Otra Información Relevante de **BANKINTER 11 FONDO DE TITULIZACIÓN HIPOTECARIA**

En virtud de lo establecido en el Folleto Informativo de **BANKINTER 11 FONDO DE TITULIZACIÓN HIPOTECARIA** (el "**Fondo**") se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

La Agencia de Calificación **Moody's Investors Service** ("**Moody's**"), con fecha 15 de junio de 2022, comunica que ha confirmado las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:

- **Serie A2**: **Aa1 (sf)**
- **Serie B**: **Aa1 (sf)**
- **Serie C**: **A2 (sf)**

Asimismo, Moody's ha reducido la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie D: B1 (sf)** (anterior **Ba2 (sf)**)

Se adjunta la comunicación emitida por Moody's.

Madrid, 23 de junio de 2022.

MOODY'S
INVESTORS SERVICE

Rating Action: Moody's downgrades rating of one note in BANKINTER 11, FTH

15 Jun 2022

Frankfurt am Main, June 15, 2022 -- Moody's Investors Service, ("Moody's") has today downgraded the rating of the Class D notes and affirmed the ratings of the other notes issued by BANKINTER 11, FTH:

....EUR816.8M Class A2 Notes, Affirmed Aa1 (sf); previously on Aug 16, 2021 Affirmed Aa1 (sf)

....EUR15.6M Class B Notes, Affirmed Aa1 (sf); previously on Aug 16, 2021 Upgraded to Aa1 (sf)

....EUR15.3M Class C Notes, Affirmed A2 (sf); previously on Aug 16, 2021 Upgraded to A2 (sf)

....EUR9.8M Class D Notes, Downgraded to B1 (sf); previously on Aug 16, 2021 Affirmed Ba2 (sf)

The rating action reflects:

- the deterioration in the levels of credit enhancement for the affected notes due to EUR 1.3 million in draws under the reserve fund. Draws are being driven by the lost cash flows under the hedging arrangement with the swap counterparty as well as financing costs on the Class A2 – Class E notes which all rank senior to reserve fund replenishment;

- the expectation of diminished excess spread available in the transaction given increasing funding costs as lower yielding senior notes are repaid;

- the expectation of further draws of the reserve fund as the 12-month Euribor reference rate of the loans requires the loans to reset before the pool benefits from higher yielding prevailing rates.

Moody's affirmed the ratings of the notes that had sufficient credit enhancement to maintain their current ratings.

Maximum achievable rating is Aa1 (sf) for structured finance transactions in Spain, driven by the corresponding local currency country ceiling of the country.

RATINGS RATIONALE

The rating action on Class D notes is prompted by:

- the deterioration in the levels of credit enhancement for the affected notes due to EUR 1.3 million in draws under the reserve fund. Draws are being driven by the lost cash flows under the hedging arrangement with the swap counterparty as well as financing costs on the Class A2 – Class E notes which all rank senior to reserve fund replenishment;

- the expectation of diminished excess spread available in the transaction given increasing funding costs as lower yielding senior notes are repaid;

- the expectation of further draws of the reserve fund as the 12-month Euribor reference rate of the loans requires the loans to reset before the pool benefits from higher yielding prevailing rates.

Deterioration of credit enhancement for Class D:

The reserve fund amount is EUR 4.9 million and EUR 1.3 million below its target value of EUR 6.2 million. Since the last rating action on 16 August 2021, the reserve fund has fallen from EUR 5.7 million (reporting date 21 May 2021) to EUR 4.9 million (reporting date 21 May 2022). The reserve fund draws of EUR 1.3 million are due to negative excess spread in the transaction driven by increased hedging costs and rising financing costs. The reserve fund is effectively the only source of credit enhancement for Class D.

Expectation of diminished excess spread to replenish the reserve fund:

Currently the pool yields a weighted average interest rate of 0.08% p.a. and rising to a maximum of 0.48% p.a.

net of swap payments as the reference rate rises. However current pool interest and projected pool interest is insufficient to meaningfully offset outflows associated with net swap payments, senior fees, and interest payments on the notes. Interest on all outstanding notes, including Class E coupon of 3mE+390bps, rank ahead of reserve fund replenishments.

As interest rates are expected to increase over the coming months, we expect the size of quarterly reserve fund draws to decrease from current levels of circa EUR 200K per quarter to much lower levels. This will stop the further deterioration of credit enhancement for Class D. However, it is unlikely that sufficient excess spread will be restored enabling the transaction to replenish the reserve fund back to its target amount of EUR 6.2 million.

Annual reset of the mortgage loans:

The sizeable net swap payments made by the issuer to the swap counterparty were due to the very negative levels of 12m-Euribor interest rate leading to the effectiveness of the basis swap being impacted and creating increasing net swap payments to be made by the issuer. As 12m-Euribor rates increase, the expectation is for the associated swap cost to fall. However, given annual reset of the mortgage loans, the benefit of the already higher level of interest rates will accrue to the issuer lockstep with the annual reset dates of the underlying mortgages.

Key Collateral Assumptions:

As part of the rating action, Moody's reassessed its lifetime loss expectation for the portfolio reflecting the collateral performance to date.

The performance of the transaction has continued to be stable with de minimis defaults since closing of the transaction. Total delinquencies have also remained stable and at very low levels in the past year, with 90 days plus arrears currently standing at 0.17% of current pool balance. Cumulative defaults currently stand at 0.64% of original balance and unchanged since February 2021.

Moody's decreased the expected loss assumption to 0.4% as a percentage of original pool balance from 0.45% due to the very good asset performance. Correspondingly, the revised 0.4% expected loss assumption on original balance is equivalent to an expected loss assumption on current balance of 0.96%.

The principal methodology used in these ratings was "Moody's Approach to Rating RMBS Using the MILAN Framework" published in February 2022 and available at https://ratings.moodys.com/api/rmc-documents/378445. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

The analysis undertaken by Moody's at the initial assignment of ratings for an RMBS security may focus on aspects that become less relevant or typically remain unchanged during the surveillance stage. Please see Moody's Approach to Rating RMBS Using the MILAN Framework for further information on Moody's analysis at the initial rating assignment and the on-going surveillance in RMBS.

Factors that would lead to an upgrade or downgrade of the ratings:

Factors or circumstances that could lead to an upgrade of the ratings include: (i) performance of the underlying collateral that is better than Moody's expected; (ii) an increase in available credit enhancement; and (iii) a decrease in sovereign risk.

Factors or circumstances that could lead to a downgrade of the ratings include: (i) an increase in sovereign risk; (ii) performance of the underlying collateral that is worse than Moody's expected; (iii) deterioration in the notes' available credit enhancement; and (iv) deterioration in the credit quality of the transaction counterparties.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

The analysis relies on an assessment of collateral characteristics to determine the collateral loss distribution, that is, the function that correlates to an assumption about the likelihood of occurrence to each level of possible losses in the collateral. As a second step, Moody's evaluates each possible collateral loss scenario using a model that replicates the relevant structural features to derive payments and therefore the ultimate potential losses for each rated instrument. The loss a rated instrument incurs in each collateral loss scenario, weighted by assumptions about the likelihood of events in that scenario occurring, results in the expected loss of the rated instrument.

Moody's quantitative analysis entails an evaluation of scenarios that stress factors contributing to sensitivity of ratings and take into account the likelihood of severe collateral losses or impaired cash flows. Moody's weights the impact on the rated instruments based on its assumptions of the likelihood of the events in such scenarios occurring.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the issuer/deal page for the respective issuer on https://ratings.moodys.com.

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The ratings have been disclosed to the rated entity or its designated agent(s) and issued with no amendment resulting from that disclosure.

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Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at https://ratings.moodys.com/documents/PBC_1288235.

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