Europea de Titulización
Sociedad Gestora de Fondos de Titulización

Hecho Relevante de BBVA RMBS 4 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el apartado 4.1.4 del Módulo Adicional a la Nota de Valores del Folleto Informativo de **BBVA RMBS 4 Fondo de Titulización de Activos** (el "**Fondo**") se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Standard & Poor's Ratings Services** ("**S&P**"), con fecha 31 de marzo de 2011, comunica que ha bajado las calificaciones asignadas a las Series de Bonos emitidos por **BBVA RMBS 4 Fondo de Titulización de Activos**:
    - **Serie A1**: **AA (sf)** (anterior **AAA (sf)**, observación negativa)
    - **Serie A2**: **AA (sf)** (anterior **AAA (sf)**, observación negativa)
    - **Serie A3**: **AA (sf)** (anterior **AAA (sf)**, observación negativa)
    - **Serie B**: **A- (sf)** (anterior **A (sf)**, observación negativa)
    - **Serie C**: **BB (sf)** (anterior **BBB (sf)**, observación negativa)

  Se adjunta la comunicación emitida por S&P.

Madrid, 6 de abril de 2011.

Mario Masiá Vicente
Director General

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March 31, 2011

Ratings Lowered In Spanish Deals BBVA RMBS 4 And 5 Due To Deterioration In Collateral Performance And In House Prices

Surveillance Credit Analyst:
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OVERVIEW

- Cumulative defaults for both BBVA RMBS 4 and 5 have continued their upward trend since our last credit review in September 2010.
- Spanish house prices have continued to decline and this has led to an increase in our loss forecasts.
- Cash reserves are still below their required levels because both transactions fully provide for defaulted loans and available excess spread has been insufficient to cover such amounts.
- We have therefore lowered our ratings on all classes of notes in both BBVA RMBS 4 and 5.
- Banco Bilbao Vizcaya originated and currently services the residential mortgage loans backing these transactions.

LONDON (Standard & Poor's) March 31, 2011--Standard & Poor's Ratings Services today lowered and removed from CreditWatch negative its credit ratings on all classes of notes in BBVA RMBS 4 Fondo de Titulización de Activos and BBVA RMBS 5 Fondo de Titulización de Activos (see list below).

Today's downgrades have resulted from our assessment of the likely impact on the BBVA RMBS 4 and 5 transactions of a combination of collateral credit quality deterioration and falling house prices.

The fast growth we have observed in cumulative defaults in both transactions has not subsided since our last credit review in September 2010 when we placed all notes in these transactions on CreditWatch negative. Since then, we have seen cumulative defaults increase to 2.53% in BBVA RMBS 4 and to 1.92% in BBVA RMBS 5. This, coupled with the house price correction seen in Spain since 2008 that has led to elevated weighted-average loan-to-value (LTV) ratios in the

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pools, has increased our loss expectations for the pools.

For the class C notes, the current levels of cumulative defaults are still below the interest-deferral triggers of 5.0% (in BBVA RMBS 4) and 10.3% (in BBVA RMBS 5) of the initial mortgages' balance, as set by the transaction documents. In our opinion neither BBVA RMBS 4 nor BBVA RMBS 5 will postpone interest on the junior classes of notes in the next 12 months. However, both transactions aim to fully provision for defaulted loans but available excess spread has been insufficient to cover such amounts. As a consequence, the cash reserve is fully depleted for BBVA RMBS 4 and at 42% of its target value for BBVA RMBS 5.

Both portfolios contain loans that offer the borrowers the option to move forward or postpone the maturity date, defer a specific number of installments, have a balloon payment, or change from a fixed-rate to a floating-rate index. We stressed all of these potential flexibilities in our analysis.

The collateral pool backing BBVA RMBS 4 is more seasoned than in BBVA RMBS 5. On average, loans in BBVA RMBS 4 were originated longer before the peak in Spanish house prices and, in our opinion, this transaction will likely suffer lower loss severities than BBVA RMBS 5. In addition, BBVA RMBS 4 has seen greater deleveraging since closing compared with BBVA RMBS 5.

By contrast, in our opinion BBVA RMBS 5 will likely experience greater loss severity because most of the underlying loans were originated near the peak of Spanish house prices. In addition, the BBVA RMBS 5 pool has a larger percentage of loans with higher weighted-average LTV ratios. Our rating actions on the notes in this transaction reflect our assessment of this additional risk.

To reflect this deteriorating portfolio credit quality, we have lowered our ratings on all the notes in BBVA RMBS 4 and 5 to rating levels which, in our view, are commensurate with the current credit enhancement. Our ratings on all the classes of notes are consequently no longer on CreditWatch negative for credit reasons.

The class A1, A2, and A3 notes in BBVA RMBS 4 and the class A notes in BBVA RMBS 5, which were on CreditWatch negative for counterparty reasons in addition to credit reasons, are no longer on CreditWatch for counterparty reasons because the ratings on these notes are now at a level that can be supported by the current rating on the supporting counterparties under our counterparty criteria.

BBVA RMBS 4 closed in November 2007 and BBVA RMBS 5 closed in May 2008. They securitize portfolios of residential mortgages originated and serviced by Banco Bilbao Vizcaya S.A.

RELATED CRITERIA AND RESEARCH

- Principles Of Credit Ratings, Feb. 16, 2011

- EMEA Structured Finance CreditWatch Actions In Connection With Revised Counterparty Criteria, Jan. 18, 2011
- Counterparty And Supporting Obligations Update, Jan. 13, 2011
- Counterparty and Supporting Obligations Methodology and Assumptions, Dec. 6, 2010.
- Ratings Put On CreditWatch Negative In Three BBVA Spanish RMBS Transactions, Sept. 15, 2010
- Methodology And Assumptions: Update To The Criteria For Rating Spanish Residential Mortgage-Backed Securities, Jan. 6, 2009
- Cash Flow Criteria For European RMBS Transactions, Nov. 20, 2003
- Criteria For Rating Spanish Residential Mortgage-Backed Securities, March 1, 2002

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at www.standardandpoors.com. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

RATINGS LIST

Class	Rating	
	To	From

Ratings Lowered And Removed From CreditWatch Negative

BBVA RMBS 4 Fondo de Titulización de Activos
€4.9 Billion Residential Mortgage-Backed Floating-Rate Notes

A1	AA (sf)	AAA (sf)/Watch Neg
A2	AA (sf)	AAA (sf)/Watch Neg
A3	AA (sf)	AAA (sf)/Watch Neg
B	A- (sf)	A (sf)/Watch Neg
C	BB (sf)	BBB (sf)/Watch Neg

BBVA RMBS 5 Fondo de Titulización de Activos
€5 Billion Residential Mortgage-Backed Floating-Rate Notes

A	A (sf)	AAA (sf)/Watch Neg
B	BBB- (sf)	A (sf)/Watch Neg
C	BB (sf)	BBB- (sf)/Watch Neg

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