

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

COMUNICACIÓN DE HECHO RELEVANTE

TDA CAM 4, 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:

Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings, con fecha 18 de marzo de 2019, donde se llevan a cabo las siguientes actuaciones:

- Bono A, afirmado como **AAA (sf); perspectiva estable.**
- Bono B, subida a **A+ (sf)** desde **A (sf); perspectiva estable.**

En Madrid, a 19 de marzo de 2019

Ramón Pérez Hernández
Consejero Delegado

18 Mar 2019 | Upgrade

Fitch Takes Rating Actions on 4 TDA CAM RMBS

Fitch Ratings-Madrid-19 March 2019: Fitch Ratings has upgraded four tranches and affirmed five others of four Spanish RMBS transactions of the TDA CAM programme. The Outlooks are Stable. A full list of rating actions is at the end of this rating action commentary.

The transactions comprise residential mortgages serviced by Banco de Sabadell S.A.

KEY RATING DRIVERS

Stable Asset Performance

The transactions continue to show sound asset performance with three-month plus arrears (excluding defaults) as a percentage of pool current balances being lower than 0.5% as of the latest reporting dates. We expect performance to remain stable over the short- to medium-term due to the seasoning of the mortgages of around 15 years, the prevailing low interest rate environment and the positive Spanish economic outlook.

Credit Enhancement (CE) to Continue Rising

Fitch expects CE to continue increasing across the four transactions in the short-term given sequential amortisation of the notes. However, the CE ratio for TdA CAM 7 class B notes could decrease in the medium-term if the performance triggers are met, allowing the reserve fund to fall to its absolute floor. Fitch views these CE trends as sufficient to withstand the rating stresses commensurate with today's rating actions.

Payment Interruption Risk Caps Rating

Fitch views TDA CAM 6 and 7 as being exposed to payment interruption risk in the event of a servicer disruption as the available liquidity sources (reserve funds) are considered insufficient to cover senior fees, net swap payments and senior notes' interest during a minimum of three-month period needed to implement alternative arrangements. The notes' maximum achievable ratings are commensurate with the 'Asf' category, in line with Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria.

Rating Caps Due to Counterparty Risks

TDA CAM 4 class B notes' rating is capped at the SPV account bank provider's, Societe Generale, Deposit Rating of 'A+' as the transaction cash reserves held at this entity represent a material

source of CE for these notes. 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 these notes in accordance with Fitch's Structure Finance and Covered Bonds Counterparty Rating Criteria.

Portfolios' High-Risk Attributes

The securitised portfolios are exposed to geographical concentration in the regions of Valencia and Murcia. In line with Fitch's European RMBS Rating Criteria, higher rating multiples are applied to the base foreclosure frequency (FF) assumption to the portion of the portfolio that exceeds 2.5x the population within these regions. Additionally, a share of these portfolios ranging from 13% and 23% is linked to second homes, which are higher-risk than owner-occupied loans, and are subject to a FF adjustment factor of 150%.

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. As TDA CAM 4 class B notes' rating is capped at the SPV account bank provider's rating, a change to the account bank rating could trigger corresponding changes to the notes' rating.

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. 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 level data sourced from the European Data Warehouse with the following cut-off dates:

- November 2018 for TDA CAM 4
- September 2018 for TDA CAM 5 and TDA CAM 6
- October 2018 for TDA CAM 7

MODELS

[ResiGlobal.](#)

[EMEA Cash Flow Model.](#)

Full list of rating actions

TDA CAM 4, FTA

Class A (ES0377991007): affirmed at 'AAAsf'; Outlook Stable

Class B (ES0377991015): upgraded to 'A+sf' from 'Asf'; Outlook Stable

TDA CAM 5, FTA

Class A (ES0377992005): affirmed at 'AA+sf'; Outlook Stable

Class B (ES0377992013): affirmed at 'BBsf'; Outlook Stable

TDA CAM 6, FTA

Class A3 (ES0377993029): upgraded to 'A+sf' from 'A-sf'; Outlook Stable

Class B (ES0377993037): upgraded to 'Bsf' from 'CCCsfc'; Outlook Stable

TDA CAM 7, FTA

Class A2 (ES0377994019): affirmed at 'A+sf'; Outlook Stable

Class A3 (ES0377994027): affirmed at 'A+sf'; Outlook Stable

Class B (ES0377994035): upgraded to 'Bsf' from 'CCCsfc'; Outlook Stable

Contacts:

Lead Surveillance Analyst

Ricardo Garcia

Associate Director

+34 91 702 5772

Fitch Ratings Espana, S.A.

Paseo de la Castellana, 31, Planta 9
Madrid 28046

Committee Chairperson
Juan David Garcia
Senior Director
+34 91 702 5774

Media Relations: Athos Larkou, London, Tel: +44 20 3530 1549, Email:
athos.larkou@thefitchgroup.com

Additional information is available on www.fitchratings.com

Applicable Criteria

[European RMBS Rating Criteria \(pub. 21 Dec 2018\)](#)

[Fitch Ratings Interest Rate Stress Assumptions for Structured Finance and Covered Bonds \(pub. 08 Mar 2019\)](#)

[Global Structured Finance Rating Criteria \(pub. 15 May 2018\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub. 01 Aug 2018\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub. 01 Aug 2018\)](#)

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

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub. 08 Mar 2019\)](#)

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