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C/ Edison 4  
Madrid

## **COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE**

### **TDA CAM 7, 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 la siguiente información relevante:

I. Respecto al fondo de referencia, adjuntamos nota de prensa publicada por Fitch Ratings, con fecha 1 de febrero de 2024 donde se llevan a cabo las siguientes actuaciones:

- Bono A2, afirmado como **AAA(sf); perspectiva estable.**
- Bono A3, afirmado como **AAA(sf); perspectiva estable.**
- Bono B, subida a **BBB+(sf)** desde **BB+(sf); perspectiva estable.**

En Madrid, a 5 de febrero de 2024









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Consejero Delegado

01 FEB 2024

# Fitch Upgrades 8 Spanish TdA CAM RMBS; off Rating Watch Positive

Fitch Ratings - Madrid - 01 Feb 2024: Fitch Ratings has upgraded eight tranches of 15 TdA CAM RMBS in Spain, and removed seven of them from Rating Watch Positive (RWP). The rest has been affirmed. All Outlooks are Stable. A full list of rating actions is below.

## Rating Actions

ENTITY/DEBT	RATING	RECOVERY	PRIOR
TDA CAM 6, FTA			
• Class A3 LT ES0377993029	AAAsf 	Affirmed	AAAsf 
• Class B LT ES0377993037	BBB+sf 	Affirmed	BBB+sf 
TDA CAM 7, FTA			
• Class A2 LT ES0377994019	AAAsf 	Affirmed	AAAsf 
• Class A3 LT	AAAsf 	Affirmed	AAAsf 

ENTITY/DEBT	RATING	RECOVERY	PRIOR
ES0377994027			
• Class B LT ES0377994035	BBB+sf ●	Upgrade	BB+sf ◆
TDA CAM 8, FTA			
• Class A LT ES0377966009	AAAsf ●	Affirmed	AAAsf ●
• Class B LT ES0377966017	Asf ●	Upgrade	BB+sf ◆
• Class C LT ES0377966025	BBB+sf ●	Upgrade	BB+sf ◆
• Class D LT ES0377966033	CCsf	Affirmed	CCsf
TDA CAM 9, FTA			
• Class LT	AA+sf ●	Upgrade	A+sf ◆

ENTITY/DEBT	RATING	RECOVERY	PRIOR
A1 ES0377955002			
• Class A2 LT ES0377955010	AA+sf ●	Upgrade	A+sf ◆
• Class A3 LT ES0377955028	AA+sf ●	Upgrade	A+sf ◆
• Class B LT ES0377955036	AA-sf ●	Upgrade	BB+sf ◆
• Class C LT ES0377955044	BB+sf ●	Upgrade	Bsf ●
• Class D LT ES0377955051	CCsf	Affirmed	CCsf

**RATINGS KEY OUTLOOK WATCH**

POSITIVE	⊕	◆
NEGATIVE	⊖	◆
EVOLVING	◊	◆
STABLE	○	

## Transaction Summary

The transactions comprise fully amortising Spanish residential mortgages serviced by Banco de Sabadell S.A. (BBB-/Positive/F3).

### KEY RATING DRIVERS

**Updated Rating Approach:** In the update of its Global Structured Finance Rating Criteria on 19 January 2024, Fitch has revised its analytical approach in the interest deferability of notes. Fitch may assign ratings up to 'AA+sf' to notes where Fitch assesses that interest deferrals will be fully repaid pursuant to the terms of the documents and by the legal final maturity. This change has an indirect impact on how Fitch assesses payment interruption risk (PIR), which we now view as immaterial for bonds up to 'AA+sf' (versus prior 'A+sf') when interest payments on the bonds can be deferred without causing an event of default.

The upgrades of TDA CAM 9 class A and B notes reflect the new PIR assessment, as interest deferability is permitted under transaction documentation for all rated classes and does not constitute an event of default. Other mitigants against PIR include collections being transferred to the transaction account bank (TAB) within two days and the collection account bank being also an operational continuity bank. The transaction is still not compatible with a 'AAAsf' rating, as is still exposed to PIR in case of servicer disruption, as its reserve fund has been volatile in the past and it is only at 62% of its target amount.

**Rating Cap Lifted:** Other relevant changes to the criteria include the removal of a condition from our base case related to the 'excessiveness' of the deferral interest amount, which had capped the ratings of notes with such deferrals at 'BB+sf'. The upgrades of CAM 7 class B notes, and CAM 8 and 9 class B and C notes reflect the removal of the deferral cap under the new criteria, as their deferrals are fully recoverable by their legal maturity date, are a common structural feature in the Spanish RMBS market and the prospectus includes a defined mechanism for the repayment of deferred amounts.

**Neutral Asset Performance Outlook:** The rating actions reflect our expectation of a neutral asset performance, consistent with low levels of unemployment and expected gradual reduction in inflation. Moreover, the transactions have a low share of loans in arrears over 90 days (less than 0.7% according to the last trustee investor reports) and are protected by the substantial seasoning of the portfolios (more than 17 years). However, sine volatility in the asset performance is still expected as per current weaker affordability of the underlying borrowers.

**Adequate Credit Enhancement (CE) Protection:** The rating actions reflect Fitch's view that the notes are sufficiently protected by CE to absorb the projected losses commensurate with their ratings. For CAM 7 and 9, we expect CE ratios to continue increasing due to the prevailing sequential amortisation of the notes, although in CAM 9 the built-up trend of the RF may reduce the RF target to its floor level (subject to certain performance-based triggers). For CAM 6 and 8, we expect CEs to materially increase as their respective RFs are at their floor level and their amortisation system will switch to sequential once their portfolio balances fall below 10% of their initial balances.

CAM 9 is still exposed to PIR due to its volatile RF in the past not providing enough liquidity to cover PIR

amounts, which has resulted in a change to the rating of at least one category.

## **RATING SENSITIVITIES**

### **Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade**

-For 'AAAsf' notes, a downgrade to Spain's Long-Term Issuer Default Rating (IDR) that could decrease the maximum achievable rating for Spanish structured finance transactions

-CE ratios unable to fully compensate the credit losses and cash flow stresses associated with the current ratings, all else being equal, will also result in downgrades. An increase in the weighted average foreclosure frequency (WAFF) and a decrease in the WA recovery rate (RR) each by 15% would result in downgrades of up to three notches in CAM 6 and 7 class B notes, of no more than one notch for CAM 9 class C notes, and up to two notches for CAM 8 class C notes.

### **Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade**

-Notes rated at 'AAAsf' are rated at the highest level on Fitch's scale and cannot be upgraded

-For CAM 9 class A notes, improved liquidity protection against payment interruption risk

-Increases in CE ratios as the transactions deleverage to fully compensate the credit losses and cash flow stresses commensurate with higher ratings may result in upgrades. A decrease in the WAFF of 15% and an increase in the WARR of 15% would result in upgrades of up to three notches in CAM 6 and 7 class B notes, two and six notches for CAM 9 class B and C notes, respectively, and four notches in CAM 8 class B and C notes.

## **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. 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, and together with any assumptions referred to above, 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.

## REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

### ESG Considerations

TDA CAM 9, FTA has an ESG Relevance Score of '5' for Transaction & Collateral Structure due to PIR, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in a rating cap of 'AA+sf'.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

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### Applicable Criteria

[European RMBS Rating Criteria \(pub.21 Jun 2023\) \(including rating assumption sensitivity\)](#)

[Global Structured Finance Rating Criteria \(pub.19 Jan 2024\) \(including rating assumption sensitivity\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub.28 Nov 2023\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub.28 Nov 2023\)](#)

[Structured Finance and Covered Bonds Country Risk Rating Criteria \(pub.07 Jul 2023\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub.28 Dec 2022\)](#)

## **Applicable Models**

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Multi-Asset Cash Flow Model, v3.1.1 [\(1\)](#)

ResiGlobal Model: Europe, v1.8.10 [\(1\)](#)

## **Additional Disclosures**

[Solicitation Status](#)

## **Endorsement Status**

TDA CAM 6, FTA    EU Issued, UK Endorsed

TDA CAM 7, FTA    EU Issued, UK Endorsed

TDA CAM 8, FTA    EU Issued, UK Endorsed

TDA CAM 9, FTA    EU Issued, UK Endorsed



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