STANDARD & POOR'S
RATINGS SERVICES

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Ratings On BBVA RMBS 5 Class A Notes And BBVA RMBS 9 Notes Lowered; Ratings On BBVA RMBS 5's Class B And C Notes Raised

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OVERVIEW

- We have conducted our performance review and applied our 2012 counterparty criteria. After our 2012 counterparty criteria came into effect, the issuer modified the transaction documents for BBVA RMBS 5 and BBVA RMBS 9.
- We have today lowered our ratings on the class A notes in BBVA RMBS 5 and the notes in BBVA RMBS 9 because, although the issuer has amended the transaction documents, they are no longer commensurate with previous rating levels under our 2012 counterparty criteria.
- At the same time, we have raised our ratings on BBVA RMBS 5's class B and C notes to reflect the significant increase in the level of available credit enhancement since closing.
- BBVA originated and currently services the loans backing these two Spanish RMBS transactions, which closed in May 2008 and April 2010, respectively.

MADRID (Standard & Poor's) Sept. 18, 2012--Standard & Poor's Ratings Services today took various credit rating actions in two of Banco Bilbao Vizcaya Argentaria S.A.'s (BBVA) Spanish residential mortgage-backed securities (RMBS) series.

Specifically, we:
- Lowered to 'A- (sf)' from 'A (sf)' our rating on BBVA RMBS 5, Fondo de Titulización de Activos' (BBVA RMBS 5) class A notes;

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- Raised our ratings on BBVA RMBS 5's class B and C notes; and
- Lowered and removed from CreditWatch negative our rating on the BBVA RMBS 9, Fondo de Titulización de Activos' (BBVA RMBS 9) notes (see list below). The notes were placed on Creditwatch negative on May 8, 2012 (see "Various Rating Actions Taken On 98 Tranches In 85 Spanish Securitizations Following Sovereign Downgrade,")

Each transaction securitizes a portfolio of secured, "flexible" loans to individuals resident in Spain for the acquisition of residential properties. A "flexible" loan is defined as one for which the maturity can be modified, installments can be deferred, a final balloon payment may be defined, or the interest rate can change from a floating to a fixed rate during three years. BBVA originated the loans and is the servicer, bank account provider, paying agent, and swap provider in both portfolios.

As with other Spanish transactions, interest and principal are combined into a single priority of payments.

After our 2012 counterparty criteria came into effect, the issuer modified the documentation for both transactions (see "Counterparty Risk Framework Methodology And Assumptions," published on May 31, 2012).

BBVA RMBS 5

On May 6, 2011, the transaction was restructured and the required amount of the reserve fund was increased by €271.91 million, to €413.91 million from €142.00 million. On the latest payment date in June 2012, the cash reserve represented 7.13% of the initial balance of the notes. While it was not at the required level defined in the documents (8.28% of the initial balance of the notes), the level of credit enhancement was still much higher than that at closing.

The class B and C notes benefit from the increased size of the reserve fund. The level of credit enhancement available to the class B notes is 2.75 times higher than at closing, while the level of credit enhancement available to the class C notes has increased 3.5 times over the same period. This enabled both classes of notes to support a higher rating. We have therefore raised our ratings on the class B and C notes.

Delinquency levels in the portfolio backing this transaction have stabilized over the past two years. During the past year, arrears of 180+ days up to default have increased by only 39 basis points (bps) over the outstanding balance of the pool. The cumulative defaults as of the latest payment date were 2.82% over the initial balance of the pool. If defaults continue to rise at the same rate for the next year, the transaction will not hit its deferral-of-interest triggers over that period (the deferral-of-interest trigger on the class C notes is defined as 10% over the initial balance).

We lowered to 'A- (sf)' from 'A (sf)' our rating on the class A notes, even though performance has been fairly stable for the past year and the reserve fund has increased in size considerably, because of the notes' counterparty exposure. Although the issuer amended the transaction documentation, under our 2012 counterparty criteria, the remedy actions at the issuer's disposal for the class A notes support a maximum rating of 'A- (sf)'.

BBVA RMBS 9

The transaction closed in April 2010 and has a very low level of arrears--the maximum level of total arrears was 1.24%, in March 2012. Cumulative defaults only represent 0.06% of the initial balance of the pool. The level of credit enhancement available to the notes in itself would support a higher rating and we consider transaction performance to be good, based on the low level of arrears and cumulative defaults.

However, we have lowered our rating on the notes because, under our 2012 counterparty criteria, the amendments to the transaction documents indicate that the remedy actions at the issuer's disposal support a maximum rating of 'A- (sf)'.

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

- Counterparty Risk Framework Methodology And Assumptions, May 31, 2012
- Various Rating Actions Taken On 98 Tranches In 85 Spanish Securitizations Following Sovereign Downgrade, May 8, 2012
- 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
- Principles Of Credit Ratings, Feb. 16, 2011
- Methodology: Credit Stability Criteria, May 3, 2010
- Methodology And Assumptions: Update To The Cash Flow Criteria For European RMBS Transactions, Jan. 6, 2009
- European Legal Criteria For Structured Finance Transactions, Aug. 28, 2008
- Criteria for Rating Spanish Residential Mortgage-Backed Securities, March 1, 2002

- Methodology And Assumptions: Update To The Criteria For Rating Spanish Residential Mortgage-Backed Securities, Jan. 6, 2009

RATINGS LIST

Class	Rating	
	To	From

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

Rating Lowered

A	A- (sf)	A (sf)

Ratings Raised

B	A- (sf)	BBB- (sf)
C	BBB (sf)	BB (sf)

BBVA RMBS 9, Fondo de Titulización de Activos
€1.3 Billion Mortgage-Backed Floating-Rate Notes

Rating Lowered And Removed From CreditWatch Negative

Notes	A- (sf)	AA+ (sf)/Watch Neg

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