

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

## **COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE**

### **SOL LION II RMBS, FONDO DE TITULIZACIÓN**

**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 15 de noviembre de 2024, donde se llevan a cabo las siguientes actuaciones:

- Serie A1, confirmado como **AAA (sf); perspectiva estable.**
- Serie A2, confirmado como **AAA (sf); perspectiva estable.**
- Serie A3, confirmado como **AAA (sf); perspectiva estable.**
- Serie A4, confirmado como **AAA (sf); perspectiva estable.**
- Serie A5, confirmado como **AAA (sf); perspectiva estable.**
- Serie A6, confirmado como **AAA (sf); perspectiva estable.**

En Madrid, a 18 de noviembre de 2024











Ramón Pérez Hernández  
Consejero Delegado

15 NOV 2024

## Fitch Affirms SOL LION II RMBS, FT

Fitch Ratings - Madrid - 15 Nov 2024: Fitch Ratings has affirmed SOL LION II RMBS, FT's notes at 'AAAsf' with a Stable Outlook as detailed below.

### Rating Actions

ENTITY/DEBT	RATING	RECOVERY	PRIOR
SOL LION II RMBS, FT			
• Class A1 LT ES0305515001	AAAsf 	Affirmed	AAAsf 
• Class A2 LT ES0305515019	AAAsf 	Affirmed	AAAsf 
• Class A3 LT ES0305515027	AAAsf 	Affirmed	AAAsf 
• Class A4 LT ES0305515035	AAAsf 	Affirmed	AAAsf 
• Class A5 LT	AAAsf 	Affirmed	AAAsf 

ENTITY/DEBT	RATING	RECOVERY	PRIOR
ES0305515043			
• Class			
A6 LT	AAAsf	Affirmed	AAAsf
ES0305515050			

## RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

## Transaction Summary

SOL LION II RMBS, FT is a revolving securitisation of prime Spanish residential mortgages originated and serviced by ING Bank N.V. Spain branch (ING Spain), a unit of ING Bank N.V. (AA-/Stable/F1+). The transaction closed in December 2020 and it has been revolving to date. The revolving period is expected to end in December 2026.

## KEY RATING DRIVERS

**European RMBS Rating Criteria Updated:** The rating actions reflect Fitch's update to its European RMBS Rating Criteria on 30 October 2024 that adopted a non-indexed current loan-to-value (CLTV) approach to derive the base foreclosure frequency (FF) on the portfolio, instead of the original LTV approach applied before.

Another change under Fitch's new RMBS Rating Criteria that is relevant for the analysis is the updated loan level recovery rate cap of 85%, which is lower than the 100% before. As the weighted average non-indexed CLTV ratio on the stressed pool stands at around 67.5%, the 'AAAsf' rating case loss rate has marginally decreased to 5.2% from 5.5% before. For more information see "Fitch Ratings Updates European RMBS Rating Criteria; Sets FF and HPD Assumptions" dated 30 October 2024.

**Sound Performance; Positive Transaction Adjustment:** The transaction continues to demonstrate robust performance with a low share of loans in arrears over 30 days, at 0.4% of the current portfolio balance as at the latest reporting period of September 2024. The ratio of gross cumulative defaults (defined as loans in arrears over 12 months) relative to the initial portfolio balance remains at just 0.2%, significantly below the average we observe for the Spanish RMBS sector of 6.7%.

In its credit analysis, Fitch has applied a positive transaction adjustment of 0.9x when estimating the portfolio's weighted average FF rates across all rating levels, reflecting the better-than-average performance record of ING Spain versus peer lenders in accordance with our rating criteria.

**Revolving Period Continues:** The transaction's revolving period, during which new mortgages can be purchased by the SPV, continues and is expected to last until its scheduled termination date in December 2026, in line with the covenants defined in the transaction documents. When calibrating the asset assumptions, Fitch has defined a stressed portfolio composition by assessing the covenants and concentration limits as defined by the transaction documents, and assuming that all loans fall within the class 2 debt to income category.

**Sufficient Credit Enhancement:** The rating actions reflect Fitch's view that credit enhancement (CE) for the notes is sufficient to fully compensate the credit and cash flow stresses associated with the corresponding ratings. In Fitch's rating analysis of the transaction, the same 15.1% CE protection is modelled across all the class A sub-tranches to reflect their pro-rata repayment approach in early liquidation and/or at legal final maturity date.

**Interest-Rate Risk Adequately Hedged:** The transaction has an interest rate swap that offsets the risk of up to 60% of the portfolio paying a fixed interest rate (either for life or temporarily) while 100% of the notes pay a floating coupon rate linked to the three-month Euribor. Under the swap agreement, the SPV pays 50bps and receives three-month Euribor (unfloored). The swap notional is dynamic, based on the performing outstanding balance of the fixed and mixed rate mortgages.

## **RATING SENSITIVITIES**

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

- A downgrade to Spain's Long-Term Issuer Default Rating (IDR). This is because the class A notes are rated at the 'AAAsf' maximum achievable rating in Spain, six notches above the sovereign IDR.
- Long-term asset performance deterioration such as increased delinquencies or reduced portfolio yield, which could be driven by changes in pool characteristics, macroeconomic conditions, business practices or legislation.
- CE ratios unable to fully compensate the credit losses and cash flow stresses associated with the current ratings. Fitch found that a combined 30% increase in the weighted average FF and a 30% decrease in the weighted average recovery rate would have no impact on the current ratings.

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

- As the notes are rated at the maximum 'AAAsf' on Fitch's rating scale they cannot be upgraded.

## **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 pool and the transaction. 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.

Prior to the transaction closing, Fitch reviewed the results of a third-party assessment conducted on the asset portfolio information and concluded that there were no findings that affected the rating analysis.

Prior to the transaction closing, Fitch conducted a review of a small targeted sample of the originator's origination files and found the information contained in the reviewed files to be adequately consistent with the originator's policies and practices and the other information provided to the agency about the asset portfolio.

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.

## **REPRESENTATIONS, WARRANTIES AND ENFORCEMENT MECHANISMS**

A description of the transaction's representations, warranties and enforcement mechanisms (RW&Es) that are disclosed in the offering document and which relate to the underlying asset pool is available by clicking the link to the Appendix. The appendix also contains a comparison of these RW&Es to those Fitch considers typical for the asset class as detailed in the Special Report titled 'Representations, Warranties and Enforcement Mechanisms in Global Structured Finance Transactions'.

## **ESG Considerations**

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>.

## **Fitch Ratings Analysts**

### **Alvaro Rubio Barcena**

Analyst

Surveillance Rating Analyst

+34 91 787 6757

Fitch Ratings Ireland Spanish Branch, Sucursal en España Pza de Pablo Ruiz Picasso 1 Torre Picasso  
19th floor Madrid 28020

### **Juan David Garcia**

Senior Director  
Committee Chairperson  
+34 91 702 5774

### **Media Contacts**

#### **Athos Larkou**

London  
+44 20 3530 1549  
athos.larkou@thefitchgroup.com

#### **Pilar Perez**

Barcelona  
+34 93 323 8414  
pilar.perez@fitchratings.com

### **Applicable Criteria**

[European RMBS Rating Criteria \(pub.30 Oct 2024\) \(including rating assumption sensitivity\)](#)

[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 \(pub.20 Jun 2024\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub.24 Oct 2024\)](#)

### **Applicable Models**

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

Multi-Asset Cash Flow Model, v3.4.0 (1)

ResiGlobal Model: Europe, v1.10.0 (1)

## **Additional Disclosures**

### **Solicitation Status**

### **Endorsement Status**

SOL LION II RMBS, FT EU Issued, UK Endorsed

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