

Rating Action: [BBVA RMBS 3, FTA](#)

Moody's Downgrades Spanish RMBS Notes issued by BBVA RMBS 3

EUR 1.47 billion of debt securities affected

London, 04 May 2009 -- Moody's Investors Service has today downgraded the ratings of:

- Classes A1 and A2 of notes issued by BBVA RMBS 3, Fondo de Titulización de Activos (BBVA RMBS 3)

A detailed list of the rating actions is provided at the end of this press release.

On 2 April 2009 Classes A3, B and C notes issued by BBVA RMBS 3 were downgraded because of worse than expected collateral performance and Moody's methodology update for rating Spanish RMBS. Please refer to the press release issued on 2 April 2009 for details on this deal and on the actions taken on that date.

BBVA RMBS 3 provides for the amortization profile of the Class A1, A2 and A3 notes to switch from sequential to pro rata if on the Determination Date the ratio of (1) the Outstanding Balance of Non-Delinquent Mortgage Loans, increased by the Mortgage Loan Principal repayment income amount received during the Determination Period preceding the relevant payment date, to (2) the sum of the Outstanding Principal Balance of Class A, is less than or equal to 1.05.

Today's action reflects Moody's revised opinion on the likelihood that the Class A Notes will turn to pro-rata payment in the near future. In the press release issued on 2 April 2009, Moody's expressed its belief that the trigger was far from being breached and that, for this reason, a rating action was taken only on Class A3 Notes. However, this was based on an earlier interpretation of the trigger and calculations of the trigger level confirmed by the management company. Moody's has subsequently revised its interpretation of the trigger and based on this revised interpretation and on information provided by the management company, Moody's has recalculated the ratio at 1.06, which is very close to the threshold level. As such, Moody's expects that the senior classes will switch to pro rata payment in the next coming interest payment dates and has therefore taken rating action on the Class A1 and A2 Notes. Please note that any breach of this trigger could be cured during the life of the transaction and the Class A could revert to sequential amortization if the performance of the collateral was to improve over time. Moody's will closely monitor the evolution of the deal.

Moody's ratings address the expected loss posed to investors by the legal final maturity of the notes (February 2060). 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.

Moody's monitors BBVA RMBS 3 as described in the reports: "Moody's Approach to Rating Spanish RMBS: The "Milan" Model", March 2005, "Moody's Updated Methodology for Rating Spanish RMBS", July 2008 and "Revising Default/Loss Assumptions Over the Life of an ABS/RMBS Transaction", December 2008. The latest rating action on the notes issued by BBVA RMBS 3 was taken by Moody's on 2 April 2009. Moody's will continue to monitor closely the performance of this transaction.

LIST OF DETAILED RATING ACTIONS

BBVA RMBS 3

- Class A1, Downgraded to Aa1 from Aaa; previously on July 24, 2007 Assigned Aaa;
- Class A2, Downgraded to Aa1 from Aaa; previously on July 24, 2007 Assigned Aaa.

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