

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

COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE

CAIXA PENEDES 1 TDA, 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 la siguiente información relevante:

I. Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Standard & Poor's, con fecha 26 de junio de 2020, donde se llevan a cabo las siguientes actuaciones:

- Bono A, confirmada como **A- (sf)**.
- Bono B, desde **BB- (sf)** a **BBB- (sf)**.
- Bono C, desde **B- (sf)** a **B (sf)**.

En Madrid, a 20 de julio de 2020

Ramón Pérez Hernández
Consejero Delegado

Various Rating Actions Taken On CAIXA PENEDES 1's Spanish RMBS Notes Following Review

June 26, 2020

Overview

- On May 6, 2020, we placed on CreditWatch negative our rating on CAIXA PENEDES 1's class A notes after revising our Spanish residential mortgage market outlook to non-benign.
- Following our review of CAIXA PENEDES 1 under our relevant criteria, we have taken various rating actions and resolved our CreditWatch placement.
- CAIXA PENEDES 1 is a Spanish RMBS transaction that securitizes a portfolio of residential mortgage loans. It closed in October 2006.

PRIMARY CREDIT ANALYST

Rocio Romero
Madrid
(34) 91-389-6968
rocio.romero
@spglobal.com

MADRID (S&P Global Ratings) June 26, 2020--S&P Global Ratings today affirmed and removed from CreditWatch negative its rating on CAIXA PENEDES 1 TDA Fondo de Titulizacion de Activos' class A notes. At the same time, we have raised our ratings on the class B and C notes.

Today's rating actions follow our May 6, 2020, CreditWatch negative placement of our rating on CAIXA PENEDES 1's class A notes (see "17 Ratings From Spanish, Portuguese, Dutch, And U.K. RMBS Transactions Placed On Watch Negative"). Our review reflects the application of our relevant criteria and our full analysis of the most recent transaction information that we have received, and considers the transaction's current structural features (see "Related Criteria").

We have also considered our updated market outlooks and additional COVID-19 stresses to account for the current macroeconomic environment (see "Residential Mortgage Market Outlooks Updated For 13 European Jurisdictions Following Revised Economic Forecasts," published on May 1, 2020). In addition to applying increased base foreclosure frequencies at the 'B' to 'AA+' ratings, we have tested the sensitivity of the transaction to stressed payment holidays on 25% of collections received over the first six months, projected arrears, and delayed the time to recovery by 6 and 12 months as part of our analysis of this transaction.

Arrears have slightly increased since our previous full review, but they remain well below our Spanish RMBS index. Total arrears stand at 1.7% as of April 2020, an increase from 0.7% as of December 2017. Of the pool, only 0.27% of the loans are in legal moratoria payments due to the COVID-19 credit impact. All of them will finish the legal moratoria in up to two months. However, we expect that some of these loans will adhere to the sector moratoria promoted by the banking sector initiative or the servicer's own initiative if the borrowers are still facing liquidity issues after the legal has elapsed.

After applying our European residential loans criteria to this transaction, the overall effect in our credit analysis results is higher credit coverage for 'BBB' and below rating levels compared with

Various Rating Actions Taken On CAIXA PENEDES 1's Spanish RMBS Notes Following Review

our previous full review. Our base foreclosure frequencies have increased, although this is partially offset by the lower weighted-average life (WALS) because the transaction benefits from a higher repossession market-value decline and lower current loan-to-value (LTV) ratio as the collateral is fully amortizing.

Credit Analysis Results

	WAFF	WALS
AAA	18.55%	4.89%
AA	13.02%	2.73%
A	9.86%	2.00%
BBB	7.54%	2.00%
BB	5.18%	2.00%
B	3.38%	2.00%

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

The class A, B, and C notes' credit enhancement has increased to 13.5%, 7.24%, and 2.74%, respectively, due to the notes' amortization, despite the pro rata amortization because the reserve fund is at its floor level (i.e., €5 million). The improvement in cash flow results is due to the increase in credit enhancement, which has offset the increase in required credit coverage.

There are interest deferral triggers in this transaction, based on gross cumulative defaults, to allow for deferral of interest junior in the waterfall if the transaction's performance deteriorates. The triggers are set at 7.5% and 4.9% for the class B and C notes, respectively. Currently, the level of gross cumulative defaults as a percentage of the closing pool balance is 3.49%.

Under our counterparty criteria, the swap documentation caps our ratings on this transaction at 'AA (sf)'. The replacement framework for the transaction bank account does not limit the maximum potential rating on the notes (see "Counterparty Risk Framework: Methodology And Assumptions," published on March 8, 2019).

Our updated credit and cash flow analysis indicates that the available credit enhancement for the class A notes is commensurate with the currently assigned rating. In reviewing this rating, we considered the relative improvement in credit enhancement and its effect on our cash flow results since our last full review in the context of deteriorating macroeconomic conditions. Therefore, we have affirmed and removed from CreditWatch negative our rating on the class A notes.

We have raised to 'BBB- (sf)' and 'B (sf)' our ratings on the class B and C notes, respectively. Our updated credit and cash flow analysis indicates that the available credit enhancement for the class B and C notes is commensurate with higher ratings than those we assigned. However, in reviewing our ratings on these classes of notes, in addition to applying our credit and cash flow analysis, we considered other factors. First of all, we considered the relative position of those classes in the capital structure and the significantly lower credit enhancement compared to the senior notes, as well as the deteriorating macroeconomic conditions.

The deteriorating macroeconomic environment could potentially negatively affect the transaction's collateral performance, with the potential for reduced collections due to payment moratoriums due to COVID-19. As aforementioned, loans subject to COVID-19 moratoriums are very limited in this portfolio. Our credit and cash flow analysis and related assumptions also consider the sensitivity of the transaction to the potential repercussions of the coronavirus outbreak, namely a longer recovery timing and additional delinquency stresses. Considering these

Various Rating Actions Taken On CAIXA PENEDES 1's Spanish RMBS Notes Following Review

factors, we believe that the available credit enhancement for each class of notes is commensurate with the assigned ratings.

The analytical framework in our structured finance sovereign risk criteria assesses a security's ability to withstand a sovereign default scenario (see "Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions," published on Jan. 30, 2019). These criteria classify the sensitivity of this transaction as low, so the highest rating that we can assign to the tranches in this transaction is six notches above the unsolicited sovereign rating on Spain. Our sovereign risk criteria do not limit the maximum potential ratings on the class A and B notes, but cap the rating on the class C notes at the sovereign rating level, of 'A'.

S&P Global Ratings acknowledges a high degree of uncertainty about the evolution of the coronavirus pandemic. The consensus among health experts is that the pandemic may now be at, or near, its peak in some regions but will remain a threat until a vaccine or effective treatment is widely available, which may not occur until the second half of 2021. We are using this assumption in assessing the economic and credit implications associated with the pandemic (see our research here: www.spglobal.com/ratings). As the situation evolves, we will update our assumptions and estimates accordingly.

Related Criteria

- Criteria | Structured Finance | General: Methodology To Derive Stressed Interest Rates In Structured Finance, Oct. 18, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- 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: 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 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
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- Government Job Support Will Stem European Housing Market Price Falls, May 15, 2020
- 17 Ratings From Spanish, Portuguese, Dutch, And U.K. RMBS Transactions Placed On Watch Negative, May 6, 2020
- European Economic Snapshots: Larger Risks To Growth Loom Ahead, May 5, 2020
- Residential Mortgage Market Outlooks Updated For 13 European Jurisdictions Following Revised Economic Forecasts, May 1, 2020
- Banking Industry Country Risk Assessment Update: April 2020, May 1, 2020
- 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

Copyright © 2020 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.