

Coventry Building Society Covered Bonds

Investor Report

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Reporting Information

Reporting Date	30/09/2012
Reporting Period	01/08/2012 to 31/08/2012

Outstanding Issuances

Coventry Building Society Covered Bond Series	Issue Date
1	22/07/2008
2	20/11/2008
3	19/04/2011
4	24/10/2011
5	10/02/2012

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Coventry Building Society Covered Bonds

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Mortgage Assets

All values are in pounds sterling unless otherwise stated

Assets

	Prior Period	Current Period
Number of mortgage accounts in Pool	41,454	41,515
Number of loans in Pool	48,610	48,617
True Balance of mortgage accounts in Pool	£4,402,212,891	£4,416,805,397
Cash and other Substitution Assets	£118,472,474	£92,413,532

Asset types

Commercial mortgages	Not permitted
ABS	Not permitted
Non-first lien	Not permitted
Non-UK mortgages	Not permitted
% UK residential mortgages	100.0
% First lien	100.0
% Income verification requested	100.0
% Buy-to-let mortgages	0.0

Collections

	Prior Period	Current Period
Mortgage Collections	£101,121,852	£75,543,056

Yield Analysis

	Prior Period	Current Period
Weighted Average Pre-Swap Mortgage Yield	3.50%	3.50%

Arrears Analysis (excluding Properties in Possession)

Months in Arrears	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Current	41,380	99.7%	4,402,622,065	99.7%	-
>=1 and <2	115	0.3%	12,325,757	0.3%	86,675
>=2 and <3	19	0.0%	1,779,432	0.0%	24,992
>=3 and <6	1	0.0%	78,143	0.0%	750
>=6 and <9	-	-	-	-	-
>=9 and <12	-	-	-	-	-
>=12	-	-	-	-	-
Totals	41,515	100.0%	4,416,805,397	100.0%	112,417

Arrears capitalised in the period are not material and have not been included in the above balances.

There were no defaults and losses (following any sales or recoveries) in the current period, and cumulative amounts are nil.

There were no repossessions made and no stock of repossessions held in the current period.

Reconciliation of movements

	Number of mortgage accounts	Balance (£)
Opening totals	41,454	4,402,212,891
Loans added to pool	1,026	111,349,270
Loans repurchased from pool	(601)	(33,320,127)
Principal receipts	(364)	(62,999,652)
Other movements	-	(436,986)
Closing totals	41,515	4,416,805,397

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Mortgage Portfolio Breakdown

Summary Statistics

	Seasoning (months)	Remaining term (years)	Loan Size (£)			Non-Indexed LTV (%)	Indexed LTV (%)	Arrears Balance (£)
			Whole Pool	Interest only	Repayment			
Weighted Average	35.3	17.1	106,391	132,928	99,231	55.1%	54.6%	833
Min	2.8	0.0	0	126	0	0.0%	0.0%	0
Max	91.9	35.2	971,847	971,847	942,880	97.7%	88.0%	3,312

Principal Payment Rates (PPR)

	Monthly	3 Month Average	Annualised
Current PPR - Total	1.43%	1.54%	20.12%
Previous PPR - Total	1.96%	1.51%	19.73%

The rates shown in this table are calculated from the total Principal Receipts in the month including contractual repayments, unscheduled prepayments and redemptions.

Constant Prepayment Rates (CPPR)

	Monthly	3 Month Average	Annualised
Current CPPR - Total	1.08%	1.21%	15.55%
Previous CPPR - Total	1.65%	1.20%	15.33%

The rates shown in this table are calculated from the total Unscheduled Principal Receipts in the month from unscheduled prepayments and redemptions only.

Constant Default Rates (CDR)

	Monthly	3 Month Average	Annualised
Current CDR Rate - Total	0.00%	0.00%	0.00%
Previous CDR Rate - Total	0.00%	0.00%	0.00%

Standard Variable Rates

	CBS Existing Borrower SVR, %	With Effect From
Standard Variable Rate, Current	4.74%	01/02/2009
Standard Variable Rate, Historical	4.99%	01/01/2008
Privilege Rate, Current	4.49%	01/02/2009
Privilege Rate, Historical	4.79%	01/01/2008

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

Coventry Building Society Covered Bonds

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Mortgage Portfolio Breakdown

Geographical Distribution

Regions	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
East Anglia	176,269,340	4.0%	1,844	4.4%
East Midlands	351,918,318	8.0%	4,042	9.7%
London	632,366,106	14.3%	3,630	8.7%
North	153,046,406	3.5%	2,075	5.0%
North West	346,585,267	7.8%	3,825	9.2%
Outer Metropolitan	702,948,887	15.9%	4,756	11.5%
Outer South East	551,640,506	12.5%	4,675	11.3%
South West	427,406,397	9.7%	4,135	10.0%
Wales	135,394,409	3.1%	1,593	3.8%
West Midlands	631,670,779	14.3%	7,272	17.5%
Yorkshire and Humberside	307,558,981	7.0%	3,668	8.8%
Totals	4,416,805,397	100.0%	41,515	100.0%

Non-Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	364,425,692	8.3%	9,639	23.2%
>=25% and <50%	1,236,754,557	28.0%	12,917	31.1%
>=50% and <55%	348,236,469	7.9%	2,700	6.5%
>=55% and <60%	383,126,032	8.7%	2,806	6.8%
>=60% and <65%	434,407,388	9.8%	2,926	7.0%
>=65% and <70%	443,365,815	10.0%	3,021	7.3%
>=70% and <75%	596,549,350	13.5%	3,734	9.0%
>=75% and <80%	450,320,648	10.2%	2,720	6.6%
>=80% and <85%	112,507,143	2.5%	762	1.8%
>=85% and <90%	34,936,936	0.8%	222	0.5%
>=90% and <95%	8,875,130	0.2%	49	0.1%
>=95% and <100%	3,300,238	0.1%	19	0.0%
>=100%	-	-	-	-
Totals	4,416,805,397	100.0%	41,515	100.0%

Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	367,598,405	8.3%	9,547	23.0%
>=25% and <50%	1,247,637,015	28.2%	12,841	30.9%
>=50% and <55%	354,023,667	8.0%	2,763	6.7%
>=55% and <60%	380,116,367	8.6%	2,773	6.7%
>=60% and <65%	426,513,795	9.7%	2,879	6.9%
>=65% and <70%	499,736,768	11.3%	3,238	7.8%
>=70% and <75%	628,027,722	14.2%	4,091	9.9%
>=75% and <80%	487,347,885	11.0%	3,185	7.7%
>=80% and <85%	25,341,898	0.6%	194	0.5%
>=85% and <90%	461,875	0.0%	4	0.0%
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
Totals	4,416,805,397	100.0%	41,515	100.0%

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Investor Report

Mortgage Portfolio Breakdown

Outstanding True Balances

Range of outstanding balances	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<£50,000	303,138,478	6.9%	10,483	25.3%
>=£50,000 and <£100,000	984,516,166	22.3%	13,231	31.9%
>=£100,000 and <£150,000	1,088,982,844	24.7%	8,933	21.5%
>=£150,000 and <£200,000	778,273,505	17.6%	4,529	10.9%
>=£200,000 and <£250,000	433,103,401	9.8%	1,950	4.7%
>=£250,000 and <£300,000	284,513,593	6.4%	1,047	2.5%
>=£300,000 and <£400,000	285,379,948	6.5%	838	2.0%
>=£400,000 and <£500,000	139,624,355	3.2%	313	0.8%
>=£500,000 and <£750,000	93,817,015	2.1%	161	0.4%
>=£750,000 and <£1,000,000	25,456,092	0.6%	30	0.1%
>=£1,000,000	-	-	-	-
Totals	4,416,805,397	100.0%	41,515	100.0%

Seasoning of Loans

Age of loans in months	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
>1 and <6	296,070,158	6.7%	2,380	5.7%
>=6 and <12	430,924,654	9.8%	3,693	8.9%
>=12 and <18	549,541,594	12.4%	4,617	11.1%
>=18 and <24	626,596,397	14.2%	5,291	12.7%
>=24 and <30	454,393,640	10.3%	3,814	9.2%
>=30 and <36	284,378,905	6.4%	2,840	6.8%
>=36 and <42	346,587,445	7.8%	3,062	7.4%
>=42 and <48	124,421,438	2.8%	1,334	3.2%
>=48 and <54	181,891,345	4.1%	2,164	5.2%
>=54 and <60	251,568,494	5.7%	2,748	6.6%
>=60 and <66	197,622,346	4.5%	2,108	5.1%
>=66 and <72	157,090,899	3.6%	1,674	4.0%
>=72	515,718,082	11.7%	5,790	13.9%
Totals	4,416,805,397	100.0%	41,515	100.0%

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Mortgage Portfolio Breakdown

Years to maturity of loans

Years to maturity	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<5	171,601,428	3.9%	3,573	8.6%
>=5 and <10	525,379,176	11.9%	7,478	18.0%
>=10 and <15	877,883,827	19.9%	9,190	22.1%
>=15 and <20	1,361,919,068	30.8%	11,142	26.8%
>=20 and <25	1,150,371,259	26.0%	7,890	19.0%
>=25 and <30	238,696,579	5.4%	1,586	3.8%
>=30 and <35	90,796,291	2.1%	655	1.6%
>=35	157,769	0.0%	1	0.0%
Totals	4,416,805,397	100.0%	41,515	100.0%

Product groups

Type of rate	True Balance (£)	% of total balance	Number of Loans	% of total loans
Fixed rate	2,115,716,410	47.9%	21,314	43.8%
Capped	207,255,871	4.7%	1,604	3.3%
Variable	2,093,833,116	47.4%	25,699	52.9%
Totals	4,416,805,397	100.0%	48,617	100.0%

Repayment terms

Repayment Terms	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	3,097,992,384	70.1%	31,220	75.2%
Interest Only	931,561,692	21.1%	7,008	16.9%
Combination (Interest Only and Repayment)	387,251,321	8.8%	3,287	7.9%
Totals	4,416,805,397	100.0%	41,515	100.0%

Originator

	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Coventry Building Society	4,416,805,397	100.0%	41,515	100.0%
Totals	4,416,805,397	100.0%	41,515	100.0%

Coventry Building Society Covered Bonds

Investor Report

Two Dimensional Mortgage Portfolio Breakdown

No. Months in Arrears

	% of Total Balance split by Current Indexed LTV							Total
	>=0% and <50%	>=50% and <60%	>=60% and <70%	>=70% and <80%	>=80% and <90%	>=90% and <100%	>= 100%	
Current	1,611,675,113	731,769,663	922,562,286	1,111,508,258	25,106,744	-	-	4,402,622,065
>=1 and <3 Months in Arrears	3,560,306	2,370,371	3,610,133	3,867,350	697,029	-	-	14,105,189
>=3 and <6 Months in Arrears	-	-	78,143	-	-	-	-	78,143
>=6 Months in Arrears	-	-	-	-	-	-	-	-
Totals	1,615,235,420	734,140,034	926,250,563	1,115,375,608	25,803,773	-	-	4,416,805,397

Regional Distribution

	% of Total Balance split by Current Indexed LTV							Total
	>=0% and <50%	>=50% and <60%	>=60% and <70%	>=70% and <80%	>=80% and <90%	>=90% and <100%	>= 100%	
East Anglia	61,746,867	32,498,757	36,498,632	45,271,935	253,149	-	-	176,269,340
East Midlands	125,868,348	57,565,150	69,929,787	97,298,426	1,256,608	-	-	351,918,318
London	240,135,368	106,067,939	151,934,118	133,846,719	381,961	-	-	632,366,106
North	54,122,992	23,034,708	32,270,803	43,027,781	590,123	-	-	153,046,406
North West	106,884,438	55,285,044	69,718,217	107,471,620	7,225,949	-	-	346,585,267
Outer Metropolitan	267,187,733	113,499,279	148,097,445	173,620,869	543,562	-	-	702,948,887
Outer South East	210,398,714	95,239,096	113,585,959	131,652,854	763,882	-	-	551,640,506
South West	171,076,239	74,507,425	82,700,464	97,787,733	1,334,535	-	-	427,406,397
Wales	45,571,366	19,742,062	23,288,137	38,590,668	8,202,176	-	-	135,394,409
West Midlands	230,322,722	106,081,702	134,885,198	159,605,163	775,995	-	-	631,670,779
Yorkshire and Humberside	101,920,632	50,618,873	63,341,803	87,201,839	4,475,832	-	-	307,558,981
Totals	1,615,235,420	734,140,034	926,250,563	1,115,375,608	25,803,773	-	-	4,416,805,397

Repayment Type

	% of Total Balance split by Current Indexed LTV							Total
	>=0% and <50%	>=50% and <60%	>=60% and <70%	>=70% and <80%	>=80% and <90%	>=90% and <100%	>= 100%	
Repayment	1,071,968,213	509,480,242	679,746,207	818,727,154	18,070,570	-	-	3,097,992,384
Interest Only	371,130,075	150,267,676	173,084,142	231,052,450	6,027,348	-	-	931,561,692
Combination (Interest Only and Repayment)	172,137,132	74,392,116	73,420,214	65,596,004	1,705,855	-	-	387,251,321
Total	1,615,235,420	734,140,034	926,250,563	1,115,375,608	25,803,773	-	-	4,416,805,397

Interest Payment Type

	% of Total Balance split by Current Indexed LTV							Total
	>=0% and <50%	>=50% and <60%	>=60% and <70%	>=70% and <80%	>=80% and <90%	>=90% and <100%	>= 100%	
Fixed	676,176,557	346,073,804	463,374,135	616,258,537	13,833,376	-	-	2,115,716,410
Capped	68,960,363	51,701,285	49,019,479	37,482,531	92,213	-	-	207,255,871
Variable	870,098,499	336,364,944	413,856,948	461,634,540	11,878,184	-	-	2,093,833,116
Totals	1,615,235,420	734,140,034	926,250,563	1,115,375,608	25,803,773	-	-	4,416,805,397

Coventry Building Society Covered Bonds

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Two Dimensional Mortgage Portfolio Breakdown

No. Months in Arrears

	% of Total Balance split by Region											
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	Total
Current	175,804,493	350,791,595	630,210,008	152,378,978	344,747,292	701,386,481	550,304,104	426,091,530	134,719,932	630,018,881	306,168,770	4,402,622,065
>=1 and <3 Months in Arrears	464,847	1,126,723	2,156,099	667,428	1,837,975	1,562,406	1,336,402	1,314,867	674,477	1,573,755	1,390,211	14,105,189
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-	-	78,143	-	78,143
>=6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
Total	176,269,340	351,918,318	632,366,106	153,046,406	346,585,267	702,948,887	551,640,506	427,406,397	135,394,409	631,670,779	307,558,981	4,416,805,397

Current Mortgage Principal Balance

	% of Total Balance split by Region											
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	Total
<£50,000	13,989,661	34,415,674	10,672,967	23,971,128	34,291,013	19,154,462	26,572,116	27,957,560	14,923,164	63,155,895	34,034,837	303,138,478
>=£50,000 and <£100,000	47,574,843	110,902,313	43,844,231	50,267,647	101,937,430	80,102,737	98,254,514	95,966,072	43,618,207	209,977,287	102,070,885	984,516,166
>=£100,000 and <£150,000	52,353,898	104,299,823	97,476,212	40,370,117	87,266,191	143,129,261	147,372,690	129,449,366	37,713,726	168,859,585	80,691,974	1,088,982,844
>=£150,000 and <£200,000	28,244,769	49,437,275	136,305,118	18,677,748	56,566,865	149,186,119	112,882,857	79,153,565	19,137,217	84,798,594	43,883,378	778,273,505
>=£200,000 and <£250,000	14,387,990	21,952,702	99,207,498	9,431,914	24,420,874	95,267,734	64,379,172	35,301,052	9,115,737	41,386,126	18,252,602	433,103,401
>=£250,000 and <£300,000	7,618,675	15,325,902	77,961,652	3,579,637	19,220,424	62,932,674	33,146,832	23,107,771	4,591,026	26,878,456	10,150,543	284,513,593
>=£300,000 and <£400,000	5,141,359	9,974,618	84,531,467	3,937,072	13,348,731	74,995,001	34,331,051	21,421,546	4,077,160	23,591,040	10,030,903	285,379,948
>=£400,000 and <£500,000	3,671,422	4,531,157	38,285,856	1,700,085	6,788,552	40,059,360	21,019,499	10,241,363	461,549	9,242,460	3,623,052	139,624,355
>=£500,000 and <£750,000	2,451,929	1,078,853	33,756,741	1,111,058	2,745,187	28,833,257	11,257,468	4,007,222	1,756,623	2,932,263	3,886,416	93,817,015
>=£750,000 and <£1,000,000	834,794	-	10,324,364	-	-	9,288,282	2,424,307	800,881	-	849,074	934,390	25,456,092
>=£1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Total	176,269,340	351,918,318	632,366,106	153,046,406	346,585,267	702,948,887	551,640,506	427,406,397	135,394,409	631,670,779	307,558,981	4,416,805,397

Average Mortgage size	95,591	87,065	174,206	73,757	90,611	147,803	117,998	103,363	84,993	86,863	83,849
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Repayment Type

	% of Total Balance split by Region											
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	Total
Repayment	128,143,519	264,483,233	410,049,707	112,471,522	252,278,472	473,506,532	376,109,569	273,961,724	93,623,088	480,789,329	232,575,689	3,097,992,384
Interest Only	30,861,199	54,294,044	173,196,621	28,402,499	69,600,847	161,677,298	120,988,201	110,014,252	32,506,115	98,947,499	51,073,117	931,561,692
Combination (Interest Only and Repayment)	17,264,621	33,141,041	49,119,779	12,172,385	24,705,947	67,765,057	54,542,736	43,430,422	9,265,206	51,933,951	23,910,175	387,251,321
Total	176,269,340	351,918,318	632,366,106	153,046,406	346,585,267	702,948,887	551,640,506	427,406,397	135,394,409	631,670,779	307,558,981	4,416,805,397

Interest Payment Type

	% of Total Balance split by Region											
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	Total
Fixed	85,204,725	159,450,253	322,812,208	70,745,153	164,201,880	365,464,277	281,123,901	209,720,920	63,449,269	250,316,258	143,227,568	2,115,716,410
Capped	6,710,700	13,884,498	41,295,629	4,813,275	19,470,219	38,242,586	25,034,303	19,887,845	3,762,224	21,570,243	12,584,351	207,255,871
Variable	84,353,915	178,583,567	268,258,270	77,487,978	162,913,168	299,242,024	245,482,302	197,797,633	68,182,916	359,784,279	151,747,062	2,093,833,116
Total	176,269,340	351,918,318	632,366,106	153,046,406	346,585,267	702,948,887	551,640,506	427,406,397	135,394,409	631,670,779	307,558,981	4,416,805,397

Coventry Building Society Covered Bonds

Investor Report

Key Events & Parties

Summary of Tests & Triggers

Event	Summary	Trigger	Base Prospectus	Breached	Consequence if Trigger Breached
Issuer Event of Default	Issuer failure to pay on Covered Bonds or issuer insolvency	Issuer failure to pay on Covered Bonds or issuer insolvency	141-142	No	Activates the Covered Bond Guarantee
Servicer Trigger (1)	Servicer's ratings fall below required levels	(Initial) Moody's short-term: P-2 , Fitch short-term: F-2	151-152	No	At initial trigger, direct funds to account held with Stand-by Account Bank
Servicer Trigger (2)	Servicer's ratings fall below required levels	(Subsequent) Moody's long-term: Baa1, Fitch long-term: BBB	151-152	No	Replace servicer within 60 days at subsequent breach
Asset Coverage Test	Failure of Asset Coverage Test	Adjusted Aggregate Loan Amount less than Aggregate Principal Amount Outstanding	159-163	No	If not remedied within three calculation dates, triggers Issuer Event of Default
Interest Shortfall Test	Failure of Interest Shortfall Test	Forecast revenue insufficient to fund payments	N/A	No	Consider a cash capital contribution
Swap Counterparty Rating Trigger (see page 13, "Collateral Postings")	Breach of ratings trigger	Counterparty ratings downgrade	N/A	Yes	Collateral posting

Key Parties	Current Long Term Rating (S&P / Moody's / Fitch)	Current Short Term Rating (S&P / Moody's / Fitch)	Role
Coventry Building Society	NR / A3 / A	NR / P-2 / F1	Issuer, Servicer, Cash Manager, Interest Rate (Asset) Swap Provider and Covered Bond (Liability) Swap Provider
Coventry Building Society Covered Bonds LLP	N/A	N/A	LLP
HSBC Bank plc	AA- / Aa3 / AA	A-1+ / P-1 / F1+	Covered Bond (Liability) Swap Provider, Bank Account/GIC Provider, Registrar, Principal Paying Agent, Exchange Agent, Transfer Agent and Calculation Agent
HSBC Corporate Trustee Company (UK) Ltd	N/A	N/A	Bond Trustee and Security Trustee
Deloitte LLP	N/A	N/A	Asset Monitor
Structured Finance Management Ltd	N/A	N/A	Corporate Services Provider

Coventry Building Society Covered Bonds

Investor Report

Principal & Revenue Receipts and Ledgers

Principal & Revenue Receipts

Revenue Receipts		(£)
Calculation Date :	19/09/2012	
Has an LLP notice to pay been issued ?	No	
Balance b/f		16,171,960
Interest Received on mortgages	Period 01/08/2012 to 31/08/2012	12,543,405
Fees Received on mortgages due to CBS	Period 01/08/2012 to 31/08/2012	226,158
Interest Received on GIC Account	Period 01/08/2012 to 31/08/2012	1,260
Interest Received on Substitution Assets	Period 01/08/2012 to 31/08/2012	20,802
Interest on Interest Rate Swap - Series 1-5	Period 24/07/2012 to 24/08/2012	(6,339,895)
Interest on Covered Bond Swap - Series 3	Period 10/05/2012 to 19/09/2012	(1,340,908)
Interest on Covered Bond Swap - Series 4	Period 24/07/2012 to 24/08/2012	(1,374,266)
Interest on Covered Bond Swap - Series 5	Period 10/05/2012 to 10/08/2012	2,247,976
Interest on Term Advance- Series 1&2	Period 24/07/2012 to 24/08/2012	(1,270,490)
Interest on Term Advance- Series 5	Period 10/05/2012 to 10/08/2012	(3,287,750)
Excess Funds on Reserve Fund		390,897
Transfer to Reserve Fund		-
Any other receipts not covered above	Period 01/08/2012 to 31/08/2012	93,070
Payments made (incl repatriation to CBS)	Period 24/07/2012 to 24/08/2012	(4,197,524)
If LLP notice to pay issued		
Amount of Reserve Fund		-
Less :		
Amounts paid to third parties		-
Available Revenue as at month end		13,884,695

Principal Receipts		(£)
Calculation Date :	19/09/2012	
Principal receipts b/f		86,380,432
Utilisation of Principal Receipts	Period 24/07/2012 to 24/08/2012	(86,380,432)
Scheduled Principal Receipts	Period 01/08/2012 to 31/08/2012	15,125,963
Unscheduled Principal Receipts	Period 01/08/2012 to 31/08/2012	47,873,688
Proceeds from term loans		-
Less Mortgages Purchased		
Unutilised Proceeds		-
Cash Capital Contributions		-
Proceeds from Mortgage Sales		-
Capital receivables under Covered Bond Swap		-
Available Principal Receipts as at month end		62,999,652

Ledgers

	Month End 31/08/2012	Month End 31/07/2012
Principal Ledger	(£)	(£)
Balance b/f on Principal Ledger	86,380,432	54,198,225
Utilisation of Principal Receipts	(86,380,432)	(54,198,225)
Principal repayments under mortgages	62,999,652	86,380,432
Balance c/f on Principal Ledger	62,999,652	86,380,432

	(£)	(£)
Revenue Ledger	(£)	(£)
Balance b/f on Revenue Ledger	16,171,960	13,477,025
Interest Receipts on Mortgages	12,543,405	14,741,421
Interest due on bank accounts & investments	22,062	93,228
Other payments/(receipts)	(8,512,837)	(6,071,754)
Payments due under Interest Rate Swap	(6,339,895)	(6,067,960)
Balance c/f on Revenue Ledger	13,884,695	16,171,960

	(£)	(£)
Reserve Ledger	(£)	(£)
Balance b/f on Reserve Ledger	15,920,083	16,348,258
Transfers to/from GIC	(390,897)	(428,175)
Cash Capital Contribution	-	-
Balance c/f on Reserve Ledger	15,529,186	15,920,083
Reserve Fund Required Amount	15,529,186	15,920,083

	(£)	(£)
Pre-Maturity Liquidity Ledger	(£)	(£)
Hard Bullet Covered Bonds	n/a	n/a
Pre Maturity Test	n/a	n/a
Pre-Maturity Liquidity Ledger	-	-

Total cash holding month end	92,413,533	118,472,474
Bond value	3,220,050,000	3,220,050,000
Percentage Cash Holding	2.9%	3.7%

	(£)	(£)
Summary Balance Sheet and Ledgers	(£)	(£)
GIC Account	5,379,526	4,472,474
Substitution Assets ¹	87,034,006	114,000,000
Subtotal	92,413,532	118,472,474
Transaction Account	-	-
Authorised Investments	-	-
Loan Balance	4,416,805,397	4,402,212,891
Total Assets	4,509,218,929	4,520,685,365
Intercompany Loan ²	3,220,050,000	3,220,050,000
Capital Account	1,289,168,929	1,300,635,365
Total Liabilities	4,509,218,929	4,520,685,365

¹Substitution Assets comprise short term cash deposits, and government guaranteed debt with maturities of less than one year.

²Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap

Coventry Building Society Covered Bonds

Investor Report

Notes in Issue

	Series	1	2	3	4	5
Notes In Issue	Issue Date	22/07/2008	20/11/2008	19/04/2011	24/10/2011	10/02/2012
	Original rating (Moody's / S&P / Fitch)	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA
	Current rating (Moody's / S&P / Fitch)	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA
	Currency	GBP	GBP	GBP	EUR	GBP
	Issue size	1,500,000,000	500,000,000	750,000,000	650,000,000	500,000,000
	Relevant Swap Rate	1.000	1.000	1.000	0.877	1.000
	GBP Equivalent	1,500,000,000	500,000,000	750,000,000	570,050,000	500,000,000
	Current Period Balance	900,000,000	500,000,000	750,000,000	650,000,000	500,000,000
	Previous Period Balance	900,000,000	500,000,000	750,000,000	650,000,000	500,000,000
	Current Period Pool Factor	1	1	1	1	1
	Previous Period Pool Factor	1	1	1	1	1
	Expected maturity date	24/07/2013	24/11/2013	19/04/2018	24/10/2014	10/02/2015
	Legal final maturity date	24/07/2013	24/11/2013	19/04/2018	24/10/2014	10/02/2015
	Extended Due for Payment Date	24/07/2014	24/11/2014	19/04/2019	24/10/2015	10/02/2016
ISIN	XS0378817240	XS0400750542	XS0618833635	XS0696058857	XS0744752568	
Stock exchange listing	LSE	LSE	LSE	LSE	LSE	
Interest Payments ¹ 01/08/2012 - 31/08/2012	Interest Payment Frequency	Monthly	Monthly	Annually	Annually	Quarterly
	Accrual Start Date	24/07/2012	24/07/2012	19/04/2012	24/10/2011	10/05/2012
	Accrual End Date	24/08/2012	24/08/2012	19/04/2013	24/10/2012	10/08/2012
	Accrual Day Count	31	31	365	366	92
	Coupon Reference Rate	0.56850%	0.56850%	N/A	N/A	1.00875%
	Relevant Margin	0.50000%	0.50000%	4.62500%	2.87500%	1.60000%
	Current Period Coupon Reference Rate	1m GBP LIBOR	1m GBP LIBOR	Fixed	Fixed	3m GBP LIBOR
	Current Period Coupon	1.06850%	1.06850%	4.62500%	2.87500%	2.60875%
	Current Period Coupon Amount¹	816,744	453,747	-	-	3,287,750
	Current Interest Shortfall	-	-	-	-	-
	Cumulative Interest Shortfall	-	-	-	-	-
Next Interest Payment Date	24/09/2012	24/09/2012	19/04/2013	24/10/2012	12/11/2012	
Principal Payments ¹ 01/08/2012 - 31/08/2012	Bond Structure	Soft bullet	Soft bullet	Soft bullet	Soft bullet	Soft bullet
	Current Period Scheduled Principal Payment	-	-	-	-	-
	Actual Principal Paid	-	-	-	-	-
	Principal Shortfall	-	-	-	-	-
	Cumulative Principal Shortfall	-	-	-	-	-
Expected Principal Payment Date	24/07/2013	24/11/2013	19/04/2018	24/10/2014	10/02/2015	

¹Payments made during the Reporting Period

Coventry Building Society Covered Bonds

Investor Report

Swaps

Swaps¹

Related Covered Bonds	Maturity	Notional currency	Notional	Counterparty	Receive reference rate	Receive margin	Receive rate	Pay reference rate	Pay margin	Pay rate	Payments (made)/received (£)
	Interest Rate (Asset) Swap										
Series 1-5	19/04/2018	GBP	4,365,062,772	Coventry Building Society	1m LIBOR	1.19000%	1.7585%	Basket of rates	N/A	3.46860%	(6,339,895)
	Covered Bond (Liability) Swap										
Series 3	19/04/2018	GBP	750,000,000	HSBC plc	Fixed	N/A	4.62500%	1m LIBOR	1.63%	2.17525%	(1,340,908)
Series 4	24/10/2014	EUR	650,000,000	HSBC plc	Fixed	N/A	2.87500%	1m LIBOR	2.27%	2.83850%	(1,374,266)
Series 5	10/02/2015	GBP	500,000,000	Coventry Building Society	3m LIBOR	1.60000%	2.60875%	1m LIBOR	1.88%	2.44850%	2,247,976

¹Data in this table is presented in relation to payments made in the Reporting Period

Collateral Received

Counterparty	Counterparty Rating (Moody's / Fitch)		Required Rating (Initial Rating Event: Moody's / Fitch)		Breached (Y/N)	Breach Remedy (if applicable)	Collateral Posting (£)
	Long-term	Short-term	Long-term	Short-term			
Interest Rate (Asset) Swap Coventry Building Society	A3 / A	P-2 / F1	A2 / A	P-1 / F1	Y	Post collateral	- ²
Covered Bond (Liability) Swap HSBC Bank plc	Aa3 / AA	P-1 / F1+	A2 / A	P-1 / F1	N	Post collateral	-
Coventry Building Society	A3 / A	P-2 / F1	A2 / A	P-1 / F1	Y	Post collateral	3,000,000

²The amount of collateral required in respect of the Interest Rate (Asset) Swap is zero because the LLP is out of the money.

Coventry Building Society Covered Bonds

Investor Report

Glossary

Adjusted True Balance	In the ACT calculation, this is the sum of the "Adjusted True Balance" of each Loan in the Portfolio, which shall be the lower of (1) the actual True Balance of the relevant Loan in the Portfolio and (2) the Indexed Valuation relating to that Loan multiplied by M (where for all Loans that are less than three months in arrears or not in arrears, M = 0.75, for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of less than or equal to 75 percent, M = 0.40 and for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of more than 75 percent, M = 0.25); Minus the aggregate sum of any assets to be removed as defined by the Transaction Documents.
Arrears Adjusted True Balance	In the ACT calculation, this is the aggregate "Arrears Adjusted True Balance" of the Loans in the Portfolio which in relation to each Loan shall be the lower of (1) the actual True Balance of the relevant Loan and (2) the Indexed Valuation relating to that Loan multiplied by N (where for all Loans that are less than three months in arrears or not in arrears, N = 1, for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of less than or equal to 75 percent, N = 0.40 and for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of more than 75 percent, N = 0.25); Minus the aggregate sum of any assets to be removed as defined by the Transaction Documents; Multiplied by the Asset Percentage (as defined below).
Arrears Balance	Arrears includes any fees and insurance premiums that are past due and interest on arrears. Capitalised arrears are excluded from the Arrears Balance. Accounts that are less than one Months in Arrears are excluded from the calculation of the weighted average Arrears Balance.
Asset Percentage	The Asset Percentage is defined in the Transaction Documents as the lowest of (i) 90 percent, (ii) the percentage required to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch and (iii) the percentage required to ensure that the Covered Bonds achieve an Aaa rating by Moody's using Moody's expected loss methodology.
Constant Default Rates (CDR)	Constant Default Rate is calculated from the balance of loans entering into default in the month.
Constant Prepayment Rates (CPPR)	The Constant Prepayment Rate is calculated from the total Unscheduled Principal Receipts. This is consistent with the ESF definition for Constant Prepayment Rates.
Default	For the purposes of this report a loan is identified as being in default where the Months in Arrears is six or more.
Geographical Distribution	This uses the regions in the HPI Regional Series published by Nationwide Building Society. The definition of those regions is available at http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm . This definition differs from the standard NUTS 2 regions used in other reporting.
Income Verification Requested	Income verification has been requested on all mortgages in the pool at application. With certain low-risk low-LTV loans, proof of income is only required for a random selection of loans. The performance of the loans and decline/withdrawal rates on the random selection is closely monitored.
Indexed	Indexation is applied to house price valuations on a regional basis using non-seasonally adjusted data. The indexation is applied to the data as at the end of March, June, September and December. Note that December indexation is not applied in the Investor Report until January.
Interest Payments	Payments received in a reporting period are applied first to interest and then to principal.
Months in Arrears	Months in Arrears is calculated as the Arrears balance divided by the normal contractual payment due, ignoring any temporary arrangement or payment holiday. If the Months in Arrears is less than one, the loan is reported as current.
Mortgage Account	A mortgage account consists of one or more underlying loans all secured with equal priority by a first charge on the same property and thereby forming a single mortgage account.
Mortgage Collections	The aggregate amount of scheduled and unscheduled principal, and interest collected during the reporting period.
Negative carry adjustment	In the ACT calculation, this is the weighted average remaining maturity of all Covered Bonds outstanding multiplied by the Sterling Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds multiplied by the Negative Carry Factor. The "Negative Carry Factor" is (i) 0.5 percent if the weighted average margin of the interest rate payable on the Covered Bonds is less or equal to 0.1 percent per annum or (ii) 0.5 percent plus that margin minus 0.1 percent, if that margin is greater than 0.1 percent per annum (provided that if the weighted average remaining maturity is less than one, the weighted average shall be deemed, for the purposes of this calculation, to be one).
Principal Payment Rates (PPR)	Principal Payment Rates are calculated from the total Principal Receipts in the month including redemptions, contractual repayments and unscheduled prepayments. The ESF uses the term "Principal Payment Rates" for this value.
Principal Receipts	Payments received in a reporting period are applied first to interest and then to principal.
Product Groups	Product groups are reported at an individual loan level (please refer to the definition of 'Mortgage Account' above).
Reserve Fund Required Amount	The value disclosed at the month end is equal to the value calculated at the calculation date immediately proceeding the month end.
Savings Set Off Balance	In the ACT calculation, this is the amount equal to the lower of (i) 100 percent of the aggregate deposit balances (including saving balances and offset balances) of each savings account held at the Seller by Borrowers whose Loans are included in the Portfolio and (ii) the aggregate True Balances of those Borrower's Loans
Scheduled Principal Receipts	The element of Principal Receipts that are included in the contractual payment for a Borrower who has a Repayment or Combination mortgage
True Balance	As at the given date, the aggregate (but avoiding double counting) of (i) the original principal amount advanced to the relevant Borrower and any further amount advanced, (ii) any interest, fees or charges which has been properly capitalised and (iii) any other amount (including Accrued Interest and Arrears of Interest) which is due or accrued (whether or not due) and which has not been paid and has not been capitalised
Unscheduled Principal Receipts	The element of Principal Receipts that are not Scheduled Principal Receipts
Variable Rates	The issuer operates a number of variable administered rates including a Standard Variable Rates and the Privilege Rate, which is offered to certain owner-occupying borrowers who have been on the same product for five years or more.