MOODY'S
INVESTORS SERVICE

PRE SALE REPORT

BBVA RMBS 15, FTA

RMBS/ Prime / Spain

Closing Date

May 2015

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Analyst Contacts

Rodrigo Conde
Analyst
+44.20.7772.1422
rodrigo.conde@moodys.com

Alberto Barbáchano
Vice President – Senior Analyst
+34.91.768.8212
alberto.barbachano@moodys.com

» *contacts continued on the last page*

MOODY'S CLIENT SERVICES:
London: +44.20.7772.5454
clientservices.emea@moodys.com
Monitoring: monitor.rmbs@moodys.com

Provisional (P) Ratings

Series	Rating	Amount (Million)	% Of Notes	Legal Final Maturity	Coupon	Subordi-Nation*	Reserve Fund**	Total Credit Enhance-Ment***
A	(P) Aa3(sf)	€3,280.0	82.0	May 2058	3mE+0.5%	18.00%	4.00%	22.00%
Loan B	NR	€720.0	18.0	May 2058	-	0.00%		4.00%
Total		€4,000.0	100.0					

The ratings address the expected loss posed to investors by the legal final maturity. In Moody's opinion the structure allows for timely payment of interest and ultimate payment of principal at par on or before the rated final legal maturity date. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

* At close.

** As a % of total notes

*** No benefit attributed to excess spread.

The subject transaction is a static cash securitisation of prime mortgages extended to obligors located in Spain. The portfolio consists of mortgage loans secured by residential properties in Spain.

Asset Summary (Cut off date as of 14 April 2015)

Seller(s)/originator(s):	Banco Bilbao Vizcaya Argentaria S.A ("BBVA") (Baa2/P-2)
Servicer(s):	BBVA
Receivables:	First-lien prime conforming mortgage loans to individuals secured by property located in Spain.
Principal Methodology	» Moody's Approach to Rating RMBS Using the MILAN Framework

This pre-sale report addresses the structure and characteristics of the proposed transaction based on the information provided to Moody's as of [•]. Investors should be aware that certain issues concerning this transaction have yet to be finalised. Upon conclusive review of all documents and legal information as well as any subsequent changes in information, Moody's will endeavour to assign definitive ratings to this transaction. The definitive ratings may differ from the provisional ratings set forth in this report. Moody's will disseminate the assignment of definitive ratings through its Client Service Desk. This report does not constitute an offer to sell or a solicitation of an offer to buy any securities, and it may not be used or circulated in connection with any such offer or solicitation.

Originally electronically published on Month Day, Year, but due to minor changes republished on Month Day, Year.

Asset Summary (Continued)

Models Used:	MILAN (Spanish Settings)
Total Amount:	[€ 4,210,102,226]
Length of Revolving Period:	Static
Number of Borrowers:	[30,395]
Borrower concentration:	Top 20 borrowers make up [0.38%] of the pool
WA Remaining Term:	[26.8] years
WA Seasoning:	[5.8] years
Interest Basis:	100% floating rate loans indexed to 12 months EURIBOR or IRPH Financial Entities
WA Current LTV:	[64.3%]
WA Original LTV:	[74.2%]
Moody's calculated WA indexed LTV:	[82.8%]
Borrower credit profile:	Prime borrowers (Medium/Low income)
Delinquency Status:	No loans in arrears more 30 days at closing

Liabilities, Credit Enhancement and Liquidity

Excess Spread At Closing:	The weighted average interest rate of the pool is around 121 bps which will be reduced by the weighted average interest rate of the notes and Loan B, plus the senior fees and the interest rate mismatch
Credit Enhancement/Reserves:	Excess spread [4.0%] amortising principal reserve fund Subordination of the notes Guaranteed Investment Contract (GIC) account earning -0.10% on deposits
Form of Liquidity:	Excess spread, amortising reserve fund, principal to pay interest mechanism
Number of Interest Payments Covered by Liquidity:	With closing capital structure and 4% Euribor the reserve fund provides liquidity for approximately 4 quarters
Interest Payments:	Quarterly in arrears on each payment date
Principal Payments:	Pass-through on each payment date
Payment Dates:	19 February, 19 May, 19 August, 19 November First payment date: 19 August 2015
Hedging Arrangements:	No hedging agreement

Counterparties

Issuer:	BBVA RMBS 15, Fondo de Titulización de Activos
Sellers/Originators:	Banco Bilbao Vizcaya Argentaria S.A ("BBVA") (Baa2/P-2)
Contractual Servicer(s):	BBVA
Sub-Servicer(s):	Not Available
Back-up Servicer(s):	Not Available
Back-up Servicer Facilitator:	Europea de Titulización S.G.F.T., S.A ("EdT") (Not Rated)
Cash Manager:	EdT
Back-up Cash Manager:	Not Available
Calculation Agent/Computational agent:	EdT
Back-up Calculation/Computational Agent:	None
Swap Counterparty:	Not Available
Issuer Account Bank:	BBVA
Collection Account Bank:	BBVA
Paying Agent:	BBVA
Management Company:	EdT
Issuer Administrator/Corporate Service Provider:	Not Applicable
Arranger:	EdT and BBVA
Lead Manager(s):	BBVA

Moody's View

Outlook for the Sector:	Stable
Unique Feature:	Structure previously seen in the market.
Degree of Linkage to Originator:	BBVA acts as servicer for its own portfolio. BBVA also acts as issuer account bank, collection account bank and paying agent.
Originator's Securitisation History:	
# of Precedent Transactions in Sector:	14 RMBS
% of Book Securitised:	28%
Behaviour of Precedent Transactions:	Delinquencies reported on prior transactions of this issuer are better than the average delinquency reported in the Spain index
Key Differences between Subject and Precedent Transactions:	The Structure mimics recent BBVA RMBS deals and the collateral is similar to previous BBVA deals.
Portfolio Relative Performance:	
Expected Loss/Ranking:	5.3% In line with peer group
MILAN CE/Ranking:	18.6% In line with peer group
Weighted-Average House Prices Stress Rate	35.02%
Potential Rating Sensitivity:	
Chart Interpretation:	At the time the rating was assigned, the model output indicated that Class A would have achieved a Aa3 rating even if the expected loss was as high as 7.42% assuming MILAN CE remained at 18.6% and all other factors were constant. At the time the rating was assigned, the model output indicated that Class A would have achieved a A1 rating if the country cleaning was Aa3 and assuming a counterparty rating of Baa2 (i.e. non credit given to the transfer trigger). If the country ceiling was increased to Aa1, the ratings would have achieved a Aa2 (please see page 16 for a detail view of the country ceiling sensitivity).
Factors Which Could Lead to a Downgrade:	» Worse than expected collateral performance in terms of delinquency and loss rates. » Deterioration of BBVA's credit quality. » Sovereign risk may increase performance volatility

EXHIBIT 1*

Tranche A

		MILAN CE Output			
		18.6%	22.3%	26.0%	29.76%
Median Expected Loss	5.30%	**Aa3***	A1 (1)	A1 (1)	A2 (2)
	6.63%	Aa3 (0)	A1 (1)	A2 (2)	A2 (2)
	7.42%	Aa3 (0)	A1 (1)	A2 (2)	A2 (2)
	9.28%	A1 (1)	A2 (2)	A3 (3)	A3 (3)

* Results under base case assumptions indicated by asterisk ' * '. Change in model-indicated rating (# of notches) is noted in parentheses.

please note that only A tranche(s) to be shown here, sensitivities on other tranches are shown at the end of the report.

Strengths and Concerns

Strengths:

- **Asset quality:** Particular strengths related to the portfolio include
  - **Weighted Average LTV:** Current weighted-average LTV of 64.31% is lower than the average for Spanish transactions.
  - **Geographical diversification:** The portfolio is well diversified among regions, with the maximum exposure in Andalusia (19.3%).
  - **Seasoning:** The portfolio is well seasoned, with weighted-average seasoning of 5.80 years
- **Sequential Amortisation of the notes and Loan B & Reserve Fund:** The transaction has in place a reserve fund of (4.0%)and a sequential amortization structure. Both factors, contributes to strong credit enhancement levels.

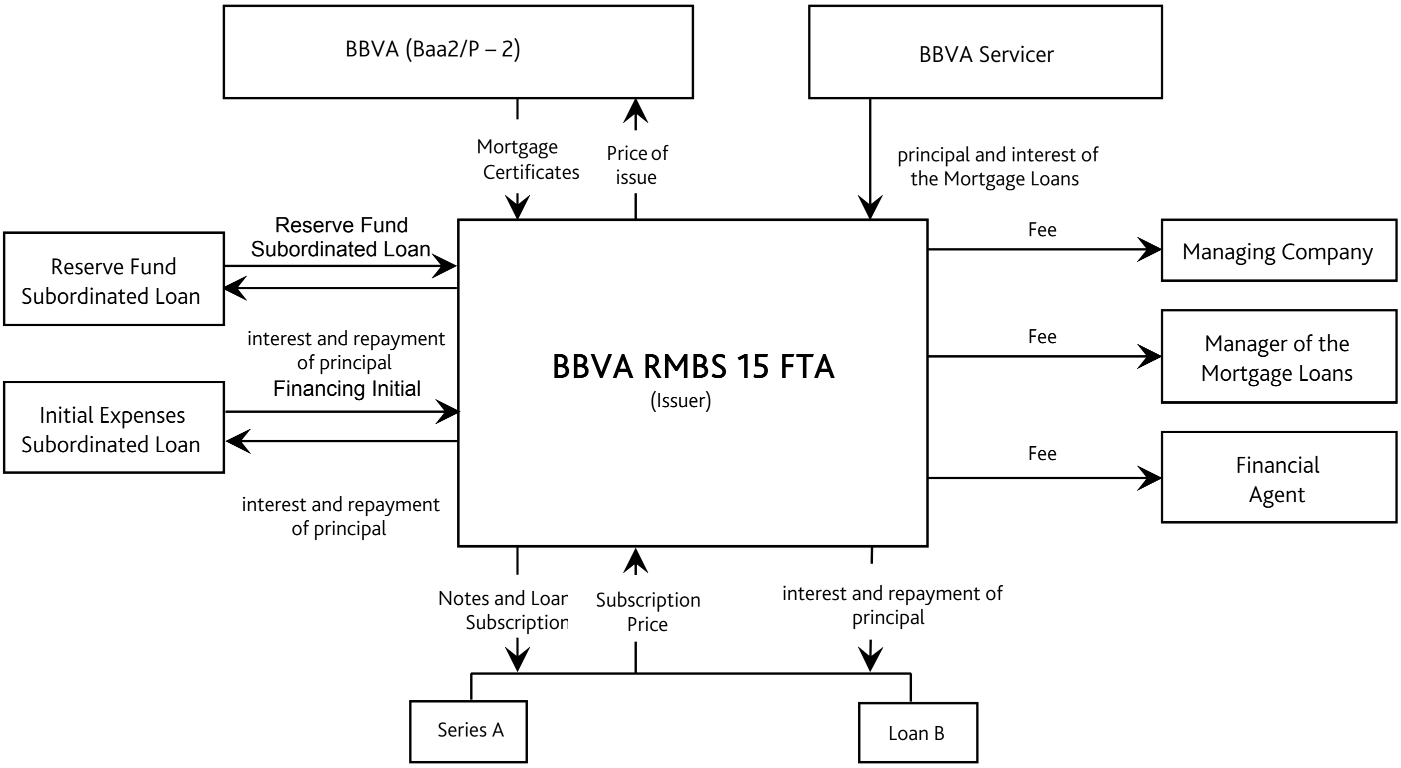
Concerns and Mitigants:

Moody's committees particularly focused on the following factors, listed in order of those most likely to affect the ratings:

- **Hedging arrangements:** No interest rate swap in place to cover the interest rate risk. This risk has been taken into account when assessing the subordination levels and only partial value was given to the available excess spread.
- **Liquidity arrangements:** The transaction does not have a liquidity facility to cover potential liquidity shortfalls (including those of servicer default).
- **Loan Characteristics:**
  - New residents: 2.4% of the pool corresponds to loans granted to Non Spanish borrowers. In Moody's view, new residents have a riskier profile than residents with a longer stay in Spain.
- **Loan Modifications:** The loans included in the transaction is subject to potential modifications of the loans. Differently to the European RMBS standard the management company is has not requirement to report this modifications in the investor reports. More details about the allowed loan modification on page 7.

Structure, Legal Aspects and Associated Risks

EXHIBIT 2
Structure Chart



Transaction structure:

Allocation of payments/pre accelerated revenue waterfall:

On each quarterly payment date, the issuer's available funds (i.e. amounts received from the portfolio, the reserve fund, and interest earned on the issuer account) will be applied in the following simplified order of priority:

1. Cost and fees, including servicing fee in case of replacement of the servicer
2. Interest payment to the Class A
3. Interest payment to the Loan B, if not deferred
4. Principal Payment on Class A & Loan B
5. Interest payment to the Loan B, if deferred from 3rd position
6. Replenishment of the reserve fund
7. Junior Fees and cost

Allocation of payments/PDL-like mechanism:

A PDL is based on defaults. A target principal amount is the difference between the notes' outstanding principal and the performing assets. A non-performing asset is defined as one with any amount due but unpaid for more than 18 months or one written off according to management's discretion.

Amortisation of Classe A, and Loan B is fully sequential.

Performance Triggers:

Trigger	Conditions	Remedies/cure
Reserve Fund Amortisation	The arrears level (defined as the percentage of loans that are more than 90 days in arrears) exceeds 1% or The reserve fund is not funded at its required level on the previous payment date or Less than three years have elapsed since closing	The target amount of the reserve fund will not be reduced on any payment date on which these occur
Loan B Interest Deferral	The cumulative level of loans in arrears for more than 3 months exceeds [10.0%] of the initial pool balance.	If the conditions are met, interest payment on Loan B will be postponed to the principal payment of the more senior notes in the payment waterfall

Reserve Fund:

Reserve fund for principal & interest for class A & Loan B

» At closing: 4.0% of original notes

After the first three years from closing, the reserve funds may amortise over the life of the transaction subject to the reserve fund amortisation triggers.

» Three years after closing the reserve fund will be the lesser between:
  - €160,000,000 equivalent to 4% of the original class A & Loan B
  - The maximum between:
    - 8% of the current class A & Loan B
    - €80,000,000 equivalent to 2% of the original note balance

The reserve fund will be replenished after the principal payment notes. Through these mechanisms, Moody's considers that the reserve fund in this transaction is in line with other comparable Spanish RMBS transactions.

Liquidity:

» Principal to pay interest mechanism.

» The Reserve Fund is a further source of liquidity.

Subordination of interest:

The payment of interest on Loan B, will be brought to a more junior position if, on any payment date, the conditions described under the interest deferral triggers are met.

Assets:

Asset transfer:

True Sale: According to the legal opinion received, the securitisation of assets will be carried out in compliance with the Spanish Securitisation Law.

Bankruptcy Remoteness: Under the Spanish Securitisation Law, a Spanish SPV (FTA/FTH) is not subject to the Spanish Insolvency Law. It is only the management company, acting in the best interest of the noteholders, which can decide to liquidate the Fondo.

Interest rate mismatch:

All the final portfolio corresponds to floating-rate loans linked to 12-month EURIBOR (99.49%) or *Índice de Referencia de Préstamos Hipotecarios conjunto de entidades de crédito (IRPH)*, ; whereas the notes are linked to three-month EURIBOR and reset every quarter on the determination dates.

This leads to an interest rate mismatch in the transaction.

Mitigant:

Moody's analysis takes into account the potential interest rate exposure in order to assess the ratings. The analysis is based on the observation of the historical volatility between the two rates in a given time interval defined on the basis of the cash-flow dynamics in the specific transaction. The exposure is then computed applying an historical VAR approach with a 99% confidence interval. In the case of a mismatch between 12-month Euribor and 3-month Euribor, the adjustment to the gross margin on the 12-month Euribor-linked loans would currently be in the range of 40 to 75 bps.

Additionally, only partial value is given to the excess spread.

There is a potential fix-floating risk. In particular, the risk is that the Euribor on the notes increases, while the interest rates on the loans remain constant until the semiannually reset date. Moody's has modelled this particular feature to include it in its analysis.

Cash Commingling:

All of the payments under the loans in this pool are collected by the servicer under a direct debit scheme into the Issuer Account Bank. Consequently, in the event of insolvency of BBVA (Baa2/P-2) and until notification is delivered to the relevant debtors to redirect their payments, payments by the underlying debtors will continue to be collected by the servicer and may be commingled with other funds belonging to BBVA

Mitigant:

Payments are transferred every 48 hours to the Issuer Account Bank in the name of the Fondo held by BBVA.

The commingling risk has been taken into account in our cash flow analysis.

Set-off:

100% of obligors have accounts with the seller (BBVA).

Mitigant:

Set off is very limited as only unpaid installments that are considered as fully due and payable prior to the declaration of insolvency might be offset against the deposits held by the originator.

Permitted variations:

Any renegotiation of the terms and conditions of the loans is subject to the management company's approval. The management company may authorise BBVA to renegotiate the interest rate or maturity of the loans without requiring its approval.

Mitigant:

BBVA will not be able to extend the maturity of any loan beyond 31 October 2054. The renegotiation of the maturity of the loans is also subject to various conditions, of which the following are the most significant:

1. Each modification of instalments cannot be greater than 60 instalments or smaller than 12.
2. The legal final of the loan cannot be modify more or less than 10 years from the original maturity of the loan.
3. LTV should be less than 80%

Originator Profile, Servicer Profile and Operating Risks

Date of Operations Review:	

Originator Background: BBVA

Rating:	»	Baa2 (On Review for Possible Upgrade) /P-2
Financial Institution Group Outlook for Sector:	»	Positive
Ownership Structure:	»	N.A
Asset Size:	»	77.9 bn
% of Total Book Securitised:	»	28%
Transaction as % of Total Book:	»	5.1%
% of Transaction Retained:	»	100%

Originator Assessment	Main Strengths (+) And Challenges(-)
Overall Assessment:	Average
Originator Ability	
Sales & Marketing Practices	+ BBVA holds a market share of 12.4% of the Spanish mortgage market (as of 2011). + Strong commercial network (3,024 branches) - Some broker origination in recent years (20.9% in this securitised portfolio), though lately reduced to 2.7% of the total origination during 2011. - The origination of HLTV loans over total origination has not been reduced (29% in 2006 versus 28% in 2011)
Underwriting Policies & Procedures	+ The prompt response given by BBVA to the current crisis made a reinforcement of underwriting criteria and tool developments possible in 2008. The 95% of the current portfolio originated since 2008 may benefit from these improved practises. + The scoring model is based on internal data and is audited and reviewed periodically (including back-testing, fit of predictive model and readjustment of risk factors) by internal teams and the external regulator. Processes seem to be in line with the high standard required from a big institution. + The scoring discriminates non clients versus clients with account history. A borrower is considered a bank client if it has an account with the lender for more than six month with relevant insightful activity (payslip, direct debits, pension contributions, etc.). + The scoring also discriminates the borrower's labour stability. Parameters as tenure, type of contract (see next point) or industry among others are considered in the tool. All self-employed borrowers go through an specific analysis. + BBVA discriminates borrowers with temporary contract versus permanent contracts, and files this field in their IT systems. The stricter criteria for temporary workers are reflected in a performance in line with permanent workers. +/- Approvals are only authorised at the Central Risk Unit level for certain characteristics (LTV>80%, or > €200-250,000, or Negative Scoring). The current portfolio is subject to the first condition (LTV>80%). Central Risk Unit: created in 2008 and based in Madrid. Before 2008, underwriting teams were distributed on a regional basis. The country is split in different regional areas with a coordinator per area (six), and 39 analysts. Different underwriting criteria per region. Ratio: 230 monthly applications/analyst. - Since 2008, BBVA requires a personal guarantor for most of mortgages with LTV>80%. Guarantors have a key importance in the HLTV underwriting (55% of the current portfolio has guarantors). There is certain risk of overestimating the positive effect of guarantors, in lowering the probability of default and mainly on severity upon default. - Affordability: Interest rate is not stressed in the DTI calculation. Full income verification, in line with Spanish standards. Average DTI: 35%. Maximum DTI: 45%.
Property Valuation Policies & Procedures	+/- Full valuation used for all house purchases. BBVA works with a list of 9 valuators. Quality of valuations in Spain is standardised by the Bank of Spain, who certifies valuators. +/- Before 2008, each branch might choose one out of three valuators (from the total list of 14). Since 2008, it can choose one out of two. + Every new valuation received is checked by Opplus, a company fully owned by BBVA - Brokers worked with a lower number of valuators (five).
Closing Policies & Procedures	+/- Standard proceedings checking documents (two most recent payslips, national identity card, employment contract, recent loan statement, proof of additional assets or tax return for self-employed) and managing the closing process (i.e. ensuring that mortgage deeds are registered) + Specific company (Opplus, fully owned by BBVA) in charge of managing the closing process, i.e. administrative and documental tasks, in order to assure homogeneity across the network. +/- It usually takes 13 days in total from application to closing.
Credit Risk Management	+/- The current Credit Risk Department, created in 2006, performs the control and monitoring of tools, models, stats and data (Risk Analysis Unit, 14 people) and supports the regional network providing specific solutions (Network Risk Unit, 10 people). + The department receives inputs from the regional managers in monthly meetings, and reports to the senior management different analysis, based on monthly information, discriminating origination channel, borrower profile, LTV, regions. + They also monitor the performance per area and branch, sizing the efficiency on recoveries. All this information is used to assess corrective actions. Currently working in a reviewed framework for scoring and underwriting criteria.- No direct reporting line to CEO
Originator Stability	
Quality Control & Audit	+ Quality controls (staff: 30) managed through the line and include regular competence checks on each underwriter, monitoring the accuracy of data on each mortgage file, the documents proving such data and the breach of scoring outputs. + Monthly controls are applied to a random selection of mortgage loans (around 3,200 mortgages controlled per month). + More than 15% of incidences in a particular branch penalises all the salaries from the branch staff. + External audit reviews performed periodically.
Management Strength & Staff Quality	+ Separate risk functions + Good hierarchy for decision-making and access to intranet resources. + Underwriters also give advice to branches and data processing team

Originator Assessment	Main Strengths (+) And Challenges(-)
Technology	+ Adequate legacy system, back-up and contingency plan.

Servicer Background: BBVA

Rating:	» Baa2/P-2 (Positive Outlook)
Total Number of Mortgages Serviced:	» Not Available
Number of Staff:	» Not Available

Servicer Assessment:	Main Strengths And Challenges
Overall Assessment:	Average
Servicer Ability	
Loan Administration	+/- BBVA does not out-source any of its residential mortgages servicing activities.
Early Arrears Management	+ Collections approach modified according to borrower's risk category. + BBVA has been fairly quick at noticing and adjusting its servicing criteria to the downturn. During late 2007 and first half 2008, new processes for early arrears management were implemented and deployed across branches and central departments: assignment of a counsellor to the borrower for the life of the special servicing period, branches always own the risk of originated loans, increased bonus linked to servicing performance, more staff at the servicing central resources, servicing responsibilities per geographic area (currently 69 areas in Spain) plus about two area coordinators within each region. A total of 83 people were added in 2008. + Central resources are focused on helping the weakest performing branches. 80 Analysts based at the branch level to support them with early arrears management. + Preventative Alerts: a significant number of preventative alerts in place, i.e. delinquencies in other credit products, unpaid receivables, credit cards drawn to face mortgage payments etc. + Automatic process depends on whether the borrower is a client or no-client (see Underwriting Policy section for client definition). + BBVA prioritizes face-to-face meetings with the client at a very early stage (even for positions from 1 to 30 days in arrears). +/- Most common allowed renegotiation is an increase of maturity. + 97.4% of loans 30 days in arrears cures before 90 days in arrears. - Partial payments (that reach principal) update the loan into a new arrears bucket. Priority of payments is arrears penalty interest first, unpaid nominal interest second and principal third. Arrears penalty interest is 19%. This is typically a disincentive to cure positions. + Clients that cannot be located (e.g. foreigners leaving the country) are accelerated into foreclosure process.
Loss Mitigation and Asset Management	+/- 17,000 foreclosure proceedings currently open. No significant changes in the policy since the reorganization in 2008-2009. +/- Late arrears management carried out by central services. They are added to the cure effort during the period after 90 days until the case is filed with court. On average about 87 days (i.e. from 90 days arrears to 180 days arrears) (Staff: 10 people) +/- Based on the lender's recent experience, foreclosure process takes 18 months from arrears 90 days to end of auction. If the property is not sold in the auction, then another 2 to 3 years are needed to execute. Foreclosure costs are on average 8% (sale related) plus all the costs by the court. - During the last three years, repossessions represented 40% of total foreclosure proceedings - 6,600 repossessions in 2011 vs 2,700 in 2009 and 50 in 2006.
Servicer Stability	
Management Strength & Staff Quality	+ Large collections staff with a mix of experienced and junior employees. + Significant experience within management team. + It strengthened its legal team with external lawyers during 2009 to improve its servicing capacity.
IT & Reporting	+ Well established systems and reporting. Existing system for daily tracking and reporting. + Management system: Alerts, track borrower arrears account, classifies arrears, records negotiation follow ups, automatic letters, record sales activity, property management. Tracking foreclosure costs, work load and progress for each lawyer. + Reporting system: Combines the data from management system above with court action information to allow the generation of daily and monthly statistics on the tracking of the recovery process. Allows set up of alerts to highlight delays in the process for a loan. + A back-up system is in place and there is current work on an improved system to reduce disaster recovery times. Back-up servers are in a different location. There is a contingency plan in place and quarterly test on the back-up system.
Quality control & Audit	+ Regular external audits and loan book audits at the branch and central risk department levels. In each review, transactions are randomly selected and there is a review of scoring system inputs and supporting documentation.

Back-up Servicer Background: None appointed

Rating:	None appointed
Ownership Structure:	None appointed
Total Number of Receivables Serviced:	None appointed
Number of Staff:	None appointed
Type of back-up:	None appointed
Receivable Administration:	
Method of Payment of borrowers in the pool:	None appointed
% of Obligors with Account at Originator:	None appointed
Distribution of Payment Dates:	

Cash Manager Background: Europea de Titulizacion S.G.F.T.; S.A ("EdT")

Rating:	Not Rated
Main Responsibilities:	» Complying with its formal, documentary and reporting duties to the Spanish stock market regulator (Comisión Nacional del Mercado de Valores or CNMV), the rating agencies and any other supervisory body. » Complying with the calculation duties (including calculation of available funds, withholding obligations) provided for, and taking the actions laid down in the Deed of Constitution and the Prospectus. » Calculating and determining on each determination date the principal to be amortised and repaid on each bond Classes on the relevant payment date. » Instructing transfers of funds between the various borrowing and lending accounts, and issuing all relevant payment instructions. » The management company may extend or amend the agreements entered into on behalf of the Fund, and substitute, as the case may be, each of the Fund service providers on the terms provided for in each agreement.
Calculation Timeline:	Collection period, Calculation date, IPD, EOD

Back-up Cash Manager Background: None Appointed

Back-up Cash Manager and Its Rating:	None appointed
Main Responsibilities of Back-up Cash Manager:	None appointed

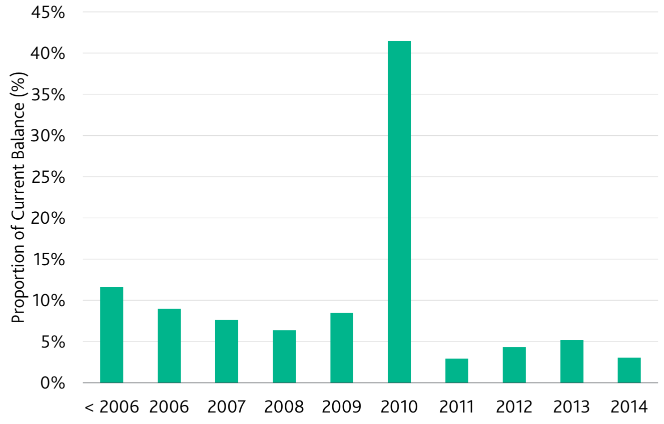
Originator/Servicer/Cash Manager Related Triggers

Key Servicer Termination Events:	Insolvency, administration by the Bank of Spain, breach of servicer's obligations, or servicer's financial condition being detrimental to the fund or noteholders' interests (always at the discretion of the management company).
Appointment of Back-up Servicer Upon:	None
Key Cash Manager Termination Events:	Insolvency
Appointment of Back-up Cash Manager Upon:	Insolvency
Notification of Obligors of True Sale	Insolvency, administration by the Bank of Spain, liquidation or substitution of the servicer, or because the management company deems it reasonable (always at discretion of the management company).

Collateral Description (Provisional pool as of 14 April 2015).

EXHIBIT 3

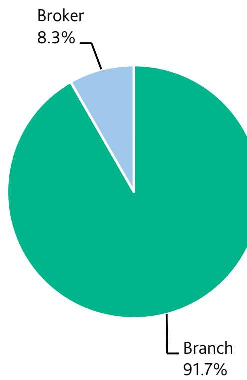
Portfolio Breakdown by Year of Origination



Source: Moody's investors service

EXHIBIT 4

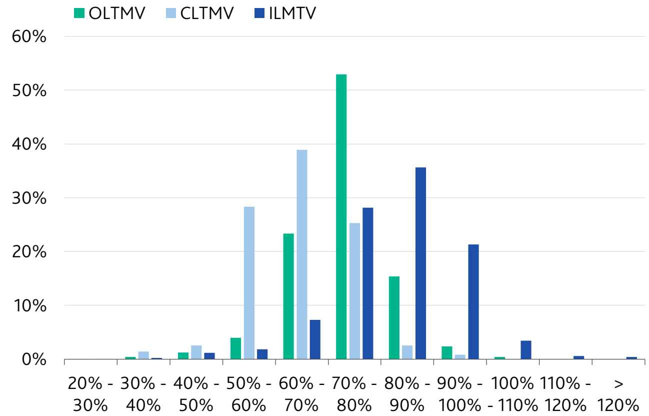
Portfolio Breakdown by Origination Channel



Source: Moody's investors service

EXHIBIT 5

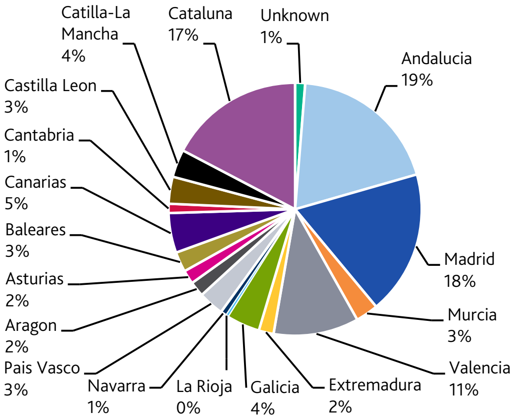
Portfolio Breakdown by LTV current/indexed/original/



Source: Moody's investors service

EXHIBIT 6

Portfolio Breakdown by Geography



Source: Moody's investors service

Product Description:

The assets backing the notes are first-ranking prime mortgage loans originated by BBVA. All the loans in the pool are secured on first lien residential properties located in Spain.

Eligibility Criteria: The key eligibility criteria are as follows

- The final maturity date is not later than 31 December 2054.
- The first two monthly payments due have been paid by the borrower.
- The mortgage certificates exist and are valid and enforceable.
- The mortgage certificates are secured with a first-ranked real estate mortgage granted to individuals.
- The mortgage certificates are all denominated and payable exclusively in Euros.
- The mortgaged properties are all finished and located in Spain and have been appraised by duly qualified institutions approved by the Bank of Spain.
- None of the mortgage certificates had any payments more than one month overdue at the date the mortgage certificate was issued.
- The originator has strictly adhered to the policies in force for granting credit at the time in granting each and every one of the mortgage certificates.
- The loans securing the mortgage certificates are not a result of renegotiations on former loans.

Credit Analysis

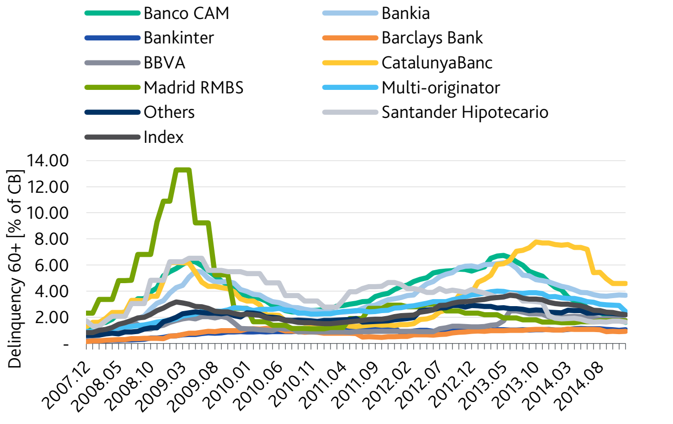
Precedent Transactions' Performance:

The performance of BBVA's most recent transactions is better than the average delinquency reported in the Moody's Spanish index.

For this particular originator type the performance of the assets has been better than the Spanish RMBS index. (see figures 7 and 8).

EXHIBIT 7

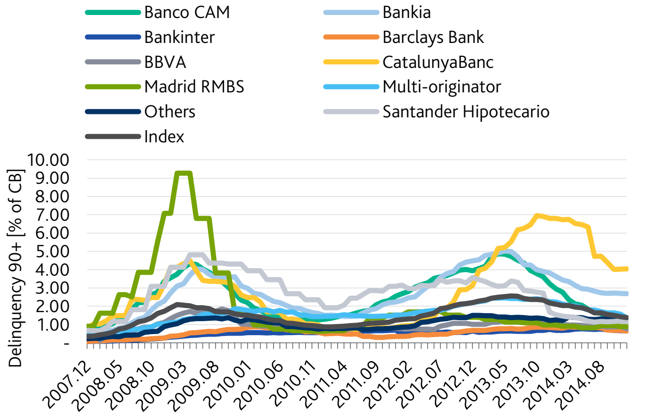
Spanish RMBS 60+ days Delinquency – trend by originator



Source: Moody's Investors Service, Moody's Performance Data Service, Periodic Investor/Servicer reports

EXHIBIT 8

Spanish RMBS 90+ days Delinquency – trend by originator



Source: Moody's Investors Service, Moody's Performance Data Service, Periodic Investor/Servicer reports

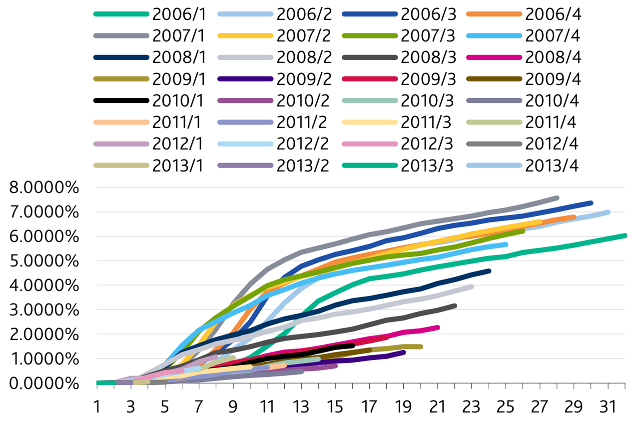
Data Quantity and Content :

BBVA has provided historical information on delinquencies and prepayments with respect to former securitisation funds. BBVA Also provided static vintage data on the performance of its book of mortgage loans. Precisely, Moody's has received data from 2006 to 2014 on cumulative delinquencies over 90 days and 180 days for BBVA´s mortgage book. In addition Moody´s has received information on recoveries (The cumulative recovery rate takes into consideration the monetary recovery and the acquisition value of unsold properties and assets awarded or paid in kind to the fund by securitised assets

In Moody's view, the quantity of data received from the former securitisation deals, as long as BBVA is a recurrent issuer in the Spanish RMBS market is adequate as compared to transactions which have achieved high investment grade ratings in this sector.

EXHIBIT 9

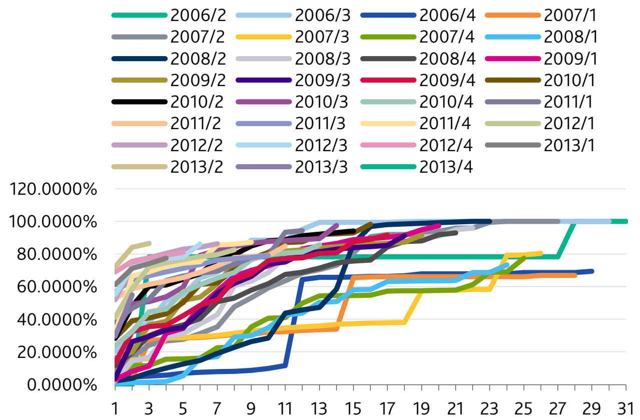
Cumulative +180 days Vintage data from BBVA's book



Source:BBVA

EXHIBIT 10

Cumulative +180 days Recovery rates on the BBVA's book



Source:BBVA

Assumptions and definitions Other values within a range of the notional amount listed below may result in achieving the same ratings.

Assumptions	
Spread compression / margin analysis	15% of assumed CPR is applied to 50% loans with highest interest rates.
Stressed Fees	0.30% p.a. + 50,000 fixed fees
Recovery rate	50%
Definitions	
WA asset margin at closing	Not Applicable
WA asset margin after reset	Not Applicable
Asset reset date	Annually
Liabilities reset date	Quarterly on the Determination date
Interest on cash	Euribor – 10bps
Actual Fees	0.05 bps
PDL Definition	18 Months
Default Definition	18 Months

Expected Loss:

Moody's expected loss assumption is based on:

» Performance of the originators' precedent transactions;

» The static historical information on delinquencies received from the originator;

» Benchmarking with comparable transactions in the Spanish market;

» The current economic environment in Spain

Modelling Approach:

Loss Distribution: The first step in the analysis is to determine a loss distribution of the pool of mortgages to be securitised. Due to the large number of loans and supporting historical data, Moody's uses a continuous distribution to approximate the loss distribution: the lognormal distribution.

In order to determine the shape of the curve, two parameters are needed: the expected loss and the volatility around this expected loss. These parameters are derived from two important sources: historical loss data and the loan-by-loan model.

Moody's uses performance data provided by the originator in addition to other relevant data in order to extrapolate expected losses for the loan pool. Examples of data include market and sector wide performance data, the performance of other securitisations, and other originators' data.

To obtain the volatility under "stressed" scenarios, Moody's takes into account historical data. However observed historical volatility may not be significant (given insufficient data points, or incomplete data), and in addition may not be representative for the future as it is based on the previous economic environments experienced.

Consequently, Moody's determines a number representing the enhancement that would be required for a pool of mortgages to obtain a rating consistent with A1 under highly stressed conditions. This enhancement number (the "MILAN CE" number) is produced by using a loan-by-loan model, which looks at each loan in the pool individually and based on its individual characteristics such as LTV or other identified drivers of risk, will produce a benchmark CE number. This assumes stressed recovery rates (through house price decline), time to recovery, interest rates and costs to foreclosure. The weighted-average benchmark CE number will then be adjusted according to positive and negative characteristics of each loan or of the pool as a whole to produce the MILAN CE number.

Modelling assumption: The MILAN CE number and the expected loss number form the basis of Rating Committee discussions and are used to derive the lognormal distribution of the pool losses

The standard deviation of the distribution is found by setting the expected loss of the area of the lognormal distribution beyond the MILAN CE equal to the expected loss that is consistent with the idealised expected loss of a A1 tranche.

Tranching of the Notes: Once the loss distribution of the pool under consideration has been computed, a cash flow model is used to assess the impact of structural features of the transaction. It calculates the average lives and the losses experienced by the notes for every loss scenario for the portfolio. Based on these numbers, the expected loss and the weighted-average lives for the notes are calculated as weighted averages based on the probabilities of the respective scenarios. The expected loss on each tranche together with the notes' weighted-average life determines the rating, which is consistent with Moody's target losses for each rating category.

The rating of the notes is therefore based on an analysis of:

- The characteristics of the mortgage pool backing the notes
- The relative roll-rate levels and arrears in this type of lending compared to conventional lending
- Sector-wide and originator specific performance data
- Protection provided by credit enhancement and liquidity support against defaults and arrears in the mortgage pool
- The legal and structural integrity of the issue

Moody's has considered that there could be other characteristics of the pool that have not been properly captured in the MILAN model. Therefore, the MILAN number has been qualitatively adjusted in order to generate a loss distribution with a certain level of volatility or to account for a higher probability of "fat tail" events with respect to the expected loss.

Treatment of Concerns:

- **Hedging arrangements:** No interest rate swap in place to cover the interest rate risk. This risk has been taken into account when assessing the subordination levels and only partial value was given to the available excess spread.Moody's analysis takes into account the potential interest rate exposure in order to assess the ratings. The analysis is based on the observation of the historical volatility between the two rates in a given time interval defined on the basis of the cash-flow dynamics in the specific transaction. The exposure is then computed applying an historical VAR approach with a 99% confidence interval. In the case of a mismatch between 12-month Euribor and 3-month Euribor, the adjustment to the gross margin on the 12-month Euribor-linked loans would currently be in the range of 40 to 75 bps.

  Additionally, only partial value is given to the excess spread.

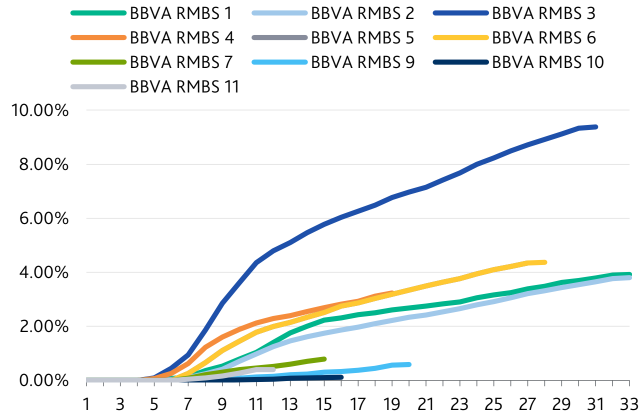
  There is a potential fix-floating risk. In particular, the risk is that the Euribor on the notes increases, while the interest rates on the loans remain constant until the yearly reset date.

Benchmark Analysis

Performance Relative to Sector: In Moody's view, the historical performance of 90+ delinquencies of BBVA transactions compares positively to other recent transactions in this sector. The recovery information show similar performance than other Spanish RMBS transactions.

EXHIBIT 11

Cumulative defaults (Over original Balance)



Source: Europea de Titulización S.G.F.T.; S.A

Benchmark Table Best practice:

Deal name	BBVA RMBS15	BBVA RMBS11	BBVA RMBS10	FTA RMBS Santander 3	FTA RMBS Santander 2
Closing date	[May 2015]	June 2012	June 2011	November 2014	July 2014
Information from	Provisional Pool Pool	Final Pool	Final Pool	Provisional	Provisional
Originator	BBVA	BBVA	BBVA	Banesto (67%) Banco Santander (23%)	Banco Santander
Servicer	BBVA	BBVA	BBVA	Banco Santander	Banco Santander
MILAN CE	[18.6%]	21.0%	17.0%	33%	32%
Expected Loss	[5.3%]	7.0%	4.5%	13%	12%
PORTFOLIO STRATIFICATION					
Avg. Current LTV	[64.3%]	86.99%	87.8%	69.6%	68.06%
% Current LTV > 70%	[28.7%]	100%	100%	43.3%	34.06%
% Current LTV > 80%	[3.4%]	100%	100%	21.1%	18.65%
% Current LTV > 90%	[0.8%]	29.18%	36.4%	6.97%	10.64%
Avg. Current LTV indexed*	[82.8%]	92.05%	94.0%		90.18%
% Self Employed	[14.5%]	11.5%	6.8%	13.4%	10.1%
% Brokers	[8.3%]	20.9%	5.0%	1.4%	2.3%
% New Residents	[2.4%]	6.1%	1.7%	5.10%	3.5%
% Temp Workers	[10.2%]	12.4%	10.5%	Not available	Not available
% Non-owner Occupied (Includes: Partial Owner)	[2.3%]	3.8%	2.3%	1.6%	2.1%
% Fixed interest	[0.0%]	0.0%	0.0%	1.45%	0.3%
Max regional concentration	[Andalusia (19.3%)]	Madrid (22%)	Madrid (20%)	Andalusia (24.4%)	Madrid (21.7%)
% in arrears at closing	[0.0%]	2.83% of the loan in arrears less than 30 days	0.0%	19.6% less than 15 days in arrears	7%
PORTFOLIO DATA					
Current Balance	[€4,210 million]	€1,400 million	€1,600.0 million	€6,787 million	€3,315 million
Average Loan (Borrower)	[€138,326]	€175,939	€177,400	€150,274	€153,822
Borrower top 20 (as % of pool bal)	[0.38%]	1.35%	0.76%	0.55%	0.51%
WA interest rate	[1.21%]	3.08%	2.61%	1.69%	1.20%
Stabilised margin**	[N/A]	N/A	N/A	N/A	N/A
Average seasoning in years	[5.8]	2.66	1.0	6.5	6.8
Average time to maturity in years	[26.8]	33.41	34.9	25.2	24.4
Maximum maturity date	[Oct 2054]	Jan 2052	Feb 2051	Nov 2061	Jan 2054
Average House Price stress rate***	[35.0%]	44.69%	44.5%	35.22%	35.34%
Average House Price change[§]	[-21.95%]	-5.2%	-5.2%	-22.71%	-23.02%
STRUCTURAL FEATURES					
Notes Payment Frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Replenishment Periods	No	No	No	No	No
Total Aaa size	[83.5]%	85%	86.0%	83%	84%
RF at Closing[§§]	[4]%	15.75%	12.0%	15%	15%
RF Fully Funded at Closing?[§§]	Yes	12.75%	Yes	Yes	Yes
RF Floor[§§]	[2]%	6.38%	6.0%	7.5%	7.5%
Hedge in place	No	No	Yes	7.5%	7.5%
Principal to pay interest	Yes	Yes	Yes	Yes	Yes

* As per Moody's calculation.

** Margin after all loans reset.

*** As per Moody's MILAN methodology for Aaa scenario.

§ As per Moody's calculation.

§§ Of original note balance.

Parameter Sensitivities

Parameter Sensitivities provide a quantitative, model-indicated calculation of the number of notches that a Moody's-rated structured finance security may vary if certain input parameters used in the initial rating process differed. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might differ as certain key parameters vary.

Because we also take qualitative factors into consideration in the ratings process, the actual ratings that we assign in each case could differ from the ratings that the parameter sensitivity analysis implies. This adjusted analysis will show how the notes' initial ratings will differ if the Local Country Ceiling ("LCC") and counterparty ratings change and other rating factors remain the same. For more information on LCC Sensitivity, please refer to "Updated Sensitivity Analysis Clarifies How Sovereign Risk Affects Structured Finance Ratings" published in May 2014. Parameter sensitivities for this transaction were calculated in the following manner: Moody's assumed 16 loss distributions derived from the combinations of MILAN Credit Enhancement: 18.6% (base case), 22% (base x 1.2), 26% (base x 1.4) and 30% (base x 1.6) and expected loss: 5.3% (base case), 6.25% (base x 1.2), 7.95% (base x 1.5) and 9.28% (base x 1.75). The 10.0% / 1.6% scenario would represent the base case assumptions used in the initial rating process.

The tables below show the parameter sensitivities for this transaction with respect to all Moody's rated tranches.

EXHIBIT 12*

Tranche A

		MILAN CE Output			
		18.6%	22.3%	26.0%	29.76%
Median Expected Loss	5.30%	**Aa3***	A1 (1)	A1 (1)	A2 (2)
	6.25%	Aa3 (0)	A1 (1)	A2 (2)	A2 (2)
	7.95%	Aa3 (0)	A1 (1)	A2 (2)	A2 (2)
	9.28%	A1 (1)	A2 (2)	A3 (3)	A3 (3)

* Results under base case assumptions indicated by asterisk ' * '. Change in model-indicated rating (# of notches) is noted in parentheses.

Worse case scenarios: At the time the rating was assigned, the model output indicated that Class A would have achieved the A1 rating even if expected loss was as high as 9.28% assuming MILAN CE remained at 18.6% and all other factors remained the same. The model output further indicated that the Class A would not have been assigned a A1 rating with MILAN CE of 22.3%, and expected loss of 5.3%.

EXHIBIT 13

Tranche A

		Country Ceiling		
		Aa1	Aa2	Aa3
Counterparty Rating	A3	Aa2(-1)	Aa3 (0)	A1 (1)
	Baa1	Aa2(-1)	**Aa3***	A1 (1)
	Baa2	Aa2(-1)	Aa3 (0)	A1 (1)

At the time the rating was assigned, the model output indicated that Class A would have achieved a Aa3 rating even if the country ceiling was Aa2 and assuming a counterparty rating of Baa2 (i.e. non credit given to the transfer trigger)

Monitoring

Moody's will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing periodic servicing reports. Any subsequent changes in the rating will be publicly announced and disseminated through Moody's Client Service Desk.

Originator Linkage: BBVA acts as originator, servicer, cash manager, account bank and subordinated loan provider. There is no back-up servicing agreement, but there are triggers in place for both Issuer Account Bank and paying agent functions. Mitigated in part by the rating based triggers summarised in the table below

Significant Influences: In addition to the counterparty issues noted, the following factors may have a significant impact on the subject transaction's ratings:

» further deterioration in the real estate market beyond the recovery lag and stress which was modelled

Counterparty rating triggers	Condition	Remedies
Issuer Account Bank	Loss of Baa3	Replace or Guaranty

* See Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Transactions Moody's Methodology, May 15 2006.

Monitoring Report:

Data Quality:

- Investor report format finalised and discussed with Moody's analyst.
- The report includes all necessary information for Moody's to monitor the transaction.
- Loan modifications for arrears management: not specifically reported.

Data Availability:

- Report provided by: Europea de Titulización
- The timeline for investor report is provided in the transaction documentation. The priority of payment section is published on the IPD.
- The completed report is published during the first 15 days of each month.

The frequency of the publication of the investor report is monthly and the frequency of the IPD is quarterly. Portfolio information is provided monthly.

Representations and Warranties

The Rule 17g-7 Report of Representations and Warranties is hereby incorporated by reference and can be found at: http://www.moodys.com/viewresearchdoc.aspx?docid=PBS_SF404877

Moody's Related Research

For a more detailed explanation of Moody's approach to this type of transaction as well as similar transactions please refer to the following reports:

Principal Methodology:

- Moody's Approach to Rating RMBS in Europe, Middle East, and Africa, June 2012 (SF274702)

Methodologies Used:

- Cash Flow Analysis in EMEA RMBS: Testing Features with the MARCO Model (Moody's Analyser of Residential Cash Flows), January 2006 (SF58290)
- V Scores and Parameter Sensitivities in the Major EMEA RMBS sectors, April 2009 (SF158654)
- Moody's Enhanced Approach to Originator Assessments in EMEA RMBS Transactions, October 2009 (SF153718)

Pre-Sale Reports:

- BBVA RMBS 1, Janauary 2007 (SF90874)
- BBVA RMBS 2, March 2007 (SF93981)
- BBVA RMBS 3, July 2007 (SF101877)

New Issue Reports:

- BBVA RMBS 4, November 2007 (SF116178)
- BBVA RMBS 5, March 2011 (SF237338)
- BBVA RMBS 6, November 2008 (SF147136)
- BBVA RMBS 7, November 2008 (SF148427)
- BBVA RMBS 8, July 2009 (SF173205)
- BBVA RMBS 9, July 2010 (SF208102)
- BBVA RMBS 10, July 2011 (SF256009)

Special Reports:

- Investor/Servicer Reports: Important Considerations for Moody's Surveillance of EMEA ABS and RMBS Transactions, June 2009 (SF154502)
- Structural Features in the Spanish RMBS Market Artificial Write-Off Mechanisms: Trapping the Spread, January 2004 (SF29881)
- Global Structured Finance Operational Risk Guidelines: Moody's Approach to Analyzing Performance Disruption Risk, June 2011 (SF243145)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Appendix 1: Summary of Originator's Underwriting Policies and Procedures

Originator Ability	At Closing
Sales and Marketing Practices	See originator profile for part of the information the originator allowed Moody's to disclose
Origination channels:	
Underwriting Procedures	
Underwriting composition	
Ratio of loans underwritten per FTE* per day:	
Average experience in underwriting:	
Criteria for compensation of underwriters	
Approval rate:	
Percentage of exceptions to underwriting policies:	
Underwriting Policies	
Source of credit history checks:	
Methods used to assess borrowers' repayment capabilities:	
Income taken into account in affordability calculations:	
Other borrower's exposures (i.e. other debts) t taken into account in affordability calculations:	
Is interest rate stressed to calculate affordability?	
Affordability for I/O/balloon loans:	
Method used for income verification:	
Criteria for non income verified:	
Max age at maturity:	
Maximum loan size:	
Valuation types used for purchase & LTV limits:	
Valuation types used for remortgage & LTV limits:	
Valuation types used for further advances & LTV limits:	
Valuation types & procedure for construction loans & LTV limits:	
Valuation types & procedure for new built properties & LTV limits:	
LTV limit for first-time-buyers:	
Collateral Valuation Policies and Procedures	
Value in the LTV calculation/ in the IT system:	
Type, qualification and appointment of valuers:	
Closing Policies and Procedures	
Quality check before releasing funds:	
Credit Risk Management	
Reporting line of Chief Risk Officer :	
Track loan performance by loan characteristics?	

* FTE: Full Time Equivalent

Originator Stability:	At Closing
Quality Controls and Audits	See originator profile for part of the information the originator allowed Moody's to disclose
Responsibility of quality assurance:	
Number of files per underwriter per month being monitored:	
Management Strength and Staff Quality	
Training of new hires and existing staff:	
Technology	
Tools/infrastructure available:	

Appendix 2: Summary of Servicer's Collection Procedures

Servicer Ability	At Closing
Loan Administration	
Entities involved in loan administration:	
Operating hours:	
Early Arrears Management	
Entities involved in early stage arrears:	
Ratio of loans per collector (FTE) in early arrears stage:	
Arrears strategy for 1-29 days delinquent	
Arrears strategy for 30 to 59 days delinquent	
Arrears strategy for 60 to 89 days delinquent	
Arrears strategy for 90 days and more delinquent to late stage	
Prioritisation rules for delinquent accounts:	See originator profile for part of the information the originator allowed Moody's to disclose
Use of updated information in the collection strategy:	
Loss Mitigation and Asset Management Practices:	
Transfer of a loan to the late stage arrears team/stage:	
Entities involved in late stage arrears:	
Ratio of loans per collector (FTE) in late arrears stage:	
Analysis performed to assess/propose loss mitigation solutions:	
Time from first default to litigation and from litigation to sale:	
Average recovery rate (including accrued interest & costs):	

Servicer Stability	
Management and Staff	
Average experience in servicing or tenure with company:	
Training of new hires specific to the servicing function (i.e. excluding the company induction training)	
Quality control and audit	
Responsibility of quality assurance:	See originator profile for part of the information the originator allowed Moody's to disclose
Number of files (and calls) per agent per month being monitored:	
IT and Reporting	
Tools/infrastructure available:	
Automatic tracking and reporting of specific characteristics:	

» contacts continued from page 1

ADDITIONAL CONTACTS:
Website: www.moodys.com

London: +44.20.7772.5454
Frankfurt: +49.69.2222.7847
Madrid: +34.91.414.3161
Milan: +39.02.3600.6333
Paris: +33.1.7070.2229
New York: +1.212.553.1653

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