

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

Contact Details:

Kris Gozra
Andrew Turvey

Deputy Treasurer
Head of Liquidity Planning

Tel: 02476 435076
Tel: 02476 435107

Kris.Gozra@thecoventry.co.uk
Andrew.Turvey@thecoventry.co.uk

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
Dealers	BNP Paribas, London branch	P-1/Aa2 - F1+/AA- - A-1+/AA
	Barclays Bank PLC	P-1/Aa3 - F1+/AA- - A-1+/AA-
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

* On 8 Aug, Moody's confirmed the ratings for both Coventry Building Society and the Society's covered bonds, removing them from negative watch.

ASSET COVERAGE TEST		
		£
A *	Balance of Loans adjusted for Asset Percentage, LTV and Arrears	2,673,417,689
B	Retained Principal Receipts	10,769,319
C	Retained Cash Contributions	-
D	Substitution Assets	49,999,042
X	Savings set off balance	(213,616,509)
Y	Flexible draw deduction	-
Z	Negative carry adjustment	(129,726,740)
Adjusted Aggregate Loan amount		<u>2,390,842,801</u>
Covered Bonds principal outstanding		2,200,000,000
Surplus		<u>190,842,801</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	9,800,150	Intercompany Loan *	2,200,000,000
Principal Ledger	10,769,319	Capital Account	1,277,184,094
Reserve Ledger	8,938,369		
Transaction Account	0		
Substitution Assets	49,999,042		
Authorised Investments	0		
Loan Balance	3,397,677,214		
Total Assets	<u>3,477,184,094</u>	Total Liabilities	<u>3,477,184,094</u>

* Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap

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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	31,797	100.0%	3,397,580,393	100.0%
3 - 6 months	1	0.0%	96,821	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	31,798	100.0%	3,397,677,214	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%	8,020	25.2%	321,058,604	9.4%
>=25%<50%	10,064	31.6%	989,528,712	29.1%
>=50%<55%	2,103	6.6%	278,189,876	8.2%
>=55%<60%	2,156	6.8%	304,911,020	9.0%
>=60%<65%	2,152	6.8%	324,269,281	9.5%
>=65%<70%	2,465	7.8%	398,171,733	11.7%
>=70%<75%	3,425	10.8%	562,321,933	16.6%
>=75%<80%	1,397	4.4%	216,689,286	6.4%
>=80%<85%	10	0.0%	1,651,646	0.0%
>=85%<90%	5	0.0%	785,888	0.0%
>=90%<95%	-	0.0%	-	0.0%
>=95%<100%	-	0.0%	-	0.0%
>100%	1	0.0%	99,236	0.0%
Total	31,798	100.0%	3,397,677,214	100.0%

Weighted Average: 53.3%

* 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%	8,149	25.6%	318,683,714	9.4%
>=25%<50%	10,110	31.8%	991,138,483	29.2%
>=50%<55%	2,094	6.6%	275,926,080	8.1%
>=55%<60%	2,144	6.7%	300,080,561	8.8%
>=60%<65%	2,169	6.8%	323,467,427	9.5%
>=65%<70%	2,274	7.2%	361,233,454	10.6%
>=70%<75%	3,011	9.5%	501,746,879	14.8%
>=75%<80%	1,176	3.7%	210,161,746	6.2%
>=80%<85%	382	1.2%	62,371,034	1.8%
>=85%<90%	153	0.5%	28,344,324	0.8%
>=90%<95%	74	0.2%	13,541,294	0.4%
>=95%<100%	25	0.1%	4,984,329	0.1%
>100%	37	0.1%	5,997,888	0.2%
Total	31,798	100.0%	3,397,677,214	100.0%
Weighted Average:	53.8%			

* 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	1,227	3.9%	120,323,252	3.5%
East Midlands	2,986	9.4%	262,377,438	7.7%
London	2,671	8.4%	478,797,899	14.1%
North	1,626	5.1%	126,295,899	3.7%
North West	2,853	9.0%	262,221,654	7.7%
Outer Metropolitan	3,505	11.0%	523,714,073	15.4%
Outer South East	3,454	10.9%	422,776,877	12.4%
South West	3,003	9.4%	313,395,817	9.2%
Wales	1,220	3.8%	102,914,845	3.0%
West Midlands	6,615	20.8%	561,580,734	16.5%
Yorkshire and Humberside	2,638	8.3%	223,278,727	6.6%
Total	31,798	100.0%	3,397,677,214	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	4,251	13.4%	73,520,932	2.2%
£30,000 - £40,000	2,051	6.5%	71,691,639	2.1%
£40,000 - £50,000	2,051	6.5%	92,255,126	2.7%
£50,000 - £75,000	5,263	16.6%	328,065,355	9.7%
£75,000 - £100,000	4,675	14.7%	407,843,161	12.0%
£100,000 - £150,000	6,610	20.8%	805,059,666	23.7%
£150,000 - £200,000	3,375	10.6%	579,679,928	17.1%
£200,000 - £300,000	2,401	7.6%	573,268,483	16.9%
£300,000 - £500,000	924	2.9%	342,609,409	10.1%
£500,000 - £750,000	171	0.5%	101,051,383	3.0%
£750,000 - £1,000,000	26	0.1%	22,632,132	0.7%
>= £1,000,000	-	0.0%	-	0.0%
Total	31,798	100.0%	3,397,677,214	100.0%
Average Balance	106,852			

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SEASONING					
Months since origination	Number of accounts	%	£	%	
1-6	244	0.8%	31,804,161	0.9%	
7-12	4,963	15.6%	606,567,904	17.9%	
13-18	5,469	17.2%	697,605,192	20.5%	
19-24	1,145	3.6%	132,324,803	3.9%	
25-30	1,931	6.1%	213,324,594	6.3%	
31-36	1,161	3.7%	99,318,759	2.9%	
37-42	2,381	7.5%	223,638,667	6.6%	
43-48	3,247	10.2%	333,991,567	9.8%	
49-54	2,747	8.6%	275,180,318	8.1%	
55-60	1,972	6.2%	192,913,071	5.7%	
61-66	2,065	6.5%	193,392,684	5.7%	
67-72	2,114	6.6%	194,071,551	5.7%	
73-78	1,362	4.3%	121,700,760	3.6%	
>79	997	3.1%	81,843,181	2.4%	
Total	31,798	100.0%	3,397,677,214	100.0%	
Weighted Average:	35.1				

REMAINING TERM	
	Years
Weighted Average:	16.4

REPAYMENT METHOD				
	Number of accounts	%	£	%
Repayment	21,390	67.3%	2,038,345,161	60.0%
Interest Only	7,503	23.6%	1,015,245,593	29.9%
Part and Part	2,905	9.1%	344,086,461	10.1%
Total	31,798	100.0%	3,397,677,214	100.0%

ORIGINATOR				
	Number of accounts	%	£	%
Coventry Building Society.	31,798	100.0%	3,397,677,214	100.0%
Total	31,798	100.0%	3,397,677,214	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			
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	Wed 24/08/2011	Wed 24/08/2011	Thu 19/04/2012