

Otra Información Relevante de **GAT ICO-FTVPO 1, Fondo de Titulización Hipotecaria**

En virtud de lo establecido en el Folleto Informativo de **GAT ICO-FTVPO 1, Fondo de Titulización Hipotecaria** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

- La Agencia de Calificación **Fitch Ratings** (“Fitch”), con fecha 29 de septiembre de 2021, comunica que ha afirmado las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:
 - **Serie AG:** **AAAsf**, perspectiva estable
 - **Serie B (CA):** **AAAsf**, perspectiva estable
 - **Serie B (CM):** **AAAsf**, perspectiva estable
 - **Serie B (CP):** **AAAsf**, perspectiva estable
 - **Serie B (CT):** **AAAsf**, perspectiva estable
 - **Serie C (CA):** **Asf**, perspectiva estable
 - **Serie C (CM):** **Asf**, perspectiva estable
 - **Serie C (CP):** **Asf**, perspectiva estable
 - **Serie C (CT):** **Asf**, perspectiva estable

Se adjunta la comunicación emitida por Fitch.

Madrid, 4 de noviembre de 2021.

29 SEP 2021







Fitch Upgrades 10 Tranches of Madrid RMBS















Fitch Ratings - Madrid - 29 Sep 2021: Fitch Ratings has upgraded 10 tranches of three Spanish Madrid RMBS transactions and affirmed the others. Fitch has also affirmed all tranches of GAT ICO RMBS transaction. Fitch has removed five Madrid RMBS tranches from Rating Watch Positive (RWP). All Outlooks are Stable. A full list of rating actions is below.





Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
Madrid RMBS II, FTA				
• Class A2 LT ES0359092014	A+sf	●	Upgrade	A-sf ◆
• Class A3 LT ES0359092022	A+sf	●	Upgrade	A-sf ◆
• Class B LT ES0359092030	Asf	●	Upgrade	BBBsf ◆
• Class C LT ES0359092048	BBsf	●	Upgrade	BB-sf ●


ENTITY/DEBT	RATING		RECOVERY		PRIOR
<ul style="list-style-type: none"> Class D LT ES0359092055 		B-sf ●	Affirmed		B-sf ●
<ul style="list-style-type: none"> Class E LT ES0359092063 		CCsf	Affirmed		CCsf
Madrid RMBS III, FTA					
<ul style="list-style-type: none"> Class A2 LT ES0359093012 		A+sf ●	Upgrade		A-sf ◆
<ul style="list-style-type: none"> Class A3 LT ES0359093020 		A+sf ●	Upgrade		A-sf ◆
<ul style="list-style-type: none"> Class B LT ES0359093038 		BB+sf ●	Affirmed		BB+sf ●
<ul style="list-style-type: none"> Class C LT ES0359093046 		BB-sf ●	Upgrade		Bsf ●
<ul style="list-style-type: none"> Class D LT 		CCsf	Affirmed		CCsf

ENTITY/DEBT	RATING		RECOVERY		PRIOR
ES0359093053					
• Class E LT ES0359093061	Csf		Affirmed		Csf
Madrid RMBS I, FTA					
• Class A2 LT ES0359091016	A+sf 		Upgrade		A-sf 
• Class B LT ES0359091024	A-sf 		Upgrade		BBBsf 
• Class C LT ES0359091032	BB-sf 		Upgrade		B+sf 
• Class D LT ES0359091040	CCCsf		Affirmed		CCCsf
• Class E LT ES0359091057	CCsf		Affirmed		CCsf

ENTITY/DEBT	RATING		RECOVERY	PRIOR
GAT ICO- FTVPO 1, FTH				
• AG ES0341068007	LT	AAAsf 	Affirmed	AAAsf 
• B (CA) ES0341068015	LT	AAAsf 	Affirmed	AAAsf 
• B (CM) ES0341068023	LT	AAAsf 	Affirmed	AAAsf 
• B (CP) ES0341068031	LT	AAAsf 	Affirmed	AAAsf 
• B (CT) ES0341068049	LT	AAAsf 	Affirmed	AAAsf 
• C (CA) ES0341068056	LT	Asf 	Affirmed	Asf 
• C (CM) ES0341068064	LT	Asf 	Affirmed	Asf 

ENTITY/DEBT	RATING		RECOVERY		PRIOR
• C (CP) LT ES0341068072		Asf 	Affirmed		Asf 
• C (CT) LT ES0341068080		Asf 	Affirmed		Asf 

RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

Transaction Summary

The transactions comprise fully amortising residential mortgages serviced by Banco Bilbao Vizcaya Argentaria, S.A. (BBB+/Stable/F2) and Banco de Sabadell, S.A. (BBB-/Stable/F3) for GAT ICO and serviced by Caixabank, S.A. (BBB+/Stable/F2) for Madrid 1, 2 and 3. For GAT ICO, the transaction is linked to subsidised mortgages granted to low-income borrowers fulfilling stated eligibility criteria.

KEY RATING DRIVERS

Stable Performance, Removal of Additional Stresses: The rating actions reflect the broadly stable asset performance outlook driven by the low share of loans in payment holiday schemes, the low share of loans in arrears over 90 days and the improved macro-economic outlook for Spain as described in Fitch's latest Global Economic Outlook dated September 2021. The upgrades of Madrid 1's class A2, B and C notes are not attributable to the retirement of the Coronavirus Additional Stress Scenario.

The upgrades of Madrid 2 and 3's notes are supported by the retirement of the additional stresses in relation to the coronavirus outbreak and legal developments in Catalonia as announced on 22 July 2021 (see "Fitch Retires EMEA RMBS Coronavirus Additional Stress Scenario Analysis, Except UK Non-Conforming", "Fitch Retires Additional Stress Scenario Analysis for Spanish RMBS Linked to Catalonia Decree Law", and "Fitch Places or Maintains 121 EMEA RMBS Ratings on RWP on Additional Stress Scenario Retirement" at www.fitchratings.com).

Counterparty Risks Cap Some Ratings: GAT ICO's class C notes' rating is capped at 'Asf', equivalent to

the SPV account bank provider's deposit rating (Societe Generale, A/Stable/F1). The rating cap reflects the excessive counterparty dependency on the SPV account bank holding the cash reserve, as the sudden loss of these funds could imply a downgrade of 10 or more notches of the notes in accordance with Fitch's criteria.

For Madrid 1, 2 and 3, the notes are capped at 'A+sf' because the reserve funds are not expected to provide long-term coverage of payment interruption risk and could be depleted by losses. The reserve for Madrid 3 is currently fully depleted.

Fitch views the risk of not making timely payments to noteholders following a disruption of collection processes as sufficiently mitigated up to 'A+sf', despite the absence of dedicated liquidity facilities and the cash reserves having been depleted by losses. This is in line with Fitch's Structured Finance and Covered Bonds Counterparty Rating Criteria for notes rated up to 'A+sf', as the collection account bank and servicer rating (Caixabank) is at least 'BB-sf' and within a five-notch distance to the highest note ratings and the transfer of collected funds is made to the SPV bank account within two business days. Additionally, the depleted cash reserves have led to a switch to sequential amortisation, which Fitch does not expect to be reversed.

Interest Deferral Risk: Interest are currently being deferred for all classes of notes except class A for Madrid 3. This follows the breach of a gross cumulative default trigger. Where notes defer (or are expected to defer) interest for prolonged periods, the rating is capped at 'BB+sf'. This constrains Madrid 3's class B notes' rating. Madrid 1 and 2 might also be exposed to this risk but deferrals are not expected for these transactions.

Geographical Concentration: The Madrid 1, 2 and 3 portfolios are highly exposed to the region of Madrid. For GAT ICO, the portfolio is highly exposed to the regions of Catalonia and Extremadura. To address regional concentration risk, Fitch has applied higher rating multiples to the base foreclosure frequency (FF) assumption to the portion of the portfolios that exceeds 2.5x the population within these regions, in line with Fitch's European RMBS Rating Criteria.

Low Take-up on Payment Holidays: For Madrid 1, 2 and 3, Fitch does not expect the Covid-19 emergency support measures introduced by the Spanish government and banks for vulnerable borrowers to negatively affect the SPVs' liquidity. This is due to low take-ups of payment holidays of the current portfolio balances as of September 2021. Additionally, high portfolio seasoning of about 15 years, and the predominant share of floating-rate loans benefiting from the current low interest rates are strong mitigating factors against macroeconomic uncertainty.

ESG Score: Madrid 1, Madrid 2 and Madrid 3 have an ESG Relevance Score of '5' for "Transaction and Collateral Structure" due to the ratings being capped at 'A+sf' as payment interruption risk is not sufficiently mitigated. This is because the reserve funds are well below target (so there is a risk of liquidity shortfall in case of servicer default), which has a negative impact on the credit profile, and is relevant to the ratings in conjunction with other factors.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to negative rating action/downgrade:

Long-term asset performance deterioration such as increased delinquencies or larger defaults, which could be driven by changes to macroeconomic conditions, interest rate increases or borrower behaviour.

For GAT ICO's class A and B notes, a downgrade of Spain's Long-Term Issuer Default Rating (IDR) that could decrease the maximum achievable rating for Spanish structured finance transactions. This is because these notes are capped at the 'AAAsf' maximum achievable rating in Spain, six notches above the sovereign IDR.

For GAT ICO's class C notes, a downgrade of the SPV account bank's long-term deposit rating could trigger a corresponding change to the notes' rating. This is because the notes' rating is capped at the bank's rating, given the excessive counterparty risk exposure.

For Madrid 1, 2 and 3, a downgrade of the collection account bank and servicer below 'BB-', more than five notches between the collection account bank and servicer rating and the highest notes' ratings and transfer of collected funds to the SPV bank account not being made within two business days.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

CE ratios increase as the transactions deleverage, able to fully compensate the credit losses and cash flow stresses commensurate with higher rating scenarios, all else being equal.

For GAT ICO's class C notes, an upgrade of the SPV account bank's long-term deposit rating could trigger a corresponding change to the notes' rating. This is because the notes rating is capped at the bank's rating given the excessive counterparty risk exposure.

For Madrid 1, 2 and 3 improved liquidity protection against a servicer disruption event. This is because the ratings are capped at 'A+sf', driven by unmitigated payment interruption risk.

Best/Worst Case Rating Scenario

International scale credit ratings of Structured Finance transactions have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of seven notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of seven notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAAsf' to 'Dsf'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

USE OF THIRD PARTY DUE DILIGENCE PURSUANT TO SEC RULE 17G -10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch in relation to this rating action.

DATA ADEQUACY

GAT ICO-FTVPO 1, FTH, Madrid RMBS I, FTA, Madrid RMBS II, FTA, Madrid RMBS III, FTA

Fitch has checked the consistency and plausibility of the information it has received about the performance of the asset pool[s] and the transaction[s]. 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 did not undertake a review of the information provided about the underlying asset pool[s] ahead of the transaction's [GAT ICO-FTVPO 1, FTH, Madrid RMBS I, FTA, Madrid RMBS II, FTA, Madrid RMBS III, FTA] initial closing. The subsequent performance of the transaction[s] over the years is consistent with the agency's expectations given the operating environment and Fitch is therefore satisfied that the asset pool information relied upon for its initial rating analysis was adequately reliable.

Overall, and together with any assumptions referred to above, Fitch's assessment of the information relied upon for the agency's rating analysis according to its applicable rating methodologies indicates that it is adequately reliable.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

GAT ICO, class C notes are capped at the level of the SPV account bank deposit rating due to Excessive Counterparty Exposure.

ESG Considerations

Madrid RMBS I, FTA has an ESG Relevance Score of '5' for Transaction & Collateral Structure due to {DESCRIPTION OF ISSUE/RATIONALE}, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in {an implicitly lower/higher rating or outlook/watch or cite specific change(s) to the rating/outlook/watch: stable from positive, stable from negative, one notch downgrade, etc.}.

Madrid RMBS II, FTA has an ESG Relevance Score of '5' for Transaction & Collateral Structure due to {DESCRIPTION OF ISSUE/RATIONALE}, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in {an implicitly lower/higher rating or outlook/watch or cite specific change(s) to the rating/outlook/watch: stable from positive, stable from negative, one notch downgrade, etc.}.

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

Fitch Ratings Analysts

Pablo Rubio

Senior Analyst

Surveillance Rating Analyst

+34 91 076 1984

Fitch Ratings Spain - Madrid Paseo de la Castellana 31 9ºB Madrid 28046

Francois Le Roy

Senior Director

Committee Chairperson

+33 1 44 29 91 75

Media Contacts

Athos Larkou

London

+44 20 3530 1549

athos.larkou@thefitchgroup.com

Applicable Criteria

[European RMBS Rating Criteria \(pub.15 Sep 2021\) \(including rating assumption sensitivity\)](#)

[Global Structured Finance Rating Criteria \(pub.24 Mar 2021\) \(including rating assumption sensitivity\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria \(pub.29 Jan 2020\)](#)

[Structured Finance and Covered Bonds Counterparty Rating Criteria: Derivative Addendum \(pub.29 Jan 2020\)](#)

[Structured Finance and Covered Bonds Country Risk Rating Criteria \(pub.23 Sep 2020\)](#)

[Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria \(pub.20 Sep 2021\)](#)

Applicable Models

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Multi-Asset Cash Flow Model, v2.11.0 [\(1\)](#)

Additional Disclosures

Solicitation Status

Endorsement Status

GAT ICO-FTVPO 1, FTH	EU Issued, UK Endorsed
Madrid RMBS I, FTA	EU Issued, UK Endorsed
Madrid RMBS II, FTA	EU Issued, UK Endorsed
Madrid RMBS III, FTA	EU Issued, UK Endorsed

Disclaimer

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings). IN ADDITION, THE FOLLOWING [HTTPS://WWW.FITCHRATINGS.COM/RATING-DEFINITIONS-DOCUMENT](https://www.fitchratings.com/rating-definitions-document) DETAILS FITCH'S RATING DEFINITIONS FOR EACH RATING SCALE AND RATING CATEGORIES, INCLUDING DEFINITIONS RELATING TO DEFAULT. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. DIRECTORS AND SHAREHOLDERS RELEVANT INTERESTS ARE AVAILABLE AT [HTTPS://WWW.FITCHRATINGS.COM/SITE/REGULATORY](https://www.fitchratings.com/site/regulatory). FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE OR ANCILLARY SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF PERMISSIBLE SERVICE(S) FOR WHICH THE LEAD ANALYST IS BASED IN AN ESMA- OR FCA-REGISTERED FITCH RATINGS COMPANY (OR BRANCH OF SUCH A COMPANY) OR ANCILLARY SERVICE(S) CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH RATINGS WEBSITE.

Copyright

Copyright © 2021 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY,

NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and

underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Endorsement policy

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.