

Coventry Building Society
 Monthly Investor Report as at 30 June 2011
 Publication date: 31 July 2011

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KEY PARTIES		
Function	Party	Credit Rating (Moody's, Fitch, S&P)
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 24 May, Moody's announced that it was reviewing the ratings of fourteen UK Banks and Building Societies, including Coventry Building Society, for possible downgrade. The review is to reassess the level of systemic support incorporated into the ratings. The rating of Coventry Building Society currently incorporates one notch of uplift. Moody's stated that "the reassessment is not driven by either a deterioration in the financial strength of the banking system or that of the government".

ASSET COVERAGE TEST		
		£
A *	Balance of Loans adjusted for Asset Percentage, LTV and Arrears	2,641,742,070
B	Retained Principal Receipts	41,636,352
C	Retained Cash Contributions	-
D	Substitution Assets	1,012,112
X	Savings set off balance	(219,193,259)
Y	Flexible draw deduction	-
Z	Negative carry adjustment	(132,130,726)
Adjusted Aggregate Loan amount		<u>2,333,066,550</u>
Covered Bonds principal outstanding		2,200,000,000
Surplus		<u>133,066,550</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	10,120,325	Intercompany Loan *	2,200,000,000
Principal Ledger	41,636,352	Capital Account	1,218,853,341
Reserve Ledger	8,923,438		
Transaction Account	0		
Substitution Assets	1,012,112		
Authorised Investments	0		
Loan Balance	3,357,161,114		
Total Assets	<u>3,418,853,341</u>	Total Liabilities	<u>3,418,853,341</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
Service 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	32,852	100.0%	3,356,762,088	100.0%
3 - 6 months	1	0.0%	73,938	0.0%
6 - 9 months	1	0.0%	45,313	0.0%
9 - 12 months	1	0.0%	265,817	0.0%
12 - 15 months	0	0.0%	0	0.0%
15+ months	1	0.0%	13,958	0.0%
Total	32,856	100.0%	3,357,161,114	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%	9,389	28.6%	316,825,597	9.4%
>=25%<50%	9,943	30.3%	979,283,595	29.2%
>=50%<55%	2,084	6.3%	275,551,590	8.2%
>=55%<60%	2,126	6.5%	301,038,285	9.0%
>=60%<65%	2,132	6.5%	323,571,762	9.6%
>=65%<70%	2,383	7.3%	385,408,851	11.5%
>=70%<75%	3,401	10.4%	560,351,250	16.7%
>=75%<80%	1,356	4.1%	208,721,186	6.2%
>=80%<85%	41	0.1%	6,265,236	0.2%
>=85%<90%	1	0.0%	143,762	0.0%
>=90%<95%	-	0.0%	-	0.0%
>=95%<100%	-	0.0%	-	0.0%
>100%	-	0.0%	-	0.0%
Total	32,856	100.0%	3,357,161,114	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%	9,533	29.0%	315,941,226	9.4%
>=25%<50%	10,011	30.5%	983,996,660	29.3%
>=50%<55%	2,052	6.2%	270,213,439	8.0%
>=55%<60%	2,131	6.5%	297,090,662	8.8%
>=60%<65%	2,152	6.5%	323,612,999	9.6%
>=65%<70%	2,246	6.8%	359,964,882	10.7%
>=70%<75%	2,970	9.0%	496,099,940	14.8%
>=75%<80%	1,126	3.4%	200,189,523	6.0%
>=80%<85%	360	1.1%	59,632,240	1.8%
>=85%<90%	135	0.4%	24,942,617	0.7%
>=90%<95%	77	0.2%	14,172,880	0.4%
>=95%<100%	22	0.1%	4,336,900	0.1%
>100%	41	0.1%	6,967,147	0.2%
Total	32,856	100.0%	3,357,161,114	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	1,261	3.8%	117,365,448	3.5%
East Midlands	3,077	9.4%	259,950,006	7.7%
London	2,712	8.3%	468,916,901	14.0%
North	1,714	5.2%	125,173,859	3.7%
North West	2,935	8.9%	257,685,897	7.7%
Outer Metropolitan	3,634	11.1%	517,401,732	15.4%
Outer South East	3,574	10.9%	417,217,339	12.4%
South West	3,096	9.4%	309,656,408	9.2%
Wales	1,263	3.8%	101,103,240	3.0%
West Midlands	6,851	20.9%	562,849,159	16.8%
Yorkshire and Humberside	2,739	8.3%	219,841,126	6.5%
Total	32,856	100.0%	3,357,161,114	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	5,671	17.3%	73,221,155	2.2%
£30,000 - £40,000	2,024	6.2%	70,727,937	2.1%
£40,000 - £50,000	2,037	6.2%	91,650,006	2.7%
£50,000 - £75,000	5,172	15.7%	322,387,436	9.6%
£75,000 - £100,000	4,622	14.1%	403,315,924	12.0%
£100,000 - £150,000	6,533	19.9%	796,521,317	23.7%
£150,000 - £200,000	3,308	10.1%	567,674,435	16.9%
£200,000 - £300,000	2,373	7.2%	566,433,401	16.9%
£300,000 - £500,000	918	2.8%	340,015,663	10.1%
£500,000 - £750,000	168	0.5%	99,287,788	3.0%
£750,000 - £1,000,000	30	0.1%	25,926,053	0.8%
>= £1,000,000	-	0.0%	-	0.0%
Total	32,856	100.0%	3,357,161,114	100.0%
Average Balance	102,178			

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SEASONING					
Months since origination	Number of accounts	%	£	%	
1-6	444	1.4%	57,170,813	1.7%	
7-12	5,719	17.4%	683,128,356	20.3%	
13-18	4,819	14.7%	594,588,228	17.7%	
19-24	1,016	3.1%	120,412,078	3.6%	
25-30	1,944	5.9%	176,460,039	5.3%	
31-36	1,391	4.2%	115,019,541	3.4%	
37-42	2,522	7.7%	223,665,337	6.7%	
43-48	3,768	11.5%	366,177,355	10.9%	
49-54	2,617	8.0%	252,125,393	7.5%	
55-60	2,257	6.9%	216,314,553	6.4%	
61-66	2,085	6.3%	184,856,912	5.5%	
67-72	2,372	7.2%	210,081,932	6.3%	
73-78	1,252	3.8%	107,113,939	3.2%	
>79	650	2.0%	50,046,638	1.5%	
Total	32,856	100.0%	3,357,161,114	100.0%	
Weighted Average:	34.6				

REMAINING TERM	
	Years
Weighted Average:	16.4

REPAYMENT METHOD				
	Number of accounts	%	£	%
Repayment	22,018	67.0%	1,998,754,348	59.5%
Interest Only	7,882	24.0%	1,018,474,884	30.3%
Part and Part	2,956	9.0%	339,931,882	10.1%
Total	32,856	100.0%	3,357,161,114	100.0%

ORIGINATOR				
	Number of accounts	%	£	%
Coventry Building Society.	32,856	100.0%	3,357,161,114	100.0%
Total	32,856	100.0%	3,357,161,114	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 25/07/2011	Mon 25/07/2011	Thu 19/04/2012