

Hecho Relevante de VALENCIA HIPOTECARIO 1 FONDO DE TITULIZACION DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de **VALENCIA HIPOTECARIO 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 9 de octubre de 2018, comunica que ha confirmado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:
 - **Serie C:** **Asf**, perspectiva positiva

Se adjunta la comunicación emitida por Fitch.

Madrid, 9 de octubre de 2018.



Fitch Maintains Valencia Hipotecario 1 on Rating Watch Positive

Fitch Ratings-London-09 October 2018: Fitch Ratings has maintained Valencia Hipotecario 1, FTA's GBP 1,191,133 class C notes' 'Asf rating on Rating Watch Positive (RWP).

The transaction is backed by residential mortgage loans serviced by Caixa Bank, S.A. (BBB/Positive/F2) in Spain.

KEY RATING DRIVERS

Exposure to Transaction Account Bank Default Risk

Valencia Hipotecario 1's class C notes' rating is capped at the issuer account bank provider's rating (Barclays Bank plc; A/RWP) due to excessive counterparty risk. The cash reserve held at the account bank represents a very material component of the junior notes' credit enhancement. According to Fitch's criteria, a sudden loss of these reserves would cause a downgrade of the class C notes' rating by more than 10 notches. As such, the class C notes' maximum achievable rating is linked to the issuer account bank provider.

Fitch placed the class C notes on RWP in April 2018, following Barclays Bank plc being placed on RWP in September 2017 and maintained there in June 2018. As Barclays Bank plc remains on RWP, Fitch has maintained the RWP on Valencia Hipotecario 1's class C notes. Resolution of the RWP is directly linked to the resolution of the RWP on Barclays Bank plc, which may take longer than six months.

For further information about the RWP on Barclays Bank plc, click the link below:

<https://www.fitchratings.com/site/pr/10035104>

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The class C notes' rating is dependent on the rating of the account bank, Barclays Bank plc, as credit enhancement for the notes is mainly provided by the reserve fund held at the account bank.

USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO RULE 17G-10

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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. 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.

The majority of the underlying assets have ratings or credit opinions from Fitch and/or other Nationally Recognised Statistical Rating Organisations and/or European Securities and Markets Authority registered ratings agencies. Fitch has relied on the practices of the relevant groups within Fitch and/or other rating agencies to assess the asset portfolio information.

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Additional information is available on www.fitchratings.com

Applicable Criteria

European RMBS Rating Criteria (pub. 05 Oct 2018) (<https://www.fitchratings.com/site/re/10047011>)

Global Structured Finance Rating Criteria (pub. 15 May 2018)

(<https://www.fitchratings.com/site/re/10029609>)

Structured Finance Rating Criteria: Covered Bonds Counterparty Rating Criteria (pub. 01 Aug 2018)

(<https://www.fitchratings.com/site/re/10039504>)

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