

Hecho Relevante de **GAT ICO-FTVPO 1, Fondo de Titulización Hipotecaria**

En virtud de lo establecido en el Folleto Informativo de **GAT ICO-FTVPO 1, Fondo de Titulización Hipotecaria** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 21 de febrero de 2018, comunica que ha elevado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie AG: AAAsf**, perspectiva positiva (anterior **AA+sf**, perspectiva positiva)

Asimismo, Fitch ha confirmado las calificaciones asignadas a las siguientes Series de Bonos:

- **Serie B (CA): AA-sf**, perspectiva estable
- **Serie B (CM): AA-sf**, perspectiva estable
- **Serie B (CP): AA-sf**, perspectiva estable
- **Serie B (CT): AA-sf**, perspectiva estable
- **Serie C (CA): A-sf**, perspectiva estable
- **Serie C (CM): A-sf**, perspectiva estable
- **Serie C (CP): A-sf**, perspectiva estable
- **Serie C (CT): A-sf**, perspectiva estable

Se adjunta la comunicación emitida por Fitch.

Madrid, 22 de febrero de 2018.

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Apoderado

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Apoderada



Fitch Upgrades 3 Tranches of 4 ICO-FTVPO RMBS Transactions; Affirms 15

Fitch Ratings-Madrid/London-21 February 2018: Fitch Ratings has upgraded three tranches of four ICO-FTVPO Spanish RMBS transactions and affirmed 15 tranches. All ratings have been removed from Rating Watch Evolving (RWE) where they were placed on 5 October 2017. A full list of rating actions is at the end of this rating action commentary.

The transactions mostly comprise Spanish residential mortgages backed by Viviendas de Proteccion Oficial (VPO) properties, allocated to low-income borrowers fulfilling stated eligibility criteria.

KEY RATING DRIVERS

Stable or Improving Credit Enhancement

Fitch expects structural credit enhancement (CE) to remain stable over the short to medium term for AyT ICO-FTVPO Caja Murcia, AyT ICO-FTVPO Caja Vital Kutxa, and AyT ICO-FTVPO I as these transaction will continue or are expected to switch to pro rata amortisation in the coming months. Conversely, Fitch expects CE for GAT ICO-FTVPO 1's senior notes to increase as this transaction does not allow pro rata amortisation and operates fully sequential amortisation of liabilities. The agency considers these CE trends sufficient to withstand the rating stresses, leading to the upgrades and affirmations of the notes.

Stable Asset Performance

The transactions continue to have sound asset performance and Fitch believes the stable trend will continue as the stock of late-stage arrears is low and seasoning of the securitised portfolios ranges between 11 to 13 years. Three-months plus arrears (excluding defaults) as a percentage of the current pool balance were below 0.60% at the latest reporting periods for the three AyT transactions, while for GAT ICO-FTVPO 1 it was below 0.35%. Cumulative defaults, defined for all three AyT transactions as mortgages in arrears by more than 18 months (12 months for GAT ICO-FTVPO 1), are between 0.5% to 1.1% of the initial portfolio balances.

Subsidy Interruption Simulated

Fitch has tested potential interruption of the government subsidy to VPO borrowers by assigning a higher probability of default to these borrowers. Fitch estimates the exposure of underlying borrowers currently receiving a regular instalment subsidy

from official sources to range between 0% (AyT ICO-FTVPO Caja Vital Kutxa) and 97% (AyT ICO-FTVPO Caja Murcia). The analysis showed that current and projected CE levels are sufficient to withstand these stresses.

Counterparty Cap

AyT ICO-FTVPO Caja Murcia, AyT ICO-FTVPO Caja Vital Kutxa and AyT ICO-FTVPO I's class A notes' ratings are capped at 'AA+sf' under Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria, due to the account bank replacement trigger being set at 'A-' and 'F2', which is insufficient to support a 'AAAsf' or higher rating.

Payment Interruption Risk Mitigated

Fitch views the transactions to be sufficiently protected against payment interruption to the securitisation notes in a scenario of servicer disruption. The cash reserve funds of every transaction provide sufficient buffer to mitigate credit and liquidity stresses, covering at least six months of senior fees and interest payment obligations on the senior securitisation notes.

RATING SENSITIVITIES

The class C notes' ratings are sensitive to changes in the SPV account bank rating (Banco Santander, A-/Stable for the three AyT transactions; and Societe Generale, A/Stable for GAT ICO-FTVPO 1), as the cash reserves kept at the respective bank account represent the only source of CE for these notes. The class C notes' ratings are capped at the SPV account bank's rating.

A worsening of the Spanish macroeconomic environment, especially employment conditions, or an abrupt shift in interest rates could jeopardise the ability of the underlying borrowers to meet their payment obligations.

USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO 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. Because loan-by-loan portfolio data sourced from the European Data Warehouse did not contain current information about VPO properties in the portfolios, Fitch assumed the proportion of VPO assets with a subsidy in the portfolios was the same as at the closing date (ie. 97%, 47%, 0% for AyT ICO-FTVPO Caja Murcia, AyT ICO-FTVPO I, and AyT ICO-FTVPO Caja Vital Kutxa, respectively). For GAT ICO-FTVPO 1 the servicer provided current data for VPO loans, which shows approximately 39% of current pool balance corresponds to subsidised loans. 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 ongoing 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 the 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.

SOURCES OF INFORMATION

The information below was used in the analysis.

Loan level data sourced from the European Data Warehouse with the following cut-off dates:

- 23 October 2017 for AyT ICO-FTVPO Caja Murcia, FTA
- 11 January 2018 for AyT ICO-FTVPO Caja Vital Kutxa, FTA
- 13 October 2017 for AyT ICO-FTVPO I, FTA
- 13 December 2017 for GAT ICO-FTVPO 1, FTH

Issuer and servicer reports since close of the deals and until:

- 30 October 2017 for AyT ICO-FTVPO Caja Murcia, FTA provided by Haya Titulizacion, SGFT, SA
- 18 January 2018 for AyT ICO-FTVPO Caja Vital Kutxa, FTA provided by Haya Titulizacion, SGFT, SA
- 20 October 2017 for AyT ICO-FTVPO I, FTA provided by Haya Titulizacion, SGFT, SA
- 31 December 2017 for GAT ICO-FTVPO 1, FTH provided by Europea de Titulizacion, SGFT, SA

MODELS

ResiEMEA. (<https://www.fitchratings.com/site/structuredfinance/rmbs/resiemea>)

EMEA Cash Flow Model.

(<https://www.fitchratings.com/site/structuredfinance/emeacfm>)

The rating actions are as follows:

AyT ICO-FTVPO Caja Murcia, FTA:

Class A notes (ISIN ES0312287008): affirmed at 'AA+sf'; off RWE; Outlook Stable

Class B notes (ISIN ES0312287016): affirmed at 'AA+sf'; off RWE; Outlook Stable

Class C notes (ISIN ES0312287024): affirmed at 'A-sf'; off RWE; Outlook Stable

AyT ICO-FTVPO Caja Vital Kutxa, FTA

Class A notes (ISIN ES0312304001): affirmed at 'AA+sf'; off RWE; Outlook Stable

Class B notes (ISIN ES0312304019): upgraded to 'AAsf' from 'A+sf'; off RWE;
Outlook Stable

Class C notes (ISIN ES0312304027): affirmed at 'A-sf'; off RWE; Outlook Stable

AyT ICO-FTVPO I, FTA:

Class A notes (ISIN ES0312305008): affirmed at 'AA+sf'; off RWE; Outlook Stable

Class B notes (ISIN ES0312305016): upgraded to 'AA-sf' from 'A+sf'; off RWE;
Outlook Stable

Class C notes (ISIN ES0312305024): affirmed at 'A-sf'; off RWE; Outlook Stable

GAT ICO-FTVPO 1, FTH:

Class AG (ISIN ES0341068007) upgraded to 'AAAsf' from 'AA+sf'; off RWE;
Outlook Stable

Class B (CA) (ISIN ES0341068015) affirmed at 'AA-sf'; off RWE; Outlook Stable

Class B (CM) (ISIN ES0341068023) affirmed at 'AA-sf'; off RWE; Outlook Stable

Class B (CP) (ISIN ES0341068031) affirmed at 'AA-sf'; off RWE; Outlook Stable

Class B (CT) (ISIN ES0341068049) affirmed at 'AA-sf'; off RWE; Outlook Stable

Class C (CA) (ISIN ES0341068056) affirmed at 'A-sf'; off RWE; Outlook Stable

Class C (CM) (ISIN ES0341068064) affirmed at 'A-sf'; off RWE; Outlook Stable

Class C (CP) (ISIN ES0341068072) affirmed at 'A-sf'; off RWE; Outlook Stable

Class C (CT) (ISIN ES0341068080) affirmed at 'A-sf'; off RWE; Outlook Stable

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Additional information is available on www.fitchratings.com

Applicable Criteria

European RMBS Rating Criteria (pub. 02 Feb 2018)

(<https://www.fitchratings.com/site/re/10018676>)

Fitch's Interest Rate Stress Assumptions for Structured Finance and Covered Bonds - Excel File (pub. 02 Feb 2018)

(<https://www.fitchratings.com/site/re/10018863>)

Global Structured Finance Rating Criteria (pub. 03 May 2017)

(<https://www.fitchratings.com/site/re/897411>)

Structured Finance and Covered Bonds Counterparty Rating Criteria (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898537>)

Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum (pub. 23 May 2017) (<https://www.fitchratings.com/site/re/898538>)

Structured Finance and Covered Bonds Country Risk Rating Criteria (pub. 18 Sep 2017) (<https://www.fitchratings.com/site/re/903496>)

Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (pub. 02 Feb 2018) (<https://www.fitchratings.com/site/re/10018549>)

Additional Disclosures

Dodd-Frank Rating Information Disclosure Form

(<https://www.fitchratings.com/site/dodd-frank-disclosure/10021087>)

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