S&P Global Ratings

Research

New Issue: BBVA RMBS 21 Fondo de Titulizacion de Activos

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Ratings Detail

Ratings						
Class	Rating*	Amount (mil. €)	Class size (%)	Credit enhancement (%)	Interest	Legal final maturity
A	AA (sf)	12,028.00	97.0	8.0	3ME + 15 bps	Nov. 18, 2066
B-Dfrd	AA (sf)	372.00	3.0	5.0	3ME + 25 bps	Nov. 18, 2066

*Our ratings address timely receipt of interest and ultimate repayment of principal on the class A notes and the ultimate payment of interest and principal on the class B-Dfrd notes. Our ratings also address ultimate payment of interest on the class B-Dfrd notes when it becomes the most senior outstanding. Any deferred interest is due by maturity. 3ME--Three-month EURIBOR. Bps—-Basis points. Dfrd--Deferrable.

Transaction Summary

- BBVA RMBS 21, Fondo de Titulización de Activos (BBVA RMBS 21) is a static RMBS transaction. The €12,399,999,730.17 pool comprises 115,736 mortgage loans, originated by Banco Bilbao Vizcaya Argentaria S.A. (BBVA), Catalunya Caixa S.A., and Unnim Banc (the last two are now part of BBVA). The assets are first-ranking mainly owner-occupied loans secured against properties in Spain.
- The portfolio comprises loans not in arrears for more than 30 days, which were securitized in previous BBVA RMBS transactions, and some newly originated loans (13% of the final BBVA RMBS 21 portfolio).
- The loans originated by BBVA are defined as "flexible" loans due to a set of limited amendments allowed for each loan. In particular, the borrower can modify loan maturities, defer payment installments, make a balloon payment (a large final installment), or change from a floating interest rate to a fixed interest rate for three years, subject to certain conditions.
- At closing, the issuer used the class A and B-Dfrd notes' issuance proceeds to purchase the "Certificados de Transmisión de Hipoteca" (CTHs) and "Participaciones Hipotecarias" (PHs) from the originator.
- Credit enhancement for the class A notes comprises subordination, the reserve fund, and excess spread. For the class B-Dfrd notes, credit enhancement comprises excess spread and the reserve fund once the class A notes fully amortize. A subordinated loan fully funded the reserve fund at closing.
- There are no rating constraints in the transaction under our operational, legal, or structured finance sovereign risk criteria. However, the documented replacement mechanisms for the account provider constrain the ratings on the notes at 'AA'.
- Our rating addresses the timely payment of interest and ultimate payment of principal on the class A notes. Our rating on the class B-Dfrd notes addresses the ultimate payment of interest and principal until the notes' final redemption.

Transaction Key Features*	
Closing date	March 2022

Transaction Key Features* (cont.)	
Note payment frequency	Quarterly
Collateral	First-lien Spanish mortgage loans
Sources of credit enhancement	Initial subordination, reserve fund, and excess spread
Outstanding principal of the pool	€12,399,999,730.17
Country of origination	Spain
Regional concentration	Catalonia: 21.55% Andalucía: 18.44% Madrid: 16.64%
Property occupancy	94.0% owner-occupied, 6.0% second home
Weighted-average original LTV ratio	77.54%
Weighted-average current indexed LTV ratio§	58.30%
Weighted-average effective LTV ratio (80% original LTV/20% current LTV)	73.69%
Weighted-average seasoning	132.77 months
Arrears greater than or equal to one month	0%
Liability redemption profile	Fully sequential
Reserve fund at closing (as a percentage of the class A and B-Dfrd notes' initial balance)	5%

*Data is based on the pool as of March 21, 2022. §Calculations are according to S&P Global Ratings' methodology. LTV--Loan-to-value.

The Credit Story

The Credit Story	
Strengths	**Concerns and mitigating factors**
BBVA is one of the leading lenders in the Spanish loan market and is an experienced servicer of several RMBS and ABS transactions. The originators' historical performance has been strong given its underwriting criteria and understanding of the local markets.	BBVA services the securitized assets, and the transaction does not have a back-up servicer. We rely on the general availability of servicing in the Spanish market to mitigate the risk of servicing disruption and on Europa de Titulización as the back-up servicer facilitator.Furthermore, the cash reserve provides additional liquidity for the class A notes, and for the class B-Dfrd notes once the class A notes fully redeem, which mitigates servicer disruption risk.
Given that the portfolio comprises previous BBVA RMBS portfolios, it benefits from a high seasoning as well as a relatively low current indexed LTV ratio of 58.49%*, which is more likely to incur lower loss severities if the borrower defaults.	The portfolio is exposed to unemployed (3.14%) and self-employed borrowers (13.5%), as well as second homes (6.08%) and broker-originated loans (7.82%). We have adjusted our weighted-average foreclosure frequency (WAFF) assumptions in accordance with our global RMBS criteria.
There is a fully funded reserve fund to meet revenue shortfalls for senior fees and the class A notes. The reserve fund is floored and is also available for the class B-Dfrd notes once the class A notes fully redeem.	The notes pay three-month EURIBOR plus a margin. Of the loans in the portfolio, almost 88% are floating loans (most linked to 12-month EURIBOR) and the rest are fixed loans. The transaction has a swap contract that guarantees a margin of 0.65% and pays the weighted-average cost of bonds, mitigating the basis risk between the loans and the interest on the liabilities, and also mitigating a potential reduction on the portfolio's margin.
Amortization of the notes is fully sequential. Credit enhancement can therefore build up over time for the rated notes, enabling the capital structure to withstand performance shocks.	The transaction is exposed to commingling risk if the originator becomes insolvent. In the absence of any mitigant, we have incorporated this exposure in our cash flow assumptions.

The Credit Story (cont.)	
Strengths	**Concerns and mitigating factors**
The transaction encompasses a combined waterfall, which mitigates the risk of interest shortfalls during the transaction's life.	The loans originated by BBVA are defined as "flexible" loans due to a set of limited amendments allowed for each loan. In particular, the loan maturities can be modified, and borrowers can defer payment installments, make a balloon payment (a large final installment), get bonifications on the margin, or change from a floating rate of interest to a fixed rate of interest for three years, subject to certain conditions. The usage rate of these flexibilities has reduced over the time and percentages presented in this portfolio are lower than the ones seen in previous BBVA RMBS transactions. We have considered the potential effect of these flexibilities in our credit and cash flow analysis.
Given the difference between the assets' interest and the senior expenses, interest on the notes, and swap costs, the transaction benefits from excess spread to cure defaults.	We expect Spanish inflation to peak in fourth-quarter 2022 at 5.2%. Although elevated inflation is overall credit negative for all borrowers, inevitably some borrowers will be more negatively affected than others and to the extent inflationary pressures materialize more quickly or more severely than currently expected, risks may emerge. We consider the borrowers in the transaction to be prime and as such will generally have resilience to inflationary pressures.
The portfolio does not contain any contract that is in arrears for more than 30 days.	Most borrowers in this transaction pay a variable rate of interest. As a result, some borrowers in this pool face near term pressure from both a cost of living and rate rise perspective. We have analyzed the effect of increased defaults by testing the sensitivity of the ratings under our scenario analysis. The ratings on the notes would not suffer a rating transition outside of that considered under our credit stability criteria.

*Calculations are according to S&P Global Ratings' methodology. LTV--Loan to value. EURIBOR--Euro Interbank Offer Rate.

Environmental, Social, And Governance (ESG)

Our analysis considers a transaction's potential exposure to ESG credit factors. For RMBS, we view the exposure to environmental credit factors as average, social credit factors as above average, and governance credit factors as below average (see "ESG Industry Report Card: Residential Mortgage-Backed Securities", published on March 31, 2021).

Social credit factors are considered above average because housing is viewed as one of the most basic human needs, and conduct risk presents a direct social exposure for lenders and servicers. In our view, the exposure to social credit factors in this transaction is in line with the sector benchmark. The Spanish government, for the past five years, has adopted measures aimed at protecting the mortgage debtor. Some of these measures are covered in the Code of Good Practices Royal Decree Law 6/2012 for protection of mortgage debtors, which BBVA has adopted. The Royal Decree Law establishes various mechanisms to allow the restructuring of the mortgage debt of those who suffer extraordinary difficulties in meeting their payments, as well as the flexibility of the execution of the security right. For RMBS, social risk is generally factored into our credit and cash flow analysis. In this transaction, we considered this risk by testing potential increases in delinquencies and potential delays on recoveries.

The transaction's exposure to environmental credit factors is in line with the sector benchmark. Physical climate risks could severely damage properties and reduce their value, lowering recoveries if borrowers default. We believe that well-diversified portfolios, like BBVA RMBS 21's portfolio, where there are no significant region concentrations, reduces exposure to extreme weather events.

BBVA RMBS 21's exposure to governance credit factors is also in line with the sector benchmark. In Spain, under the different laws that apply to the securitization market, there are very tight restrictions on what activities the special-purpose entity (SPE) can undertake compared to other entities. Given that this transaction securitizes a static pool with no reinvestment or prefunding features, the originator's role becomes less active over the transaction's life, mitigating the risk of loosening underwriting standards or potential adverse selection. In addition, BBVA is a very active participant in the Spanish market, demonstrating that it has strong internal control frameworks with significant relevant experience at key stages of the process. Finally, the origination process is subject to regular post-completion scrutiny, checking, and oversight.

Originators

BBVA, Catalunya Caixa, and Unnim Banc originated the mortgage loans. The latter two entities were merged into BBVA, which is therefore acting as the servicer and collection account provider.

The servicer, BBVA, has a standardized, integrated, and centralized servicing platform. It is one of the most active participants in Spain, issuing not only RMBS transactions but also ABS transactions (consumer, auto, and equipment lease), and its transactions' historical performance have outperformed our Spanish RMBS index. In our operational risk analysis, we review the risk that cash flows may be disrupted if the servicer's operations fail. We rely on the general availability of servicing in the Spanish market to mitigate the risk of servicing disruption. We have also incorporated necessary assumptions in our cash flow analysis.

Collateral

The portfolio comprises loans not in arrears for more than 30 days, which were securitized in previous transactions (BBVA RMBS 10, Fondo de Titulización de Activos, BBVA RMBS 11, Fondo de Titulización de Activos, BBVA RMBS 12, Fondo de Titulización de Activos, BBVA RMBS 13, Fondo de Titulización de Activos, BBVA RMBS 15, Fondo de Titulización de Activos, BBVA RMBS 16, Fondo de Titulización de Activos, and BBVA RMBS 18, Fondo de Titulización de Activos) and some newly originated loans (13% of the final BBVA RMBS 21 portfolio).

We received loan-level data as of March 21, 2022, and historical performance data on the originators' book since 2014. The quality of data provided is in line with our standards. We performed our credit analysis on the preliminary pool. The final pool's credit quality is not materially different because it is a subset of the preliminary pool.

We received a pool audit report (99/1), with no significant errors reported.

As of the March 21, 2022, pool cut-off date, the €12,399,999,730 pool comprised 115,736 loans secured on Spanish first-ranking residential mortgage loans mainly in Catalonia, Andalucía, and Madrid (see chart 1).

Chart 1

Geographic Distribution

Table 1

Collateral Key Features

	BBVA RMBS 21
Pool cut-off date	March 21, 2022
Jurisdiction	Spain
Principal outstanding of the pool (€)	12,399,999,730.17
Number of loans	115,736
Number of borrowers	115,736
Average loan balance (€)	107.140
Weighted-average indexed current LTV ratio (%)*	58.30
Weighted-average original LTV ratio (%)	77.54
Weighted-average seasoning (months)	132.77
Non-Spanish citizens (%)	2.5
Self-employed (%)	13.41
Second-home (%)	6.00
Unemployed (%)	3.10
Broker-originated (%)	7.82

Table 1

Collateral Key Features (cont.)

	BBVA RMBS 21
Fixed loans (%)	12.13
Loan purpose – purchase (%)	100.0
VPO properties (%)	4.76
Jumbo valuations (%)*	4.93
'AAA' RMVD (%)*	52.53
Current arrears > one month (%)	0.0

*Calculations are according to S&P Global Ratings' methodology. LTV--Loan-to-value. VPO--Viviendas de protección official. RMVD--Repossession market value declines.

The loans originated by BBVA are defined as "flexible" loans due to a set of limited amendments allowed for each loan. In particular, the loan maturities can be modified, and borrowers can defer payment installments, make a balloon payment (a large final installment), get bonifications on the margin, or change from a floating interest rate to a fixed interest rate for three years, subject to certain conditions.

- Modification of the amortization profile from French amortization to French with final balloon payment of 10% to 30% of the loan's balance. Borrowers with this option represent 70.5% of the balance, however only 12.7% of the pool had already selected it.
- Maturity extension/reduction: 73.6% of the pool have this option.
- Payment holiday: 72.4% of the pool balance are loans that may apply payment holidays, although only 7% of them have already selected it. Under this option, borrowers may take payment holidays on two instalments per year, with a maximum of 10 instalments during the loan's life.

We have considered these flexibilities when analyzing the transaction's credit and cash flow risks. We have factored them in our credit, prepayment, and delinquency stresses.

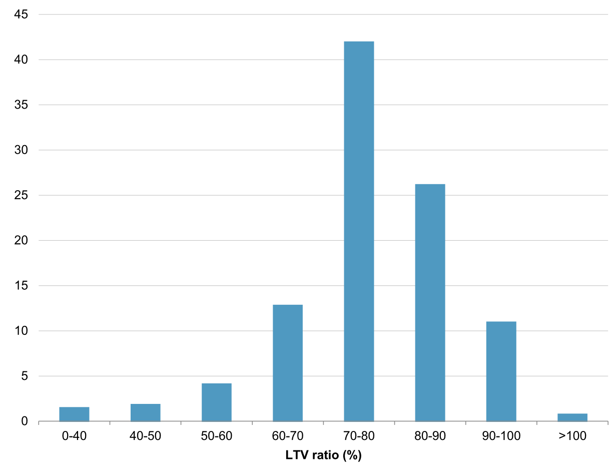
The swap contract that guarantees a 0.65% margin and also pays the bonds' weighted-average cost mitigates the mismatch that occurs from the loans being linked to different indices paying monthly installments and the notes paying three-month Euro Interbank Offer Rate (EURIBOR) plus a margin quarterly. Therefore, we have not considered basis risk and margin compression under our cash flow analysis.

The portfolio has a weighted-average seasoning of 131.95 months. We consider that loans with higher seasoning have a lower likelihood of foreclosure. We have considered this in our seasoning adjustment to the WAFF.

Additionally, the final pool does not contain any loans in 30+ arrears or loans that have defaulted.

Chart 2

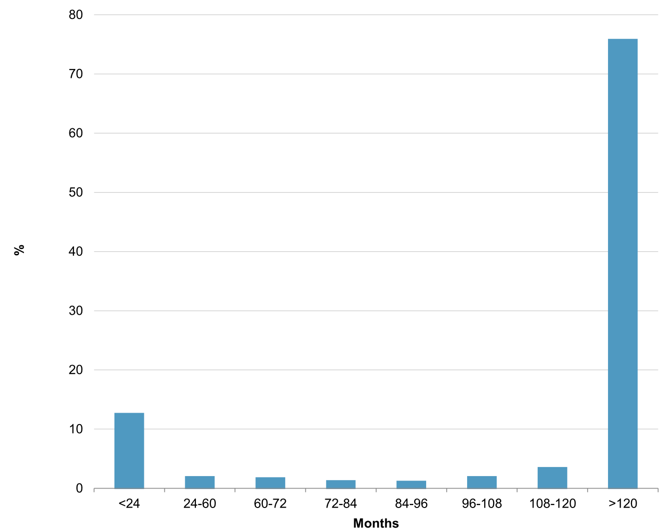
Original LTV Ratio Distribution



LTV--Loan to value.

Chart 3

Seasoning Distribution



Credit Analysis And Assumptions

WAFF and WALS

We have applied our criteria and assumptions for assessing pools of Spanish residential loans to the pool in order to derive the WAFF and the weighted-average loss severity (WALS) at each rating level (see "Related Criteria").

The WAFF and the WALS assumptions increase at each rating level because notes with a higher rating should be able to withstand a higher level of mortgage defaults and loss severity. We base our credit analysis on the loans, the properties, and the associated borrowers' characteristics.

Table 2

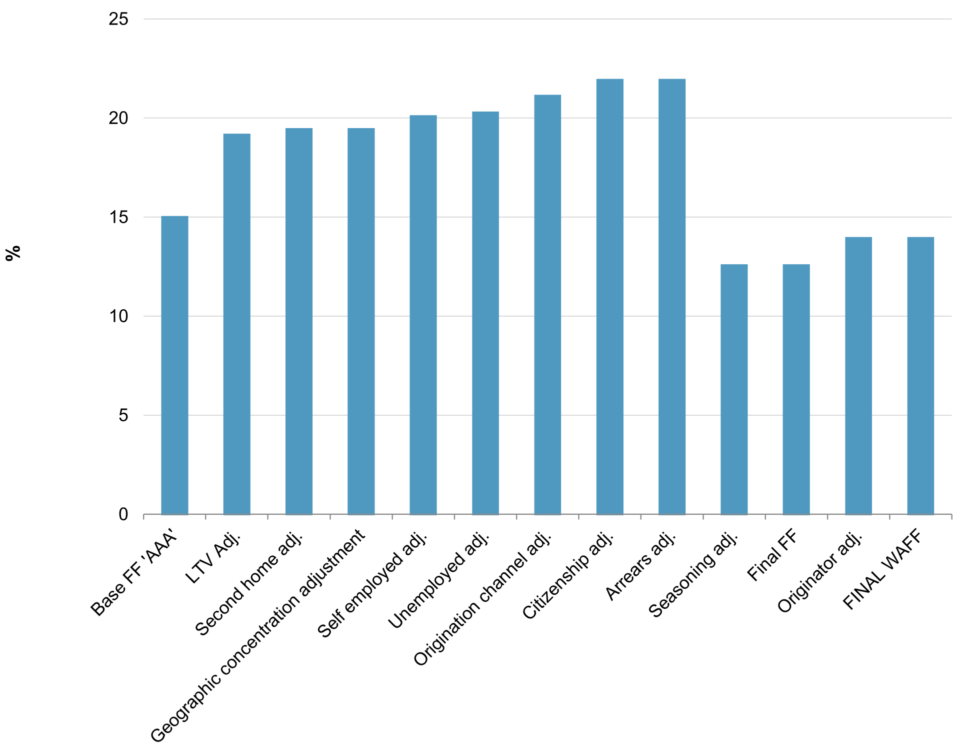
Portfolio WAFF And WALS

Rating level	WAFF (%)	WALS (%)	Credit coverage (%)
AAA	13.95	28.56	3.98
AA	9.49	23.46	2.23
A	7.26	15.18	1.10
BBB	5.49	11.14	0.61
BB	3.63	8.62	0.31
B	2.33	6.58	0.15

WAFF--Weighted-average foreclosure frequency. WALS--Weighted-average loss severity.

Chart 4

Weighted-Average Foreclosure Frequency Migration



Macroeconomic And Sector Outlook

In our analysis, we considered the following economic data and their baseline effect on collateral credit quality in determining our credit assumptions (see "Related Research").

For Spain, our current expectations are described in the table below. We now forecast the Spanish economy to expand 4.5% in 2021 and 7.0% in 2022. We revised down our 2021 forecast by 180 basis points from September, and up 60 basis points for 2022. This was largely due to revisions in historical numbers and weaker-than-expected GDP growth of 2% in the third quarter, dragged down by the decline in private spending.

Table 3

Spain Housing Market Statistics

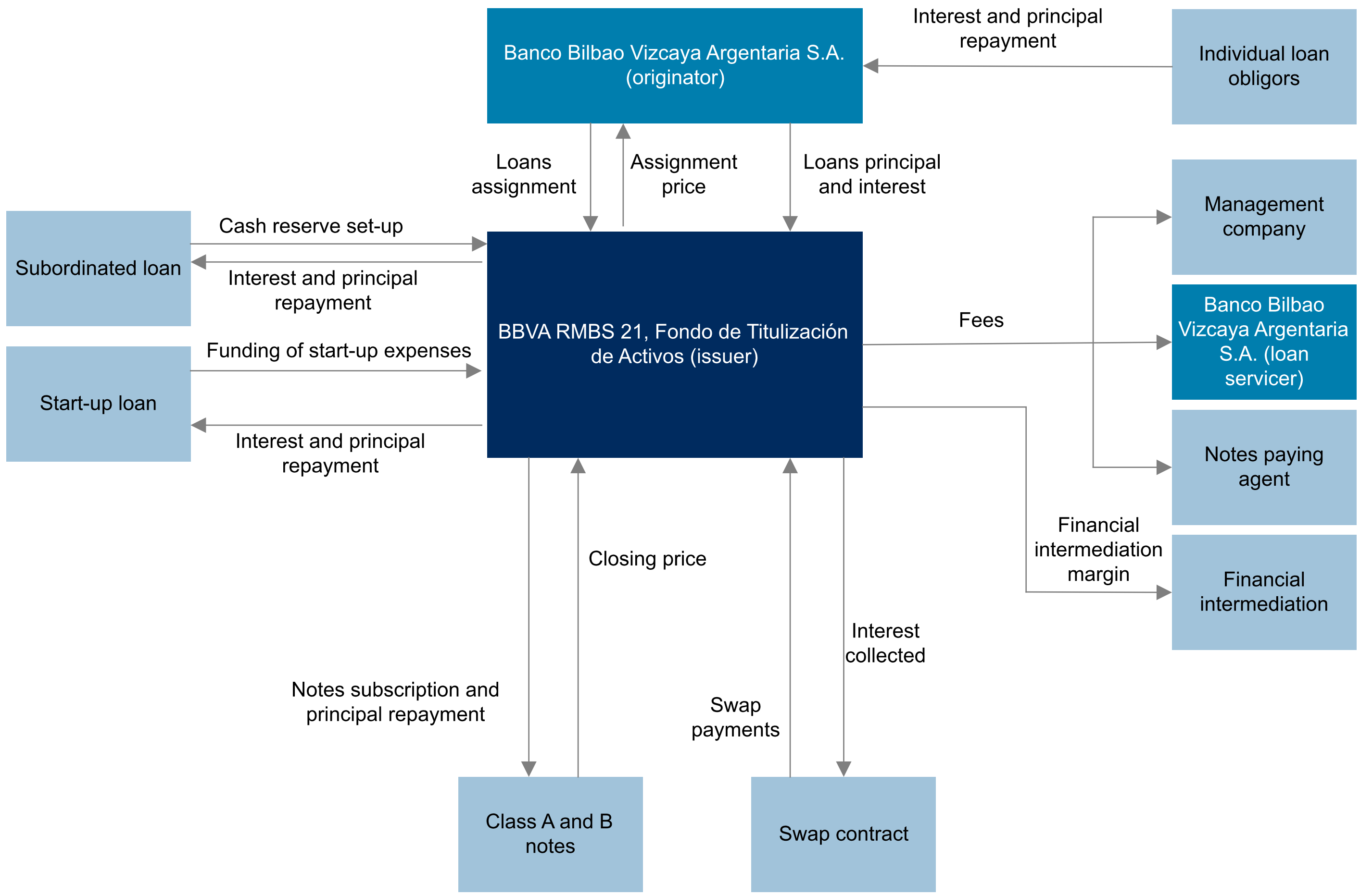
	2020	2021f	2022f	2023f
Nominal house prices, % change y/y	1.7	4.3	4.0	3.6
Real GDP, % change	(10.8)	4.5	7.0	7.0
Unemployment rate	15.5	15.1	14.4	14.4

Sources: National Statistics offices, Eurostat, S&P Global Ratings. Y/Y--Year on year. f--Forecast.

Transaction Structure

Chart 5

Transaction Structure



The issuer is a Fondo de Titulización, an SPE dedicated to securitization, established under Spanish law. We consider it a bankruptcy remote entity, in line with our legal criteria (see "Asset Isolation And Special-Purpose Entity Methodology," published on March 29, 2017).

We analyzed its corporate structure in line with our legal criteria and reviewed the transaction's legal opinion, which provides assurance as to whether the structure achieves a valid and effective sale of assets. We believe that the sale of the assets would survive the seller's insolvency. Legal documents are in accordance with our legal criteria.

As the transaction cancels some already existing securitizations (BBVA RMBS 10, 11, 12, 13, 15, 16, and 18), we have also analyzed the timing of the liquidation of the existing funds as well as the change in ownership of the underlying loans. All loans were acquired by BBVA in advance of the constitution of the new SPE, BBVA RMBS 21.

Note payments

Interest is paid quarterly on the interest payment dates, beginning in May 2022. The rated notes pay interest equal to EURIBOR plus a margin. Interest and principal payments on the junior notes are fully subordinated to the interest and principal payments on the senior notes. The amortization of the notes is fully sequential. All of the notes will reach legal final maturity in Nov. 18, 2066.

Available funds

Available amounts include:

- Principal collections;
- Interest collections;
- Interest on the treasury account;
- Reserve fund;
- Recoveries; and
- Swap receipts.

Payment priority

The transaction has a combined interest and principal waterfall. Interest on the notes is payable quarterly in accordance with the waterfall. The amortization is fully sequential, with deferrable interest on the class B-Dfrd notes.

If an enforcement notice is served on the issuer, all funds from the enforced security will be distributed according to the liquidation priority of payments. We have reviewed the issuer events of defaults and have concluded that they are remote in our ratings scenarios. As a result, our analysis solely focuses on the priority of payments before a liquidation event.

Table 4

Combined Interest And Principal Priority Of Payments	
1	Senior fees and expenses
2	Net payments to the swap
3	Class A notes' interest
4	Class A notes' principal
5	Replenishment of the reserve fund
6	Class B-Dfrd notes' interest
7	Class B-Dfrd notes' principal
8	Replenishment of the reserve fund if only the class B-Dfrd notes is outstanding
9	Junior payments

Reserve fund

The transaction has a reserve fund that is available to cover shortfalls on the senior fees, and interest and principal on the class A notes. Once the class A notes fully redeem, the reserve can also be used to pay interest and principal on the class B-Dfrd notes.

A subordinated loan, representing 5% of the class A and B-Dfrd notes' balance at closing, fully funds the reserve fund. The reserve fund can amortize in line with the notes' balance, subject to a floor of 2.5% of the initial class A and B-Dfrd notes' balance.

Excess amounts above the required amount will be released in the waterfall.

Clean-up call

The issuer can exercise a clean-up call option as soon as the collateral's principal balance outstanding is below 10% of the principal balance at closing, as long as it has enough resources to meet all payment obligations under the outstanding notes. In our analysis, we have not considered a clean up call to occur.

Cash Flow Modeling And Analysis

We stress the transaction's cash flows to test the credit and liquidity support that the assets, subordinated tranches, and reserve fund provide.

We apply these stresses to the cash flows at all relevant ratings. Our stresses on the class A notes show that they must pay full and timely interest and ultimate principal. Ultimate interest is due on the class B-Dfrd notes.

Our cash flow analysis indicates that the credit enhancement for the notes is commensurate with higher ratings that the ratings currently assigned. However, our counterparty analysis caps the ratings on the notes.

Commingling risk

All borrowers pay monthly into the collection accounts held with BBVA in the issuer's name. All collections are transferred every two business days to the treasury account held in the issuer's name. There is no deed of pledge on the collections account in the issuer's favor nor replacement language.

We have therefore determined that the transaction may be exposed to a loss stress of about one month of collections if the servicers become insolvent, during the period when borrowers are notified of the event.

Hedging

The issuer benefits from an interest rate swap contract from closing. The issuer pays a calculation of the interest received on the assets and receives from the swap counterparty the weighted-average coupon on the notes (class A and B-Dfrd notes) plus 0.65% based on the notional (performing balance of the collateral up to 90 days in arrears).

Spread compression

The asset yield on the pool can decrease if higher-paying assets default or prepay and as a consequence of renegotiations. This risk is mitigated in our analysis as we give full credit to the payments made by the swap contract.

Deferral of interest

Under the transaction documents, interest payments on the class B-Dfrd notes can be deferred until the final maturity. Consequently, any deferral of interest on the class B-Dfrd notes would not constitute an event of default. Unpaid interest will not accrue additional interest, and will be due at the notes' legal final maturity.

Our ratings address the timely payment of interest and the ultimate payment of principal on the class A notes and the ultimate payment of interest and principal on the class B-Dfrd notes. At the assigned ratings, our analysis also considers that interest previously deferred is repaid by the final maturity date. When the class B-Dfrd notes become the most senior outstanding, all previously deferred interest is due at maturity and not immediately.

Fees

Contractually, the issuer is obliged to pay periodic fees to various parties providing services to the transaction such as servicers (for substitution) and management companies, among others. We accounted for these in our analysis.

In particular, we applied a stressed servicing fee of 0.35% (the higher of 2.0x actual fees and 0.35% of the pool balance) to account for the potential increase in costs to attract a replacement servicer, based on our RMBS criteria.

Setoff risk

Deposit setoff risk is mitigated under the Spanish legal framework. There are no employee loans in the transaction and the insurances are provided by entities that are not BBVA.

Default and recovery timings

The WAFF at each rating level specifies the total balance of the mortgage loans that we assume to default during the transaction's life. Our RMBS criteria assume that defaults occur periodically to match the mortgage loans' payment profile. The timing of defaults follows two paths, referred to as "front-loaded" (i.e., concentrated toward the earlier stage of a transaction) and "back-loaded" (i.e., concentrated toward the later stage of a transaction), with the defaults occurring over a six-year recession period (see table 5).

Table 5

Default Timings For Front-Loaded And Back-Loaded Default Curves

Recession periods (years)	Front-loaded defaults (% of WAFF applied in each month)	Back-loaded defaults (% of WAFF applied in each month)
1	25.0	5.0
2	25.0	10.0
3	25.0	10.0
4	10.0	25.0
5	10.0	25.0
6	5.0	25.0

WAFF--Weighted-average foreclosure frequency.

Recovery timing

We have assumed that the issuer regains any recoveries 42 months after a payment default.

Delinquencies

To simulate the effect of delinquencies on liquidity, we model a proportion of scheduled collections equal to one-third of the WAFF (in addition to assumed foreclosures reflected in the WAFF) to be delayed. We apply this in each of the first 18 months and assume a full recovery of these delinquencies will occur 36 months after they arise.

Interest rates

Our cash flows are tested under up and down interest rate paths.

Prepayment rates

To assess the effect on excess spread and the absolute level of defaults in a transaction we model two prepayment scenarios: high and low at all ratings.

Table 6

Prepayment Assumptions

	High	Low
Pre-recession	24.0	1.0
During recession	1.0	1.0
Post-recession	24.0	1.0

Sensitivity analysis

We will maintain surveillance on the transaction until the notes mature or are otherwise retired. To do this, we will analyze regular servicer reports detailing the performance of the underlying collateral, monitor supporting ratings, and make regular contact with the servicer to ensure that it maintains minimum servicing standards and that any material changes in the servicer's operations are communicated and assessed.

Various factors could lead us to lower our ratings on the notes, such as increasing foreclosure rates in the underlying pool and changes in the pool composition. We have analyzed the effect of increased defaults by testing the sensitivity of the ratings to two different levels of movements.

Under our scenario analysis, the ratings on the notes in both scenarios would not suffer a rating transition outside of that considered under our credit stability criteria.

Counterparty Risk

The issuer is exposed to BBVA as the treasury account and swap contract provider. The documented replacement mechanisms defined in the treasury account documents mitigate the transaction's exposure to counterparty risk at 'AA' rating, as the counterparty commits to replace itself upon loss of it 'A-' issuer credit rating and within 30 calendar days.

The interest rate swap defines replacement triggers and a collateral posting framework, consistent with our counterparty criteria to support 'AA' ratings. The collateral framework is adequate, which requires the counterparty to post collateral if the resolution counterparty rating (RCR) on the guarantor is lowered below 'BBB+' and, at the same time, it needs to replace itself. If the swap counterparty defaults, termination payments will become subordinated to payments to noteholders, and the issuer has the right to terminate the swap if the swap counterparty fails to replace itself within the remedy period.

Table 7

Supporting Ratings

Institution/role	Current counterparty rating	Replacement trigger	Collateral framework	Maximum supported rating
Banco Bilbao Vizcaya Argentaria S.A. as treasury account provider	A/Stable/A-1	A-	N/A	AA
Banco Bilbao Vizcaya Argentaria S.A. as swap provider	A/Stable/A-1	BBB+	Adequate (upon loss of a 'BBB+' rating)	AA
N/A--Not applicable.				

Sovereign Risk

Under our structured finance sovereign risk criteria, the maximum differential between the rating on the security and the rating on the sovereign depends on the asset sensitivity to country risk and the sovereign rating. We view the asset sensitivity to the country risk as low, and our long-term unsolicited sovereign rating on Spain is 'A'.

Considering this transaction's structural features, the notes' risk profile, and our cash flow analysis results, the notes are able to achieve up to six notches above the sovereign rating. Consequently, the application of our sovereign risk criteria does not cap our ratings on notes.

Appendix

Transaction Participants

Role	Participant
Issuer	BBVA RMBS 21, Fondo de Titulización de Activos
Originator	Banco Bilbao Vizcaya Argentaria S.A.
Servicer	Banco Bilbao Vizcaya Argentaria S.A.
Treasury account bank	Banco Bilbao Vizcaya Argentaria S.A.
Swap provider	Banco Bilbao Vizcaya Argentaria S.A.
Collection accounts bank	Banco Bilbao Vizcaya Argentaria S.A.

Transaction Participants (cont.)	
Role	**Participant**
Paying agent	Banco Bilbao Vizcaya Argentaria S.A.
Sociedad gestora	Europea de Titulización S.A. SGFT
Original lenders	Banco Bilbao Vizcaya Argentaria S.A., Catalunya Caixa, S.A., and Unnim Banc.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Criteria | Structured Finance | General: Methodology To Derive Stressed Interest Rates In Structured Finance, Oct. 18, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Criteria | Structured Finance | RMBS: Global Methodology And Assumptions: Assessing Pools Of Residential Loans, Jan. 25, 2019
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- Criteria | Structured Finance | General: Global Derivative Agreement Criteria, June 24, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- ESG Industry Report Card: Residential Mortgage-Backed Securities, March 31, 2021
- 2017 EMEA RMBS Scenario And Sensitivity Analysis, July 6, 2017
- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016