

**Otra Información Relevante de**

**VALENCIA HIPOTECARIO 2 FONDO DE TITULIZACION  
HIPOTECARIA**

En virtud de lo establecido en el Folleto Informativo de **VALENCIA HIPOTECARIO 2 FONDO DE TITULIZACION HIPOTECARIA** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 27 de octubre de 2020, comunica que ha afirmado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:
  - **Serie C:** **A+sf**, perspectiva negativa

Se adjunta la comunicación emitida por Fitch.

Madrid, 24 de noviembre de 2020.



## Additional Rating Details

RATED ENTITY / DEBT	RATING TYPE	RATING	RATING ACTION	DATE	IDENTIFIERS	OTHER DETAILS	CONTACTS
DEAL: Hipocat 6, FTA CLASS: Class C	Long Term Rating	A+sf Rating Outlook Negative PRIOR: A+sf	Affirmed	27-Oct-2020 PRIOR: 21-Aug-2020	ISIN: ES0345782025	COUNTRY: SPAIN SECTOR: Prime RMBS CURRENCY: EUR ORIG BALANCE: 34.000.000	Surveillance Rating Analyst Ricardo Garcia Carmona
DEAL: IM Cajamar 3, FTA CLASS: Series D	Long Term Rating	A+sf Rating Outlook Negative PRIOR: A+sf	Affirmed	27-Oct-2020 PRIOR: 17-Sep-2020	ISIN: ES0347783039	COUNTRY: SPAIN SECTOR: Prime RMBS CURRENCY: EUR ORIG BALANCE: 10.200.000	Surveillance Rating Analyst Cesar Fernandez
DEAL: TDA 19 - MIXTO, FTA CLASS: Class D	Long Term Rating	A+sf Rating Outlook Negative PRIOR: A+sf	Affirmed	27-Oct-2020 PRIOR: 25-Sep-2020	ISIN: ES0377964038	COUNTRY: SPAIN SECTOR: Prime RMBS CURRENCY: EUR ORIG BALANCE: 7.500.000	Surveillance Rating Analyst Paula Nafria
DEAL: TDA Cajamar 2, FTA CLASS: Class D	Long Term Rating	A+sf Rating Outlook Negative PRIOR: A+sf	Affirmed	27-Oct-2020 PRIOR: 25-Sep-2020	ISIN: ES0377965050	COUNTRY: SPAIN SECTOR: Prime RMBS CURRENCY: EUR ORIG BALANCE: 15.500.000	Surveillance Rating Analyst Paula Nafria
DEAL: Valencia Hipotecario 2, FTH CLASS: Series C	Long Term Rating	A+sf Rating Outlook Negative PRIOR: A+sf	Affirmed	27-Oct-2020 PRIOR: 07-Sep-2020	ISIN: ES0382745026	COUNTRY: SPAIN SECTOR: Prime RMBS CURRENCY: EUR ORIG BALANCE: 9.400.000	Surveillance Rating Analyst Isabela de Benito



**RATING ACTION COMMENTARY**

# Fitch Affirms 5 Spanish RMBS Tranches

Tue 27 Oct, 2020 - 11:23 ET

Fitch Ratings - Madrid - 27 Oct 2020: Fitch Ratings has affirmed five tranches of five Spanish RMBS transactions and removed them from Rating Watch Negative (RWN) as detailed below.

The affirmations reflect the recent rating actions on BNP Paribas Securities Services (BNP; A+/Negative/F1) and Barclays Bank Plc (Barclays; A+/Negative/F1), as the RMBS ratings are capped at the account bank rating.

ES0347783039					Watch Negative
TDA Cajamar 2, FTA					
● Class D	LT	A+sf Rating Outlook Negative	Affirmed	A+sf Rating	Watch Negative
ES0377965050					
TDA 19 - MIXTO, FTA					
● Class D	LT	A+sf Rating Outlook Negative	Affirmed	A+sf Rating	Watch Negative

ENTR/DEBT	RATING	PRIOR
ES0275961038		Negative

Valencia

[VIEW ADDITIONAL RATING DETAILS](#)

## TRANSACTION SUMMARY

The transactions are securitisations of Spanish residential mortgages.

## KEY RATING DRIVERS

Excessive Counterparty Risk

The rating actions reflect those on BNP Paribas Security Services and Barclays Bank plc, and Fitch's view that these tranches are exposed to excessive counterparty dependency risk. This is because a material component of each tranche's credit enhancement protection is provided by the cash reserves held by the account bank. This is in line with Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria.

See: "Fitch Affirms BNP Paribas' Long-Term IDR at 'A+' with Negative Outlook; Off RWN" and "Fitch Affirms Barclays' Long-Term IDR at 'A'; off RWN; Outlook Negative" dated 12 October 2020 at [www.fitchratings.com](http://www.fitchratings.com). Barclays Bank plc is the SPV account bank provider for Valencia Hipotecario 2 and BNP Paribas Security Services performs the same role for the other four transactions.

TDA 19 has an ESG Relevance Score of 5 for "Transaction Parties & Operational Risk" due to excessive counterparty exposure, which has a negative impact on the credit profile, and is highly relevant to the rating. Without this cap, the rating would be at least one notch higher.

## RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

For each tranche, an upgrade of the SPV account bank's long-term rating could trigger a corresponding change to the notes' ratings. This because the notes' ratings are capped at the bank rating given the excessive counterparty risk exposure.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

For each tranche, a downgrade of the SPV account bank's long-term rating could trigger a corresponding change to the notes' ratings. This because the notes' ratings are capped at the bank rating given the excessive counterparty risk exposure.

A longer-than-expected coronavirus crisis that deteriorates macroeconomic fundamentals and the mortgage market in Spain beyond Fitch's current base case. Credit enhancement ratios cannot fully compensate the credit losses and cash flow stresses associated with the current rating scenarios, all else being equal.

### **BEST/WORST CASE RATING SCENARIO**

International scale credit ratings of Structured Finance transactions have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of seven notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of seven notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAAsf' to 'Dsf'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

### **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. 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.

## **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.

## **PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS**

Hipocat 6 and Valencia Hipotecario 2 class C notes and IM Cajamar 3, TDA Cajamar 2 and TDA 19 - Mixto class D notes' ratings are capped at the issuer account bank provider's rating because they are exposed to an excessive counterparty dependency risk. Barclays Bank plc is the SPV account bank provider for Valencia Hipotecario 2, and BNP Paribas Security Services performs the same role for the other four transactions.

## **ESG CONSIDERATIONS**

TDA 19 - MIXTO, FTA: Transaction Parties & Operational Risk: 5

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This 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. For more information on Fitch's ESG Relevance Scores, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg)

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)**APPLICABLE CRITERIA**

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria - Effective from 6 December 2019 to 13 November 2020 \(pub. 06 Dec 2019\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub. 29 Jan 2020\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub. 29 Jan 2020\)](#)

[European RMBS Rating Criteria \(pub. 22 May 2020\) \(including rating assumption sensitivity\)](#)

[Global Structured Finance Rating Criteria \(pub. 17 Jun 2020\) \(including rating assumption sensitivity\)](#)

## ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Policy](#)

## ENDORSEMENT STATUS

Hipocat 6, FTA	EU Issued
IM Cajamar 3, FTA	EU Issued
TDA 19 - MIXTO, FTA	EU Issued
TDA Cajamar 2, FTA	EU Issued
Valencia Hipotecario 2, FTH	EU Issued

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Structured Finance   Structured Finance: RMBS   Europe   Spain

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