

Coventry Building Society  
Monthly Investor Report as at 30 September 2011  
Publication date: 31 October 2011

**Contact Details:**

**Kris Gozra** Deputy Treasurer  
**Andrew Turvey** Head of Liquidity Planning

Tel: 02476 435076  
Tel: 02476 435107

[Kris.Gozra@thecoventry.co.uk](mailto:Kris.Gozra@thecoventry.co.uk)  
[Andrew.Turvey@thecoventry.co.uk](mailto: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                                 |
| 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 | 3,227,596,303        |
| B  | Retained Principal Receipts                                     | 8,429,677            |
| C  | Retained Cash Contributions                                     | -                    |
| D  | Substitution Assets   | 40,000,000           |
| X  | Savings set off balance   | (111,590,579)        |
| Y  | Flexible draw deduction   | -                    |
| Z  | Negative carry adjustment                                       | (124,996,315)        |
| Adjusted Aggregate Loan amount   |   | <u>3,039,439,086</u> |
| Covered Bonds principal outstanding  |   | 2,200,000,000        |
| Surplus  |   | <u>839,439,086</u>   |
| * Based on A(ii), the Aggregate Arrears Adjusted True Balance less deemed reductions, multiplied by the Asset Percentage as follows: |   |                      |
| <b>Asset Percentage</b>  |   |                      |
|  | Contractual   | 90.0%                |
|  | Moody's Required  | 78.7%                |
|  | Fitch Required  | 82.1%                |
|  | Applied   | <u>78.7%</u>         |

| LLP SUMMARY BALANCE SHEET & LEDGER BALANCES  |                      |                     |                      |
|--|----------------------|---------------------|----------------------|
| Revenue Ledger   | 12,764,985           | Intercompany Loan * | 2,200,000,000        |
| Principal Ledger   | 8,429,677            | Capital Account     | 1,983,501,246        |
| Reserve Ledger   | 9,119,770            |                     |                      |
| Transaction Account  | 0                    |                     |                      |
| Substitution Assets **   | 40,000,000           |                     |                      |
| Authorised Investments   | 0                    |                     |                      |
| Loan Balance   | 4,113,186,814        |                     |                      |
| Total Assets   | <u>4,183,501,246</u> | Total Liabilities   | <u>4,183,501,246</u> |
| * Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap |                      |                     |                      |
| ** Substitution Assets comprise short term cash deposits                                     |                      |                     |                      |

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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<br>£    | %             |
| Not in arrears or <=3 mths | 38,381             | 100.0%        | 4,113,186,814        | 100.0%        |
| >=3 - <6 months            | 0                  | 0.0%          | 0                    | 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%          |
| <b>Total</b>               | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

\* 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%                  | 8,893              | 23.2%         | 331,084,484          | 8.0%          |
| >=25%<50%             | 11,467             | 29.9%         | 1,115,723,051        | 27.1%         |
| >=50%<55%             | 2,445              | 6.4%          | 317,657,986          | 7.7%          |
| >=55%<60%             | 2,566              | 6.7%          | 354,904,587          | 8.6%          |
| >=60%<65%             | 2,542              | 6.6%          | 374,114,112          | 9.1%          |
| >=65%<70%             | 2,984              | 7.8%          | 467,261,605          | 11.4%         |
| >=70%<75%             | 4,484              | 11.7%         | 719,458,696          | 17.5%         |
| >=75%<80%             | 2,783              | 7.3%          | 400,385,018          | 9.7%          |
| >=80%<85%             | 209                | 0.5%          | 31,495,803           | 0.8%          |
| >=85%<90%             | 7                  | 0.0%          | 899,573              | 0.0%          |
| >=90%<95%             | 1                  | 0.0%          | 201,900              | 0.0%          |
| >=95%<100%            | -                  | 0.0%          | -                    | 0.0%          |
| >100%                 | -                  | 0.0%          | -                    | 0.0%          |
| <b>Total</b>          | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

**Weighted Average:** 55.2%

\* 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%                       | 8,919              | 23.2%         | 323,558,837          | 7.9%          |
| >=25%<50%                  | 11,460             | 29.9%         | 1,102,602,085        | 26.8%         |
| >=50%<55%                  | 2,415              | 6.3%          | 315,035,797          | 7.7%          |
| >=55%<60%                  | 2,584              | 6.7%          | 353,422,401          | 8.6%          |
| >=60%<65%                  | 2,617              | 6.8%          | 382,312,275          | 9.3%          |
| >=65%<70%                  | 2,706              | 7.1%          | 414,595,383          | 10.1%         |
| >=70%<75%                  | 4,360              | 11.4%         | 703,463,313          | 17.1%         |
| >=75%<80%                  | 2,119              | 5.5%          | 343,903,183          | 8.4%          |
| >=80%<85%                  | 938                | 2.4%          | 135,989,743          | 3.3%          |
| >=85%<90%                  | 232                | 0.6%          | 32,609,798           | 0.8%          |
| >=90%<95%                  | 30                 | 0.1%          | 5,555,835            | 0.1%          |
| >=95%<100%                 | 1                  | 0.0%          | 138,163              | 0.0%          |
| >100%                      | -                  | 0.0%          | -                    | 0.0%          |
| <b>Total</b>               | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

**Weighted Average:** 55.8%

\* 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                | 1,627              | 4.2%          | 153,903,195          | 3.7%          |
| East Midlands              | 3,742              | 9.7%          | 327,466,594          | 8.0%          |
| London                     | 3,354              | 8.7%          | 590,103,821          | 14.3%         |
| North                      | 1,965              | 5.1%          | 151,055,323          | 3.7%          |
| North West                 | 3,560              | 9.3%          | 328,754,728          | 8.0%          |
| Outer Metropolitan         | 4,362              | 11.4%         | 645,029,127          | 15.7%         |
| Outer South East           | 4,239              | 11.0%         | 510,316,531          | 12.4%         |
| South West                 | 3,739              | 9.7%          | 389,078,563          | 9.5%          |
| Wales                      | 1,484              | 3.9%          | 128,101,829          | 3.1%          |
| West Midlands              | 6,905              | 18.0%         | 597,688,538          | 14.5%         |
| Yorkshire and Humberside   | 3,404              | 8.9%          | 291,688,567          | 7.1%          |
| <b>Total</b>               | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

\* 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                | 5,003              | 13.0%         | 79,979,357           | 1.9%          |
| >=£30,000 - <£40,000     | 2,214              | 5.8%          | 77,439,807           | 1.9%          |
| >=£40,000 - <£50,000     | 2,358              | 6.1%          | 106,176,060          | 2.6%          |
| >=£50,000 - <£75,000     | 6,122              | 16.0%         | 382,363,762          | 9.3%          |
| >=£75,000 - <£100,000    | 5,926              | 15.4%         | 518,004,086          | 12.6%         |
| >=£100,000 - <£150,000   | 8,381              | 21.8%         | 1,022,150,657        | 24.9%         |
| >=£150,000 - <£200,000   | 4,245              | 11.1%         | 729,313,959          | 17.7%         |
| >=£200,000 - <£300,000   | 2,901              | 7.6%          | 693,460,711          | 16.9%         |
| >=£300,000 - <£500,000   | 1,027              | 2.7%          | 377,797,668          | 9.2%          |
| >=£500,000 - <£750,000   | 177                | 0.5%          | 103,631,901          | 2.5%          |
| >=£750,000 - <£1,000,000 | 27                 | 0.1%          | 22,868,848           | 0.6%          |
| >= £1,000,000            | -                  | 0.0%          | -                    | 0.0%          |
| <b>Total</b>             | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |
| <b>Average Balance</b>   | 107,167            |               |                      |               |

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| SEASONING                |                    |               |                      |               |
|--------------------------|--------------------|---------------|----------------------|---------------|
| Months since origination | Number of accounts | %             | £                    | %             |
| >1 and <=6               | 3,430              | 8.9%          | 415,679,576          | 10.1%         |
| >6 and <=12              | 5,755              | 15.0%         | 693,108,917          | 16.9%         |
| >12 and <=18             | 6,059              | 15.8%         | 768,365,348          | 18.7%         |
| >19 and <=24             | 3,248              | 8.5%          | 343,090,353          | 8.3%          |
| >25 and <=30             | 3,573              | 9.3%          | 399,609,439          | 9.7%          |
| >30 and <=36             | 1,381              | 3.6%          | 138,667,698          | 3.4%          |
| >36 and <=42             | 1,941              | 5.1%          | 167,188,434          | 4.1%          |
| >42 and <=48             | 3,013              | 7.9%          | 292,011,712          | 7.1%          |
| >48 and <=54             | 2,492              | 6.5%          | 232,705,867          | 5.7%          |
| >54 and <=60             | 1,682              | 4.4%          | 160,368,479          | 3.9%          |
| >60 and <=66             | 1,878              | 4.9%          | 175,070,588          | 4.3%          |
| >66 and <=72             | 1,753              | 4.6%          | 153,503,886          | 3.7%          |
| >72 and <=78             | 1,822              | 4.7%          | 148,061,279          | 3.6%          |
| >78                      | 354                | 0.9%          | 25,755,237           | 0.6%          |
| <b>Total</b>             | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |
| <b>Weighted Average:</b> | 29.0               |               |                      |               |

| REMAINING TERM           |       |
|--------------------------|-------|
|                          | Years |
| <b>Weighted Average:</b> | 17.4  |

| REPAYMENT METHOD |                    |               |                      |               |
|------------------|--------------------|---------------|----------------------|---------------|
|                  | Number of accounts | %             | £                    | %             |
| Repayment        | 28,533             | 74.3%         | 2,851,667,846        | 69.3%         |
| Interest Only    | 6,496              | 16.9%         | 868,405,574          | 21.1%         |
| Part and Part    | 3,352              | 8.7%          | 393,113,395          | 9.6%          |
| <b>Total</b>     | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

| ORIGINATOR                |                    |               |                      |               |
|---------------------------|--------------------|---------------|----------------------|---------------|
|                           | Number of accounts | %             | £                    | %             |
| Coventry Building Society | 38,381             | 100.0%        | 4,113,186,814        | 100.0%        |
| <b>Total</b>              | <b>38,381</b>      | <b>100.0%</b> | <b>4,113,186,814</b> | <b>100.0%</b> |

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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 | Mon 24/10/2011 | Mon 24/10/2011 | Thu 19/04/2012 |