Hecho Relevante de BBVA LEASING 1 FONDO DE TITULIZACIÓN DE ACTIVOS

En virtud de lo establecido en el Folleto Informativo de BBVA LEASING 1 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 Fitch Ratings (“Fitch”), con fecha 7 de diciembre de 2017, comunica que ha elevado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

  • Serie B: BB+ (sf) (anterior B (sf))

La calificación asignada a la restante Serie de Bonos permanece sin cambios:

  • Serie C: C (sf)

Se adjunta la comunicación emitida por Fitch.


José Luis Casillas González Paula Torres Esperante
Apoderado Apoderada
Fitch Ratings-London-07 December 2017: Fitch Ratings has upgraded BBVA Leasing 1, FTA's class B notes and affirmed the class C notes as follows:

EUR28.1 million Class B notes upgraded to 'BB+sf' from 'Bsf'; Outlook Stable
EUR61.3 million Class C notes affirmed at 'Csf'; Recovery Estimate revised to 20% from 0%

BBVA Leasing 1 FTA is a securitisation of a pool of leasing contracts originated by Banco Bilbao Vizcaya Argentaria S.A. (BBVA; A-/Stable/F2). The leasing contracts are extended to non-financial small- and medium-sized enterprises domiciled in Spain. BBVA (A-/Stable/F2) is also servicer, account bank and swap provider for the transaction.

KEY RATING DRIVERS

Improved Asset Performance
Delinquencies are on a downward trajectory. Leases more than 90 days past due represented 0.5% of the outstanding balance as of end-October 2017, compared with 2.4% one year earlier. Cumulative defaults have remained stable at 7% of the initial asset balance. This improved performance has had a positive impact on principal-available funds, and has reduced principal deficiencies in the transaction.

Increased Credit Enhancement
Credit enhancement for the class B notes is on a sharp upward trend, increasing to 42.1% from -4.4% between August 2015 and November 2017. This is the result of the class A notes being paid in full, and the subsequent amortisation of the class B notes.

Highly Concentrated Pool
The pool has become highly concentrated as a result of the amortisation of the assets. Non-defaulted assets as of the November 2017 payment date represented 1.9% of the initial portfolio. In Fitch's view, the risk of performance volatility is greater in more concentrated pools. Fitch accounted for these risks by deriving asset assumptions using its Portfolio Credit Model, which applies additional stresses to more concentrated pools of assets.

Class C Notes Under-Collateralised
Credit enhancement for the class C notes stands at -84.1%. In Fitch's view, the extent to which the class C notes are under-collateralised makes a default inevitable. This is reflected in its 'Csf' rating.

RATING SENSITIVITIES

The rating of the class B notes would likely be downgraded if Fitch's default assumptions increase by 15%. Such a scenario may materialise should the concentration risks associated with the pool of assets be realised. The rating of the class C notes would be unaffected, because it is already at a distressed level.

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 pool and the transaction. There were no findings that affected the rating analysis. 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 noted a reporting peculiarity in which negative defaults were reported in some periods. It has received clarification from the management company that this represents a correction to previously over-stated default data.

SOURCES OF INFORMATION

The information below was used in the analysis.

-Loan-by-loan data provided by Europea de Titulizacion S.A., S.G.F.T. as at 30 September 2017
-Transaction reporting provided by Europea de Titulizacion S.A., S.G.F.T. as at 27 November 2017

MODELS

The models below were used in the analysis. Click on the link for a description of the model.

Portfolio Credit Model. (https://www.fitchratings.com/site/structuredfinance/clo/pcm)
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Additional information is available on www.fitchratings.com

Applicable Criteria
Global Structured Finance Rating Criteria (pub. 03 May 2017) (https://www.fitchratings.com/site/re/897411)

Additional Disclosures
Dodd-Frank Rating Information Disclosure Form (https://www.fitchratings.com/site/dodd-frank-disclosure/1033594)
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