- (sf) / perspectiva positiva.**
- Bono A3, de **A- (sf) / perspectiva negativa** a **A- (sf) / perspectiva positiva.**
- Bono A4, de **A- (sf) / perspectiva negativa** a **A- (sf) / perspectiva positiva.**
- Bono B, de **BBB (sf) / perspectiva negativa** a **BBB (sf) / perspectiva positiva.**
- Bono C, de **CCC (sf) a B (sf) / perspectiva estable.**

En Madrid, a 10 de diciembre de 2014

Ramón Pérez Hernández
Director General



Fitch Upgrades 2, Affirms 25 & Downgrades 3 Tranches of TDA CAM Series

Ratings Endorsement Policy
09 Dec 2014 12:59 PM (EST)

Link to Fitch Ratings' Report: TDA CAM - Rating Action Report

Fitch Ratings-London-09 December 2014: Fitch Ratings has upgraded two, affirmed 25 and downgraded three tranches of eight TDA CAM transactions, part of a series of Spanish RMBS transactions comprising loans originated by Banco CAM (now a subsidiary of Banco de Sabadell). A full list of rating actions is available at www.fitchratings.com or by clicking the link above.

KEY RATING DRIVERS

Increasing Defaults, Falling Arrears

TDA CAM 4-9 have reported rising defaults and declining arrears in the past year. The decline in arrears is driven by the increase in the number of late-stage arrears borrowers defaulting, as evidenced by the gross cumulative defaults, which increased to between 3% and 14.6% from between 2.6% and 12.9% (TDA CAM 4 and 9, respectively).

However, the improved macroeconomic environment has meant that fewer borrowers are falling into early-stage arrears. The combination of the two factors has led to a decline in arrears by more than three months, which are now between 0.7% and 1.9% (TDA CAM 4 and 6, respectively) down from between 1.9% and 4.5% (TDA CAM 4 and 9, respectively).

Fitch expects TDA CAM 4-9 to be better able to meet provisioning requirements with excess spread due to fewer future defaults as a result of the lower arrears. This should result in stabilisation, if not a reduction, of the principal deficiency ledgers (PDL) in TDA CAM 5-9 and further replenishment of the reserve fund in TDA CAM 4. The expectation of lower levels of defaults is the primary driver of the affirmations across these transactions.

Thin Credit Enhancement

The current credit enhancement across TDA CAM 4-9 has been reduced by the reserve fund draws and PDLs in TDA CAM 5-9. As a result the only credit enhancement provided to the notes is by the subordination in the structure. This was a contributing factor to the downgrades in TDA CAM 6, 8 and 9.

Guaranteed Liquidity Line

The guaranteed liquidity line for the scheduled amortisation of the class A2 notes of TDA CAM 6, provided by Credit Agricole (A/Stable/F1) led Fitch to affirm the rating. A fully drawn reserve fund and lack of liquidity in the transaction, has left the transaction exposed to payment interruption risks as the liquidity line only guarantees principal and not interest payments. As a result, the notes are rated 'BBB-sf', rather than being linked to Credit Agricole's rating.

Stronger Credit Enhancement in Later Deals

TDA CAM 11 and 12 have seen increasing defaults, to 9.3% from 7.8% in TDA CAM 11 and to 7.4% from 6.1% in TDA CAM 12. Loans in arrears by more than three months have fallen to 1.3% from 3.7% in TDA CAM 11 and to 1.1% from 3% in TDA CAM 12.

These transactions were restructured in June 2013. This resulted in a removal of the hedging arrangement, leaving the transactions exposed to basis and reset risk. To offset this risk, the reserve fund targets were increased to EUR87.3m and EUR89.5m, respectively. The swap was significantly out of the money for the

issuer, so in the current interest rate situation there is a beneficial increase in excess spread for both transactions.

Fitch has accounted for the basis risk between the collateral assets and the notes in its analysis. Both transactions have been able to provision for defaulted loans with few draws on their reserve funds. Combined with the comparatively high credit enhancement available to the junior notes in both transactions, this led to their upgrade.

Lack of Clarity over Recoveries

Fitch previously stated that it believes that the recoveries in these transactions to date have been a result of the originator purchasing defaulted assets at prices that are preferential to the issuers, thereby boosting recoveries. This view is based on the erratic repossessions or absence of properties in possession at the SPV level in the eight deals and the stronger than average recovery rates. Fitch has had no evidence that the practice is set to discontinue following the integration of Banco CAM into Banco de Sabadell. Therefore the timing and amount of future recoveries remain uncertain, as they are driven by the lender, potentially resulting in increased losses for these transactions.

RATING SENSITIVITIES

Given the fully drawn reserve funds in TDA CAM 5-9 and resulting absence of liquidity, these transactions are exposed to payment interruption. As a result Fitch is unlikely to upgrade the senior notes in these transactions until the reserve funds have been sufficiently replenished to meet two periods of interest payments under Fitch's stressed assumptions.

Changes in asset performance may result from economic factors, in particular the effect of unemployment. A corresponding change in new defaults and associated reduction or increase of excess spread and reserve funds, beyond Fitch's assumptions, could lead to negative or positive rating action, respectively.

Contacts:

Lead Surveillance Analyst
James Donovan
Analyst
+44 20 3530 1275
Fitch Ratings Limited
30 North Colonnade
London E14 5GN

Committee Chairperson
Andrew Currie
Managing Director
+44 20 3530 1447

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

Additional information is available at www.fitchratings.com.

Sources of information - in addition to those mentioned in the applicable criteria, the sources of information used to assess the ratings were investor and servicer reports and loan-by-loan data.

Applicable criteria 'Global Structured Finance Rating Criteria', dated 20 May 2014; 'EMEA RMBS Master Rating Criteria' dated 28 May 2014; 'EMEA Residential Mortgage Loss Criteria', dated 28 May 2014; 'EMEA RMBS Cash Flow Analysis Criteria' dated 28 May 2014; 'Criteria Addendum: Spain- Residential Mortgage Loss and Cash Flow Assumptions Criteria Addendum', dated 4 June 2014; 'Counterparty Criteria for Structured Finance Structured Finance and Covered Bonds' and 'Counterparty Criteria for Structured Finance Structured Finance and Covered Bonds: Derivative Addendum', dated 13 May 2014; 'Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds', dated 11 April 2014 are available at www.fitchratings.com.

Applicable Criteria and Related Research:

Global Structured Finance Rating Criteria

EMEA Residential Mortgage Loss Criteria
EMEA RMBS Cash Flow Analysis Criteria
Criteria Addendum: Spain - Residential Mortgage Loss and Cash Flow Assumptions
Counterparty Criteria for Structured Finance and Covered Bonds
Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum
Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds

Additional Disclosure
Solicitation Status

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE '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. 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 © 2014 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries.

