FTGENVAL BANCAJA 1, Fondo de Titulización de Activos

RMBS / Spain

Closing Date
29 May 2009

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DEFINITIVE RATINGS

Series	Rating	Amount (million)	% of Notes	Legal Final Maturity	Coupon
A1	Aaa	€88.30	29.43	August 52	3mE + 0.32%
A2(G)	Aaa	€170.00	56.67	August 52	3mE + 0.30%
B	Aa2	€26.70	8.90	August 52	3mE + 0.50%
C	Baa3	€15.00	5.00	August 52	3mE + 0.80%
Total		€300.00	100.00		

The ratings address the expected loss posed to investors by the legal final maturity. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors. In Moody's opinion, the structure allows for timely payment of interest and ultimate payment of principal at par on or before the rated final legal maturity date on Series A1,A2(G), B, and C.

Vscore for the Spanish RMBS sector:	*Medium*
Vscore for the subject transaction:	*Medium*

Note an index for this report appears on its final page

OPINION

Strengths of the Transaction

- The pool comprises first-lien mortgages on residential properties
- No flexible products are being securitised.
- 8.85% of the portfolio corresponds to protected lifetime employed (Spanish civil servants).
- The properties securing the mortgages are 100% owner-occupied (no second homes).
- There is an excess spread-trapping mechanism through an 18-month "artificial write-off".
- A reserve fund was fully funded upfront to cover potential shortfalls in interest and principal.
- 96.83% of the loans are paid via monthly direct debit.

Weaknesses and Mitigants

- The structure is exposed to basis risk. The interest payable on the notes pays three-month EURIBOR, while 98.87% of the loans are linked to 12-month EURIBOR and the transaction is not protected by a swap.
- There is geographical concentration in the Region of Valencia (50.88%), a natural consequence of the originator's location, and mitigated in part by the fact that this is the region where this financial institution has its greatest expertise.
- Around 19.40% of the pool corresponds to high LTV loans (over 80%).

- 6.93% of the portfolio corresponds to new residents.
- 5.92% of the pool corresponds to loans currently in a principal grace period.
- 5.00% of the portfolio corresponds to loans granted to multiple borrowers (more than two).
- 20.95% of the portfolio corresponds to self-employed borrowers, however 100% of the debtors are individuals.
- 71.14% of the debtors have the possibility of enjoying an automatic reduction in their margin in cases of cross-selling of other Bancaja products (e.g. investment funds, use of credit cards) up to a lower floor of 50 bps for 65.22% of loans and 70 bps for 5.92% of loans.
- 1.94% of the portfolio corresponds to loans backed by two or more properties (commercial properties, warehouse, land). These type of loans entail two risks: (i) as the mortgage loans amortise, the debtor may liberate the mortgage over the second property, so the LTV may go back to its original LTV; and (ii) recourse to each property is limited to a certain percentage; so to calculate the true LTV of the loan, we look at the LTV contributions from each property
- The pro-rata amortisation of Series B, and C leads to reduced credit enhancement of the senior series in absolute terms. This is mitigated by strict triggers which interrupt the pro-rata amortisation of the notes if the performance of the transaction deteriorates.
- The deferral of interest payments on each of Series B, and C benefits the repayment of the series senior to each of them, but increases the expected loss on Series B, and C themselves. The ratings have been assessed accordingly to account for this deterioration on the expected loss.

STRUCTURE SUMMARY

Issuer:	FTGENVAL BANCAJA 1, Fondo de Titulización de Activos
Structure Type:	Senior/Mezzanine/Subordinated floating-rate notes
Seller/Originator:	Caja de Ahorros de Valencia, Castellón y Alicante (Bancaja) (***A2**/***P-1**).
Servicer:	Bancaja (***A2**/***P-1**)
Interest Payments:	Quarterly in arrears on each payment date
Principal Payments:	Pass-through on each payment date
Payment Dates:	26 February, 26 May, 26 August, 26 November First payment date: 26 August 2009
Credit Enhancement/Reserves:	Excess spread Reserve fund Subordination of the notes Guaranteed Investment Contract (GIC) account Guarantee of Generalitat de Valencia (**Aa2**) for the Series A2(G) notes
GIC Account Provider:	Caja de Ahorros y Monte de Piedad de Madrid (***Aa3**/**P-1**)
Liquidity Facility Provider:	There is no Liquidity Facility
Interest Rate Swap Counterparty:	N.A
Paying Agent:	Bancaja (***A2**/***P-1**)
Note Trustee (Management Company):	Europea de Titulización, S.G.F.T., S.A. (Europea de Titulización)
Arranger:	Bancaja (***A2**/***P-1**)

**On review for possible downgrade*

COLLATERAL SUMMARY *(based on the pool as of 30 April 2009)*

Receivables:	Loans granted to individuals secured by a first-lien mortgage guarantee
Total amount:	€361,694,570.47
Number of Contracts:	2,467
Geographic Diversity:	Valencia (50.88%), Andalucia (9.85%), Catalunya (9.35%)
WA Remaining Term:	31.5 years
WA Seasoning:	1.51 years
WA current loan-to-value:	70.73% (19.4% over 80%LTV)
Interest Basis:	100% floating
WA Interest Rate:	5.02%
Delinquency Status:	No loans more than 30 days in arrears at the time of securitisation
Milan Aaa CE:	10%. See Section Moody's Analysis
Moody's Expected Loss:	2.5%. See Section Moody's Analysis

NOTES

Class	Subordination*	RF	Total
A	13.9%	9.7%	23.6%
B	5.0%	9.7%	14.7%
C	0%	9.7%	9.7%

** subordination is calculated as a percentage of the rated Notes, not as a percentage of the securitised pool.*

OVERVIEW

Cash securitisation of loans granted to individuals and secured by a first-lien mortgage guarantee

The products being securitised are first-lien mortgage loans granted to individuals to acquire properties located in Spain. All of the mortgage loans were originated by Bancaja, which will continue to service them.

The reserve fund was funded with the proceeds from a subordinated loan granted by the originator. Apart from the cash reserve, each series of notes is supported by the series subordinated to itself and the securitised pool excess spread.

In addition, the Fondo will benefit from a subordinated loan provided by Bancaja to fund the up-front expenses, the costs of issuing the notes, and the gap between the interest payments received from the pool and the amount of interest due to the notes on the first payment date.

The Spanish Government announced on 4 November 2008 a package of aid to assist unemployed, self-employed and pensioner borrowers through a form of mortgage subsidy aid. It is unclear how this package will be implemented, and also if it is implemented, how this transaction would be affected, although both liquidity and credit implications are possible on this portfolio. However, any implications on the ratings will ultimately depend on the actual financial aid conditions which are approved.

Moody's primarily based the ratings on: (i) an evaluation of the underlying portfolio of loans; (ii) historical performance information; (iii) the swap agreement partially hedging the interest rate risk when applicable; (iv) the credit enhancement provided through the GIC account, the excess spread, the cash reserve and the subordination of the notes; and (v) the legal and structural integrity of the transaction.

FTGENVAL Programme

The regional government of Valencia, Generalitat de Valencia (**Aa2/P-1**), established an annual guarantee budget in November 2008for the FTGENVAL programme for 2009, through Decree 185/2008. The guarantee is subject to the following requirements:

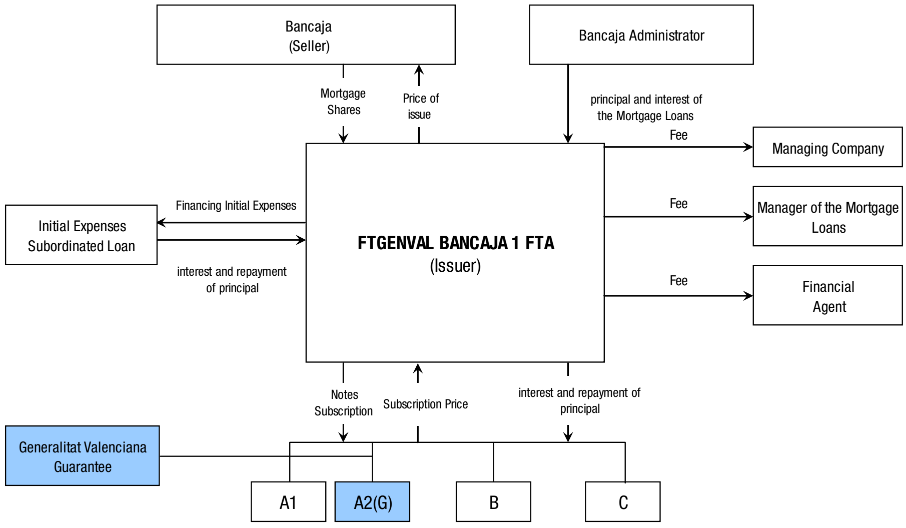
1. Securitised assets must be loans (i) to individuals or to companies in Spain, excluding financial institutions; and (iii) with an initial maturity of more than one year.
2. At least 90% of the loans must be granted to small- and medium-sized enterprises (SMEs) (as defined by the European Commission in its recommendation of 6 May 2003).
3. The institutions transferring the loans to an FTGENVAL fund must in turn reinvest the proceeds of the sale to the origination of new loans that must comply with the following conditions: (i) All loans have to be to non-financial companies based in the region of Valencia; (ii) at least 80% of the loans must be granted to small- and medium-sized enterprises (SMEs) (as defined by the European Commission); (iii) all loans must have an initial maturity of more than one year; and (iv) 50% of the loans must be reinvested within six months and the remaining 50% within one year.
4. Generalitat de Valencia will guarantee interest and principal payments on up to 100% of securities rated **Aa** or above. The guarantee is fully binding for the Kingdom of Spain.

Series A2(G) note is consistent with a Aaa rating regardless of the Generalitat de Valencia guarantee

Series A2(G) benefits from the guarantee of the Generalitat de Valencia on interest and principal payments. However, the expected loss associated with Series A2(G) notes is consistent with a **Aaa** rating regardless of the Generalitat guarantee. As a result, the transaction will not incorporate a liquidity line to ensure the timeliness of the interest or principal guarantee payments.

Standard capital structure

Chart 1:
Structure Diagram



Triggers in place to mitigate commingling risk

To mitigate the risk of commingling, the following trigger has been put in place: If Bancaja's long-term rating falls below Baa3, the servicer will either fund a commingling reserve or obtain an unconditional, irrevocable, first-demand credit facility from a P-1 rated entity. The commingling reserve or the maximum amount available under the credit facility will be equal to the highest future scheduled monthly amount of principal and interest collections, at the time of the downgrade, assuming a 0% delinquency rate and 10% prepayment rate.

Reserve Fund fully funded at closing

At closing, Bancaja will provide a reserve fund that will be used to cover potential shortfalls on interest or principal on an ongoing basis.

At any point in time, the amount requested under the reserve fund will be the lesser of the following amounts:

– 9.70 % of the initial balance of the notes
– The higher of the following amounts:
    - 19.40% of the outstanding balance of the notes
    - 4.85% of the initial balance of the notes

The amount requested under the reserve fund will not be reduced on any payment date on which either of the following scenarios occurs:

– The arrears level (defined as the percentage of non-written-off loans that are more than 90 days in arrears) exceeds 1.00%
– The reserve fund is not be funded at its required level on the current payment date
– The weighted-average margin of the loans falls below 65 bps

Additionally, the reserve fund will not amortise during the first three years of the transaction.

GIC provides an annual interest rate equal to the index reference rate of the notes

The treasury account will be held at Caja Madrid (***Aa3/P-1**). The proceeds from the loans, amounts received under the swap agreement and the reserve fund will be deposited in the treasury account.

Triggers are in place to protect the treasury account from a possible downgrade of the GIC provider's short-term rating. If Caja Madrid's short-term rating falls below **P-1**, it will have to perform one of the following actions in the indicated order of priority within 30 days:

– Find a suitably rated guarantor or substitute.

Caja Madrid guarantees an annual yield on the amounts deposited in the treasury account equal to the index reference rate of the notes.

Limitations on the renegotiation of the loan

Any renegotiation of the terms and conditions of the loans is subject to the management company's approval. Exceptionally, the management company will authorise Bancaja to renegotiate the interest rate or maturity of the loans without requiring its approval. However, Bancaja will not be able to (i) renegotiate the spread of any loan if the respective weighted-average spread of the pool is below 70 bps per annum; (ii) renegotiate any loan interest rate from floating to fixed; or (iii) extend the maturity later than 10 December 2048. Moreover, the renegotiation of the maturity of the loans is subject to the following conditions:

- The total initial amount of loans on which the maturity has been extended cannot be greater than 10% of the initial amount of the pool.
- The frequency of payments cannot be modified.
- The amortisation system and the reset frequency cannot be modified.

Payment structure allocation

On each quarterly payment date, the *Fondo's* available funds (amounts received from the asset pool, the reserve fund, amounts received under the swap agreement and interest earned on the transaction accounts) will be applied in the following simplified order of priority:

1. Costs and fees, excluding the servicing fee (except if Bancaja or Banco de Valencia is replaced as servicer of the loans)
2. Interest payment to Series A1 and A2(G) and reimbursement of any amount obtained from the Generalitat de Valencia on previous payment dates to cover any potential shortfall on interest payment to Series A2(G)
3. Interest payment to Series B (if not deferred)
4. Interest payment to Series C (if not deferred)
5. Retention of an amount equal to the principal due under Series A to C notes
6. Interest payment to Series B (if deferred)
7. Interest payment to Series C (if deferred)
8. Replenishment of the reserve fund
9. Junior payments

In the event of liquidation of the *Fondo*, the payment structure will be modified with the sole aim of ensuring that any amount due to a series is repaid before any payment to a subordinated series is made.

Principal due allocation mechanism

The amount retained as principal due on item (5) in the order of priority will be allocated according to the following rules:

1. The amount retained as principal due will be allocated to Series A1, Series A2(G) and the reimbursement of any amount obtained from the Generalitat de Valencia on previous payment dates to cover any potential shortfall on principal payment to Series A2(G), if the outstanding amount of loans more than 90 days in arrears and less than 18 months in arrears is above 3.00%. After Class A is paid down, the amount retained will be paid sequentially to Class B and Class C notes.
    1.1. The allocation within Class A will be first to Class A1, and once class A1 is paid down the allocation will be to Series A2(G) and the reimbursement of any amount obtained previously from the Generalitat de Valencia.
    1.2. However, the allocation will be pro-rata between class A1, class A2(G) and the reimbursement, if the arrears level (delinquency > 90 days) is above 3%.
2. Notwithstanding rule (1), the allocation to Class B and Class C will be pro-rata with class A from the payment date on which the following conditions apply:
    - For Class B, (i) the outstanding principal balance of Series B exceeds 17.80% of the outstanding amount under all series, and (ii) the arrears level is below 1.25%.
    - For Class C (i) the outstanding principal balance of Series C exceeds 10% of the outstanding amount under all series, and (ii) the arrears level is below 1.00%.
    - The cash reserve is funded at its required level.
    - The outstanding amount of the non-written-off loans is higher than 10% of the pool's initial amount.

- The conditions to amortise pro-rata Series A1 and A2(G) are not met.

The reimbursement of the guarantee payments from Generalitat de Valencia with respect to principal will occupy the same position as the amortisation of Series A2(G) in the principal waterfall.

Interest deferral trigger based on accumulated amount of written-off loans

The payment of interest on the Series B, and C Notes will be brought to a more junior position if, on any payment date, the following criteria are met with respect to each of the notes:

Series B:	– The accumulated amount of written-off loans is higher than 22% of the initial amount of the assets pool – Series A is not fully redeemed
Series C:	– The accumulated amount of written-off loans is higher than 12% of the initial amount of the assets pool – Series A and B are not fully redeemed

Principal due to the notes incorporates an 18-month "artificial write-off" mechanism

The transaction's structure benefits from an "artificial write-off" mechanism. This mechanism is implicit in the definition of the principal due under the notes, which is calculated as the difference between (i) the outstanding amount of the notes (plus any amount due to the Generalitat de Valencia with respect to principal); and (ii) the outstanding amount of the non-written-off loans (the "written-off loans" being defined as those loans with any amount due but unpaid for more than 18 months (or earlier, if the management company considers that there are no reasonable expectations of recovery under each such loan)).

The "artificial write-off" speeds up the off-balance sheet of a non-performing loan; thus, the amount of notes collateralised by non-performing loans is minimised, and, consequently, the negative carry. However, the most important benefit for the transaction is that the amount of excess spread trapped in the structure is larger (the excess spread between the "artificial write-off" time and the "natural write-off" time would otherwise be lost). Therefore, the transaction makes better use of the excess spread, allowing for lower levels of other credit enhancement figures.

A principal deficiency will occur, on any payment date, if the issuer's available funds are not sufficient to reimburse the principal due under the notes, according to the cash flow rules stated above (the difference between these two amounts being the principal deficiency).

COLLATERAL

Pool of loans granted to individuals and secured by a first-lien mortgage guarantee over properties situated in Spain

The final pool comprises 2,467 loans. They have been originated by Bancaja in their normal course of business, and have the following characteristics:

- 100% of the portfolio corresponds to first home properties (owner-occupied).
- All the mortgaged properties are fully developed.
- The loans are repaid by direct debit and have accrued at least one instalment. 96.83% of the pool pays monthly.
- No loan incorporates any type of balloon payments or deferred payments of interest.
- None of the loans has been granted to an employee of the originator.
- The loans were originated between 1994 and 2008, with a weighted-average seasoning of 1.51 years and a weighted-average remaining term of 31.5 years. The longest loan matures in December 2048.
- Around 6.93% of the loans have been granted to new residents in Spain.
- 100% of the loans are linked to a floating interest rate. The weighted-average interest rate of the pool is 5.02%.
- All the loans are secured by a first-lien mortgage guarantee on residential properties with a current LTV lower than 100%. The current weighted-average LTV is 70.73% (see break down in Chart 2). 19.4% has an LTV above 80%.
- In terms of debtor concentration, the pool is quite granular: the highest exposure is

0.27% of the amount of the issuance.

- Geographically, the pool is concentrated in the Region of Valencia (50.88%), a natural consequence of the location of the originators involved in the transaction (see break down in Chart 3).

Chart 2:
Portfolio Breakdown by LTV

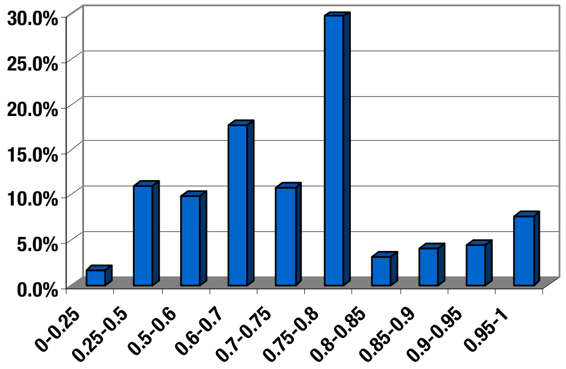
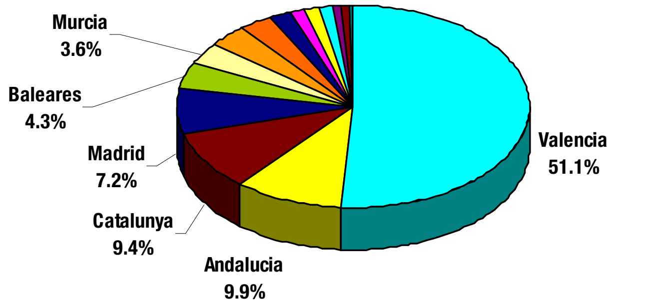


Chart 3:
Portfolio Breakdown by Geography



ORIGINATOR, SERVICER, PAYING AGENT AND MANAGEMENT COMPANY

Bancaja: Originator and Servicer

Bancaja (***A2**/***P-1**) is the sixth-largest financial institution and the third-largest savings bank in Spain by assets, with total assets of €104 billion at the end of June 2008. It enjoys a strong presence in its home market, the Valencia region, where it held a 32% market share in deposits and 24% in lending in 2007. Within the Valencia region, the savings bank is particularly strong in the provinces of Valencia and Castellón, with combined market shares in lending and resources from clients of 37% and 28%, respectively. Bancaja's nationwide market share in 2007 stood at 4%. Despite its nationwide presence, its domestic market share is comparatively low because of the dominance of the top two players.

In terms of geographical diversification, we acknowledge that Bancaja operates in the dynamic Valencia region and more than 25% of its profits are obtained in the areas of expansion. In terms of earnings stability, Bancaja has a high proportion of recurring earnings from retail banking but large SMEs, insurance, real estate developers, asset management and equity participations also contribute to earnings.

Bancaja's duties as servicer and originator

Bancaja will act as servicer for the loans. If Bancaja's long-term rating falls below **Baa3**:

- It will have to either make a deposit or put in place a liquidity line to partially cover one month's commingling risk.
- In addition, within 60 days from the downgrade, it or the management company will have to designate a suitable institution as guarantor of Bancaja's obligations under the servicing agreement.

Likewise, the management company may require the servicers, upon an insolvency process or because the management company considers it appropriate, to notify the transfer of the loans to the *Fondo* to the relevant debtors. If the relevant servicer fails to comply with this obligation within five business days, the notification would then be carried out by the management company.

Paying Agent

Bancaja will act as paying agent of the *Fondo*. If Bancaja's short-term rating falls below **P-1**, it will have to be replaced in its role as paying agent by a suitably rated institution within 30 days.

Management Company

Europea de Titulización is a company with substantial experience in the Spanish securitisation market. Its obligations within the structure are guaranteed by its shareholders, with respect to their proportion of the holding. Banco Bilbao Vizcaya Argentaria (BBVA) accounts for 87.5% of the capital of the gestora (trustee). Currently, Europea de Titulización manages 105 securitisation funds.

MOODY'S ANALYSIS

Moody's used a lognormal approach

The first step in the analysis is to determine a loss distribution for the pool of mortgages to be securitised. Due to the high volume of loans and supporting historical data, Moody's uses a continuous distribution model to approximate the loss distribution: lognormal distribution.

In order to determine the shape of the curve, two parameters are needed: the expected loss and the volatility associated with this expected loss. These parameters are derived from the MILAN model.

In order to extrapolate expected losses for the loan pool, Moody's has compared the underwriting criteria of the originators with those of other mortgage originators in Spain.

Moody's thus determines a number representing the enhancement that would be required for a pool of mortgages to obtain a **Aaa** rating under highly stressed conditions. This credit enhancement number (the "**Aaa** CE" number) is obtained by means of a loan-by-loan model.

The Aaa CE number is determined by using MILAN, Moody's loan-by-loan model for rating RMBS transactions

The MILAN model looks at each loan in the pool individually and, based on its individual characteristics such as LTV or other identified drivers of risk, computes a benchmark CE number. This number assumes stressed recovery rates (through house price decline), interest rates and costs of foreclosure, as well as a stressed recovery time. The weighted-average benchmark CE number is then adjusted according to the positive and negative characteristics of each loan and to those of the pool as a whole, in order to produce the **Aaa** CE number.

The **Aaa** CE number and the Expected Loss Number form the basis of Rating Committee discussions and are used to derive the lognormal distribution of the pool losses.

The standard deviation of the distribution is found by setting the probability of a loss greater than the expected loss that is consistent with the Idealised Expected Loss target of the **Aaa** CE number.

The key parameters used to calibrate the loss distribution for this portfolio include a MILAN **Aaa** CE of 10.00 % and an Expected Loss of 2.50%.

ABSROM, Moody's cash-flow model, is used to assess the impact of the structural features of RMBS transactions

Once the loss distribution of the pool under consideration has been computed, a cash flow model, ABSROM, is used to assess the impact of structural features of the transaction, such as the priorities of interest and principal, and the related triggers, swap features and excess margins, liquidity mechanisms and the value of excess spread.

The sum of the loss experienced by each note Class in each scenario, weighted by the probability of such loss scenarios, will then determine the expected loss on each tranche and hence the rating, in line with Moody's target losses for each rating category.

Structural Analysis

Moody's considered how the cash flows generated by the collateral were allocated to the parties within the transaction, and the extent to which various structural features of the transaction might themselves provide additional protection to investors, or act as a source of risk. In addition, Moody's ensured that the transaction is not affected by the bankruptcy of the originator or the servicer of the portfolio.

RATING SENSITIVITIES AND MONITORING

Moody's publishes periodic updates: performance overviews for each transaction

Europea de Titulización, in its capacity as management company, has committed to provide Moody's with access to a website from which a report containing at least annual pool level performance and payments to the notes data can be obtained. Moody's considers the amount of data currently available on the website to be acceptable for monitoring collateral performance, although further improvements will be encouraged. If Moody's access to the website is curtailed or adequate performance information is not otherwise made available to Moody's, Moody's ability to monitor the ratings may be impaired. This could negatively impact the ratings or, in some cases, Moody's ability to continue to rate the Notes.

Moody's will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing periodic servicing reports. Any subsequent changes in the ratings will be publicly announced and disseminated through Moody's Client Service Desk.

For updated monitoring information, please contact monitor.RMBS@moodys.com

PARAMETER SENSITIVITES

Parameter Sensitivities:

	Median EL	MILAN Aaa Credit Enhancement 10%	12%	14%	16%
CLASS A	2.5%	**Aaa***	Aaa (0)	Aaa (0)	Aaa (0)
	3.75%	Aaa (0)	Aaa (0)	Aaa (0)	Aaa (0)
	5.0%	Aaa (0)	Aaa (0)	Aaa (0)	Aaa (0)
	7.5%	Aaa (0)	Aaa (0)	Aaa (0)	Aaa (0)

	Median EL	MILAN Aaa Credit Enhancement 10%	12%	14%	16%
CLASS B	2.5%	**Aa2***	Aa3 (1)	A1 (2)	A2 (3)
	3.75%	A1 (2)	A3 (4)	A3 (4)	Baa1 (5)
	5.0%	A3 (4)	Baa2 (6)	Baa3 (7)	Baa3 (7)
	7.5%	B3 (13)	B3 (13)	B3 (13)	B3 (13)

	Median EL	MILAN Aaa Credit Enhancement 10%	12%	14%	16%
CLASS C	2.5%	**Baa3***	Baa3 (0)	Ba1 (1)	Ba1 (1)
	3.75%	B1 (4)	B1 (4)	B1 (4)	B1 (4)
	5.0%	< B3 (>6)	< B3 (>6)	B3 (6)	B3 (6)
	7.5%	< B3 (>6)	< B3 (>6)	< B3 (>6)	< B3 (>6)

Results are model-indicated ratings, which are one of the many inputs considered by rating committees, which take quantitative and qualitative factors into account in determining actual ratings. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might have differed if key rating input parameters were varied.

*Results under base case assumptions indicated by ' * '.*

Change in model-indicated rating (# of notches) is noted in parentheses.

V SCORE

Scoring	Spanish Sector Score	FTGENVAL BCJ 1	Remarks
1. Sector Historical Data Adequacy and Performance Variability	M	M	– Market Score
1.1 Quality of Historical Data for the Sector	M	M	– Market Score
1.2 Sector's Historical Performance Variability	M	M	– Market Score
1.3 Sector's Historical Downgrade Rate	L/M	L/M	– Market Score
2. Issuer/Sponsor/Originator Historical Data Adequacy, Performance Variability and Quality of Disclosure	M	M	
2.1 Quality of Historical Data for the Issuer/Sponsor/Originator	M	M	– Same as market score. – Bancaja provided adequate historical data for all the previous series (the first Bancaja deal was originated in 1998). – However, historical information doesn't yet cover a full economic cycle.
2.2 Issuer/Sponsor/Originator's Historical Performance Variability	M	M	– Same as market score. – Variability of performance of Bancaja deals is in line with the market.

2.3 Disclosure of Securitization Collateral Pool Characteristics	L/M	L/M	– Same as market score. – Originator provided data on majority of the relevant requested data fields.
2.4 Disclosure of Securitization Performance	L/M	L/M	– Same as market score. – Investor Report has been reviewed and will give all necessary information to monitor the deal. Loan level information expected to be provided to Moody's periodically. – The management company produce investors reports that include a reasonably detailed summary of collateral performance
3. Complexity and Market Value Sensitivity	L/M	M	
3.1 Transaction Complexity	L/M	L/M	– Same as market score. – Structural complexity in line with the market. Standard Spanish structure without swap and common performance and amortization triggers
3.2 Analytic Complexity	L/M	L/M	– Same as market score. – Standard cash-flow models have been used.
3.3 Market Value Sensitivity	L/M	M	– Transaction is not protected by a swap and thus exposed to Interest Rate risk.
4. Governance	L/M	L/M	
4.1 Experience of, Arrangements Among and Oversight of Transaction Parties	L/M	L/M	– Same as market score. – The Management company is regulated and plays an active role in the oversight of the transaction.
4.2 Back-up Servicer Arrangement	L	L	– Same as market score. – Bancaja is rated and at loss of Baa3 the originator will appoint a back up servicer.
4.3 Alignment of Interests	L/M	L/M	– Same as market score.
4.4 Legal, Regulatory, or Other Uncertainty	L/M	L/M	– Same as market score. – Legal framework common to all Spanish RMBS transactions
Composite Score	**M**	**M**	

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