

Hecho Relevante de

BBVA RMBS 12 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el apartado 4.1.4 del Módulo Adicional a la Nota de Valores del Folleto Informativo de **BBVA RMBS 12 Fondo de Titulización de Activos** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Standard & Poor’s Ratings Services** (“S&P”), con fecha 21 de febrero de 2017, comunica que ha confirmado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie A: A- (sf)**

Asimismo, S&P ha elevado la calificación asignada a la restante Serie de Bonos:

- **Serie B: BBB+ (sf)** (anterior **BBB (sf)**)

Se adjunta la comunicación emitida por S&P.

Madrid, 22 de febrero de 2017.

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Various Rating Actions Taken In Spanish RMBS Transaction BBVA RMBS 12 Following Review

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OVERVIEW

- We have reviewed BBVA RMBS 12's performance by conducting our credit and cash flow analysis and by applying our relevant criteria.
- Following our review, we have affirmed our 'A- (sf)' rating on the class A notes and raised to 'BBB+ (sf)' from 'BBB (sf)' our rating on the class B notes.
- BBVA RMBS 12 is a Spanish RMBS transaction, which securitizes a portfolio of first-ranking mortgage loans granted to Spanish residents.

MADRID (S&P Global Ratings) Feb. 21, 2017--S&P Global Ratings today affirmed its 'A- (sf)' credit rating on BBVA RMBS 12, Fondo de Titulizacion de Activos' class A notes. At the same time, we have raised to 'BBB+ (sf)' from 'BBB (sf)' our rating on the class B notes (see list below).

Today's rating actions follow the application of our related criteria and our credit and cash flow analysis of the transaction (see "Related Criteria").

In line with other transactions backed by Banco Bilbao Vizcaya Argentaria S.A. (BBVA) originated loans, delinquencies (loans 30+ days in arrears are 0.90% as of the December 2016 investor report) have remained stable, and are below our Spanish residential mortgage-backed securities (RMBS) index (see "Spanish RMBS Index Report Q3 2016," published on Dec. 13, 2016). Cumulative defaults, since closing in December 2013, have accrued up to 0.4% of the closing collateral

balance. Our weighted-average foreclosure frequency (WAFF) assumptions have slightly increased since our previous full review due to the negative impact of the increased original loan-to-value (LTV) ratio (see "Various Rating Actions Taken In Spanish RMBS Transactions BBVA RMBS 12 And 13 Following Application Of Updated Criteria," published on Jan. 23, 2015).

In addition, our weighted-average loss severity (WALS) assumptions have improved at all rating levels as the transaction has benefitted from the decrease in the weighted-average current loan-to-value (LTV) ratios and our lower market value decline assumption.

The notes redeem sequentially and the reserve fund has remained fully funded, which has increased the available credit enhancement for all classes of notes.

We have determined that our assigned rating on each class of notes in this transaction should be the lower of (i) the rating as capped by our current counterparty criteria, (ii) the rating that the class of notes can attain under our European residential loans criteria, and (iii) the rating as capped by our structured finance ratings above the sovereign criteria (RAS criteria; see "Related Criteria").

Our current counterparty criteria cap our ratings on the notes in this transaction at 'A- (sf)'. We consider that the documented replacement mechanisms adequately mitigate counterparty risk exposure to BBVA, as bank account provider, up to a 'A-' rating level (see "Counterparty Risk Framework Methodology And Assumptions," published on June 25, 2013).

Under our European residential loans criteria, the class A and B notes have sufficient credit enhancement to withstand our stresses at the 'A+' and 'BBB+' rating levels, respectively (see "Methodology And Assumptions: Assessing Pools Of European Residential Loans," published on Dec. 23, 2016). These results are mainly due to higher credit enhancement and our slightly lower credit coverage assumptions.

The class A notes have sufficient credit enhancement to withstand a severe stress scenario under our RAS criteria, and can therefore be rated up to two notches above our long-term rating on Spain (BBB+/Stable/A-2), or 'A' (see "Ratings Above The Sovereign - Structured Finance: Methodology And Assumptions," published on Aug. 8, 2016).

Taking these factors into account, we have therefore affirmed our 'A- (sf)' rating on the class A notes based on the results of our credit and cash flow analysis and the application of our criteria. At the same time, we have raised to 'BBB+ (sf)' from 'BBB (sf)' our rating on the class B notes, mainly due to the increased credit enhancement and lower credit coverage requirements.

BBVA RMBS 12 is a Spanish RMBS transaction, which closed in December 2013. The transaction securitizes a pool of first-ranking mortgage loans granted to prime borrowers, which BBVA originated. The portfolio is mainly located in

Catalonia, Andalucía, and Madrid.

RELATED CRITERIA

- Criteria - Structured Finance - General: Methodology And Assumptions: Assessing Pools Of European Residential Loans, Dec. 23, 2016
- Criteria - Structured Finance - General: Ratings Above The Sovereign - Structured Finance: Methodology And Assumptions, Aug. 08, 2016
- Criteria - Structured Finance - General: Methodology: Criteria For Global Structured Finance Transactions Subject To A Change In Payment Priorities Or Sale Of Collateral Upon A Nonmonetary EOD, March 02, 2015
- Criteria - Structured Finance - General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 09, 2014
- Legal Criteria: Europe Asset Isolation And Special-Purpose Entity Criteria--Structured Finance, Sept. 13, 2013
- Criteria - Structured Finance - General: Counterparty Risk Framework Methodology And Assumptions, June 25, 2013
- Criteria - Structured Finance - General: Criteria Methodology Applied To Fees, Expenses, And Indemnifications, July 12, 2012
- General Criteria: Methodology: Credit Stability Criteria, May 03, 2010
- Criteria - Structured Finance - General: Standard & Poor's Revises Criteria Methodology For Servicer Risk Assessment, May 28, 2009

RELATED RESEARCH

- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- Spanish RMBS Index Report Q3 2016, Dec. 13, 2016
- 2015 EMEA RMBS Scenario And Sensitivity Analysis, Aug. 6, 2015
- Various Rating Actions Taken In Spanish RMBS Transactions BBVA RMBS 12 And 13 Following Application Of Updated Criteria, Jan. 23, 2015

RATINGS LIST

Class	Rating
To	From
BBVA RMBS 12, Fondo de Titulizacion de Activos €4.35 Billion Asset-Backed Floating-Rate Notes	
Rating Affirmed	
A	A- (sf)
Rating Raised	

B	BBB+ (sf)	BBB (sf)
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