

Hecho Relevante de

BBVA RMBS 17 FONDO DE TITULIZACIÓN

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 17 FONDO DE TITULIZACIÓN** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Axesor Conocer para Decidir, S.A. (“Axesor”)**, con fecha 13 de diciembre de 2019, comunica que ha confirmado la calificación asignada a los Bonos emitidos por el Fondo:

- **Bonos:** **A⁺_(sf)**

Se adjunta la comunicación emitida por Axesor.

Madrid, 18 de diciembre de 2019.



ISSUE RATING

Structured Finance RMBS
Rating
Issue: 1,584,000,000 €
Coupon: EUR3M+0.30 %
Amortization: Sequential

First rating date: 24/11/2016
Review date: 13/12/2019

Analysts

Head of Structured Finance
Vicente Gregorio Iglesias
vgiglesias@axesor-rating.es

Chief Rating Officer
Guillermo Cruz Martínez
gcmartinez@axesor-rating.es

BBVA RMBS 17 FT

Executive Summary

BBVA RMBS 17 FT is a granular securitization fund with static pool of first ranking, prime-secured loans, structured under Spanish legislation. The fund's target was to obtain funding and liquidity by issuing bonds. The collateral consists of a portfolio of residential mortgage loans originated by Banco Bilbao Vizcaya Argentaria S.A ("BBVA"). The legal maturity date is August 16, 2066.

Class	Rating	Notional (Thds€) (1)	Coupon	Credit Enhancement	Legal Maturity Date
A	A+	1.263.812	EUR3M+0.30%	19.46%	16/08/2066
Loan B	NR	216.000	EUR3M+0.15%	4.87%	16/08/2066
Reserve Fund	-	72.000			

(1) As of payment date 18 November 2019

The rating addresses the timely payment of interest and the ultimate payment of principal on the Class A notes by the legal maturity date established in the prospectus. All figures in the report refer to the pool cut as of 31 October 2019. The figures related to the liabilities (Class A and Loan B) refer to the payment date falling on 18 November 2019.

Content

1. Rating Rationale

4

Sources of information

The credit rating assigned in this report has been requested by the rated entity, which has also taken part in the process. It is based on information provided by the rated entity.

From the time of issuance of the rating, the information provided by the management company, the originator or any other participant in the transaction will be reviewed and monitored as follows:

1. The quality of the Collateral.
2. The level of credit enhancement.
3. Counterparties.
4. Fund's Triggers.

The information was thoroughly reviewed to ensure that it is valid and consistent and is considered satisfactory. Nevertheless, Axesor Rating assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

Additional information

- ▶ The rating was carried out in accordance with Regulation (EC) N° 1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies, and in accordance with the Structured Finance Rating Methodology that can be consulted on www.axesor-rating.com/en/about-axesor/methodology and according to the Structured Finance Rating scale available at www.axesor-rating.com/en/about-axesor/rating-scale.
- ▶ Axesor publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- ▶ In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months axesor has not provided ancillary services to the rated entity or its related third parties.

Main Figures:

Main figures	
Issuer	BBVA RMBS 17 FT
Purpose	Liquidity and Funding
Fund Type	Closed
Asset Class	Residential Mortgage Loans
Originator/Seller/Service	BBVA
Constitution Date	21/11/2016
Closing Date	23/11/2016
Assets(Thds€)	1.481.198
Liabilities (Thds€)	1.479.812
Listing	AIAF
Settlement	IBERCLEAR
Call	10%
Payment Date	Quarterly (February, May, August, November)
1st Payment Date	16/02/2017
Legal Maturity Date	16/08/2066

Source: Europa de Titulización, S.A., SGFT, BBVA

Participants

Participants	Function
Banco Bilbao Vizcaya Argentaria S.A	Originator/Seller
Banco Bilbao Vizcaya Argentaria S.A	Service
BBVA and Europa de Titulización S.A, SGFT	Arranger
Europa de Titulización S.A.	Management Company
Banco Bilbao Vizcaya Argentaria S.A	Paying Agent
Banco Bilbao Vizcaya Argentaria S.A	Bank Account
Deloitte & Touche España, S.L.	Auditor
Uría Menéndez Abogados S.L.P	Legal Adviser

Source: Europa de Titulización, S.A., SGFT BBVA

Transaction Diagram



1. Rating Rationale

Axesor rating has affirmed its credit rating to A⁺_(sf) on the notes issued by BBVA RMBS 17 FT.

The rating addresses the timely payment of interests and the ultimate payment of principal on the Class A notes on the legal final maturity of August 2066.

BBVA RMBS 17 FT is a granular cash-flow securitization transaction of a €1.481MM static portfolio of Spanish mortgage loans originated by BBVA. The assets backing the notes are mortgage loans secured by residential properties located in Spain. The portfolio will be serviced by BBVA.

The portfolio has amortized in line with our expectation, at 82.29% of the initial portfolio balance. The portfolio remains granular with 13,803 outstanding mortgage loans. The constant monthly prepayment rate for the last year is 3.89%. After 3 years since the inception of the transaction, delinquency levels (+90 days in arrears) remain low at a rate of 0.073% meanwhile the doubtful loans ratio (+18 months) remains very close to zero, at a rate of 0.029%.

The pool has exhibited improved credit metrics since the initial closing date and prior reviews. Axesor has recalculated its assumptions for the cash flow analysis. Additionally, Axesor conducted a sensitivity analysis to assess the impact on the rating of changes in the expected default and recovery rates, individually or combined over the base case assumptions.

Class A Sensitivities	
DR +20%	A
DR +40%	A-
RR -20%	A
RR -40%	A-
DR +20%& RR-20%	A
DR+40%& RR-40%	A-

Credit enhancement for the senior tranche has increased to 19.46% from 16.00% at the initial closing, due to the deleveraging of the transaction. Following the application of our credit and cash flow stresses, the available credit enhancement for the senior class notes commensurates with A⁺_(sf) rating.

The transaction is exposed to counterparty risk through Banco Bilbao Vizcaya Argentaria S.A. as bank account provider and paying agent of the notes. The transaction's documented rating requirements for Banco Bilbao Vizcaya Argentaria S.A. under its different roles and its replacement mechanisms, adequately mitigate its exposure to counterparty risk.

Conditions of Use for this document and its content:

For all types of Ratings that the AGENCY issues, the User may not, either by themselves or via third parties, transfer, sublease, sublicense, sell, extract, reuse, or dispose of in any other way the content of this Document to a third party, either for free or for consideration. Nor may they alter, transform or distort the information provided in any way. In addition, the User will also not be permitted to copy and/or duplicate the information, nor create files which contain the information of the Document, either in its entirety or partially. The Document and its source code, regardless of the type, will be considered as the elaboration, creation, or work of the AGENCY and subject to the protection of intellectual property right regulation.

For those uses of this Document which are permitted, the User is obliged to not allow the removal of the copyright of the AGENCY, the date of the Document's issuance, the business name as established by the AGENCY, as well as the logo, brands and any other distinctive symbol which is representative of the AGENCY and its rights over the Document.

The Document and its content may not be used for any illicit purpose or any purpose other than those authorised by the AGENCY. The User will inform the AGENCY about any unauthorised use of the Document and/or its content that may become apparent.

The User will be answerable to the AGENCY for itself and its employees and/or any other third party which has been given or has had access to the Document and/or its content in the case of damages which arise from the breach of obligations which the User declared to have read, accepted and understood upon receiving the Document, without prejudice to any other legal actions that the AGENCY may exercise in defence of its lawful rights and interests.

The Document is provided on the acceptance that the AGENCY is not responsible for the interpretation that the User may make of the information contained. Credit analyses included in the Document, as well as the ratings and statements, are to be deemed as opinions valid on the date of issuance of the reports and not as statements of fact or recommendations to purchase, hold or sell any securities or to make any investment decision. The credit ratings and credit rating prospects issued by the AGENCY are considered to be its own opinion, so it is recommended that the User take it as a limited basis for any purpose that it intends to use the information for. The analyses do not address the suitability of any value. The AGENCY does not act as a fiduciary or an investment advisor, so the content of the Document should not be used as a substitute for knowledge, criteria, judgement or experience of the User, its Management, employees, advisors and/or clients in order to make investment decisions.

The AGENCY will devote every effort to ensure that the information delivered is both accurate and reliable. Nonetheless, as the information is elaborated based on data supplied by sources which may be beyond the control of the AGENCY, and whose verification and comparison is not always possible, the AGENCY, its subsidiaries, and its directors, shareholders, employees, analysts and agents will not bear any responsibility whatsoever (including, without any limitations, loss of revenue or income and opportunity costs, loss of business or reputational damage or any other costs) for any inaccuracies, mistakes, noncorresponding information, incompleteness or omission of data and information used in the elaboration of the Document or in relation to any use of its content even should it have been warned of potential damages. The AGENCY does not make audits nor assume the obligation of verifying independent sources of information upon which the ratings are elaborated.

Therefore the User agrees that information provided by the AGENCY may be another element to consider when making business decisions, but decisions will not be made based solely on it; that being the case the AGENCY will not be held responsible for the lack of suitability. In addition, the use of the information before courts and/or tribunals, public administrations, or any other public body or private third party for any reason shall be solely the User's responsibility and the AGENCY shall not be held responsible for any liabilities on the grounds of inappropriateness of the information's contents.

Copyright © 2019 AXESOR RISK MANAGEMENT S.L.U. All Rights Reserved.