

Otra Información Relevante de BBVA RMBS 2 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 2 FONDO DE TITULIZACIÓN DE ACTIVOS** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

La Agencia de Calificación **S&P Global Ratings (“S&P”)** con fecha 23 de febrero de 2023, comunica que ha elevado las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:

- **Serie B: AAA (sf)** (anterior **AA (sf)**)
- **Serie C: A+ (sf)** (anterior **BBB+ (sf)**)

Asimismo, S&P ha confirmado la calificación asignada a la restante Serie de Bonos:

- **Serie A4: AAA (sf)**

Se adjunta la comunicación emitida por S&P.

Madrid, 2 de marzo de 2023.

BBVA RMBS 2 Ratings Raised On Two Classes; One Class Affirmed Following Review

February 23, 2023

Overview

- Following our review of BBVA RMBS 2 under our relevant criteria, we have taken various rating actions.
- We raised our ratings on the class B and C notes. At the same time, we affirmed our rating on the class A4 notes.
- BBVA RMBS 2 is a Spanish RMBS transaction, which closed in March 2007 and securitizes first-ranking mortgage loans. Banco Bilbao Vizcaya Argentaria originated the pool, which comprises loans granted to prime borrowers, mainly located in Catalonia, Andalucia, and Madrid.

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MADRID (S&P Global Ratings) Feb. 23, 2023--S&P Global Ratings today raised its credit ratings on BBVA RMBS 2's class B notes to 'AAA (sf)' from 'AA (sf)' and class C notes to 'A+ (sf)' from 'BBB (sf)'. At the same time, we affirmed our 'AAA (sf)' rating on the class A4 notes.

Today's rating actions reflect our full analysis of the most recent information that we have received and the transaction's current structural features.

After applying our global RMBS criteria, the overall effect is a decrease of our expected losses due to the decrease of our weighted-average foreclosure frequency (WAFF) and weighted-average loss severity (WALS) assumptions. Our WAFF assumptions have decreased due to lower effective loan-to-value (LTV) ratios and relatively lower second-home loans due to collateral amortization. In addition, our WALS assumptions have decreased, due to the lower current LTV ratio. At the same time, the overall credit enhancement continues to increase. The upgrades are driven by the lower expected losses and as well as higher available credit enhancement.

Table 1

Credit Analysis Results

Rating	WAFF (%)	WALS (%)
AAA	9.14	5.02
AA	6.31	3.02
A	4.89	2.00
BBB	3.77	2.00

BBVA RMBS 2 Ratings Raised On Two Classes; One Class Affirmed Following Review

Table 1

Credit Analysis Results (cont.)

Rating	WAFF (%)	WALS (%)
BB	2.59	2.00
B	1.76	2.00

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

Loan-level arrears are low at 1.42%. Overall delinquencies remain well below our Spanish RMBS index (see "Related Research").

The notes are repaying pro rata and the reserve fund is at its floor level of €27.5 million.

Cumulative defaults, defined as loans in arrears for a period equal to or greater than 12 months, represent 6.51% of the closing pool balance. The interest deferral trigger for the class C notes is not at risk of being breached because it is defined at 10%, and we do not expect that this level will be reached in the near or medium term.

Our operational, rating above the sovereign, and legal risk analyses remain unchanged since our last review. Therefore, the ratings assigned are not capped by any of these criteria.

Societe Generale S.A. (Madrid Branch) is the transaction bank account provider, while Banco Bilbao Vizcaya Argentaria (BBVA) provides an interest rate swap. The transaction's documented replacement mechanisms adequately mitigate its counterparty risk exposure up to a 'AAA' rating.

Our ratings on the notes are de-linked from our long-term issuer credit rating (ICR) on the servicer, BBVA, because we have stressed commingling losses for ratings above our long-term ICR on BBVA.

The servicer, BBVA, has a standardized, integrated, and centralized servicing platform. It is a servicer for many Spanish RMBS transactions, and its transactions' historical performance has outperformed our Spanish RMBS index.

Our credit and cash flow results indicate that the credit enhancement available for the class A4 notes is still commensurate with a 'AAA (sf)' rating. We have, therefore, affirmed our 'AAA (sf)' rating on the class A4 notes.

The available credit enhancement for class B notes is commensurate with a 'AAA (sf)' rating. As such, we have raised to 'AAA (sf)' from 'AA (sf)' our rating on class B notes.

We have raised to 'A+ (sf)' from 'BBB (sf)' our rating on the class C notes. These notes could withstand stresses at higher ratings under our credit and cash flow analysis. However, we have limited our upgrade based on their overall credit enhancement and position in the waterfall, and the current macroeconomic environment considering the increased cost of living. In addition, the most junior class of notes are expected to have a longer duration than the senior and mezzanine tranches, meaning that they are more vulnerable to tail-end risk.

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Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021

BBVA RMBS 2 Ratings Raised On Two Classes; One Class Affirmed Following Review

- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- 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 | RMBS: Global Methodology And Assumptions: Assessing Pools Of Residential Loans, Jan. 25, 2019
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- 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: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- European RMBS Index Report Q4 2022, Feb. 9, 2023
- Southern European RMBS Grapples With Rising Rates, Jan. 25, 2023
- Is Climate Change Another Obstacle To Economic Development?, Jan. 16, 2023
- Economic Research: European Housing Prices: A Sticky, Gradual Decline, Jan. 11, 2023
- Economic Research: Climate Change Will Heighten Output Volatility, Jan. 5, 2023
- Economic Outlook Eurozone Q1 2023: Reality Check, Nov. 28, 2022
- BBVA RMBS 2 Spanish Ratings Raised On Three Classes; One Class Affirmed Following Criteria Revision, Feb. 18, 2021
- 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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