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## Rating Lowered To 'D (sf)' On Spanish RMBS Transaction Bancaja 11's Class C Notes Following Interest Payment Default

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### OVERVIEW

- On the Oct. 28, 2013 payment date, Bancaja 11's class C notes defaulted on their interest payment.
- Consequently, we have lowered to 'D (sf)' from 'CCC- (sf)' our rating on the class C notes.
- Bancaja 11 is a 2007-vintage securitization of first-ranking mortgages secured on owner-occupied residential properties in Spain.

MADRID (Standard & Poor's) Nov. 5, 2013--Standard & Poor's Ratings Services today lowered to 'D (sf)' from 'CCC- (sf)' its credit rating on Bancaja 11, Fondo de Titulizacion de Activos' class C notes.

Today's downgrade follows the class D notes' interest payment default on the Oct. 28, 2013 interest payment date (IPD).

As we noted in our previous review on July 5, 2013, the class C notes' rating reflects the proximity of the interest deferral trigger and the reserve fund's full depletion since April 2010 (see "Various Rating Actions Taken In Spanish RMBS Transactions Bancaja 10 And Bancaja 11 Following Review").

The trustee's data for the October 2013 IPD shows that cumulative defaults account for 7.85% of the closing portfolio balance, which is above the 7.40% trigger for the class C notes.

*Rating Lowered To 'D (sf)' On Spanish RMBS Transaction Bancaja 11's Class C Notes Following Interest Payment Default*

The class C notes defaulted on their interest payment on the October 2013 IPD following the breach of the interest deferral trigger and lack of available liquid funds. As our ratings in this transaction address the timely payment of interest and ultimate payment of principal, we have lowered to 'D (sf)' from 'CCC- (sf)' our rating on the class C notes.

Bancaja 11 is a 2007-vintage securitization of first-ranking mortgages secured on owner-occupied residential properties in Spain. Bankia S.A. originated and services the mortgages.

STANDARD & POOR'S 17G-7 DISCLOSURE REPORT

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an asset-backed security as defined in the Rule, to include a description of the representations, warranties and enforcement mechanisms available to investors and a description of how they differ from the representations, warranties and enforcement mechanisms in issuances of similar securities. The Rule applies to in-scope securities initially rated (including preliminary ratings) on or after Sept. 26, 2011.

If applicable, the Standard & Poor's 17g-7 Disclosure Report included in this credit rating report is available at <http://standardandpoorsdisclosure-17g7.com>.

RELATED CRITERIA AND RESEARCH

Related Criteria

- Principles Of Credit Ratings, Feb. 16, 2011
- Methodology: Credit Stability Criteria, May 3, 2010

Related Research

- Various Rating Actions Taken In Spanish RMBS Transactions Bancaja 10 And Bancaja 11 Following Review, July 5, 2013
- European Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, March 14, 2012
- Global Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, Nov. 4, 2011

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