



Date of Release: 17 August 2013

DBRS Confirms Ratings to BBVA RMBS 5 Fondo de Titulización

Bloomberg: DBRS Confirms Ratings to BBVA RMBS 5 Fondo de Titulización

Industry Group: Structured Finance

Sub-Industry: RMBS

DBRS Ratings Limited ("DBRS") has reviewed BBVA RMBS 5 Fondo de Titulización De Activos the ("Issuer") and confirms the ratings to the following series of Notes:

- Series A confirmed at 'A' (sf)
- Series B confirmed at BB (high) (sf)
- Series C confirmed at BB (sf)

The Notes are backed by a pool of mortgage loans secured by residential properties in Spain originated and serviced by Banco Bilbao Vizcaya Argentaria S.A. ("BBVA").

The pool of mortgages supporting the transaction are performing within DBRS expectations and available credit enhancement for the Notes is sufficient to cover DBRS expected losses at the current rating levels of each series of Notes. The rating analysis incorporates a sovereign related stress component to address the impact of macroeconomic variable on collateral performance. Additionally, the updated cash flow analysis takes into account the removal of the interest rate swap which was terminated on 30 July 2013.

Credit enhancement for the Notes consists of subordination and a Cash Reserve Fund, which also provides liquidity support for the Notes. As of the 30 June 2013 payment date, credit enhancement as a percentage of the non-defaulted loans for the Series A, Series B and Series C Notes was 19.23%, 11.74% and 9.49%, respectively. The Cash Reserve Fund was EUR 316,913,253 which is below the target value of EUR 416,913,000.

BBVA serves the role of Account Bank for the transaction as holder of the Treasury Account and the Paying Agent. The rating of BBVA is above the Minimum Institution Rating given the rating of the most senior series of rated Notes as described in the DBRS Legal Criteria for European Structured Finance Transactions.

DBRS analysed the cash flows of the transaction using Intex Cash Flow Module to stress timely payment of interest and principal to the rated Notes.

Notes:

All figures are in Euros unless otherwise noted.

The principal methodology applicable is Master European Residential Mortgage-Backed Securities Rating Methodology.

Other methodologies and criteria referenced in this transaction are listed at the end of this press release.

This can be found on www.dbrs.com at:

<http://www.dbrs.com/about/methodologies>

For a more detailed discussion of sovereign risk impact on Structured Finance ratings, please refer to DBRS commentary "*The Effect of Sovereign Risk on Securitisations in the Euro Area*" on:

<http://www.dbrs.com/industries/bucket/id/10036/name/commentaries/>



Insight beyond the rating.

The sources of information used for this rating include periodic investor reports provided by Europea de Titulización and data from the European DataWarehouse.

DBRS does not audit the information it receives in connection with the rating process, and it does not and cannot independently verify that information in every instance. The extent of any factual investigation or independent verification depends on facts and circumstances.

DBRS considers the information available to it for the purposes of providing this rating was of satisfactory quality.

The last rating action on this transaction took place on 2 January 2013, when the ratings of the Notes were confirmed following an update to the DBRS Master European Residential Mortgage-Backed Securities Rating Methodology.

Information regarding DBRS ratings, including definitions, policies and methodologies are available on www.dbrs.com.

To assess the impact of the changing the transaction parameters on the rating, DBRS considered the following stress scenarios, as compared to the parameters used to determine the rating:

- DBRS expected a base case Probability of Default (PD) and Loss Given Default (LGD) for the pool based on a review of historical data. Adverse changes to asset performance may cause stresses to base case assumptions and therefore have a negative effect on credit ratings.
- The base case PD and LGD of the current pool of mortgages for the Issuer are 9.14% and 34.38%, respectively. At the 'A' (sf) rating level, the corresponding PD is 24.12% and the LGD is 52.51%. At the BB (high) (sf) rating level, the corresponding PD is 15.24% and the LGD is 42.26%. At the BB (sf) rating level, the corresponding PD is 13.87% and the LGD is 39.83%.
- The Risk Sensitivity Matrices below illustrated the ratings expected for each series of Notes if the PD and LGD increase be a certain percentage over the base case assumption. For example, if the LGD increases by 50% the rating for the Series A Notes would be expected to remain at 'A' (sf), all else equal. If the PD increases by 50% the rating for the Series A Notes would be expected to remain at 'A' (sf), all else equal. Furthermore if both the PD and LGD increase by 50%, the rating to the Series A Notes would be expected to decrease to BBB (sf), all else equal.

Class A

Increase in LGD %	Increase in PD %		
	0	25	50
	0	A	A
	25	A	BBB (high)
	50	A	BBB

Class B

Increase in LGD %	Increase in PD %		
	0	25	50
	0	BB (high)	BB (high)
	25	BB (high)	BB (high)
	50	BB (high)	BB



Insight beyond the rating.

Class C

Increase in LGD %	Increase in PD %		
	0	25	50
0	BB	BB	BB
25	BB	BB	BB
50	BB	BB	BB (low)

For further information on DBRS's historic default rates published by the European Securities and Markets Administration ("ESMA") in a central repository, see:
<http://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>.

Ratings assigned by DBRS Ratings Limited are subject to EU regulations only.

Initial Lead Analyst: David Sanchez Rodriguez
 Initial Rating Date: 25 October 2012
 Initial Rating Committee Chair: Claire Mezznotte

Last Rating Date: 2 January 2013

Lead Surveillance Analyst: Keith Gorman
 Rating Committee Chair: Mary Jane Potthoff

DBRS Ratings Limited
 1 Minster Court, 10th Floor
 Mincing Lane
 London
 EC3R 7AA
 United Kingdom

Registered in England and Wales: No. 7139960

The rating methodologies and criteria used in the analysis of this transaction can be found at:
<http://www.dbrs.com/about/methodologies>

Legal Criteria for European Structured Finance Transactions
Derivative Criteria for European Structured Finance Transactions
Master European Structured Finance Surveillance Methodology
Operational Risk Assessment for European Structured Finance Servicers
Unified Interest Rate Model for European Securitisations

Copyright © 2013, DBRS Limited, DBRS, Inc. and DBRS Ratings Limited (collectively, DBRS). All rights reserved. The information upon which DBRS ratings and reports are based is obtained by DBRS from sources DBRS believes to be accurate and reliable. DBRS does not audit the information it receives in connection with the rating process, and it does not and cannot independently verify that information in every instance. The extent of any factual investigation or independent verification depends on facts and circumstances. DBRS ratings, reports and any other information provided by DBRS are provided "as is" and without representation or warranty of any kind. DBRS hereby disclaims any representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, fitness for any particular purpose or non-infringement of any of such information. In no event shall DBRS or its directors, officers, employees, independent contractors, agents and representatives (collectively, DBRS Representatives) be liable (1) for any inaccuracy, delay, loss of data, interruption in service, error or omission or for any damages resulting therefrom, or (2) for any direct, indirect, incidental, special, compensatory or consequential damages arising from any use of ratings and rating reports or arising from any error (negligent or otherwise) or other circumstance or contingency within or outside the control of DBRS or any DBRS Representative, in connection with or related to obtaining, collecting, compiling, analyzing, interpreting, communicating, publishing or delivering any such information. Ratings and other opinions issued by DBRS are, and must be construed solely as, statements of opinion and not statements of fact as to credit worthiness or recommendations to purchase, sell or hold any securities. A report providing a DBRS rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. DBRS receives compensation for its rating activities from issuers, insurers, guarantors and/or underwriters of debt securities for assigning ratings and from subscribers to its website. DBRS is not responsible for the content or operation of third party websites accessed through hypertext or other computer links and DBRS shall have no liability to any person or entity for the use of such third party websites. This publication may not be reproduced, retransmitted or distributed in any form without the prior written consent of DBRS. ALL DBRS RATINGS ARE SUBJECT TO DISCLAIMERS AND CERTAIN LIMITATIONS. PLEASE READ THESE DISCLAIMERS AND LIMITATIONS AT <http://www.dbrs.com/about/disclaimer>. ADDITIONAL INFORMATION REGARDING DBRS RATINGS, INCLUDING DEFINITIONS, POLICIES AND METHODOLOGIES, ARE AVAILABLE ON <http://www.dbrs.com>.