

**Hecho Relevante de**

**BBVA RMBS 16 FONDO DE TITULIZACIÓN**

En virtud de lo establecido en el Folleto Informativo de **BBVA RMBS 16 FONDO DE TITULIZACIÓN** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **AXESOR RISK MANAGEMENT S.L.U** (“**Axesor**”), con fecha 26 de abril de 2019, comunica que mantiene la calificación asignada los Bonos emitidos por el Fondo:

- **Serie A: AA(sf)**

Se adjunta la comunicación emitida por Axesor.

Madrid, 8 de mayo de 2019.

Fecha de revisión 26/04/2019

Structured Finance rating UNSOLICITED

## Analysts

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## Executive Summary

BBVA RMBS 16 FT is a granular securitisation fund with static pool of secured loans, structured under Spanish legislation. The fund's target is to obtain funding and liquidity by issuing bonds. The collateral consists of a portfolio of residential mortgage loans originated by Banco Bilbao Vizcaya Argentaria S.A ("BBVA"). The legal maturity date is August 17, 2064.

| Class        | Rating             | Notional (Thds€) | Coupon         | Credit Enhancement <sup>1</sup> | Legal Maturity Date |
|--------------|--------------------|------------------|----------------|---------------------------------|---------------------|
| A            | AA <sub>(sf)</sub> | 1.079.388        | EUR 3M + 0.50% | 23.96%                          | 17/08/2064          |
| Loan B       | NR <sup>2</sup>    | 256.000          | EUR 3M + 0.15% | -                               | 17/08/2064          |
| Reserve Fund | NR <sup>2</sup>    | 64.000           |                |                                 |                     |

1\* Credit enhancement has been calculated considering the reserve fund. 2\* NR = Non-rated

The rating addresses the timely payment of interest and the ultimate payment of principal on the Class A notes by the legal maturity date established in the prospectus. All figures in the report refer to the pool cut as of 31 March 2019.

## Main Figures:

| Main figures              | Issuance Data                               |
|---------------------------|---|
| Issuer                    | BBVA RMBS 16 FT                             |
| Purpose                   | Liquidity and Funding                       |
| Fund type                 | Closed                                      |
| Asset class               | Residential Mortgage Loans                  |
| Originator/Seller/Service | BBVA  |
| Constitution Date         | 09/05/2016                                  |
| Closing Date              | 11/05/2016                                  |
| Assets(miles€)            | 1.402.110                                   |
| Notes (miles€)            | 1.399.517                                   |
| ISIN Class A              | ES0305132005                                |
| Listing                   | AIAF  |
| Settlement                | IBERCLEAR                                   |
| Call                      | 10%   |
| Payment Date              | Quarterly (February, May, August, November) |
| 1st Payment Date          | 17/08/2016                                  |
| Legal Maturity Date       | 17/08/2064                                  |

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### Sources of information

The credit rating assigned in this report has been requested by the rated entity, which has also taken part in the process. It is based on information provided by the rated entity.

From the time of issuance of the rating, the information provided by the management company, the originator or any other participant in the transaction will be reviewed and monitored as follows:

1. The quality of the Collateral.
2. The level of credit enhancement.
3. Counterparties.
4. Fund's Triggers.

The information was thoroughly reviewed to ensure that it is valid and consistent, and is considered satisfactory. Nevertheless, Axesor Rating assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

### Additional information

- ▶ The rating was carried out in accordance with Regulation (EC) N° 1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies, and in accordance with the Structured Finance Rating Methodology that can be consulted on [rating.axesor.es/en/about-axesor/methodology](http://rating.axesor.es/en/about-axesor/methodology) and according to the Structured Finance Rating scale available at [rating.axesor.es/en/about-axesor/rating-scale](http://rating.axesor.es/en/about-axesor/rating-scale).
- ▶ Axesor publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- ▶ In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months axesor has provided ancillary services to related third parties of the rated entity, but not to the rated entity. However, according to our Conflict of Interest Policy, it does not involve a conflict of interest, since the aggregate sale does not exceed 5% of net turnover.
- ▶ The issued credit rating has been notified to the rated entity, and has not been modified since.

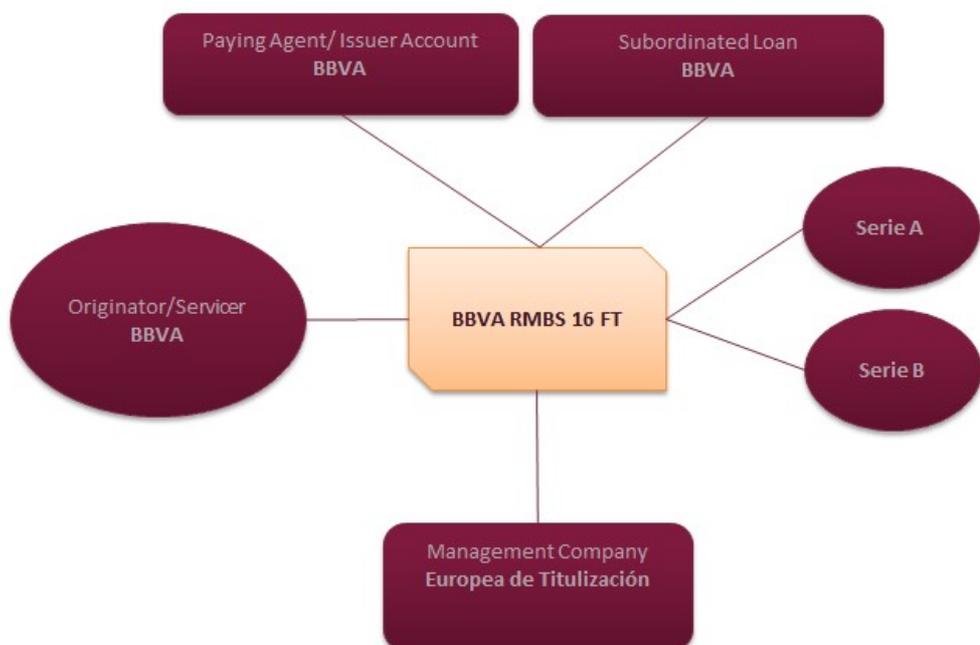
Source:BBVA

### Participants

| Participants                          | Function           |
|---------------------------------------|--------------------|
| Banco Bilbao Vizcaya Argentaria S.A   | Originator/Seller  |
| Banco Bilbao Vizcaya Argentaria S.A   | Servicer           |
| BBVA and Europea de Titulización S.A. | Arranger           |
| Europea de Titulización S.A.          | Management Company |
| Banco Bilbao Vizcaya Argentaria S.A   | Paying Agent       |
| Banco Bilbao Vizcaya Argentaria S.A   | Issuer Account     |
| Deloitte & Touche España, S.L..       | Auditor            |
| J&A Garrigues, S.L.P                  | Legal Adviser      |

Source: BBVA

### Transaction Diagram



# 1. Rating Rationale

Axesor rating has affirmed its rating AA<sub>(sf)</sub> for the series A issued by BBVA RMBS 16 FT.

The rating addresses the timely payment of interests and the ultimate payment of principal on the Class A notes on the legal final maturity of August 2064.

BBVA RMBS 16 FT is a granular cash-flow securitization transaction of a EUR 1400MM static portfolio of Spanish mortgage loans originated by BBVA. The assets backing the notes are mortgage loans secured by residential properties located in Spain. The portfolio will be serviced by BBVA.

The portfolio has amortised in line with our expectation, at 82.5% of the initial portfolio balance. The portfolio remains granular with over 10,000 mortgages. The constant lifetime monthly prepayment rate to date is 0.22%. Delinquency and default levels (over 90 days in arrears; over 9 months in arrears) remain low and close to 0% over actual portfolio value.

Credit enhancement for the senior tranche has increased to 22.87% from 20.00% at the initial closing, due to the deleveraging of the transaction. Following the application of our credit and cash flow stresses, the available credit enhancement for the senior class notes is commensurate with a AA<sub>(sf)</sub> rating.

The rating of the notes reflect the stability in the pool's credit performance. Axesor recalculated its assumptions for the cash flow analysis (Base case default rate of 2.86% and for AA<sub>(sf)</sub> scenario resulted in a default rate of 19.3% ). Additionally, Axesor conducted a sensitivity analysis to assess the impact on the rating of changes in the expected default and recovery rates, individually or combined over the base case assumptions.

Axesor has performed a sensitivity analysis reaching the following results:

| Sensitivity Analysis |                    |
|----------------------|--------------------|
|                      | Class A            |
| DR +20%              | AA <sub>(sf)</sub> |
| DR +40%              | A <sub>(sf)</sub>  |
| RR -20%              | AA <sub>(sf)</sub> |
| RR -40%              | AA <sub>(sf)</sub> |
| DR +20% & RR-20%     | A <sub>(sf)</sub>  |
| DR+40% & RR-40%      | A <sub>(sf)</sub>  |

The transaction is exposed to counterparty risk through Banco Bilbao Vizcaya Argentaria S.A. as bank account provider and paying agent. The transaction's documented rating requirements for Banco Bilbao Vizcaya Argentaria S.A. under its different roles and its replacement mechanisms, adequately mitigate its exposure to counterparty risk.