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Madrid

## **COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE**

### **CAIXA PENEDES 2 TDA, FONDO DE TITULIZACIÓN DE ACTIVOS Actuaciones sobre las calificaciones de los bonos por parte de Standard and Poors Global 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 Standard and Poor's Global Ratings, con fecha 31 de marzo de 2021, donde se llevan a cabo las siguientes actuaciones:

- Bono A, subida a **AA+ (sf)** desde **AA- (sf)**.
- Bono B, subida a **AA (sf)** desde **A+ (sf)**.
- Bono C, subida a **A+ (sf)** desde **BBB (sf)**.

En Madrid a 8 de abril de 2021

Ramón Pérez Hernández  
Consejero Delegado

# Caixa Penedes 2 Spanish RMBS Ratings Raised On Three Classes Following Criteria Revision

March 31, 2021

## Overview

- We have reviewed Caixa Penedes 2 following the implementation of our revised Spanish RMBS criteria. Following this review, we raised our ratings on the class A, B, and C notes.
- Caixa Penedes 2 is a Spanish RMBS transaction, which closed in September 2007 and securitizes first-ranking mortgage loans granted to Spanish residents, mainly located in Catalonia.

MADRID (S&P Global Ratings) March 31, 2021--S&P Global Ratings today raised its credit ratings on Caixa Penedes 2 TDA, Fondo de Titulizacion de Activos' class A, B, and C notes to 'AA+ (sf)', 'AA (sf)', and 'A+ (sf)', from 'AA- (sf)', 'A+ (sf)', and 'BBB (sf)', respectively.

Today's rating actions follow the implementation of our revised criteria and assumptions for assessing pools of Spanish residential loans (see "Related Criteria"). They also reflect our full analysis of the most recent information that we have received and the transaction's current structural features.

Upon revising our Spanish RMBS criteria, we placed our ratings on the class A, B, and C notes under criteria observation. Following our review of the transaction's performance and the application of our updated criteria for rating Spanish RMBS transactions, the ratings are no longer under criteria observation.

Our weighted-average foreclosure frequency (WAFF) assumptions have decreased primarily due to the calculation of the effective loan-to-value (LTV) ratio, which is based on 80% original LTV (OLTV) and 20% current LTV (CLTV). Under our previous criteria, we used only the OLTV. Our WAFF assumptions also declined because of the transaction's decrease in arrears. In addition, our weighted-average loss severity (WALS) assumptions have decreased, due to the lower CLTV and lower market value declines. The reduction in our WALS is partially offset by the increase in our foreclosure cost assumptions.

## Credit Analysis Results

Rating	WAFF (%)	WALS (%)	Credit coverage (%)
AAA	8.40	4.50	0.38
AA	5.74	3.36	0.19
A	4.41	2.00	0.09

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**Credit Analysis Results (cont.)**

Rating	WAFF (%)	WALS (%)	Credit coverage (%)
BBB	3.36	2.00	0.07
BB	2.25	2.00	0.05
B	1.48	2.00	0.03

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

Loan-level arrears currently stand at 0.4%, and they have started stabilizing after increasing in April 2020. Overall delinquencies remain well below our Spanish RMBS index (see "Related Research").

Cumulative defaults represent 2.3% of the closing pool balance. No interest deferral trigger has been breached, and we do not expect any to be breached in the short term. The transaction is currently paying on a pro rata basis as the performance has been historically good.

The reserve fund is at its floor value (€8.25 million) and will no longer amortize, providing further credit enhancement as the notes continue to amortize.

Our analysis also considers the transaction's sensitivity to the potential repercussions of the coronavirus outbreak. Of the pool, close to 4.9% of loans are on payment holidays under the Spanish sectorial moratorium schemes, and the proportion of loans with either legal or sectorial payment holidays has remained low. The government announced it will approve a new payment holiday scheme available until March 31, 2021, where the payment holidays could last up to three months. In our analysis, we considered the potential impact of this extension and the liquidity risk the payment holidays could present should they become arrears in the future. We have also considered the ability of the transaction to withstand increased defaults and extended foreclosure timing assumptions, and the ratings remain robust.

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.

The servicer, Banco Sabadell S.A., has a standardized, integrated, and centralized servicing platform. It is a well-known servicer in the Spanish market, and its transactions' historical performance has outperformed our Spanish RMBS index.

JPMorgan Chase Bank N.A. provides the interest rate and basis swap contract for this transaction. The notes can achieve the same ratings when giving no benefit to the swap contract. Therefore, we have de-linked class A, B, and C from our resolution counterparty rating on JPMorgan Chase Bank N.A.

The class A, B, and C notes' credit enhancement has increased to 13.4%, 11.3%, and 6.3% due to the amortization of the notes.

We have upgraded classes A, B, and C to 'AA+ (sf)', 'AA (sf)', and 'A+ (sf)', from 'AA- (sf)', 'A+ (sf)', and 'BBB (sf)', respectively.

Under our cash flow analysis, the class A and B notes could withstand stresses at a higher rating than the current ratings assigned. However, we also considered their overall credit enhancement and position in the waterfall, deterioration in the macroeconomic environment, and continuation of pro rata payments with a lack of credit enhancement build-up before the upcoming interest payment dates.

S&P Global Ratings believes there remains high, albeit moderating, uncertainty about the

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evolution of the coronavirus pandemic and its economic effects. Vaccine production is ramping up and rollouts are gathering pace around the world. Widespread immunization, which will help pave the way for a return to more normal levels of social and economic activity, looks to be achievable by most developed economies by the end of the third quarter. However, some emerging markets may only be able to achieve widespread immunization by year-end or later. We use these assumptions about vaccine timing in assessing the economic and credit implications associated with the pandemic (see our research here: [www.spglobal.com/ratings](http://www.spglobal.com/ratings)). As the situation evolves, we will update our assumptions and estimates accordingly.

### Related Criteria

- 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 Outlook 2021, Jan. 25, 2021
- Spanish Banks Need To Bolster Provisions, Cut Costs, And Preserve Capital In 2021, Jan. 25, 2021
- S&P Global Ratings Definitions, Jan. 5, 2021
- Spanish RMBS Index Report Q3 2020, Dec. 11, 2020
- Spain Outlook Revised To Negative From Stable On Mounting Fiscal and Structural Challenges; Affirmed At 'A/A-1', Sept. 18, 2020
- Banking Industry Country Risk Assessment: Spain, June 18, 2020

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- Residential Mortgage Market Outlooks Updated For 13 European Jurisdictions Following Revised Economic Forecasts, 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

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