

Otra Información Relevante de**HIPOCAT 8 FONDO DE TITULIZACIÓN DE ACTIVOS**

En virtud de lo establecido en el Folleto Informativo de **HIPOCAT 8 FONDO DE TITULIZACIÓN DE ACTIVOS** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 26 de mayo de 2021, comunica que ha confirmado las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:

- **Serie A2:** **A+sf**
- **Serie B:** **A+sf**
- **Serie C:** **A+sf**
- **Serie D:** **BBsf**

Se adjunta la comunicación emitida por Fitch.

Madrid, 30 de junio de 2021.

26 MAY 2021

Fitch Takes Rating Action on 3 Hipocat RMBS

Fitch Ratings - Madrid - 26 May 2021: Fitch Ratings has taken multiple rating actions on 3 Hipocat FTA RMBS transactions in Spain, including upgrading two tranches of Hipocat 7 and affirming Hipocat 6 and 8. A full list of rating actions is below.

Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
Hipocat 6, FTA				
• Class A LT ES0345782009	AAAsf	●	Affirmed	AAAsf ●
• Class B LT ES0345782017	AAAsf	●	Affirmed	AAAsf ●
• Class C LT ES0345782025	A+sf	●	Affirmed	A+sf ●
Hipocat 7, FTA				
• Class A2 LT	AAAsf	●	Affirmed	AAAsf ●

ENTITY/DEBT	RATING		RECOVERY	PRIOR
ES0345783015				
Class B LT ES0345783023	AAAsf		Affirmed	AAAsf
Class C LT ES0345783031	AAsf		Upgrade	A+sf
Class D LT ES0345783049	A-sf		Upgrade	BBB+sf
Hipocat 8, FTA				
Class A2 LT ES0345784013	A+sf		Affirmed	A+sf
Class B LT ES0345784021	A+sf		Affirmed	A+sf
Class C LT ES0345784039	A+sf		Affirmed	A+sf

ENTITY/DEBT	RATING		RECOVERY	PRIOR
• Class				
D LT		BBsf 	Affirmed	BBsf 
ES0345784047				

RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

Transaction Summary

The transactions comprise residential mortgages originated by Catalunya Banc S.A. (now part of Banco Bilbao Vizcaya Argentaria, S.A., (BBVA); BBB+/Stable/F2) and serviced by BBVA.

KEY RATING DRIVERS

Covid-19 Stress Assumptions

Fitch has identified additional stress scenarios to be applied in conjunction with its European RMBS Rating Criteria in response to the coronavirus outbreak and the recent legislative developments in Catalonia (see: EMEA RMBS: Criteria Assumptions Updated due to Impact of the Coronavirus Pandemic and Spain RMBS: Criteria Assumptions Updated Due to Decree Law in Catalonia). The agency applied these additional stresses for the rating analysis.

Expected Asset Performance Deterioration

Fitch anticipates a generalised weakening in Spanish borrowers' ability to keep up with mortgage payments linked to an increase in unemployment and vulnerability of self-employed borrowers. As a result, performance indicators such as the levels of arrears (currently below 1% for all three transactions) could increase in the following months, leading Fitch to incorporate a 10% increase in weighted average foreclosure frequency (WAFF, which approximates three-month plus arrears in each pool rising to 3%). We have not made an additional adjustment for payment holidays given that the take-up in all three transactions is below the Spanish market average at around 9%, which is low compared with what other European countries have experienced such as the UK or Italy.

Increased Credit Enhancement

The class C and D notes of Hipocat 7 have been upgraded to 'AAsf' and 'A-sf', respectively, due to

increased credit enhancement. As the transaction amortises pro-rata and the reserve fund in the transaction is at its floor and cannot amortise further, credit enhancement has built up through time for these notes.

Rating Caps

Hipocat 6's class C rating is capped at the issuer's account bank provider rating (BNP Paribas Security Services, A+/ Negative/F1) as the transaction's cash reserves held at this entity represent a material source of credit enhancement for this class of notes. The class D notes of Hipocat 7 and 8 will both also be capped at the deposit rating of the account bank (Societe Generale S.A., long-term deposit rating: A) in the transactions for the same reason, but are currently rated below this level.

Fitch also views Hipocat 8 as being exposed to payment interruption risk (PIR) in the event of a servicer disruption. Current liquidity sources are sufficient to cover senior fees, net swap payments and senior notes' interest during a minimum of three month-period needed to implement alternative servicing arrangements. However, as the reserve fund can be drawn to cover credit losses, we believe that the reserve fund balance of Hipocat 8 can be depleted in a stress scenario as it has been in the past and not be available to cover PIR. As a result, the notes' maximum achievable rating is in the 'Asf' category, in line with Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria.

Geographical Concentration in Catalonia

The securitised portfolios are exposed to the Region of Catalonia, ranging from around 70% to around 85% of the current balances. Under Fitch's credit analysis, to address regional concentration risk, higher rating multiples are applied to the base foreclosure frequency assumption to the portion of the portfolios that exceeds 2.5x the population within this region, in line with Fitch's European RMBS Rating Criteria.

ESG - Governance

Hipocat 8 has an ESG Relevance Score of 5 for "Transaction & Collateral Structure" due to PIR.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Stable to improved asset performance could lead to upgrades.

- Hipocat 6's class C notes rating is capped at the issuer's account bank provider rating. An upgrade of the account bank rating could trigger a corresponding upgrade of these notes' rating.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- A downgrade of the account bank rating of Hipocat 6 would also trigger a corresponding downgrade

of the class C notes' rating.

-A multi-notch downgrade to the account bank rating of Hipocat 7 and Hipocat 8 would also trigger a corresponding downgrade of the class D notes' rating for both transactions.

-Weakening liquidity due to large take-ups on mortgage payment holidays and performance worse than our assumptions may lead to a downgrade.

-Fitch's Spanish structured-finance ratings are capped at six notches above Spain's Long-Term Local Currency Issuer Default Rating (IDR; A-/Stable as of May 2021). A downgrade of Spain's IDR could lower the maximum achievable rating for Spanish structured-finance transactions, relevant for notes rated at 'AAAsf' in all three transactions.

-A longer-than-expected coronavirus crisis that erodes macroeconomic fundamentals and the mortgage market in Spain beyond Fitch's current base case. Credit enhancement ratios unable to fully compensate the credit losses and cash flow stresses associated with the current rating scenarios, all else being equal. To approximate this scenario, a rating sensitivity has been conducted by increasing default rates by 15% and reducing recovery expectations by 15%, which would imply downgrades of up to three notches for Hipocat 6, and one notch each for Hipocat 7 and Hipocat 8.

Best/Worst Case Rating Scenario

International scale credit ratings of Structured Finance transactions have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of seven notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of seven notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAAsf' to 'Dsf'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

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

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 pools and the transactions. 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 monitoring.

Fitch did not undertake a review of the information provided about the underlying asset pools ahead

of the transactions' initial closing. The subsequent performance of the transactions over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

Overall, and together with any assumptions referred to above, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

Hipocat 6's class C notes 'A+sf' ratings are capped at BNP Paribas Security Services' rating because they are exposed to excessive counterparty dependency risk.

Although not currently at the cap Hipocat 7's class D notes 'A-sf' ratings and Hipocat 8's class D notes 'BBsf' ratings are limited by Societe Generale's deposit rating because they are exposed to excessive counterparty dependency risk.

ESG Considerations

Hipocat 8, FTA has an ESG Relevance Score of '5' for Transaction & Collateral Structure due to PIR, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in a rating adjustment by more than one category.

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

Fitch Ratings Analysts

Pablo Rubio

Senior Analyst

Surveillance Rating Analyst

+34 91 076 1984

Fitch Ratings Spain - Madrid Paseo de la Castellana 31 9ºB Madrid 28046

Raul Domingo Gonzalez

Senior Director

Committee Chairperson
+33 1 44 29 91 70

Media Contacts

Athos Larkou

London
+44 20 3530 1549
athos.larkou@thefitchgroup.com

Applicable Criteria

[European RMBS Rating Criteria \(pub.22 Dec 2020\) \(including rating assumption sensitivity\)](#)

[Global Structured Finance Rating Criteria \(pub.24 Mar 2021\) \(including rating assumption sensitivity\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub.29 Jan 2020\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub.29 Jan 2020\)](#)

[Structured Finance and Covered Bonds Country Risk Rating Criteria \(pub.23 Sep 2020\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub.13 Nov 2020\)](#)

Applicable Models

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Multi-Asset Cash Flow Model, v2.10.0 [\(1\)](#)

ResiGlobal Model: Europe, v1.6.4 [\(1\)](#)

Additional Disclosures

[Solicitation Status](#)

Endorsement Status

Hipocat 6, FTA EU Issued, UK Endorsed

Hipocat 7, FTA EU Issued, UK Endorsed

Hipocat 8, FTA EU Issued, UK Endorsed

Disclaimer

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings). IN ADDITION, THE FOLLOWING [HTTPS://WWW.FITCHRATINGS.COM/RATING-DEFINITIONS-DOCUMENT](https://www.fitchratings.com/rating-definitions-document) DETAILS FITCH'S RATING DEFINITIONS FOR EACH RATING SCALE AND RATING CATEGORIES, INCLUDING DEFINITIONS RELATING TO DEFAULT. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT [HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR WHICH THE LEAD ANALYST IS BASED IN AN ESMA- OR FCA-REGISTERED FITCH RATINGS COMPANY (OR BRANCH OF SUCH A COMPANY) CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH RATINGS WEBSITE.

Copyright

Copyright © 2021 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and

its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch 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. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian

financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Endorsement policy

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.