

Coventry Building Society
Monthly Investor Report as at 31 August 2011
Publication date: 27 September 2011

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KEY PARTIES		
Function	Party	Credit Rating (Moody's, Fitch, S&P)
LLP	Coventry Building Society Covered Bonds LLP	N/A
Issuer	Coventry Building Society	P-2/A3 - F1/A - NR
Servicer	Coventry Building Society	P-2/A3 - F1/A - NR
Cash Manager	Coventry Building Society	P-2/A3 - F1/A - NR
Interest Rate (Asset) Swap Provider	Coventry Building Society	P-2/A3 - F1/A - NR
Covered Bond (Liability) Swap Provider	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Account Bank	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
GIC Provider	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Bond Trustee	HSBC Corporate Trustee Company (UK) Ltd	n/a
Security Trustee	HSBC Corporate Trustee Company (UK) Ltd	n/a
Asset Monitor	Ernst & Young LLP	n/a
Corporate Services Provider	Structured Finance Management Ltd	n/a
Registrar	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Principal Paying Agent	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Exchange Agent	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Transfer Agent	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA
Calculation Agent	HSBC Bank plc	P-1/Aa2 - F1+/AA - A-1+/AA

ASSET COVERAGE TEST		
		£
A *	Balance of Loans adjusted for Asset Percentage, LTV and Arrears	2,898,797,472
B	Retained Principal Receipts	2,169,915
C	Retained Cash Contributions	-
D	Substitution Assets	45,000,000
X	Savings set off balance	(117,987,693)
Y	Flexible draw deduction	-
Z	Negative carry adjustment	(127,322,753)
Adjusted Aggregate Loan amount		<u>2,700,656,940</u>
Covered Bonds principal outstanding		2,200,000,000
Surplus		<u>500,656,940</u>

* Based on A(ii), the Aggregate Arrears Adjusted True Balance less deemed reductions, multiplied by the Asset Percentage

LLP SUMMARY BALANCE SHEET & LEDGER BALANCES			
Revenue Ledger	10,720,216	Intercompany Loan *	2,200,000,000
Principal Ledger	2,169,915	Capital Account	2,034,505,904
Reserve Ledger	8,995,253		
Transaction Account	0		
Substitution Assets	45,000,000		
Authorised Investments	0		
Loan Balance	4,167,620,521		
Total Assets	<u>4,234,505,904</u>	Total Liabilities	<u>4,234,505,904</u>

* Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap
** Substitution Assets comprise cash deposits with maturities of less than 1 month

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KEY EVENTS & TEST RESULTS	
Event	Status
Interest Rate Shortfall Test	Pass
Asset Coverage Test	Pass
Portfolio Yield Test	Pass
Issuer Event of Default	No
LLP Event of Default	No
Servicer Termination Event	No
Cash Manager Relevant Event	No
Interest Rate Swap Early Termination Event	No
Covered Bond Swap Early Termination Event	No
Exchange Event	No
Insolvency Event	No
Non-Asset Trigger Event	No
Asset Segregation Event	No

LOANS IN ARREARS				
Months in arrears *	Number of accounts	%	Loan Balance £	%
Not in arrears or <=3 mths	38,765	100.0%	4,167,476,477	100.0%
>=3 - <6 months	1	0.0%	144,044	0.0%
>=6 - <9 months	0	0.0%	0	0.0%
>=9 - <12 months	0	0.0%	0	0.0%
>=12 - <15 months	0	0.0%	0	0.0%
>=15 months	0	0.0%	0	0.0%
Total	38,766	100.0%	4,167,620,521	100.0%

* Months in arrears is calculated as the balance of arrears outstanding divided by the customer's current monthly payment.

INDEXED LOAN TO VALUE				
LTV* Band	Number of accounts	%	£	%
<25%	8,899	23.0%	342,443,343	8.2%
>=25%<50%	11,967	30.9%	1,164,056,460	27.9%
>=50%<55%	2,610	6.7%	338,499,623	8.1%
>=55%<60%	2,713	7.0%	378,494,523	9.1%
>=60%<65%	2,714	7.0%	396,952,457	9.5%
>=65%<70%	3,160	8.2%	500,178,149	12.0%
>=70%<75%	4,660	12.0%	745,333,765	17.9%
>=75%<80%	2,034	5.2%	300,162,330	7.2%
>=80%<85%	8	0.0%	1,312,225	0.0%
>=85%<90%	-	0.0%	-	0.0%
>=90%<95%	-	0.0%	-	0.0%
>=95%<100%	-	0.0%	-	0.0%
>100%	1	0.0%	187,647	0.0%
Total	38,766	100.0%	4,167,620,521	100.0%

Weighted Average: 54.4%

* Property values are indexed using quarterly House Price Index published by Nationwide Building Society. The indexation method used in the Asset Coverage Test calculation caps the increase in prices to 85%; however, this method is not used in the calculation of the figures above.

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NON-INDEXED* LOAN TO VALUE				
LTV* Band	Number of accounts	%	£	%
<25%	8,953	23.1%	336,246,490	8.1%
>=25%<50%	11,985	30.9%	1,156,608,795	27.8%
>=50%<55%	2,554	6.6%	333,390,850	8.0%
>=55%<60%	2,715	7.0%	370,896,099	8.9%
>=60%<65%	2,797	7.2%	410,517,405	9.9%
>=65%<70%	2,890	7.5%	447,649,068	10.7%
>=70%<75%	4,368	11.3%	707,696,328	17.0%
>=75%<80%	1,685	4.3%	281,763,205	6.8%
>=80%<85%	637	1.6%	94,478,793	2.3%
>=85%<90%	161	0.4%	24,546,135	0.6%
>=90%<95%	19	0.0%	3,501,004	0.1%
>=95%<100%	1	0.0%	138,702	0.0%
>100%	1	0.0%	187,647	0.0%
Total	38,766	100.0%	4,167,620,521	100.0%
Weighted Average:	55.0%			

* The Non-Indexed Loan to Value ratio is the current loan balance divided by the original valuation

GEOGRAPHICAL CONCENTRATION				
HPI Region *	Number of accounts	%	£	%
East Anglia	1,631	4.2%	155,604,268	3.7%
East Midlands	3,713	9.6%	325,957,335	7.8%
London	3,365	8.7%	593,563,882	14.2%
North	1,996	5.1%	155,131,851	3.7%
North West	3,587	9.3%	330,384,875	7.9%
Outer Metropolitan	4,378	11.3%	650,084,469	15.6%
Outer South East	4,307	11.1%	523,007,362	12.5%
South West	3,745	9.7%	391,424,426	9.4%
Wales	1,511	3.9%	129,342,691	3.1%
West Midlands	7,128	18.4%	622,339,227	14.9%
Yorkshire and Humberside	3,405	8.8%	290,780,135	7.0%
Total	38,766	100.0%	4,167,620,521	100.0%

* The HPI Region is defined as the area used in the HPI Regional Series published by Nationwide Building Society

LOAN BALANCE				
	Number of accounts	%	£	%
< £30,000	4,886	12.6%	81,913,770	2.0%
>=£30,000 - <£40,000	2,282	5.9%	79,727,284	1.9%
>=£40,000 - <£50,000	2,413	6.2%	108,587,261	2.6%
>=£50,000 - <£75,000	6,374	16.4%	397,818,092	9.5%
>=£75,000 - <£100,000	5,940	15.3%	518,633,603	12.4%
>=£100,000 - <£150,000	8,431	21.7%	1,027,866,714	24.7%
>=£150,000 - <£200,000	4,231	10.9%	727,219,962	17.4%
>=£200,000 - <£300,000	2,926	7.5%	698,424,210	16.8%
>=£300,000 - <£500,000	1,065	2.7%	391,919,721	9.4%
>=£500,000 - <£750,000	187	0.5%	109,124,775	2.6%
>=£750,000 - <£1,000,000	31	0.1%	26,385,130	0.6%
>= £1,000,000	-	0.0%	-	0.0%
Total	38,766	100.0%	4,167,620,521	100.0%
Average Balance	107,507			

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SEASONING				
Months since origination	Number of accounts	%	£	%
>1 and <=6	2,216	5.7%	265,972,752	6.4%
>6 and <=12	5,395	13.9%	651,841,184	15.6%
>12 and <=18	5,883	15.2%	748,141,083	18.0%
>19 and <=24	3,006	7.8%	317,309,852	7.6%
>25 and <=30	3,341	8.6%	376,559,964	9.0%
>30 and <=36	1,381	3.6%	137,163,978	3.3%
>36 and <=42	2,033	5.2%	175,430,527	4.2%
>42 and <=48	3,346	8.6%	338,550,590	8.1%
>48 and <=54	2,924	7.5%	287,820,082	6.9%
>54 and <=60	1,955	5.0%	191,973,291	4.6%
>60 and <=66	2,198	5.7%	212,787,211	5.1%
>66 and <=72	2,186	5.6%	205,642,212	4.9%
>72 and <=78	2,456	6.3%	222,380,270	5.3%
>78	446	1.2%	36,047,525	0.9%
Total	38,766	100.0%	4,167,620,521	100.0%
Weighted Average:	32.3			

REMAINING TERM	
	Years
Weighted Average:	17.2

REPAYMENT METHOD				
	Number of accounts	%	£	%
Repayment	29,228	75.4%	2,907,675,177	69.8%
Interest Only	6,794	17.5%	928,572,295	22.3%
Part and Part	2,744	7.1%	331,373,049	8.0%
Total	38,766	100.0%	4,167,620,521	100.0%

ORIGINATOR				
	Number of accounts	%	£	%
Coventry Building Society.	38,766	100.0%	4,167,620,521	100.0%
Total	38,766	100.0%	4,167,620,521	100.0%

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SVR HISTORY		
	Standard Variable Rate	Privilege Rate *
Current rate	4.74%	4.49%
Previous rate	4.99%	4.79%
Date of last change	01/02/2009	01/02/2009

* The "Privilege Rate" is offered to certain owner-occupying borrowers who have been on the same product for five years or more.

NOTES OUTSTANDING			
	1	2	3
Series	1	2	3
Tranche	1	1	1
ISIN	XS0378817240	XS0400750542	XS0618833635
Currency	GBP	GBP	GBP
Nominal Amount Issued	950,000,000	500,000,000	750,000,000
Issue Date	22/07/2008	20/11/2008	19/04/2011
Final Maturity	24/07/2013	24/11/2013	19/04/2018
Extended Due Date	24/07/2014	24/11/2014	19/04/2019
Interest Basis	1m GBP LIBOR	1m GBP LIBOR	Fixed
Interest Margin / Rate	0.50%	0.50%	4.625%
Interest Payment Frequency	Monthly	Monthly	Annual
Next Interest Payment Date	Mon 26/09/2011	Mon 26/09/2011	Thu 19/04/2012