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COMUNICACIÓN DE OTRA INFORMACIÓN RELEVANTE

TDA 26-MIXTO, 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 6 de mayo de 2021, donde se llevan a cabo las siguientes actuaciones:

- Bono 1-A2, subida a **AAA(sf)** desde **A+(sf)**.
- Bono 1-B, subida a **AAA(sf)** desde **A+(sf)**.
- Bono 1-c, afirmado como **A(sf)**.
- Bono 1-D, afirmado como **CCC(sf)**.
- Bono 2-A, afirmado como **A+(sf)**.
- Bono 2-B, afirmado como **A-(sf)**.
- Bono 2-C, afirmado como **CCC(sf)**.

En Madrid, a 7 de mayo de 2021







Ramón Pérez Hernández
Consejero Delegado





06 MAY 2021

Fitch Upgrades TDA 26 Mixto Series 1; Affirms Series 2








Fitch Ratings - Madrid - 06 May 2021: Fitch Ratings has upgraded TDA 26 Mixto Series 1 (TDA 26-1) class A2 and B notes and affirmed the others. It has also affirmed all tranches of TDA 26 Mixto Series 2 (TDA 26-2). The Outlooks on all tranches are Stable. A full list of rating actions is below.

Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
TDA 26-Mixto, FTA - Series 1				
• Class 1-A2 LT ES0377953015	AAAsf 	Upgrade		A+sf 
• Class 1-B LT ES0377953023	AAAsf 	Upgrade		A+sf 
• Class 1-C LT ES0377953031	Asf 	Affirmed		Asf 
• Class 1-D LT	CCCsfc	Affirmed		CCCsfc

ENTITY/DEBT	RATING	RECOVERY	PRIOR
ES0377953049			
TDA 26-Mixto, FTA - Series 2			
• Class 2-A LT ES0377953056	A+sf 	Affirmed	A+sf 
• Class 2-B LT ES0377953064	A-sf 	Affirmed	A-sf 
• Class 2-C LT ES0377953072	CCCsf	Affirmed	CCCsf

RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

Transaction Summary

The transactions comprise fully amortising Spanish residential mortgages originated and serviced by Banco de Sabadell, SA (BBB-/Stable/F3) and Banca March (not rated).

KEY RATING DRIVERS

PIR Cap in TDA 26-1 Removed

Fitch considers payment interruption risk (PIR) in TDA 26-1 is mitigated in the event of a servicer disruption. We deem the available structural mitigant of a cash reserve that can be depleted by losses sufficient to cover stressed senior fees, net swap payments and senior note interest due amounts while an alternative servicer arrangement was implemented.

The reserve has remained fully funded since 2016, demonstrating consistent coverage of PIR exposure. Fitch expects the reserve to remain sufficiently funded in the medium term based on the transaction's current performance. As a result, Fitch has removed the 'A+sf' cap on the notes' rating in line with its Structured Finance & Covered Bonds Counterparty Rating Criteria.

PIR Constraints in TDA 26-2

TDA 26-2 remains exposed to PIR in the event of a servicer disruption, as Fitch deems the available structural mitigants (a cash reserve fund that can be depleted by losses) insufficient to cover stressed senior fees, net swap payments and senior note interest due amounts while an alternative servicer arrangement was implemented. The number of borrowers left in the pool is low (under 300), which exposes the transaction to added volatility. This could affect the level of reserve fund as it can also be used to cover for losses.

As a result, Fitch continues to cap the notes' rating at 'A+sf'. Although one of the collection account banks, Banca March, is not rated by Fitch, the rating cap acknowledges the bank's established retail franchise, the availability of bank ratings by other internationally recognised agencies, and robust banking sector supervision in Spain.

Excessive Counterparty Exposure in TDA 26-1

TDA 26-1's class C notes are capped at 'Asf', equivalent to its SPV account bank provider's Long-Term Deposit Rating (Société Generale, S.A, 'A'). The rating cap reflects the excessive counterparty dependency on the SPV account bank holding the cash reserves, as the sudden loss of these funds would imply a downgrade of 10 or more notches in accordance with Fitch's criteria.

Resilient to Covid-19 Additional Stresses

The upgrades and affirmations and Stable Outlooks reflect our view that CE protection is sufficient to mitigate the risks associated with our base-case coronavirus scenario. Fitch has applied additional stresses in conjunction with its European RMBS Rating Criteria in response to the coronavirus outbreak and the recent legislative developments in Catalonia. Fitch anticipates a generalised weakening in Spanish borrowers' ability to keep up with mortgage payments due to a spike in unemployment and vulnerable self-employed borrowers.

Performance indicators such as the level of three months plus arrears excluding defaults (standing at 0.4% for TDA 26-1 and 0% for TDA 26-2 at January 2021) could deteriorate in the following months. Consequently, Fitch has incorporated a 10% increase to the weighted average foreclosure frequency (WAFF) of the portfolios (see EMEA RMBS: Criteria Assumptions Updated due to Impact of the Coronavirus Pandemic and Spain RMBS: Criteria Assumptions Updated Due to Decree Law in Catalonia

at www.fitchratings.com).

As outlined in "Fitch Ratings Coronavirus Scenarios: Baseline and Downside Cases", we also consider a downside coronavirus scenario for sensitivity purposes whereby a more severe and prolonged period of stress is assumed. Under this scenario, Fitch's analysis accommodates a 15% increase to the portfolio WAFF and a 15% decrease to the WA recovery rates (WARR). The notes could be downgraded by up to one notch in this scenario.

Fitch's analysis of TDA 26 -1 and 26-2 portfolios is subject to the minimum lifetime credit loss expectation as per the agency's criteria. The performance adjustment factor floor of 100% applied on TDA 26-1 reflects the repurchase of some defaulted loans in the past by the originator.

Tail Risk Present in TDA 26-2

The number of borrowers remaining in the pool is low at 282, which can lead to increased volatility in transaction performance. The affirmation of TDA 26-2's class B notes considers Fitch's Covid-19 downside scenario of a 15% increase in the FF and a 15% reduction in the RR, which resulted in a one-notch downgrade from the current rating. The rating has been affirmed at one notch below the model-implied rating.

ESG Relevance Scores

TDA 26-1 has an Environmental, Social and Governance ESG Relevance Score of '5' for Transaction Parties & Operational Risk due to excessive counterparty exposure to the account bank provider, Societe Generale S.A, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in an implicitly lower rating.

TDA 26-2 has an ESG Relevance Score of '5' for Transaction & Collateral Structure due to payment interruption risk, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in an implicitly lower rating.

RATING SENSITIVITIES

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

- Credit enhancement ratios increase as the transactions deleverage, able to fully compensate the credit losses and cash flow stresses commensurate with higher rating scenarios.
- For TDA 26-2's senior notes, improved liquidity protection against a servicer disruption event. This is because the ratings are capped at 'A+sf' due to unmitigated payment interruption risk.
- For TDA 26-1's class C notes, an upgrade of Société Generale's Long-Term Deposit Rating could increase the maximum achievable rating, as the notes' rating is capped at the counterparty rating.

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

- 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 ratings scenarios, all else being equal. To approximate this scenario, Fitch conducted a rating sensitivity by increasing default rates by 15% and cutting recovery expectations by 15%, which would imply downgrades of up to one notch for the notes.

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

TDA 26-Mixto, FTA - Series 1, TDA 26-Mixto, FTA - Series 2

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.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

TDA 26-1's class C notes' rating is directly linked to its SPV account bank provider's Long-Term Deposit Rating due to excessive counterparty dependency.

ESG Considerations

TDA 26-Mixto, FTA - Series 1: Transaction Parties & Operational Risk: '5'

TDA 26-Mixto, FTA - Series 2: Transaction & Collateral Structure: '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

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Applicable Criteria

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

[Global Structured Finance Rating Criteria \(pub.24 Mar 2021\) \(including rating assumption sensitivity\)](#)

[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 \(pub.23 Sep 2020\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub.13 Nov 2020\)](#)

Applicable Models

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

Multi-Asset Cash Flow Model, v2.9.0 [\(1\)](#)

ResiGlobal Model: Europe, v1.6.4 [\(1\)](#)

Additional Disclosures

[Solicitation Status](#)

Endorsement Status

TDA 26-Mixto, FTA - Series 1 EU Issued, UK Endorsed

TDA 26-Mixto, FTA - Series 2 EU Issued, UK Endorsed

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