

Hecho Relevante de **VAL BANCAJA 1 FONDO DE TITULIZACION DE ACTIVOS**

En virtud de lo establecido en el Folleto Informativo de **VAL BANCAJA 1 FONDO DE TITULIZACION DE ACTIVOS** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 21 de marzo de 2016, comunica que ha confirmado las calificaciones asignadas a las Series de Bonos emitidos por el Fondo:
 - **Serie A2:** **A+sf**, perspectiva estable
 - **Serie B:** **Asf**, perspectiva estable
 - **Serie C:** **BBB+sf**, perspectiva estable

Se adjunta la comunicación emitida por Fitch.

Madrid, 22 de marzo de 2016.

Mario Masiá Vicente
Director General

Fitch Affirms 5 Spanish RMBS Deals

Fitch Ratings-London-21 March 2016: Fitch Ratings has affirmed five Spanish RMBS transactions. A full list of rating actions is available at the end of this commentary.

The transactions are serviced by Banco Mare Nostrum, S.A. (BB/Stable/B) for AyT Caja Granada Hipotecario 1 and Ayt Caja Murcia Hipotecario I; Liberbank S.A. (BB/Stable/B) for IM Cajastur MBS 1; Banco de Sabadell S.A. for TDA 29 and Bankia, S.A. (BBB/Stable/F3) for VAL Bancaja 1.

KEY RATING DRIVERS

Stable Credit Enhancement

The notes in AyT Caja Granada Hipotecario 1, IM Cajastur MBS 1, TDA 29 and VAL Bancaja are currently paying sequentially (with the exception of AyT Caja Granada) which has allowed credit enhancement (CE) to continue building up. A switch to pro-rata is not expected in the near future as various conditions remain unmet.

AyT Caja Murcia Hipotecario 1 has been paying pro-rata since April 2010, and given the low arrears level we do not expect a reverse to sequential payment in the next 12 months. Consequently, further increases in CE will be restricted, and this limits the scope for positive rating actions despite the solid performance to date.

Overall Fitch considers the CE of the rated notes in these transactions sufficient to withstand the rating stresses leading to the affirmations.

Stable Asset Performance

With the exception of AyT Caja Granada Hipotecario 1, the deals have shown sound asset performance compared with the average Fitch-rated Spanish RMBS. Three-months plus arrears (excluding defaults) as a percentage of the current pool balance range from 0.4% (AyT Caja Murcia Hipotecario) to 1.7% (IM Cajastur). These numbers remain broadly in line with Fitch's index of three-months plus arrears (excluding defaults) of 1.0%. For AyT Caja Granada, three-month arrears have been consistently higher at 4.5%.

Cumulative defaults, defined as mortgages in arrears by more than 18 months (12 months for TDA 29), range from 0.3% (AyT Caja Murcia Hipotecario) to 5.7% (Caja Granada) of original collateral balance, with AyT Caja Granada the only transaction above the sector average of 5.3%. Fitch believes that these levels are likely to rise further in AyT Caja Granada as late-stage arrears roll into the defaulted category. Given the increasing default trend, Fitch has revised the Recovery Estimate for AyT Caja Granada's class C notes to 0% from 10%.

Maturity Extensions

Based on information provided by the servicers, Fitch found that some borrowers in AyT Caja Granada and AyT Caja Murcia transactions have been offered maturity extensions to their loans. Fitch has increased the foreclosure frequency for these loans as this signals a weaker borrower profile and found the current CE to be sufficient to mitigate the risk.

Commercial Loan Exposure

Fitch notes that around 9% of the current pool balance of IM Cajastur comprises loans granted to SMEs. Fitch applied an additional 200% foreclosure frequency hit to these loans to account for the greater default risk. Fitch also employed its commercial Market Value Decline Matrix to derive the Recovery Rates for this proportion of the pool. Fitch found the current CE sufficient to mitigate the risk.

Reserve Fund Balances

The reserve funds for IM Cajastur and TDA 29 are close to their targets (97% and 88%). However, for AyT Caja Granada the reserve fund remains fully depleted, and the principal deficiency ledgers (PDL) report debits of 6% of the current note balance. Given the increasing growth of defaults in AyT Caja Granada, Fitch believes further PDL debit balances may materialise on the next payment dates. In contrast AyT Caja Murcia and Val Bancaja have fully-funded reserve funds.

Absence of Hedging

Fitch believes the absence of a swap in Val Bancaja exposes the transaction to basis risk, which we have factored into the analysis. Nevertheless, the agency considers the available CE sufficient to withstand the resulting stresses.

Payment Interruption Risk

Fitch considers the reserve fund balance in AyT Caja Murcia, IM Cajastur and VAL Bancaja as well as the dedicated liquidity reserve in AyT Caja Granada sufficient to provide liquidity to cover a number of payments due to the senior noteholders and relevant counterparties in the event of servicer or collection account bank default. In contrast, the current balance of the reserve fund in TDA 29 exposes senior noteholders to payment interruption risk consistent with the low investment-grade ratings. Therefore even if the transaction's performance improves we are unlikely to upgrade the ratings above 'Asf'.

Commingling Exposure

Fitch believes all of the transactions are exposed to commingling loss in the event of default of the collection account bank as there is no certainty regarding the timely cessation of further payments into the commingled accounts. The agency captured this additional stress in its analysis and found the current CE sufficient to mitigate the risk.

RATING SENSITIVITIES

A worsening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift of interest rates could jeopardise the underlying borrowers' affordability.

An underperformance of the loans that have been granted maturity extensions in both AyT deals may lead to negative rating actions.

The ratings are also sensitive to changes to Spain's Country Ceiling (AA+) and, consequently, changes to the highest achievable rating of Spanish structured finance notes (AA+sf).

DUE DILIGENCE USAGE

No third party due diligence was provided or reviewed 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 were material to this 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.

SOURCES OF INFORMATION

The information below was used in Fitch analysis.

Loan-by-loan data obtained from the European Data Warehouse with a cut-off date of

01 December 2015 for AyT Caja Granada Hipotecario I

11 January 2016 for AyT Caja Murcia Hipotecario I

31 October 2015 for TDA 29

18 November 2015 for Val Bancaja

31 December 2015 for IM Cajastur

Transaction reporting provided by:

Haya Titulizacion SGFT S.A. as of:

December 2015 for AyT Caja Granada Hipotecario I

January 2016 for AyT Caja Murcia Hipotecario I

InterMoney Titulizacion as of :

December 2015 for IM Cajastur MBS I

Titulizacion de Activos as of:

November 2015 for TDA 29

Europea de Titulizacion as of:

November 2015 for Val Bancaja

MODELS

The model below was used in the analysis. Click on the link for a description of the model.

EMEA RMBS Surveillance Model. (https://www.fitchratings.com/web_content/pages/rmbs/emea-rmbs-surveillance-model.htm)

The rating actions are as follows:

AyT Caja Granada Hipotecario 1:

Class A notes (ISIN ES0312212006): affirmed at 'Asf'; Outlook Stable

Class B notes (ISIN ES0312212014): affirmed at 'CCsf'; Recovery Estimate 95%

Class C notes (ISIN ES0312212022): affirmed at 'CCsf'; Recovery Estimate revised to 0% from 10%

Class D notes (ISIN ES0312212030): affirmed at 'CCsf'; Recovery Estimate 0%

AyT Caja Murcia Hipotecario I:

Class A notes (ISIN ES0312282009): affirmed at 'AA-sf'; Outlook Stable

Class B notes (ISIN ES0312282017): affirmed at 'Asf'; Outlook Stable

Class C notes (ISIN ES0312282025): affirmed at 'BB+sf'; Outlook Stable

IM Cajastur MBS 1:

Class A notes (ISIN ES0312745004): affirmed at 'Asf'; Outlook Stable

Class A notes (ISIN ES0347450004): affirmed at 'A+sf'; Outlook Stable
Class B notes (ISIN ES0347450012): affirmed at 'BBB+sf'; Outlook Stable

TDA 29:
Class A2 notes (ISIN ES0377931011): affirmed at 'BBBsf'; Outlook Stable
Class B notes (ISIN ES0377931029): affirmed at 'Bsf'; Outlook Stable
Class C notes (ISIN ES0377931037): affirmed at 'CCSf'; Recovery Estimate 65%
Class D notes (ISIN ES0377931045): affirmed at 'CCsf'; Recovery Estimate 0%

VAL Bancaja 1:
Class A2 notes (ISIN ES0339721013): affirmed at 'A+sf'; Outlook Stable
Class B notes (ISIN ES0339721021): affirmed at 'Asf'; Outlook Stable
Class C notes (ISIN ES0339721039): affirmed at 'BBB+sf'; Outlook Stable

Contacts:
Lead Surveillance Analyst
Ricardo Garcia
Associate Director
+44 20 3530 1749
Fitch Ratings Limited
30 North Colonnade
London E14 5GN

Committee Chairperson
Lara Patrignani
Senior Director
+44 20 3530 1052

Media Relations: Athos Larkou, London, Tel: +44 203 530 1549, Email: athos.larkou@fitchratings.com.

Additional information is available at www.fitchratings.com.

Applicable Criteria

Counterparty Criteria for Structured Finance and Covered Bonds (pub. 14 May 2014) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=7441158&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Counterparty Criteria for Structured Finance and Covered Bonds: Derivative Addendum (pub. 14 May 2014) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=7441175&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria Addendum: Spain - Residential Mortgage Assumptions (pub. 24 Aug 2015) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=869918&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria for Interest Rate Stresses in Structured Finance Transactions and Covered Bonds (pub. 19 Dec 2014) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=838868&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria for Rating Caps and Limitations in Global Structured Finance Transactions (pub. 28 May 2014) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=748781&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria for Rating Granular Corporate Balance-Sheet Securitisations (SME CLOs) (pub. 03 Mar 2016) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=878445&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria for Servicing Continuity Risk in Structured Finance (pub. 17 Dec 2015) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=875586&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds (pub. 20 Feb 2015) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=862115&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
EMEA RMBS Rating Criteria (pub. 16 Dec 2015) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=875102&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Global Structured Finance Rating Criteria (pub. 06 Jul 2015) (https://www.fitchratings.com/creditedesk/reports/report_frame.cfm?rpt_id=867952&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)

Additional Disclosures

Dodd-Frank Rating Information Disclosure Form (https://www.fitchratings.com/creditedesk/press_releases/content/ridf_frame.cfm?pr_id=1001227&cf=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1Ni9yJmJleHAiOiJlbnNpb25LZm91dG8iOiJ1UEVGVWk5PRFBINkNQ01XRfZSVfJkSElFQ1ZaUzE1Wk1YQkNSU9Ll0.DpjLXf4A40Xtn3huWpI2GHO_sKcw8uw3egVyGsoadPM)
Solicitation Status (https://www.fitchratings.com/gws/en/disclosure/solicitation?pr_id=1001227)
Endorsement Policy (<https://www.fitchratings.com/jsp/creditedesk/PolicyRegulation.faces?context=2&detail=31>)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS) (<http://fitchratings.com/understandingcreditratings>). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. 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. 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.

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 (<https://www.fitchratings.com/regulatory>) 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.