

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

## **COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE**

### **TDA 24, 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 16 de abril de 2020, donde se llevan a cabo las siguientes actuaciones:

- Bono A1, **BB+ (sf); perspectiva de revisión negativa.**
- Bono A2, **BB (sf); perspectiva de revisión negativa.**

En Madrid, a 20 de abril de 2020

Ramón Pérez Hernández  
Consejero Delegado

16 Apr 2020 | Rating Watch

## Fitch Puts 85 Spanish & Portuguese RMBS Tranches on RWN on Coronavirus Shock

---

**Link to Fitch Ratings' Report(s):** [Fitch Puts 85 Spanish & Portuguese RMBS Tranches on RWN on Coronavirus Shock](#)

Fitch Ratings-Madrid-16 April 2020:

Fitch Ratings has placed 75 Spanish and 10 Portuguese RMBS tranches linked to 61 transactions on Rating Watch Negative (RWN) due to the anticipated effects of the coronavirus pandemic on the securitised portfolios. Fitch has also maintained seven tranches on RWN.

A full list of rating actions is below.

### Transaction Summary

The transactions are securitisations of Spanish and Portuguese residential mortgages.

### KEY RATING DRIVERS

#### COVID-19 Stresses

The RWN reflects the high probability that the tranches will be downgraded as a result of the coronavirus pandemic, considering the following drivers: i) reduced available liquidity to protect noteholders if underlying borrowers are granted and accept payment holidays; ii) insufficient credit enhancement (CE) levels that are unable to compensate for additional projected losses on the portfolios as a result of changing macro-economic circumstances; and iii) larger than average exposures to self-employed borrowers who are viewed as the most vulnerable in the current crisis due to income volatility and rapid job losses.

Portugal and Spain have been under a state of emergency since the middle of March 2020 with full lockdown measures implemented. Fitch has made assumptions about the spread of coronavirus and the economic impact of the related containment measures. As a base-case (most likely) scenario, Fitch assumes a global recession in 1H20, driven by sharp economic contractions in major economies with a rapid spike in unemployment, followed by a recovery that begins in 3Q20

as the health crisis subsides. However, if a longer lockdown period is required to contain the coronavirus in 2H20 or the health crisis extends through 2021 because of the re-emergence of infections, a prolonged period of economic contraction will take place linked to continued job losses and depressed markets.

Commentary describing Fitch's credit views and analytical approach as a consequence of coronavirus is available within the reports "Global Economic Outlook - COVID-19 Crisis Update April 2 2020", "Coronavirus Baseline and Downside Scenarios" and "Global SF Rating Assumptions Updated to Reflect Coronavirus Risk" at <https://www.fitchratings.com/>. Additionally, analytical notes relevant for EMEA RMBS transactions are discussed in the commentary "Fitch Ratings' Approach for Addressing Coronavirus-Related Risks for EMEA RMBS" dated 15 April 2020.

**Liquidity and Payment Interruption Risk:** Emergency support measures introduced by policy makers include mortgage payment moratoriums to vulnerable borrowers. The RWN on four senior 'AAsf' and 'AAAsf' tranches of four Spanish RMBS reflects Fitch's assessment of increased payment interruption risk on the notes in the event of a servicer disruption, as available liquidity sources will be reduced by the payment moratoriums and also by larger projected defaults. Therefore, liquidity could be insufficient to cover the senior transaction costs, net swap payments (if any) and notes' interest during a minimum of three months while alternative servicer arrangements were implemented.

**Weaker Asset Performance Outlook:** We expect a generalised weakening in borrowers' ability to keep up with mortgage payments, as large scale job losses take place especially in sectors like tourism related services. The RWN on 45 and maintained on seven mezzanine and junior tranches rated 'Asf' or below (from 36 transactions) reflect the heightened probability of downgrade in a scenario calibrated with a 15% increase of lifetime defaults versus un-adjusted assumptions.

**Large Exposure to Self-Employed:** The RWN also reflects the performance volatility expected on 20 tranches of 11 transactions with exposure to self-employed borrowers of greater than 20% of the current portfolio balance, as Fitch view self-employed borrowers to be highly vulnerable in the current crisis due to income volatility. Around 40% of the working population in Spain and Portugal is either self-employed or has temporary work arrangements, a ratio that is almost 10pp higher than the eurozone average (source: OECD).

#### Counterparty Dependencies (SPV Account Banks)

The RWN on 24 mezzanine and junior securitisation tranches of 19 transactions reflects the recent corresponding rating action on direct support counterparties in the transactions. This because the notes are exposed to excessive counterparty risk, as a very material component of each tranche's CE 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.

The majority of the related bank rating actions are explain in the following rating action commentaries: "Fitch Takes Action on 17 Spanish Banking Groups On Heightened Challenges from Coronavirus Outbreak", "Fitch Takes Action on 8 French Banking Groups On Coronavirus Growth Uncertainties" and "Fitch Places Barclays' Ratings on Negative Watch on Coronavirus Outbreak".

### RATING SENSITIVITIES

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

Transactions' liquidity sources are resilient to coronavirus-associated stresses such as payment moratoriums and new loan defaults, all else being equal. This is in connection with the notes affected by liquidity and payment interruption risks.

CE ratios increase as the transactions deleverage, able to fully compensate the credit losses and cash flow stresses commensurate with higher rating scenarios, all else being equal. This is in connection with the notes affected by a weaker asset performance outlook due to the coronavirus crisis.

An upgrade on the SPV account bank, all else being equal. This is in connection with the junior notes' ratings that are capped at the counterparty rating because of excessive counterparty risk.

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

Transactions' liquidity positions weaken due to large take ups on mortgage payment moratoriums and new defaults as a consequence of the coronavirus crisis. This is in relation to the notes affected by liquidity and payment interruption risk.

A longer-than-expected coronavirus crisis that deteriorates macroeconomic fundamentals and the mortgage market in Spain and Portugal beyond Fitch's current base case. CE ratios cannot fully compensate the credit losses and cash flow stresses associated with the current ratings scenarios, all else being equal. This in connection with the notes affected by a weaker asset performance outlook due to the coronavirus crisis.

A downgrade of the SPV account bank, all else being equal. This is in connection with the junior notes' ratings that are capped at the counterparty rating because of excessive counterparty risk.

A downgrade of Spain's Long-Term Issuer Default Rating (IDR) that could decrease the maximum achievable rating for Spanish structured finance transactions. This is in connection with the senior

notes rated 'AAAsf' as this is the current maximum achievable rating in the country six notches above the sovereign IDR, in line with the agency's Structured Finance and Covered Bonds Country Risk Rating Criteria

Fitch expects to resolve the RWN within the next six months, with a likely rating impact that could range between upgrades and affirmations to multi-notch downgrades depending on the trajectory of the coronavirus crisis, the take up rate of payment holidays and the final rating actions on SPV counterparties.

#### 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 portfolios 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, except for Miravet S.A.R.L. and IM BCC Cajamar 2, FT. 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.

## SOURCES OF INFORMATION

The information below was used in the analysis.

- Spanish Royal Decree Laws 7/2020 (12 March) and 8/2020 (17 March) sourced from Boletín Oficial del Estado
- Portuguese Decree-Law No. 10-J/2020 sourced from the Official Journal

## 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

The RWN driven by counterparty dependencies reflects the recent corresponding rating action on the respective SPV Account Bank provider rating because of excessive counterparty risk.

## MODELS

ResiGlobal

<https://www.fitchratings.com/site/structuredfinance/rmbs/resiglobal>

EMEA Cash Flow Model

<https://www.fitchratings.com/site/structuredfinance/emeacfm>

Contacts:

Surveillance Rating Analyst

Beatriz Gomez Crespo,

Associate Director

+34 91 702 5775

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Paula Nafria, FRM

Analyst

+34 91 076 1985

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Pablo Rubio,

Analyst

+34 91 076 1984

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Ricardo Garcia Carmona,

Director

+34 91 702 5772

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Marcos Meier,

Analyst

+34 91 702 5776

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Isabela de Benito,

Analyst

+34 91 702 5777

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Cesar Fernandez,

Associate Director

+34 91 076 1989

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Diana Leone, CFA

Director

+39 02 879087 219

Fitch Italia Società Italiana per il rating, S.p.A.

Via Morigi, 6 Ingresso Via Privata Maria Teresa, 8

Milan 20123

Surveillance Rating Analyst

Alberto Faraco Peinado, CFA

Director

+34 91 702 5778

Fitch Ratings Spain - Madrid

Paseo de la Castellana 31 9ºB

Madrid 28046

Surveillance Rating Analyst

Roberto Del Ragno,

Director

+39 02 879087 206

Fitch Italia Società Italiana per il rating, S.p.A.

Via Morigi, 6 Ingresso Via Privata Maria Teresa, 8

Milan 20123

Surveillance Rating Analyst

Sara De Novellis,

Associate Director

+39 02 879087 295



Fitch Italia Società Italiana per il rating, S.p.A.  
Via Morigi, 6 Ingresso Via Privata Maria Teresa, 8  
Milan 20123

Committee Chairperson

Juan David Garcia,  
Senior Director  
+34 91 702 5774

Media Relations: Athos Larkou, London, Tel: +44 20 3530 1549, Email:  
athos.larkou@thefitchgroup.com

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

### **Applicable Criteria**

[European RMBS Rating Criteria \(pub. 28 Feb 2020\) \(including rating assumption sensitivity\)](#)

[Global Structured Finance Rating Criteria \(pub. 02 May 2019\) \(including rating assumption sensitivity\)](#)

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

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

[Structured Finance and Covered Bonds Country Risk Rating Criteria \(pub. 06 Feb 2020\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub. 06 Dec 2019\)](#)

### **Additional Disclosures**

[Solicitation Status](#)

[Endorsement Status](#)

[Endorsement Policy](#)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings). IN ADDITION, THE FOLLOWING [HTTPS://WWW.FITCHRATINGS.COM/RATING-DEFINITIONS-DOCUMENT](https://www.fitchratings.com/rating-definitions-document) DETAILS FITCH'S RATING DEFINITIONS FOR EACH RATING SCALE AND RATING CATEGORIES, INCLUDING DEFINITIONS RELATING TO DEFAULT. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE.

DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT [HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2020 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and

methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001. Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

---

**ENDORSEMENT POLICY** - Fitch's approach to ratings endorsement so that ratings produced outside the EU may be used by regulated entities within the EU for regulatory purposes, pursuant to the terms of the EU Regulation with respect to credit rating agencies, can be found on the [EU Regulatory Disclosures](#) page. The endorsement status of all International ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for all structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.