

Coventry Building Society Covered Bonds

Investor Report

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Reporting Information

Reporting Date	30/11/2012
Reporting Period	01/10/2012 to 31/10/2012

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	41,503	41,205
Number of loans in Pool	48,515	48,137
True Balance of mortgage accounts in Pool	£4,404,943,969	£4,346,038,659
Cash and other Substitution Assets	£82,243,002	£139,249,645

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	£65,561,109	£122,512,779

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	41,077	99.7%	4,331,463,269	99.7%	-
>=1 and <2	110	0.3%	12,367,666	0.3%	88,577
>=2 and <3	18	0.0%	2,207,724	0.1%	32,559
>=3 and <6	-	-	-	-	-
>=6 and <9	-	-	-	-	-
>=9 and <12	-	-	-	-	-
>=12	-	-	-	-	-
Totals	41,205	100.0%	4,346,038,659	100.0%	121,136

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 reposessions made and no stock of reposessions held in the current period.

Reconciliation of movements

	Number of mortgage accounts	Balance (£)
Opening totals	41,503	4,404,943,969
Loans added to pool	615	73,474,288
Loans repurchased from pool	(253)	(24,675,749)
Principal receipts	(660)	(106,668,259)
Other movements	-	(1,035,591)
Closing totals	41,205	4,346,038,659

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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	37.0	17.0	105,474	132,213	98,380	54.8%	54.5%	946
Min	3.8	0.0	0	97	0	0.0%	0.0%	0
Max	93.9	35.1	971,818	971,818	938,782	97.7%	88.2%	4,562

Principal Payment Rates (PPR)

	Monthly	3 Month Average	Annualised
Current PPR - Total	2.45%	1.71%	22.49%
Previous PPR - Total	1.23%	1.54%	20.14%

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	2.10%	1.38%	17.85%
Previous CPPR - Total	0.95%	1.23%	15.79%

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

Investor Report

Mortgage Portfolio Breakdown

Geographical Distribution

Regions	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
East Anglia	173,821,003	4.0%	1,830	4.4%
East Midlands	346,393,887	8.0%	4,025	9.8%
London	616,993,418	14.2%	3,591	8.7%
North	150,560,299	3.5%	2,045	5.0%
North West	337,140,181	7.8%	3,765	9.1%
Outer Metropolitan	692,024,128	15.9%	4,710	11.4%
Outer South East	543,117,461	12.5%	4,646	11.3%
South West	421,789,643	9.7%	4,097	9.9%
Wales	133,410,115	3.1%	1,578	3.8%
West Midlands	629,587,794	14.5%	7,286	17.7%
Yorkshire and Humberside	301,200,729	6.9%	3,632	8.8%
Totals	4,346,038,659	100.0%	41,205	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%	365,490,236	8.4%	9,725	23.6%
>=25% and <50%	1,233,793,440	28.4%	12,905	31.3%
>=50% and <55%	350,498,915	8.1%	2,699	6.6%
>=55% and <60%	370,486,310	8.5%	2,759	6.7%
>=60% and <65%	424,050,981	9.8%	2,850	6.9%
>=65% and <70%	442,619,430	10.2%	3,034	7.4%
>=70% and <75%	569,272,607	13.1%	3,571	8.7%
>=75% and <80%	444,266,467	10.2%	2,704	6.6%
>=80% and <85%	99,113,018	2.3%	676	1.6%
>=85% and <90%	34,885,298	0.8%	217	0.5%
>=90% and <95%	8,556,934	0.2%	48	0.1%
>=95% and <100%	3,005,021	0.1%	17	0.0%
>=100%	-	-	-	-
Totals	4,346,038,659	100.0%	41,205	100.0%

Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	366,734,411	8.4%	9,615	23.3%
>=25% and <50%	1,242,340,179	28.6%	12,823	31.1%
>=50% and <55%	351,234,209	8.1%	2,764	6.7%
>=55% and <60%	373,471,679	8.6%	2,728	6.6%
>=60% and <65%	410,408,131	9.4%	2,781	6.7%
>=65% and <70%	488,508,012	11.2%	3,199	7.8%
>=70% and <75%	604,994,434	13.9%	3,963	9.6%
>=75% and <80%	482,238,937	11.1%	3,154	7.7%
>=80% and <85%	25,421,123	0.6%	173	0.4%
>=85% and <90%	687,544	0.0%	5	0.0%
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
Totals	4,346,038,659	100.0%	41,205	100.0%

Coventry Building Society Covered Bonds

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Mortgage Portfolio Breakdown

Outstanding True Balances

Range of outstanding balances	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<£50,000	302,658,110	7.0%	10,525	25.5%
>=£50,000 and <£100,000	985,703,975	22.7%	13,253	32.2%
>=£100,000 and <£150,000	1,066,759,889	24.5%	8,754	21.2%
>=£150,000 and <£200,000	764,382,773	17.6%	4,449	10.8%
>=£200,000 and <£250,000	425,756,388	9.8%	1,916	4.6%
>=£250,000 and <£300,000	276,241,104	6.4%	1,017	2.5%
>=£300,000 and <£400,000	273,327,993	6.3%	802	1.9%
>=£400,000 and <£500,000	134,016,653	3.1%	301	0.7%
>=£500,000 and <£750,000	92,603,038	2.1%	159	0.4%
>=£750,000 and <£1,000,000	24,588,734	0.6%	29	0.1%
>=£1,000,000	-	-	-	-
Totals	4,346,038,659	100.0%	41,205	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	92,732,080	2.1%	830	2.0%
>=6 and <12	530,661,737	12.2%	4,339	10.5%
>=12 and <18	496,791,418	11.4%	4,225	10.3%
>=18 and <24	628,237,230	14.5%	5,329	12.9%
>=24 and <30	429,583,086	9.9%	3,739	9.1%
>=30 and <36	331,121,193	7.6%	3,154	7.7%
>=36 and <42	353,854,595	8.1%	3,269	7.9%
>=42 and <48	182,692,340	4.2%	1,722	4.2%
>=48 and <54	123,348,665	2.8%	1,574	3.8%
>=54 and <60	241,931,321	5.6%	2,730	6.6%
>=60 and <66	211,194,517	4.9%	2,235	5.4%
>=66 and <72	160,002,629	3.7%	1,744	4.2%
>=72	563,887,847	13.0%	6,315	15.3%
Totals	4,346,038,659	100.0%	41,205	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	172,525,068	4.0%	3,652	8.9%
>=5 and <10	526,220,953	12.1%	7,521	18.3%
>=10 and <15	872,141,604	20.1%	9,166	22.2%
>=15 and <20	1,345,972,242	31.0%	11,032	26.8%
>=20 and <25	1,110,930,129	25.6%	7,658	18.6%
>=25 and <30	230,380,384	5.3%	1,539	3.7%
>=30 and <35	87,710,969	2.0%	636	1.5%
>=35	157,310	0.0%	1	0.0%
Totals	4,346,038,659	100.0%	41,205	100.0%

Product groups

Type of rate	True Balance (£)	% of total balance	Number of Loans	% of total loans
Fixed rate	2,024,709,477	46.6%	20,221	42.0%
Capped	208,758,672	4.8%	1,620	3.4%
Variable	2,112,570,510	48.6%	26,296	54.6%
Totals	4,346,038,659	100.0%	48,137	100.0%

Repayment terms

Repayment Terms	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	3,055,778,845	70.3%	31,061	75.4%
Interest Only	913,858,149	21.0%	6,912	16.8%
Combination (Interest Only and Repayment)	376,401,665	8.7%	3,232	7.8%
Totals	4,346,038,659	100.0%	41,205	100.0%

Originator

	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Coventry Building Society	4,346,038,659	100.0%	41,205	100.0%
Totals	4,346,038,659	100.0%	41,205	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	1,606,055,185	721,676,243	896,214,264	1,082,161,226	25,356,352	-	-	4,331,463,269
>=1 and <3 Months in Arrears	3,019,405	3,029,646	2,701,879	5,072,145	752,315	-	-	14,575,389
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-
Totals	1,609,074,590	724,705,888	898,916,142	1,087,233,370	26,108,667	-	-	4,346,038,659

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	59,948,877	33,208,786	33,114,341	45,820,347	1,728,653	-	-	173,821,003
East Midlands	124,520,057	55,856,286	68,079,902	95,814,467	2,123,176	-	-	346,393,887
London	235,911,365	103,761,781	142,665,164	133,892,404	762,704	-	-	616,993,418
North	55,416,389	23,775,997	32,185,152	39,142,662	40,100	-	-	150,560,299
North West	103,879,309	55,568,004	64,904,451	105,070,136	7,718,282	-	-	337,140,181
Outer Metropolitan	261,368,525	109,880,483	139,889,980	177,960,492	2,924,649	-	-	692,024,128
Outer South East	214,728,815	96,678,499	117,298,470	114,411,677	-	-	-	543,117,461
South West	171,788,000	72,992,872	82,666,052	93,669,775	672,946	-	-	421,789,643
Wales	45,747,234	20,334,410	23,330,708	37,628,878	6,368,885	-	-	133,410,115
West Midlands	232,297,074	103,933,375	131,986,549	159,900,438	1,470,358	-	-	629,587,794
Yorkshire and Humberside	103,468,946	48,715,397	62,795,376	83,922,095	2,298,915	-	-	301,200,729
Totals	1,609,074,590	724,705,888	898,916,142	1,087,233,370	26,108,667	-	-	4,346,038,659

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	1,073,024,514	504,446,751	662,343,845	799,190,165	16,773,569	-	-	3,055,778,845
Interest Only	365,127,834	147,706,016	167,175,018	226,420,322	7,428,960	-	-	913,858,149
Combination (Interest Only and Repayment)	170,922,242	72,553,122	69,397,280	61,622,883	1,906,138	-	-	376,401,665
Total	1,609,074,590	724,705,888	898,916,142	1,087,233,370	26,108,667	-	-	4,346,038,659

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	646,719,313	331,362,261	456,269,046	578,537,930	11,820,927	-	-	2,024,709,477
Capped	69,462,145	53,880,422	50,063,533	35,352,572	-	-	-	208,758,672
Variable	892,893,132	339,463,205	392,583,563	473,342,869	14,287,741	-	-	2,112,570,510
Totals	1,609,074,590	724,705,888	898,916,142	1,087,233,370	26,108,667	-	-	4,346,038,659

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	173,442,330	345,815,788	614,883,099	149,433,526	336,069,565	689,590,730	541,306,375	421,085,934	132,533,199	627,375,640	299,927,083	4,331,463,269
>=1 and <3 Months in Arrears	378,673	578,100	2,110,320	1,126,773	1,070,615	2,433,398	1,811,086	703,709	876,916	2,212,153	1,273,646	14,575,389
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
Total	173,821,003	346,393,887	616,993,418	150,560,299	337,140,181	692,024,128	543,117,461	421,789,643	133,410,115	629,587,794	301,200,729	4,346,038,659

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	13,713,566	34,624,027	10,932,623	23,539,994	33,576,070	19,176,575	26,532,204	27,870,862	14,632,746	63,867,013	34,192,431	302,658,110
>=£50,000 and <£100,000	47,189,873	109,843,298	44,695,392	49,903,293	102,308,977	79,695,209	100,026,598	96,553,436	43,640,548	209,827,932	102,019,418	985,703,975
>=£100,000 and <£150,000	52,486,172	103,433,206	96,263,880	39,028,661	83,647,228	140,777,759	143,689,581	126,145,528	36,408,890	167,317,691	77,561,294	1,066,759,889
>=£150,000 and <£200,000	27,304,831	48,390,121	132,655,667	18,081,070	55,274,434	147,120,163	110,505,804	77,872,537	18,959,250	84,931,446	43,287,450	764,382,773
>=£200,000 and <£250,000	14,105,597	21,530,608	96,948,382	9,419,753	23,766,080	94,217,768	63,359,025	35,236,342	8,622,876	41,742,741	16,807,216	425,756,388
>=£250,000 and <£300,000	7,026,004	14,536,092	73,806,197	4,142,674	16,795,934	62,245,625	32,095,725	23,003,524	4,869,894	27,209,404	10,510,032	276,241,104
>=£300,000 and <£400,000	5,494,213	8,007,544	81,230,688	3,639,288	12,257,633	73,948,804	33,180,674	20,498,594	4,065,426	22,602,298	8,402,832	273,327,993
>=£400,000 and <£500,000	3,224,090	4,950,290	36,848,568	1,697,672	6,773,954	38,233,968	20,101,143	9,811,061	461,543	8,307,184	3,607,179	134,016,653
>=£500,000 and <£750,000	2,441,889	1,078,700	33,298,746	1,107,895	2,739,869	28,165,014	11,214,589	3,996,880	1,748,943	2,931,999	3,878,514	92,603,038
>=£750,000 and <£1,000,000	834,769	-	10,313,276	-	-	8,443,242	2,412,118	800,880	-	850,087	934,363	24,588,734
>=£1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Total	173,821,003	346,393,887	616,993,418	150,560,299	337,140,181	692,024,128	543,117,461	421,789,643	133,410,115	629,587,794	301,200,729	4,346,038,659

Average Mortgage size	94,984	86,061	171,817	73,624	89,546	146,927	116,900	102,951	84,544	86,411	82,930	
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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	126,826,873	261,911,598	399,535,923	110,083,633	246,132,687	470,296,505	371,439,374	269,476,302	92,530,817	479,093,271	228,451,862	3,055,778,845
Interest Only	30,359,573	53,024,740	170,888,733	28,712,527	67,720,141	156,249,385	118,896,630	109,414,591	32,160,752	97,907,300	48,523,779	913,858,149
Combination (Interest Only and Repayment)	16,634,557	31,457,550	46,568,762	11,764,140	23,287,353	65,478,239	52,781,457	42,898,751	8,718,546	52,587,223	24,225,088	376,401,665
Total	173,821,003	346,393,887	616,993,418	150,560,299	337,140,181	692,024,128	543,117,461	421,789,643	133,410,115	629,587,794	301,200,729	4,346,038,659

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	82,953,328	153,149,393	305,113,086	66,908,862	155,934,775	347,373,621	269,815,107	202,673,338	60,948,128	243,426,185	136,413,653	2,024,709,477
Capped	7,142,764	13,565,561	41,573,077	4,783,415	19,192,514	39,333,629	25,155,692	19,740,903	3,639,851	21,963,878	12,667,387	208,758,672
Variable	83,724,910	179,678,934	270,307,254	78,868,021	162,012,891	305,316,878	248,146,663	199,375,402	68,822,136	364,197,731	152,119,688	2,112,570,510
Total	173,821,003	346,393,887	616,993,418	150,560,299	337,140,181	692,024,128	543,117,461	421,789,643	133,410,115	629,587,794	301,200,729	4,346,038,659

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

Asset Coverage Test

Asset Coverage Test		
Calculation Date	19/11/2012	19/10/2012
Aggregate Adjusted Loan Amount	= A+B+C+D-(X+Y+Z)	
Description	Value	Value
True Balance	4,346,038,659	4,404,943,969
Adjusted Indexed Valuation	10,099,234,301	10,185,510,514
Asset Percentage	78.4%	78.4%
Loans < 3 months in arrears	4,346,038,659	4,404,873,562
Loans >= 3 months in arrears =< 75% LTV	-	70,407
Loans >= 3 months in arrears > 75% LTV	-	-
Principal Outstanding on Bonds	3,220,050,000	3,220,050,000
Average Remaining Maturity of Bonds (Weighted Average Years)	2.4	2.5
Negative Carry Factor (Weighted Average)	1.69%	1.69%
A = Lower of (i) and (ii) multiplied by Asset Percentage :		
(i) Adjustment on True Balance		
Adjusted True Balance		
made up by:	M	
Loans < 3 months in arrears	0.75	4,314,418,780
Loans >= 3 months in arrears =< 75% LTV	0.4	-
Loans >= 3 months in arrears > 75% LTV	0.25	-
Adjusted True Balance		4,314,418,780
(ii) Arrears Adjustment on True Balance		
Arrears Adjusted True Balance		
made up by:	N	
Loans < 3 months in arrears	1	4,331,861,496
Loans >= 3 months in arrears =< 75% LTV	0.4	-
Loans >= 3 months in arrears > 75% LTV	0.25	-
sub total		4,331,861,496
Asset Percentage		
Contractual (maximum)	90.0%	90.0%
Moody's Required	78.4%	78.4%
Fitch Required	83.7%	83.7%
Current Asset Percentage (% used)		78.4%
Arrears Adjusted True Balance		3,396,179,413

Asset Coverage Test (continued)		
	19/11/2012	19/10/2012
A: Arrears Adjusted True Balance	3,396,179,413	3,437,000,031
B: Principal Receipts Retained in Cash	-	-
C: Retained Cash Contributions	-	-
D: Substitution Assets - Principal Receipts¹ - Capital Contributions	106,668,259	54,376,141
X: Savings set off balance	(43,828,085)	(36,716,416)
Y : Flexible draw deduction	-	-
Z: Negative carry adjustment	(152,234,115)	(156,172,842)
Adjusted Aggregate Loan Amount	3,306,785,472	3,298,486,914
Aggregate Principal Amount Outstanding	3,220,050,000	3,220,050,000
Test Result	PASS	PASS
Surplus Result	86,735,472	78,436,914
Loan Amount to Covered Bond ratio percentage	74.09%	73.10%

Credit Enhancement and Liquidity Support		
	31/10/2012	30/09/2012
Reserve funds	15,132,395	15,290,579
Retained principal	106,668,259	54,376,141
Overcollateralisation	1,125,988,659	1,184,893,969
- Required by ACT	1,039,253,187	1,106,457,054
- Surplus over ACT	86,735,472	78,436,914

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

Coventry Building Society Covered Bonds

Investor Report

Principal & Revenue Receipts and Ledgers

Principal & Revenue Receipts

Revenue Receipts		(£)
Calculation Date :	19/11/2012	
Has an LLP notice to pay been issued ?	No	
Balance b/f		12,576,282
Interest Received on mortgages	Period 01/10/2012 to 31/10/2012	15,844,521
Fees Received on mortgages due to CBS	Period 01/10/2012 to 31/10/2012	422,539
Interest Received on GIC Account	Period 01/10/2012 to 31/10/2012	878
Interest Received on Substitution Assets	Period 01/10/2012 to 31/10/2012	97,309
Interest on Interest Rate Swap - Series 1-5	Period 24/09/2012 to 24/10/2012	(6,458,548)
Interest on Covered Bond Swap - Series 3	Period 24/09/2012 to 19/11/2012	(1,361,717)
Interest on Covered Bond Swap - Series 4	Period 24/09/2012 to 24/10/2012	15,083,774
Interest on Covered Bond Swap - Series 5	Period 24/09/2012 to 24/10/2012	(984,505)
Interest on Term Advance- Series 1&2	Period 24/09/2012 to 24/10/2012	(1,168,670)
Interest on Term Advance- Series 5	Period 24/09/2012 to 24/10/2012	(16,388,938)
Excess Funds on Reserve Fund		158,184
Transfer to Reserve Fund		-
Any other receipts not covered above	Period 01/10/2012 to 31/10/2012	83,746
Payments made (incl repatriation to CBS)	Period 24/09/2012 to 24/10/2012	(455,862)
If LLP notice to pay issued		
Amount of Reserve Fund		-
Less :		
Amounts paid to third parties		-
Available Revenue as at month end		17,448,992

Principal Receipts		(£)
Calculation Date :	19/11/2012	
Principal receipts b/f		54,376,141
Utilisation of Principal Receipts	Period 24/09/2012 to 24/10/2012	(54,376,141)
Scheduled Principal Receipts	Period 01/10/2012 to 31/10/2012	15,360,509
Unscheduled Principal Receipts	Period 01/10/2012 to 31/10/2012	91,307,749
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		106,668,259

Ledgers

	Month End 31/10/2012	Month End 30/09/2012
Principal Ledger	(£)	(£)
Balance b/f on Principal Ledger	54,376,141	62,999,652
Utilisation of Principal Receipts	(54,376,141)	(62,999,652)
Principal repayments under mortgages	106,668,259	54,376,141
Balance c/f on Principal Ledger	106,668,259	54,376,141

Revenue Ledger	(£)	(£)
Balance b/f on Revenue Ledger	12,576,282	13,884,695
Interest Receipts on Mortgages	15,844,521	11,184,968
Interest due on bank accounts & investments	98,187	56,186
Other payments/(receipts)	(4,611,449)	(5,973,250)
Payments due under Interest Rate Swap	(6,458,548)	(6,576,317)
Balance c/f on Revenue Ledger	17,448,992	12,576,282

Reserve Ledger	(£)	(£)
Balance b/f on Reserve Ledger	15,290,579	15,529,186
Transfers to/from GIC	(158,184)	(238,607)
Cash Capital Contribution	-	-
Balance c/f on Reserve Ledger	15,132,395	15,290,579
Reserve Fund Required Amount	15,132,395	15,290,579

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	139,249,646	82,243,002
Bond value	3,220,050,000	3,220,050,000
Percentage Cash Holding	4.3%	2.6%

Summary Balance Sheet and Ledgers	(£)	(£)
GIC Account	12,215,639	6,208,996
Substitution Assets ¹	127,034,006	76,034,006
Subtotal	139,249,645	82,243,002
Transaction Account	-	-
Authorised Investments	-	-
Loan Balance	4,346,038,659	4,404,943,969
Total Assets	4,485,288,304	4,487,186,970
Intercompany Loan ²	3,220,050,000	3,220,050,000
Capital Account	1,265,238,304	1,267,136,970
Total Liabilities	4,485,288,304	4,487,186,970

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
Interest Payments ¹ 01/10/2012 - 31/10/2012	ISIN	XS0378817240	XS0400750542	XS0618833635	XS0696058857	XS0744752568
	Stock exchange listing	LSE	LSE	LSE	LSE	LSE
	Interest Payment Frequency	Monthly	Monthly	Annually	Annually	Quarterly
	Accrual Start Date	24/09/2012	24/09/2012	19/04/2012	24/10/2011	10/08/2012
	Accrual End Date	24/10/2012	24/10/2012	19/04/2013	24/10/2012	12/11/2012
	Accrual Day Count	30	30	365	366	94
	Coupon Reference Rate	0.51563%	0.51563%	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	1.01563%	1.01563%	4.62500%	2.87500%	2.60875%
	Current Period Coupon Amount ¹	751,288	417,382	-	18,738,699	-
	Current Interest Shortfall	-	-	-	-	-
	Cumulative Interest Shortfall	-	-	-	-	-
	Next Interest Payment Date	26/11/2012	26/11/2012	19/04/2013	24/10/2013	12/11/2012
Principal Payments ¹ 01/10/2012 - 31/10/2012	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

Swaps ¹											
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 (£)
Series 1-5	Interest Rate (Asset) Swap			Coventry Building Society	1m LIBOR	1.19000%	1.7056%	Basket of rates	N/A	3.49523%	(6,458,548)
	19/04/2018	GBP	4,390,877,322								
Series 3 Series 4 Series 5	Covered Bond (Liability) Swap			HSBC plc HSBC plc Coventry Building Society	Fixed Fixed 3m LIBOR	N/A N/A 1.60000%	4.62500% 2.87500% 2.60875%	1m LIBOR 1m LIBOR 1m LIBOR	1.63% 2.27% 1.88%	2.13775% 2.78563% 2.39563%	(1,361,717) 15,083,774 (984,505)
	19/04/2018	GBP	750,000,000								
	24/10/2014	EUR	650,000,000								
	10/02/2015	GBP	500,000,000								

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	1,500,000

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