

Coventry Building Society Covered Bonds

Investor Report

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Reporting Information

| | |
|------------------|--------------------------|
| Reporting Date | 30/04/2012 |
| Reporting Period | 01/03/2012 to 31/03/2012 |

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 |

Investor Relations Contacts

| | Telephone | E-mail | Mailing Address |
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Investor Report

Mortgage Assets

All values are in pounds sterling unless otherwise stated

Assets

| | Prior Period | Current Period |
|---|----------------|----------------|
| Number of mortgage accounts in Pool | 42,717 | 42,758 |
| Number of loans in Pool | 50,539 | 50,544 |
| True Balance of mortgage accounts in Pool | £4,640,086,204 | £4,584,591,002 |
| Cash and other Substitution Assets | £80,188,238 | £78,781,060 |

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 | £61,424,518 | £59,944,897 |

Yield Analysis

| | Prior Period | Current Period |
|--|--------------|----------------|
| Weighted Average Pre-Swap Mortgage Yield | 3.52% | 3.49% |

Arrears Analysis (excluding Properties in Possession)

| Months in Arrears | Number of Mortgage Accounts | % of total | True Balance (£) | % of total balance | Arrears Balance (£) |
|-------------------|-----------------------------|---------------|----------------------|--------------------|---------------------|
| Current | 42,665 | 99.8% | 4,574,255,118 | 99.8% | - |
| >=1 and <2 | 75 | 0.2% | 8,754,997 | 0.2% | 58,630 |
| >=2 and <3 | 12 | 0.0% | 1,127,406 | 0.0% | 14,155 |
| >=3 and <6 | 6 | 0.0% | 453,481 | 0.0% | 7,477 |
| >=6 and <9 | - | - | - | - | - |
| >=9 and <12 | - | - | - | - | - |
| >=12 | - | - | - | - | - |
| Totals | 42,758 | 100.0% | 4,584,591,002 | 100.0% | 80,262 |

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 loans | Balance (£) |
|-----------------------------|-----------------|---------------|
| Opening totals | 42,717 | 4,640,086,204 |
| Loans added to pool | 1,892 | 222,638,738 |
| Loans repurchased from pool | (1,851) | (230,779,853) |
| Principal receipts | - | (47,656,406) |
| Other movements | - | 302,319 |
| Closing totals | 42,758 | 4,584,591,002 |

Coventry Building Society Covered Bonds

Investor Report

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 | 33.8 | 17.1 | 107,222 | 134,742 | 98,977 | 55.3% | 55.8% | 863 |
| Min | 1.0 | 0.0 | 0 | 0 | 0 | 0.0% | 0.0% | 0 |
| Max | 86.9 | 35.3 | 983,301 | 983,301 | 934,185 | 97.7% | 90.2% | 3,312 |

Principal Payment Rates (PPR)

| | Monthly | 3 Month Average | Annualised |
|----------------------|---------|-----------------|------------|
| Current PPR - Total | 1.04% | 1.22% | 15.65% |
| Previous PPR - Total | 1.05% | 1.25% | 16.12% |

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 | 0.74% | 0.90% | 11.32% |
| Previous CPPR - Total | 0.72% | 0.93% | 11.74% |

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 Mortgage Rate, Current | 4.74% | 01/02/2009 |
| Standard Mortgage Rate, Historical | 4.99% | 01/01/2008 |
| Privilege Mortgage Rate, Current | 4.49% | 01/02/2009 |
| Privilege Mortgage Rate, Historical | 4.79% | 01/01/2008 |

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

Coventry Building Society Covered Bonds

Investor Report

Mortgage Portfolio Breakdown

Geographical Distribution

| Regions | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|--------------------------|----------------------|--------------------|-----------------------------|---------------|
| East Anglia | 175,799,777 | 3.8% | 1,854 | 4.3% |
| East Midlands | 362,695,459 | 7.9% | 4,104 | 9.6% |
| London | 648,719,338 | 14.1% | 3,710 | 8.7% |
| North | 160,394,740 | 3.5% | 2,099 | 4.9% |
| North West | 350,054,204 | 7.6% | 3,810 | 8.9% |
| Outer Metropolitan | 731,138,198 | 15.9% | 4,914 | 11.5% |
| Outer South East | 566,023,599 | 12.3% | 4,769 | 11.2% |
| South West | 448,847,981 | 9.8% | 4,272 | 10.0% |
| Wales | 141,135,345 | 3.1% | 1,643 | 3.8% |
| West Midlands | 687,948,210 | 15.0% | 7,883 | 18.4% |
| Yorkshire and Humberside | 311,834,151 | 6.8% | 3,700 | 8.7% |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Non-Indexed Loan to Value ratios

| Range of LTV ratios at origination | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|------------------------------------|----------------------|--------------------|-----------------------------|---------------|
| <25% | 376,705,696 | 8.2% | 10,265 | 24.0% |
| >=25% and <50% | 1,271,884,448 | 27.7% | 12,955 | 30.3% |
| >=50% and <55% | 357,587,170 | 7.8% | 2,744 | 6.4% |
| >=55% and <60% | 394,494,618 | 8.6% | 2,816 | 6.6% |
| >=60% and <65% | 443,702,558 | 9.7% | 2,966 | 6.9% |
| >=65% and <70% | 448,298,487 | 9.8% | 2,947 | 6.9% |
| >=70% and <75% | 667,989,117 | 14.6% | 4,169 | 9.8% |
| >=75% and <80% | 431,315,746 | 9.4% | 2,611 | 6.1% |
| >=80% and <85% | 134,032,287 | 2.9% | 916 | 2.1% |
| >=85% and <90% | 45,284,559 | 1.0% | 296 | 0.7% |
| >=90% and <95% | 10,180,352 | 0.2% | 56 | 0.1% |
| >=95% and <100% | 3,115,966 | 0.1% | 17 | 0.0% |
| >=100% | - | - | - | - |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Indexed Loan to Value ratios

| Range of LTV ratios | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|---------------------|----------------------|--------------------|-----------------------------|---------------|
| <25% | 371,815,191 | 8.1% | 10,007 | 23.4% |
| >=25% and <50% | 1,231,026,923 | 26.9% | 12,628 | 29.5% |
| >=50% and <55% | 353,502,337 | 7.7% | 2,727 | 6.4% |
| >=55% and <60% | 380,867,843 | 8.3% | 2,757 | 6.4% |
| >=60% and <65% | 404,569,245 | 8.8% | 2,794 | 6.5% |
| >=65% and <70% | 462,823,436 | 10.1% | 2,961 | 6.9% |
| >=70% and <75% | 673,596,874 | 14.7% | 4,203 | 9.8% |
| >=75% and <80% | 554,338,846 | 12.1% | 3,641 | 8.5% |
| >=80% and <85% | 150,737,539 | 3.3% | 1,033 | 2.4% |
| >=85% and <90% | 1,222,266 | 0.0% | 6 | 0.0% |
| >=90% and <95% | 90,501 | 0.0% | 1 | 0.0% |
| >=95% and <100% | - | - | - | - |
| >=100% | - | - | - | - |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Coventry Building Society Covered Bonds

Investor Report

Mortgage Portfolio Breakdown

Outstanding True Balances

| Range of outstanding balances | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|-------------------------------|----------------------|--------------------|-----------------------------|---------------|
| <£50,000 | 297,586,119 | 6.5% | 10,850 | 25.4% |
| >=£50,000 and <£100,000 | 999,500,117 | 21.8% | 13,371 | 31.3% |
| >=£100,000 and <£150,000 | 1,121,848,927 | 24.5% | 9,197 | 21.5% |
| >=£150,000 and <£200,000 | 802,099,481 | 17.5% | 4,669 | 10.9% |
| >=£200,000 and <£250,000 | 469,140,918 | 10.2% | 2,112 | 4.9% |
| >=£250,000 and <£300,000 | 302,034,687 | 6.6% | 1,110 | 2.6% |
| >=£300,000 and <£400,000 | 311,652,105 | 6.8% | 912 | 2.1% |
| >=£400,000 and <£500,000 | 138,608,911 | 3.0% | 310 | 0.7% |
| >=£500,000 and <£750,000 | 109,434,170 | 2.4% | 188 | 0.4% |
| >=£750,000 and <£1,000,000 | 32,685,567 | 0.7% | 39 | 0.1% |
| >=£1,000,000 | - | - | - | - |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Seasoning of Loans

| Age of loans in months | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|------------------------|----------------------|--------------------|-----------------------------|---------------|
| >1 and <6 | 223,611,573 | 4.9% | 1,922 | 4.5% |
| >=6 and <12 | 545,498,725 | 11.9% | 4,522 | 10.6% |
| >=12 and <18 | 691,430,751 | 15.1% | 5,758 | 13.5% |
| >=18 and <24 | 628,889,169 | 13.7% | 5,204 | 12.2% |
| >=24 and <30 | 342,607,683 | 7.5% | 3,397 | 7.9% |
| >=30 and <36 | 473,547,596 | 10.3% | 4,025 | 9.4% |
| >=36 and <42 | 188,713,832 | 4.1% | 1,820 | 4.3% |
| >=42 and <48 | 153,713,633 | 3.4% | 1,798 | 4.2% |
| >=48 and <54 | 300,576,014 | 6.6% | 3,114 | 7.3% |
| >=54 and <60 | 247,297,606 | 5.4% | 2,541 | 5.9% |
| >=60 and <66 | 186,307,217 | 4.1% | 1,922 | 4.5% |
| >=66 and <72 | 216,670,776 | 4.7% | 2,245 | 5.3% |
| >=72 | 385,726,427 | 8.4% | 4,490 | 10.5% |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Coventry Building Society Covered Bonds

Investor Report

Mortgage Portfolio Breakdown

Years to maturity of loans

| Years to maturity | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|-------------------|----------------------|--------------------|-----------------------------|---------------|
| <5 | 169,696,546 | 3.7% | 3,592 | 8.4% |
| >=5 and <10 | 551,842,354 | 12.0% | 7,615 | 17.8% |
| >=10 and <15 | 911,972,085 | 19.9% | 9,396 | 22.0% |
| >=15 and <20 | 1,425,255,895 | 31.1% | 11,635 | 27.2% |
| >=20 and <25 | 1,209,219,031 | 26.4% | 8,294 | 19.4% |
| >=25 and <30 | 237,482,789 | 5.2% | 1,626 | 3.8% |
| >=30 and <35 | 78,761,598 | 1.7% | 598 | 1.4% |
| >=35 | 360,704 | 0.0% | 2 | 0.0% |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Product groups

| Type of rate | True Balance (£) | % of total balance | Number of Loans | % of total |
|---------------|----------------------|--------------------|-----------------|---------------|
| Fixed rate | 2,170,336,378 | 47.3% | 22,310 | 44.1% |
| Capped | 307,520,360 | 6.7% | 2,610 | 5.2% |
| Variable | 2,106,734,265 | 46.0% | 25,624 | 50.7% |
| Totals | 4,584,591,002 | 100.0% | 50,544 | 100.0% |

Repayment terms

| Repayment Terms | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|---|----------------------|--------------------|-----------------------------|---------------|
| Repayment | 3,078,192,256 | 67.1% | 31,100 | 72.7% |
| Interest Only | 1,092,087,776 | 23.8% | 8,105 | 19.0% |
| Combination (Interest Only and Repayment) | 414,310,970 | 9.0% | 3,553 | 8.3% |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 100.0% |

Originator

| | True Balance (£) | % of total balance | Number of mortgage accounts | % of total |
|---------------------------|----------------------|--------------------|-----------------------------|---------------|
| Coventry Building Society | 4,584,591,002 | 100.0% | 42,758 | 100.0% |
| Totals | 4,584,591,002 | 100.0% | 42,758 | 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 | 1,600,507,369 | 732,448,361 | 865,176,737 | 1,225,151,181 | 150,880,970 | 90,501 | - | 4,574,255,118 |
| >=1 and <3 Months in Arrears | 2,171,039 | 1,921,819 | 2,120,153 | 2,590,556 | 1,078,836 | - | - | 9,882,403 |
| >=3 and <6 Months in Arrears | 163,706 | - | 95,792 | 193,983 | - | - | - | 453,481 |
| >=6 Months in Arrears | - | - | - | - | - | - | - | - |
| Totals | 1,602,842,114 | 734,370,180 | 867,392,682 | 1,227,935,720 | 151,959,805 | 90,501 | - | 4,584,591,002 |

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 | 61,913,954 | 29,671,927 | 33,817,492 | 45,235,874 | 5,160,531 | - | - | 175,799,777 |
| East Midlands | 121,839,125 | 59,484,573 | 72,733,600 | 103,641,582 | 4,996,580 | - | - | 362,695,459 |
| London | 234,177,331 | 99,513,773 | 125,692,473 | 175,453,515 | 13,882,245 | - | - | 648,719,338 |
| North | 56,237,542 | 24,640,059 | 30,576,255 | 44,689,099 | 4,251,786 | - | - | 160,394,740 |
| North West | 102,860,770 | 54,418,733 | 66,776,361 | 107,714,482 | 18,283,857 | - | - | 350,054,204 |
| Outer Metropolitan | 261,338,099 | 117,220,033 | 139,091,805 | 192,097,455 | 21,390,806 | - | - | 731,138,198 |
| Outer South East | 205,617,029 | 91,783,778 | 108,123,434 | 150,554,211 | 9,945,147 | - | - | 566,023,599 |
| South West | 172,601,963 | 76,655,289 | 73,982,695 | 108,151,741 | 17,456,294 | - | - | 448,847,981 |
| Wales | 43,769,511 | 19,541,270 | 24,737,877 | 35,817,708 | 17,268,980 | - | - | 141,135,345 |
| West Midlands | 244,470,938 | 112,410,818 | 133,631,368 | 177,577,260 | 19,857,826 | - | - | 687,948,210 |
| Yorkshire and Humberside | 98,015,853 | 49,029,927 | 58,229,322 | 87,002,793 | 19,465,756 | 90,501 | - | 311,834,151 |
| Totals | 1,602,842,114 | 734,370,180 | 867,392,682 | 1,227,935,720 | 151,959,805 | 90,501 | - | 4,584,591,002 |

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 | 1,011,127,375 | 484,475,912 | 599,742,526 | 859,097,651 | 123,658,291 | 90,501 | - | 3,078,192,256 |
| Interest Only | 415,338,573 | 169,886,390 | 199,669,351 | 285,835,297 | 21,358,166 | - | - | 1,092,087,776 |
| Combination (Interest Only and Repayment) | 176,376,166 | 80,007,879 | 67,980,804 | 83,002,773 | 6,943,348 | - | - | 414,310,970 |
| Total | 1,602,842,114 | 734,370,180 | 867,392,682 | 1,227,935,720 | 151,959,805 | 90,501 | - | 4,584,591,002 |

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 | 665,575,090 | 342,112,727 | 409,236,342 | 653,260,845 | 100,060,873 | 90,501 | - | 2,170,336,378 |
| Capped | 111,121,687 | 68,931,850 | 74,414,552 | 51,395,897 | 1,656,374 | - | - | 307,520,360 |
| Variable | 826,145,337 | 323,325,602 | 383,741,788 | 523,278,979 | 50,242,559 | - | - | 2,106,734,265 |
| Totals | 1,602,842,114 | 734,370,180 | 867,392,682 | 1,227,935,720 | 151,959,805 | 90,501 | - | 4,584,591,002 |

Coventry Building Society Covered Bonds

Investor Report

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 | 175,655,237 | 361,239,621 | 648,102,488 | 159,252,773 | 348,769,923 | 730,242,942 | 564,628,364 | 448,464,389 | 140,712,932 | 685,667,763 | 311,518,686 | 4,574,255,118 |
| >=1 and <3 Months in Arrears | 144,540 | 1,367,816 | 616,849 | 1,141,967 | 1,208,597 | 799,464 | 1,395,235 | 383,592 | 422,414 | 2,210,938 | 190,991 | 9,882,403 |
| >=3 and <6 Months in Arrears | - | 88,022 | - | - | 75,684 | 95,792 | - | - | - | 69,509 | 124,474 | 453,481 |
| >=6 Months in Arrears | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 175,799,777 | 362,695,459 | 648,719,338 | 160,394,740 | 350,054,204 | 731,138,198 | 566,023,599 | 448,847,981 | 141,135,345 | 687,948,210 | 311,834,151 | 4,584,591,002 |

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 | 13,764,969 | 32,444,823 | 10,141,232 | 23,032,019 | 31,845,108 | 18,438,178 | 25,815,048 | 27,440,377 | 14,922,415 | 67,155,763 | 32,586,187 | 297,586,119 |
| >=£50,000 and <£100,000 | 47,380,688 | 112,715,961 | 45,441,065 | 50,677,739 | 100,979,628 | 80,196,561 | 96,662,951 | 96,167,029 | 44,586,602 | 221,972,834 | 102,719,058 | 999,500,117 |
| >=£100,000 and <£150,000 | 51,236,074 | 106,420,972 | 94,556,785 | 42,626,261 | 85,815,679 | 148,578,234 | 152,035,115 | 132,825,236 | 38,140,571 | 185,792,373 | 83,821,626 | 1,121,848,927 |
| >=£150,000 and <£200,000 | 29,542,700 | 53,123,849 | 133,603,968 | 21,174,876 | 55,019,682 | 152,449,810 | 113,302,158 | 82,902,158 | 20,511,782 | 96,667,079 | 43,801,419 | 802,099,481 |
| >=£200,000 and <£250,000 | 15,449,440 | 23,725,167 | 106,340,753 | 9,279,849 | 29,560,364 | 100,219,062 | 66,122,853 | 41,109,115 | 11,122,056 | 44,900,118 | 21,312,140 | 469,140,918 |
| >=£250,000 and <£300,000 | 6,589,772 | 14,864,337 | 80,903,939 | 5,626,617 | 18,885,322 | 63,034,569 | 38,606,359 | 27,284,811 | 5,424,579 | 29,861,732 | 10,952,652 | 302,034,687 |
| >=£300,000 and <£400,000 | 5,751,870 | 11,474,930 | 91,329,715 | 4,308,520 | 14,941,552 | 82,287,509 | 36,548,608 | 24,131,345 | 4,190,223 | 27,351,520 | 9,336,312 | 311,652,105 |
| >=£400,000 and <£500,000 | 2,268,633 | 6,334,860 | 37,616,150 | 2,550,024 | 6,865,461 | 40,158,027 | 19,699,069 | 10,711,291 | 461,543 | 9,251,100 | 2,692,753 | 138,608,911 |
| >=£500,000 and <£750,000 | 2,980,832 | 1,590,560 | 36,110,640 | 1,118,835 | 5,335,863 | 34,953,563 | 13,068,416 | 5,475,770 | 1,775,574 | 4,146,735 | 2,877,382 | 109,434,170 |
| >=£750,000 and <£1,000,000 | 834,798 | - | 12,675,092 | - | 805,544 | 10,822,685 | 4,163,020 | 800,850 | - | 848,957 | 1,734,622 | 32,685,567 |
| >=£1,000,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 175,799,777 | 362,695,459 | 648,719,338 | 160,394,740 | 350,054,204 | 731,138,198 | 566,023,599 | 448,847,981 | 141,135,345 | 687,948,210 | 311,834,151 | 4,584,591,002 |

| Average Mortgage size | 94,822 | 88,376 | 174,857 | 76,415 | 91,878 | 148,787 | 118,688 | 105,067 | 85,901 | 87,270 | 84,280 |
|-----------------------|--------|--------|---------|--------|--------|---------|---------|---------|--------|--------|--------|
|-----------------------|--------|--------|---------|--------|--------|---------|---------|---------|--------|--------|--------|

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 | 124,080,908 | 260,481,655 | 397,472,696 | 113,426,641 | 241,605,259 | 472,037,571 | 370,930,337 | 273,407,329 | 91,508,499 | 505,427,067 | 227,814,294 | 3,078,192,256 |
| Interest Only | 33,952,497 | 63,645,306 | 203,902,286 | 32,592,580 | 81,169,943 | 187,771,947 | 139,808,556 | 130,521,119 | 39,818,516 | 121,412,283 | 57,492,743 | 1,092,087,776 |
| Combination (Interest Only and Repayment) | 17,766,372 | 38,568,499 | 47,344,356 | 14,375,519 | 27,279,001 | 71,328,680 | 55,284,706 | 44,919,532 | 9,808,330 | 61,108,860 | 26,527,115 | 414,310,970 |
| Total | 175,799,777 | 362,695,459 | 648,719,338 | 160,394,740 | 350,054,204 | 731,138,198 | 566,023,599 | 448,847,981 | 141,135,345 | 687,948,210 | 311,834,151 | 4,584,591,002 |

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 | 84,455,084 | 165,523,162 | 331,425,941 | 72,650,617 | 164,422,479 | 377,967,182 | 279,061,526 | 213,546,163 | 66,489,645 | 269,443,174 | 145,351,406 | 2,170,336,378 |
| Capped | 10,769,535 | 21,272,052 | 55,140,119 | 8,673,604 | 28,913,913 | 49,508,290 | 34,398,985 | 29,471,152 | 6,944,250 | 41,180,781 | 21,247,678 | 307,520,360 |
| Variable | 80,575,158 | 175,900,245 | 262,153,277 | 79,070,519 | 156,717,812 | 303,662,726 | 252,563,088 | 205,830,667 | 67,701,451 | 377,324,255 | 145,235,067 | 2,106,734,265 |
| Total | 175,799,777 | 362,695,459 | 648,719,338 | 160,394,740 | 350,054,204 | 731,138,198 | 566,023,599 | 448,847,981 | 141,135,345 | 687,948,210 | 311,834,151 | 4,584,591,002 |

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- / Aa2 / 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 |
| Ernst & Young 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

Asset Coverage Test

| Asset Coverage Test | | | Asset Coverage Test (continued) | | |
|---|-------------------|----------------------|--|----------------------|----------------------|
| Calculation Date | 19/04/2012 | 19/03/2012 | 19/04/2012 | 19/03/2012 | |
| Aggregate Adjusted Loan Amount | = A+B+C+D-(X+Y+Z) | | | | |
| Description | Value | Value | A: Arrears Adjusted True Balance | 3,595,551,042 | 3,641,496,304 |
| True Balance | 4,584,591,002 | 4,640,086,204 | B: Principal Receipts Retained in Cash | - | - |
| Adjusted Indexed Valuation | 10,528,549,362 | 10,557,660,533 | C: Retained Cash Contributions | - | - |
| Asset Percentage | 78.7% | 78.7% | D: Substitution Assets - Principal Receipts¹ - Capital Contributions | 47,656,406 | 48,940,447 |
| Loans < 3 months in arrears | 4,584,591,002 | 4,639,995,175 | X: Savings set off balance | (127,620,730) | (116,640,477) |
| Loans in arrears =< 75% LTV | 453,481 | 91,029 | Y : Flexible draw deduction | - | - |
| Loans in arrears > 75% LTV | - | - | Z: Negative carry adjustment | (181,887,325) | (187,139,066) |
| Principal Outstanding on Bonds ² | 3,220,050,000 | 3,270,050,000 | Adjusted Aggregate Loan Amount | 3,333,699,393 | 3,386,657,208 |
| Average Remaining Maturity of Bonds (Weighted Average Years) | 2.9 | 3.0 | Aggregate Principal Amount Outstanding | 3,220,050,000 | 3,270,050,000 |
| Negative Carry Factor (Weighted Average) | 1.69% | 1.68% | Test Result | PASS | PASS |
| A = Lower of (i) and (ii) multiplied by Asset Percentage : | | | Surplus Result | 113,649,393 | 116,607,208 |
| (i) Adjustment on True Balance | | | Loan Amount to Covered Bond ratio percentage | 70.24% | 70.47% |
| Adjusted True Balance | | | Credit Enhancement and Liquidity Support | | |
| made up by: | M | | | 31/03/2012 | 29/02/2012 |
| Loans < 3 months in arrears | 0.75 | 4,538,798,532 | Reserve funds | 17,182,486 | 17,359,125 |
| Loans in arrears =< 75% LTV | 0.4 | 328,937 | Retained principal | 47,656,406 | 48,940,447 |
| Loans in arrears > 75% LTV | 0.25 | - | Overcollateralisation | 1,364,541,002 | 1,370,036,204 |
| Adjusted True Balance | | 4,539,127,469 | - Required by ACT | 1,250,891,609 | 1,253,428,996 |
| | | | - Surplus over ACT | 113,649,393 | 116,607,208 |
| (ii) Arrears Adjustment on True Balance | | | | | |
| Arrears Adjusted True Balance | | | | | |
| made up by: | N | | | | |
| Loans < 3 months in arrears | 1 | 4,568,350,913 | | | |
| Loans in arrears =< 75% LTV | 0.4 | 328,937 | | | |
| Loans in arrears > 75% LTV | 0.25 | - | | | |
| sub total | | 4,568,679,850 | | | |
| Asset Percentage | | | | | |
| Contractual (maximum) | | 90.0% | | | |
| Moody's Required | | 78.7% | | | |
| Fitch Required | | 83.7% | | | |
| Current Asset Percentage (% used) | | 78.7% | | | |
| Arrears Adjusted True Balance | | 3,595,551,042 | | | |
| | | | | | |
| | | | | | |

¹Substitution Assets comprise short term cash deposits

²Principal Outstanding on the Bonds includes a cancellation of Series 1 notes of £50m made on 19 April 2012

Coventry Building Society Covered Bonds

Investor Report

Principal & Revenue Receipts and Ledgers

Principal & Revenue Receipts

| Revenue Receipts | | (£) |
|---|---------------------------------|--------------------|
| Calculation Date : | 19/04/2012 | |
| Has an LLP notice to pay been issued ? | No | |
| Balance b/f | | 13,888,666 |
| Interest Received on mortgages | Period 01/03/2012 to 31/03/2012 | 12,288,491 |
| Fees Received on mortgages due to CBS | Period 01/03/2012 to 31/03/2012 | 356,955 |
| Interest Received on GIC Account | Period 01/03/2012 to 31/03/2012 | 986 |
| Interest Received on Substitution Assets | Period 01/03/2012 to 31/03/2012 | 111,311 |
| Interest on Interest Rate Swap - Series 1-5 | Period 24/02/2012 to 26/03/2012 | (6,252,251) |
| Interest on Covered Bond Swap - Series 3 | Period 19/03/2012 to 19/04/2012 | (1,491,344) |
| Interest on Covered Bond Swap - Series 4 | Period 24/02/2012 to 26/03/2012 | (1,460,353) |
| Interest on Covered Bond Swap - Series 5 | Period 10/02/2012 to 26/03/2012 | (1,662,485) |
| Interest on Term Advance - Series 1&2 | Period 24/02/2012 to 26/03/2012 | (1,534,839) |
| Excess Funds on Reserve Fund | | 176,639 |
| Transfer to Reserve Fund | | - |
| Any other receipts not covered above | Period 01/03/2012 to 31/03/2012 | 184,425 |
| Payments made (incl repatriation to CBS) | Period 24/02/2012 to 26/03/2012 | (664,033) |
| If LLP notice to pay issued | | |
| Amount of Reserve Fund | | - |
| Less : | | |
| Amounts paid to third parties | | - |
| Available Revenue as at month end | | 13,942,167 |

| Principal Receipts | | (£) |
|---|---------------------------------|---------------------|
| Calculation Date : | 19/04/2012 | |
| Principal receipts b/f | | 48,940,447 |
| Utilisation of Principal Receipts | Period 24/02/2012 to 26/03/2012 | (48,940,447) |
| Scheduled Principal Receipts | Period 01/03/2012 to 31/03/2012 | 13,522,036 |
| Unscheduled Principal Receipts | Period 01/03/2012 to 31/03/2012 | 34,134,370 |
| 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 | | 47,656,406 |

Ledgers

| | Month End 31/03/2012 | Month End 29/02/2012 |
|--|-------------------------|-------------------------|
| Principal Ledger | (£) | (£) |
| Balance b/f on Principal Ledger | 48,940,447 | 72,774,672 |
| Utilisation of Principal Receipts | (48,940,447) | (72,774,672) |
| Principal repayments under mortgages | 47,656,406 | 48,940,447 |
| Balance c/f on Principal Ledger | 47,656,406 | 48,940,447 |

| | (£) | (£) |
|---|-------------------|-------------------|
| Revenue Ledger | (£) | (£) |
| Balance b/f on Revenue Ledger | 13,888,666 | 14,466,996 |
| Interest Receipts on Mortgages | 12,288,491 | 12,484,071 |
| Interest due on bank accounts & investments | 112,297 | 45,702 |
| Other payments/(receipts) | (6,095,036) | (6,975,705) |
| Payments due under Interest Rate Swap | (6,252,251) | (6,132,397) |
| Balance c/f on Revenue Ledger | 13,942,167 | 13,888,666 |

| | (£) | (£) |
|--------------------------------------|-------------------|-------------------|
| Reserve Ledger | (£) | (£) |
| Balance b/f on Reserve Ledger | 17,359,125 | 14,053,608 |
| Transfers to/from GIC | (176,639) | (194,483) |
| Cash Capital Contribution | - | 3,500,000 |
| Balance c/f on Reserve Ledger | 17,182,486 | 17,359,125 |
| Reserve Fund Required Amount | 17,182,486 | 17,359,125 |

| | (£) | (£) |
|--------------------------------------|-----|-----|
| 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 | 78,781,060 | 80,188,238 |
| Bond value | 3,270,050,000 | 3,270,050,000 |
| Percentage Cash Holding | 2.4% | 2.5% |

| | (£) | (£) |
|--|----------------------|----------------------|
| Summary Balance Sheet and Ledgers | (£) | (£) |
| GIC Account | 3,781,060 | 6,188,238 |
| Substitution Assets ¹ | 75,000,000 | 74,000,000 |
| Subtotal | 78,781,060 | 80,188,238 |
| Transaction Account | - | - |
| Authorised Investments | - | - |
| Loan Balance | 4,584,591,002 | 4,640,086,204 |
| Total Assets | 4,663,372,062 | 4,720,274,442 |
| Intercompany Loan ² | 3,270,050,000 | 3,270,050,000 |
| Capital Account | 1,393,322,062 | 1,450,224,442 |
| Total Liabilities | 4,663,372,062 | 4,720,274,442 |

¹Substitution Assets comprise short term cash deposits

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 | 950,000,000 | 500,000,000 | 750,000,000 | 650,000,000 | 500,000,000 |
| | Previous Period Balance | 950,000,000 | 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 01/03/2012 - 31/03/2012 | Interest Payment Frequency | Monthly | Monthly | Annually | Annually | Quarterly |
| | Accrual Start Date | 24/02/2012 | 24/02/2012 | 19/04/2011 | 24/10/2011 | 10/02/2012 |
| | Accrual End Date | 26/03/2012 | 26/03/2012 | 19/04/2012 | 24/10/2012 | 10/05/2012 |
| | Accrual Day Count | 31 | 31 | 366 | 366 | 90 |
| | Coupon Reference Rate | 0.74631% | 0.74631% | N/A | N/A | 1.07706% |
| | 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 | 1.24631% | 1.24631% | 4.62500% | 2.87500% | 2.67706% |
| | Current Period Coupon Amount¹ | 1,005,584 | 529,255 | - | - | - |
| | Current Interest Shortfall | - | - | - | - | - |
| Cumulative Interest Shortfall | - | - | - | - | - | |
| Next Interest Payment Date | 24/04/2012 | 24/04/2012 | 19/04/2012 | 24/10/2012 | 10/05/2012 | |
| Principal Payments ¹ 01/03/2012 - 31/03/2012 | 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 | 4,631,875,349 | Coventry Building Society | 1m LIBOR | 1.19000% | 1.9363% | Basket of rates | N/A | 3.52563% | (6,252,251) |
| | Covered Bond (Liability) Swap | | | | | | | | | | |
| Series 3 | 19/04/2018 | GBP | 750,000,000 | HSBC plc | Fixed | N/A | 4.62500% | 1m LIBOR | 1.63% | 2.34125% | (1,491,344) |
| Series 4 | 24/10/2014 | EUR | 650,000,000 | HSBC plc | Fixed | N/A | 2.87500% | 1m LIBOR | 2.27% | 3.01631% | (1,460,353) |
| Series 5 | 10/02/2015 | GBP | 500,000,000 | Coventry Building Society | 3m LIBOR | 1.60000% | 2.67706% | 1m LIBOR | 1.88% | 2.69692% | (1,662,485) |

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 plc ³ | Aa2 / 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 | 4,000,000 |

²The amount of collateral required in respect of the Interest Rate (Asset) Swap is zero because the mark to market value of the swap currently stands in the LLP's favour

³ HSBC plc were placed on negative watch by Moody's on 15 February 2012

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://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. |

Coventry Building Society Covered Bonds

Investor Report

Disclaimer

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