Hecho Relevante de BBVA RMBS 10 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de BBVA RMBS 10 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 Moody’s Investors Service (Moody’s), con fecha 23 de enero de 2015, comunica que ha confirmado las calificaciones asignadas a las Series de Bonos emitidos por el Fondo:
  - Serie A: A1 (sf)
  - Serie B: Baa3 (sf)

Se adjunta la comunicación emitida por Moody’s.

Madrid, 26 de enero de 2015.

Mario Masiá Vicente
Director General
Rating Action: Moody’s takes rating actions on Irish, Italian, Portuguese, Spanish ABS/RMBS deals

Global Credit Research - 23 Jan 2015

Actions follow country ceilings upgrades

London, 23 January 2015 -- Moody's Investors Service has today taken rating actions on Spanish, Irish, Portuguese and Italian asset-backed securities (ABS) and residential mortgage-backed securities (RMBS) transactions. The upgrades of the local-currency country risk ceilings to Aa1 from Aa3 in Ireland, to Aa2 from A2 in Italy, to A1 from A3 in Portugal, and to Aa2 from A1 in Spain on 20 January 2015 -- together with the reduction of the minimum portfolio credit enhancement -- prompted today’s rating actions. Please refer to the revised methodology on country ceilings and the new ceiling applied to euro area countries: http://www.moodys.com/viewresearchdoc.aspx?docid=PR_316765.

Specifically, Moody’s has upgraded the ratings of 591 notes and placed 332 notes on review for upgrade across 14 Irish, 98 Italian, 25 Portuguese and 163 Spanish RMBS deals, and 47 Italian, 5 Portuguese and 72 Spanish ABS deals.

Please click on this link http://www.moodys.com/viewresearchdoc.aspx?docid=PBS_SF394604 for the List of Affected Credit Ratings. This list is an integral part of this Press Release and provides, for each of the credit ratings covered, the following information:

- Lead analyst
- Key Rationale for Action / Review Placement and Rating Constraint(s)
- Principal Methodology
- Person Approving the Credit Rating
- Releasing office
- Loss and Cash Flow Analysis
- Stress Scenarios

RATING RATIONALE

RATING UPGRADES

The main drivers behind today’s upgrades are (1) the reduced country risk as reflected by the increase in the maximum achievable rating in Spain, Italy, Ireland and Portugal, and principally for RMBS (2) reduction in the portfolio credit enhancement (CE) following the removal of minimum country requirements, and (3) reduction in the expected loss (EL) assumption.

Moody’s analysis incorporates the revisions, when needed, of EL assumptions taking into account the collateral performance to-date as well as the exposure to relevant counterparty servicers, account banks and swap providers. Moody’s cash flow sensitivity stress tests as well as borrower concentration analysis were also taken into account in today’s rating actions. The counterparty risk exposure as well as the sensitivity test to key collateral assumptions and borrower concentration have constrained the upgrades in 164 tranches. See the detailed list of rating actions for more details on the constraining factors, if any.

PLACEMENT ON REVIEW

The review for upgrade reflects the increase in the maximum achievable rating, and, for the RMBS transactions, Moody’s revision of the portfolio CE.

The review for downgrade reflects the deterioration in the portfolio performance.
As part of the review, Moody's will assess updated loan-by-loan information on the securitised pools to determine the portfolio CE following the update to its ABS and RMBS rating methodologies and the removal of the minimum portfolio CE requirement for transactions affected by this methodology change. The revision of portfolio CE assumptions, together with the increased country ceiling, will define the transactions' loss distribution and will be an integral part in determining the affected notes ratings, post-review. During the review process, Moody's will also factor in its analysis any potential linkage of transactions to relevant counterparties, such as servicers, account banks or swap providers.

RATING DOWNGRADE

Moody's downgraded one tranche in one Portuguese RMBS because the CE for the notes is not sufficient to mitigate the increased EL assumptions.

AFFIRMATIONS

Moody's has also affirmed the ratings of the notes where the benefit of the increased country ceiling was fully offset by counterparty risk exposure, and/or the current CE was commensurate with the current ratings.

--- INCREASED LOCAL-CURRENCY COUNTRY CEILINGS

The country ceilings reflect a range of risks that issuers in any jurisdiction are exposed to, including economic, legal and political risks. On 20 January 2015, Moody's announced a six-notch uplift between a government bond rating and its country risk ceiling for Spain, Italy, Portugal and Ireland. As a result, the maximum achievable ratings for covered bonds and structured finance transactions were increased to Aa1 from Aa3 for Ireland, to Aa2 from A2 for Italy, to A1 from A3 for Portugal, and to Aa2 from A1 for Spain.

--- REDUCTION IN PORTFOLIO CE

On 20 January, Moody’s announced that the minimum portfolio CE is no longer applicable for most EMEA markets following the updates to its ABS and RMBS rating methodologies: (http://www.moodys.com/viewresearchdoc.aspx?docid=PR_316183). This resulted in a reduction of the portfolio CE in 75 RMBS in Spain and Portugal and had no impact on the ABS deals. For RMBS specifically, the MILAN CE also incorporates the changes to (1) the portfolio concentration adjustments contained within Moody's Individual Loan Analysis (MILAN) model and the scale of these adjustments (for all markets); and (2) the scale of certain other adjustments contained within the MILAN model.

The downward revision to the Milan CE, together with the relevant revised country ceiling define the transaction's loss distribution and will be an integral part in determining the affected notes' ratings through Moody's cash flow models. The reduction in Milan CE contributed to the upgrade of 204 RMBS notes.

--- REVISION OF EXPECTED LOSS

As part of the rating action, Moody's reviewed the collateral performance of the securitised pools and incorporated the revision of EL assumptions into its analysis.

--- EXPOSURE TO COUNTERPARTIES

Today's rating actions took into consideration the notes' exposure to relevant counterparties, such as servicers, account banks or swap providers. Moody's considered how the liquidity available in the transactions and other mitigants support continuity of note payments, in case of servicer default. Moody's also assessed the default probability of each transaction's account bank providers. Moody's analysis considered the risks of additional losses on the notes in the event of them becoming unhedged, following a swap counterparty default.

--- RATING SENSITIVITY

To ensure rating stability and to test the sensitivity of the note ratings, Moody's ran stressed scenarios in cash flow models before upgrading the relevant notes.

The stressed scenarios assume (1) a 25% or 50% increase in the EL assumptions for RMBS, depending on the current level of EL and similar stresses for the default probability assumption for ABS; and (2) a 20% increase in the MILAN CE/portfolio CE assumption. The ratings were upgraded when the negative rating impact resulting from the above test was within the sensitivity tolerance. The sensitivity analysis to Moody's key collateral assumptions resulted in limiting the potential upgrade of 69 tranches in Irish RMBS, Spanish and Italian ABS and RMBS deals.
Moody's incorporated the sensitivity analysis of the ratings to borrower concentrations in the ABS deals that have collateral pools of SME loans and small-ticket leases, and considered the credit-enhancement coverage of the large debtors in the asset pools. This sensitivity analysis resulted in limiting the potential upgrade of 13 tranches in Spanish and Italian ABS deals.

FACTORS THAT WOULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS:

Factors or circumstances that could lead to an upgrade of the ratings are (1) a lower probability of high-loss scenarios owing to an upgrade of the country ceiling; (2) performance of the underlying collateral that exceeds Moody’s expectations; (3) deleveraging of the capital structure; and (4) improvements in the credit quality of the transaction counterparties.

Factors or circumstances that could lead to a downgrade of the ratings are (1) an increased probability of high-loss scenarios owing to a downgrade of the country ceiling; (2) performance of the underlying collateral that does not meet Moody’s expectations; (3) deterioration in the notes’ available CE; and (4) 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 of the disclosure form.

Moody’s did not receive or take into account a third party assessment on the due diligence performed regarding the underlying assets or financial instruments related to the monitoring of these transactions in the past six months.

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt 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 rating action on the support provider and in relation to each particular 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 ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this rating action, and whose ratings may change as a result of this rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

The below contact information is provided for information purposes only. Please see the ratings tab of the issuer page at www.moodys.com, for each of the ratings covered, Moody’s disclosures on the lead analyst and the Moody’s legal entity that has issued the ratings.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Carole Bernard  
Vice President - Senior Analyst  
Structured Finance Group  
Moody’s Investors Service Ltd.  
One Canada Square  
Canary Wharf
issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and
preferred stock rated by MIS have, prior to assignment of any rating, agreed to pay to MIS for appraisal and rating
services rendered by it fees ranging from $1,500 to approximately $2,500,000. MCO and MIS also maintain policies
and procedures to address the independence of MIS’s ratings and rating processes. Information regarding certain
affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from
MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually
at www.moodys.com under the heading “Shareholder Relations — Corporate Governance — Director and
Shareholder Affiliation Policy.”

For Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services
License of MOODY’S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or
Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended
to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By
continuing to access this document from within Australia, you represent to MOODY’S that you are, or are
accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you
represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of
section 761G of the Corporations Act 2001. MOODY’S credit rating is an opinion as to the creditworthiness of a
debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to
retail clients. It would be dangerous for "retail clients" to make any investment decision based on MOODY’S credit
rating. If in doubt you should contact your financial or other professional adviser.