

# Coventry Building Society Covered Bonds

## Investor Report

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### Reporting Information

Reporting Date	28/02/2015
Reporting Period	01/01/2015 to 31/01/2015

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### Outstanding Issuances

Coventry Building Society Covered Bond Series	Issue Date
1	22/07/2008
2	20/11/2008
3	19/04/2011
5	10/02/2012
6	03/11/2014



# Coventry Building Society Covered Bonds

## Investor Report

Mortgage Assets

All values are in pounds sterling unless otherwise stated

### Assets

	Prior Period	Current Period
Number of mortgage accounts in Pool	41,035	40,658
Number of loans in Pool	47,778	47,320
True Balance of mortgage accounts in Pool	£4,418,611,818	£4,353,911,145
Cash and other Substitution Assets	£91,319,523	£139,410,631

### 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
% Buy to Let	0.0

### Collections

	Prior Period	Current Period
Mortgage Collections	£80,014,013	£128,435,911

### Yield Analysis

	Prior Period	Current Period
Weighted Average Pre-Swap Mortgage Yield	3.11%	3.10%

### Arrears Analysis (excluding Properties in Possession)

Months in Arrears	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Current	40,494	99.6%	4,338,924,962	99.7%	-
>0 and <1	120	0.3%	10,803,588	0.2%	31,126
>=1 and <2	44	0.1%	4,182,595	0.1%	32,836
>=2 and <3	-	-	-	-	-
>=3 and <6	-	-	-	-	-
>=6 and <12	-	-	-	-	-
>=12	-	-	-	-	-
<b>Totals</b>	<b>40,658</b>	<b>100.0%</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>63,963</b>

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

### Arrears capitalised in the period

	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Capitalised arrears	-	0.00%	-	0.00%	-

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	41,035	4,418,611,818
Loans added to pool	865	131,008,661
Loans repurchased from pool	(489)	(80,713,546)
<i>of which are non-performing loans</i>	<i>(68)</i>	<i>(7,441,955)</i>
<i>of which have breached R&amp;Ws</i>	<i>(8)</i>	<i>(1,149,345)</i>
Redemptions	(753)	(87,921,964)
Principal receipts		(27,156,040)
Other movements		82,216
Closing totals	40,658	4,353,911,145

### Analysis of accounts with associated savings balances

	Number of loans	Balance (£)	Savings (£)
Loans with Offset arrangement	5,301	584,455,493	66,357,560
Other loans	42,019	3,769,455,652	26,401,966
Totals	47,320	4,353,911,145	92,759,526

The savings balance shows the maximum of the savings and current loan balance.

# Coventry Building Society Covered Bonds

## Investor Report

Mortgage Portfolio Breakdown

### Summary Statistics

	Seasoning (months)	Remaining term (months)	Loan Size (£)			Non-Indexed LTV (%)	Indexed LTV (%)	Arrears Balance (£)
			Whole Pool	Interest only	Repayment			
Weighted Average	43.4	203.5	107,086	125,849	104,493	52.6%	46.4%	390
Min	3.0	0.0	0	0	0	0.0%	0.0%	0
Max	124.6	417.0	972,989	972,989	970,139	96.0%	90.1%	2,234

### Principal Payment Rates (PPR)

	Monthly	3 Month Average	Annualised
Current PPR - Total	2.60%	1.90%	20.52%
Previous PPR - Total	1.49%	1.86%	20.17%

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	2.19%	1.50%	16.58%
Previous CPPR - Total	1.09%	1.45%	16.13%

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	183,449,744	4.2%	1,887	4.6%
East Midlands	350,052,583	8.0%	3,984	9.8%
London	650,199,008	14.9%	3,650	9.0%
North	138,725,380	3.2%	1,842	4.5%
North West	338,789,958	7.8%	3,752	9.2%
Northern Ireland	-	-	-	-
Outer Metropolitan	704,534,640	16.2%	4,742	11.7%
Outer South East	534,951,704	12.3%	4,587	11.3%
Scotland	-	-	-	-
South West	441,603,848	10.1%	4,242	10.4%
Wales	131,993,998	3.0%	1,546	3.8%
West Midlands	583,697,180	13.4%	6,879	16.9%
Yorkshire and Humberside	295,913,103	6.8%	3,547	8.7%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Non-Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	411,741,846	9.5%	10,957	26.9%
>=25% and <50%	1,338,767,875	30.7%	13,349	32.8%
>=50% and <55%	378,140,898	8.7%	2,805	6.9%
>=55% and <60%	455,046,017	10.5%	3,090	7.6%
>=60% and <65%	451,182,923	10.4%	2,838	7.0%
>=65% and <70%	407,220,041	9.4%	2,515	6.2%
>=70% and <75%	524,881,255	12.1%	2,987	7.3%
>=75% and <80%	326,613,098	7.5%	1,807	4.4%
>=80% and <85%	54,835,401	1.3%	282	0.7%
>=85% and <90%	5,100,798	0.1%	26	0.1%
>=90% and <95%	141,058	0.0%	1	0.0%
>=95% and <100%	239,935	0.0%	1	0.0%
>=100%	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Outstanding True Balances

Range of outstanding balances (£)	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<5,000	1,767,290	0.0%	702	1.7%
>=5,000 and <10,000	6,686,924	0.2%	871	2.1%
>=10,000 and <25,000	57,015,715	1.3%	3,208	7.9%
>=25,000 and <50,000	245,843,950	5.6%	6,531	16.1%
>=50,000 and <75,000	397,911,126	9.1%	6,396	15.7%
>=75,000 and <100,000	512,032,849	11.8%	5,871	14.4%
>=100,000 and <150,000	977,036,627	22.4%	7,966	19.6%
>=150,000 and <200,000	737,595,141	16.9%	4,290	10.6%
>=200,000 and <250,000	479,179,255	11.0%	2,150	5.3%
>=250,000 and <300,000	302,053,791	6.9%	1,109	2.7%
>=300,000 and <350,000	195,247,355	4.5%	605	1.5%
>=350,000 and <400,000	137,004,283	3.1%	368	0.9%
>=400,000 and <450,000	79,731,610	1.8%	188	0.5%
>=450,000 and <500,000	76,732,034	1.8%	162	0.4%
>=500,000 and <600,000	74,209,079	1.7%	137	0.3%
>=600,000 and <700,000	41,398,803	1.0%	64	0.2%
>=700,000 and <800,000	14,077,120	0.3%	19	0.0%
>=800,000 and <900,000	11,776,348	0.3%	14	0.0%
>=900,000 and <1,000,000	6,611,846	0.2%	7	0.0%
>=1,000,000	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Employment status

Employment status	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Employed	3,306,242,169	75.9%	31,782	78.2%
Self-employed	935,742,333	21.5%	6,765	16.6%
Unemployed	9,071,441	0.2%	115	0.3%
Retired	83,177,852	1.9%	1,795	4.4%
Guarantor	-	-	-	-
Other	19,677,351	0.5%	201	0.5%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Originator

Originator	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Coventry Building Society	4,353,911,145	100.0%	47,320	100.0%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>47,320</b>	<b>100.0%</b>

### Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	556,094,954	12.8%	12,598	31.0%
>=25% and <50%	1,750,769,524	40.2%	15,161	37.3%
>=50% and <55%	504,704,473	11.6%	3,291	8.1%
>=55% and <60%	479,471,008	11.0%	3,047	7.5%
>=60% and <65%	481,505,466	11.1%	2,952	7.3%
>=65% and <70%	377,761,468	8.7%	2,371	5.8%
>=70% and <75%	180,294,372	4.1%	1,114	2.7%
>=75% and <80%	16,247,079	0.4%	88	0.2%
>=80% and <85%	3,708,023	0.1%	19	0.0%
>=85% and <90%	3,067,722	0.1%	15	0.0%
>=90% and <95%	287,057	0.0%	2	0.0%
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Seasoning of Loans

Age of loans in months	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<12	295,964,259	6.8%	2,058	5.1%
>=12 and <24	1,189,646,821	27.3%	8,355	20.5%
>=24 and <36	755,419,047	17.4%	6,623	16.3%
>=36 and <48	521,745,387	12.0%	5,115	12.6%
>=48 and <60	527,239,281	12.1%	5,326	13.1%
>=60 and <72	297,545,000	6.8%	3,347	8.2%
>=72 and <84	209,224,781	4.8%	2,563	6.3%
>=84 and <96	234,683,744	5.4%	2,892	7.1%
>=96 and <108	178,430,571	4.1%	2,283	5.6%
>=108 and <120	138,587,850	3.2%	1,990	4.9%
>=120 and <150	5,424,405	0.1%	106	0.3%
>=150 and <180	-	-	-	-
>=180	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

# Coventry Building Society Covered Bonds

## Investor Report

## Mortgage Portfolio Breakdown

### Product Rate Type and Reversionary Profiles

Range of outstanding balances (£)	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts	Weighted Average Current Rate	Remaining product incentive period (months)	Weighted Average Current margin	Weighted Average Reversionary margin	Weighted Average Initial rate
Fixed at origination, reverting to Administered	2,444,131,898	56.1%	23,536	49.7%	3.37%	20.6	2.65%	4.17%	3.29%
Fixed at origination, reverting to LIBOR	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
Fixed at origination, reverting to Tracker	205,045,285	4.7%	2,704	5.7%	1.30%	0.1	0.80%	0.80%	5.38%
Fixed for life	1,672	0.0%	11	0.0%	0.00%	-	0.29%	0.29%	0.00%
Tracker at origination, reverting to Administered	151,252,493	3.5%	1,588	3.4%	3.89%	4.4	3.34%	3.96%	3.18%
Tracker at origination, reverting to LIBOR	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
Tracker for life	183,628,984	4.2%	2,633	5.6%	1.25%	-	0.75%	0.75%	4.27%
Administered, including discount to Administered LIBOR	1,369,850,813	31.5%	16,848	35.6%	3.02%	0.0	2.46%	2.46%	3.28%
	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>47,320</b>	<b>100.0%</b>	<b>3.09%</b>	<b>11.7</b>	<b>2.45%</b>	<b>3.32%</b>	<b>3.42%</b>

### Months to maturity of loans

Months to maturity	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<30	60,637,742	1.4%	1,769	4.4%
>=30 and <60	125,513,216	2.9%	2,643	6.5%
>=60 and <120	506,710,313	11.6%	7,722	19.0%
>=120 and <180	934,430,585	21.5%	9,596	23.6%
>=180 and <240	1,196,369,625	27.5%	9,466	23.3%
>=240 and <300	1,119,421,359	25.7%	7,090	17.4%
>=300 and <360	297,071,380	6.8%	1,701	4.2%
>=360	113,756,926	2.6%	671	1.7%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

### Months to maturity of loans split by Repayment terms

Months to maturity	Repayment	Interest Only	Combination (Interest Only and Repayment)	Total
<30	10,050,458	43,329,486	7,257,797	<b>60,637,742</b>
>=30 and <60	46,635,919	62,606,198	16,271,098	<b>125,513,216</b>
>=60 and <120	320,817,835	131,598,082	54,294,396	<b>506,710,313</b>
>=120 and <180	718,534,786	148,271,781	67,624,018	<b>934,430,585</b>
>=180 and <240	997,201,387	138,749,151	60,419,086	<b>1,196,369,625</b>
>=240 and <300	1,045,848,963	54,629,953	18,942,443	<b>1,119,421,359</b>
>=300 and <360	288,457,413	5,594,146	3,019,821	<b>297,071,380</b>
>=360	111,530,871	1,050,042	1,176,012	<b>113,756,926</b>
<b>Totals</b>	<b>3,539,077,634</b>	<b>585,828,839</b>	<b>229,004,673</b>	<b>4,353,911,145</b>

### Product groups

Type of rate	True Balance (£)	% of total balance	Number of Loans	% of total accounts
Fixed rate	2,232,573,779	51.3%	20,876	44.1%
Capped	16,666,941	0.4%	117	0.2%
Tracker	416,594,636	9.6%	5,546	11.7%
Administered	1,688,075,790	38.8%	20,781	43.9%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>47,320</b>	<b>100.0%</b>

### Repayment terms

Repayment Terms	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	3,182,668,966	73.1%	36,116	76.3%
Interest Only	553,934,259	12.7%	5,519	11.7%
Combination (Interest Only and Repayment)	32,852,428	0.8%	384	0.8%
Offset	584,455,493	13.4%	5,301	11.2%
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>47,320</b>	<b>100.0%</b>

### Occupancy type

Occupancy type	True Balance (£)	% of total balance	Number of Loans	% of total accounts
Owner-occupied	4,353,174,977	100.0%	47,308	100.0%
Buy-to-let*	736,168	0.0%	12	0.0%
Second home	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>47,320</b>	<b>100.0%</b>

### Income verification type

Income verification type	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Income verification requested	4,353,911,145	100.0%	40,658	100.0%
Fast-track	-	-	-	-
Self-certified	-	-	-	-
<b>Totals</b>	<b>4,353,911,145</b>	<b>100.0%</b>	<b>40,658</b>	<b>100.0%</b>

\* BTL loans are due to product switches and have since been repurchased.

# Coventry Building Society Covered Bonds

## Investor Report

## Two Dimensional Mortgage Portfolio Breakdown

### No. Months in Arrears

	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	2,299,838,826	981,147,229	854,953,914	195,922,191	6,775,746	287,057	-	4,338,924,962
<1 Month in Arrears	5,652,595	2,229,110	2,765,144	156,738	-	-	-	10,803,588
>=1 and <3 Months in Arrears	1,373,057	799,141	1,547,875	462,521	-	-	-	4,182,595
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>2,306,864,478</b>	<b>984,175,481</b>	<b>859,266,934</b>	<b>196,541,451</b>	<b>6,775,746</b>	<b>287,057</b>	-	<b>4,353,911,145</b>

### Regional Distribution

	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	99,004,739	43,668,629	34,154,353	6,452,210	169,813	-	-	183,449,744
East Midlands	163,751,975	84,928,418	86,911,343	14,319,789	-	141,058	-	350,052,583
London	430,586,725	156,742,039	54,105,392	8,556,896	207,956	-	-	650,199,008
North	57,073,748	30,591,751	36,213,437	14,428,911	417,534	-	-	138,725,380
North West	143,570,639	69,567,451	94,007,337	30,752,771	891,760	-	-	338,789,958
Outer Metropolitan	402,543,522	158,210,747	121,478,411	21,412,356	889,604	-	-	704,534,640
Outer South East	298,207,062	118,475,272	97,060,609	19,772,230	1,436,532	-	-	534,951,704
South West	235,234,845	88,693,355	101,012,191	15,609,092	1,054,364	-	-	441,603,848
Wales	56,964,504	26,162,229	33,033,000	15,363,413	324,853	145,998	-	131,993,998
West Midlands	296,822,154	141,262,777	124,082,083	20,615,073	915,092	-	-	583,697,180
Yorkshire and Humberside	123,104,565	65,872,812	77,208,778	29,258,711	468,237	-	-	295,913,103
<b>Totals</b>	<b>2,306,864,478</b>	<b>984,175,481</b>	<b>859,266,934</b>	<b>196,541,451</b>	<b>6,775,746</b>	<b>287,057</b>	-	<b>4,353,911,145</b>

### Repayment Type

	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	1,617,526,693	738,399,220	661,582,356	158,740,492	6,133,148	287,057	-	3,182,668,966
Interest Only	323,685,970	115,550,266	92,001,546	22,636,473	60,004	-	-	553,934,259
Combination (Interest Only and Repayment)	24,548,896	5,889,409	2,384,297	-	29,826	-	-	32,852,428
Offset	341,102,920	124,336,585	103,298,736	15,164,485	552,767	-	-	584,455,493
<b>Total</b>	<b>2,306,864,478</b>	<b>984,175,481</b>	<b>859,266,934</b>	<b>196,541,451</b>	<b>6,775,746</b>	<b>287,057</b>	-	<b>4,353,911,145</b>

### 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	1,083,702,767	550,535,231	479,797,876	113,804,871	4,445,977	287,057	-	2,232,573,779
Capped	10,546,983	3,885,238	2,021,645	-	213,075	-	-	16,666,941
Variable	1,212,614,728	429,755,011	377,447,413	82,736,580	2,116,694	-	-	2,104,670,426
<b>Totals</b>	<b>2,306,864,478</b>	<b>984,175,481</b>	<b>859,266,934</b>	<b>196,541,451</b>	<b>6,775,746</b>	<b>287,057</b>	-	<b>4,353,911,145</b>

# Coventry Building Society Covered Bonds

## Investor Report

## Two Dimensional Mortgage Portfolio Breakdown

No. Months in Arrears	Total Balance split by Region											Total
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	
Current	183,192,188	348,794,880	647,910,212	138,188,591	336,703,053	703,380,841	533,078,842	440,889,195	131,274,529	580,555,666	294,956,966	4,338,924,962
<1 Month in Arrears	257,557	1,042,610	1,636,257	265,328	1,323,710	705,731	1,227,383	626,874	638,396	2,597,390	482,353	10,803,588
>=1 and <3 Months in Arrears	-	215,093	652,539	271,460	763,195	448,068	645,479	87,780	81,073	544,123	473,785	4,182,595
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>183,449,744</b>	<b>350,052,583</b>	<b>650,199,008</b>	<b>138,725,380</b>	<b>338,789,958</b>	<b>704,534,640</b>	<b>534,951,704</b>	<b>441,603,848</b>	<b>131,993,998</b>	<b>583,697,180</b>	<b>295,913,103</b>	<b>4,353,911,145</b>

Range of outstanding balances (£)	Total Balance split by Region											Total
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	
<5,000	96,789	151,878	79,045	165,692	146,040	130,202	171,241	223,003	70,513	353,406	179,482	1,767,290
>=5,000 and <10,000	289,000	873,673	162,531	515,363	659,152	402,486	686,148	661,429	311,412	1,383,533	742,197	6,686,924
>=10,000 and <25,000	2,958,898	6,788,536	2,022,026	3,730,578	5,646,559	3,878,189	5,584,868	5,553,766	2,501,534	12,044,812	6,305,949	57,015,715
>=25,000 and <50,000	11,340,366	26,925,039	9,441,808	15,287,164	27,880,910	17,114,482	22,763,130	23,318,696	11,057,752	52,783,943	27,930,660	245,843,950
>=50,000 and <75,000	19,583,992	45,357,811	16,319,559	21,322,910	43,345,889	31,216,278	37,862,603	40,603,890	19,076,293	82,666,923	40,554,978	397,911,126
>=75,000 and <100,000	26,730,822	59,144,602	31,239,545	22,598,084	50,667,934	47,477,737	52,303,500	58,274,785	23,667,939	90,749,305	49,178,595	512,032,849
>=100,000 and <150,000	50,037,568	93,452,371	86,119,894	35,441,750	84,366,773	123,732,388	134,038,136	116,511,224	32,908,435	146,475,583	73,952,505	977,036,627
>=150,000 and <200,000	30,367,224	50,929,492	125,664,543	18,029,494	50,722,838	138,315,293	104,573,650	82,071,933	17,776,456	77,749,715	41,394,504	737,595,141
>=200,000 and <250,000	15,637,452	26,743,484	100,744,902	9,126,701	28,890,159	101,816,686	67,994,927	43,995,902	10,791,259	49,010,018	24,427,763	479,179,255
>=250,000 and <300,000	7,906,247	16,915,316	74,339,868	4,970,080	17,105,717	74,670,469	35,799,736	24,489,500	5,982,608	25,613,983	14,260,266	302,053,791
>=300,000 and <350,000	4,457,754	7,360,288	54,124,393	2,862,308	9,928,903	55,632,153	22,917,946	13,830,002	3,573,247	15,749,247	4,811,112	195,247,355
>=350,000 and <400,000	4,011,572	5,915,788	43,480,803	746,304	5,471,325	33,039,230	16,812,648	11,546,454	1,104,590	10,836,819	4,038,750	137,004,283
>=400,000 and <450,000	3,365,845	1,736,642	24,559,082	846,317	2,102,900	22,088,298	8,986,738	7,518,498	440,578	5,154,032	2,932,679	79,731,610
>=450,000 and <500,000	2,365,266	2,365,063	22,218,386	1,422,563	5,570,403	17,472,776	11,884,429	5,805,660	461,479	6,196,480	969,529	76,732,034
>=500,000 and <600,000	2,773,981	4,783,487	26,872,774	1,660,071	4,273,026	16,599,660	5,493,341	3,226,152	1,615,584	4,243,270	2,667,734	74,209,079
>=600,000 and <700,000	692,499	609,113	18,025,079	-	2,011,431	9,641,124	4,704,711	3,171,996	654,318	1,257,378	631,154	41,398,803
>=700,000 and <800,000	-	-	6,681,364	-	-	5,219,017	748,007	-	-	1,428,731	-	14,077,120
>=800,000 and <900,000	834,467	-	4,289,443	-	-	4,225,535	1,625,946	800,957	-	-	-	11,776,348
>=900,000 and <1,000,000	-	-	3,813,963	-	-	1,862,635	-	-	-	-	-	6,611,846
>=1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>183,449,744</b>	<b>350,052,583</b>	<b>650,199,008</b>	<b>138,725,380</b>	<b>338,789,958</b>	<b>704,534,640</b>	<b>534,951,704</b>	<b>441,603,848</b>	<b>131,993,998</b>	<b>583,697,180</b>	<b>295,913,103</b>	<b>4,353,911,145</b>

Average Mortgage size	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	Total
	97,218	87,865	178,137	75,312	90,296	148,573	116,623	104,103	85,378	84,852	83,426	

Repayment Type	Total Balance split by Region											Total
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	
Repayment	137,491,486	258,997,747	471,617,119	100,101,547	248,421,572	509,352,412	388,208,662	306,672,745	93,414,633	441,783,994	226,607,050	3,182,668,966
Interest Only	21,419,523	35,829,882	85,889,339	17,425,473	42,723,721	90,469,871	74,974,292	72,777,209	20,372,902	63,769,051	28,282,997	553,934,259
Combination (Interest Only and Repayment)	1,948,738	3,186,578	1,705,276	1,139,190	2,228,930	5,229,342	4,675,230	2,763,774	746,138	6,839,829	2,389,401	32,852,428
Offset	22,589,997	52,038,376	90,987,274	20,059,169	45,415,735	99,483,016	67,093,520	59,390,119	17,460,325	71,304,306	38,633,656	584,455,493
<b>Total</b>	<b>183,449,744</b>	<b>350,052,583</b>	<b>650,199,008</b>	<b>138,725,380</b>	<b>338,789,958</b>	<b>704,534,640</b>	<b>534,951,704</b>	<b>441,603,848</b>	<b>131,993,998</b>	<b>583,697,180</b>	<b>295,913,103</b>	<b>4,353,911,145</b>

Interest Payment Type	Total Balance split by Region											Total
	East Anglia	East Midlands	London	North	North West	Outer Metropolitan	Outer South East	South West	Wales	West Midlands	Yorkshire and Humberside	
Fixed	94,202,777	164,299,130	370,523,825	64,714,134	169,300,209	388,583,711	284,625,664	233,195,366	62,020,913	253,656,491	147,451,559	2,232,573,779
Capped	128,621	900,622	3,558,317	471,087	702,755	4,295,577	2,112,704	2,691,427	303,809	638,014	864,009	16,666,941
Variable	89,118,346	184,852,831	276,116,867	73,540,158	168,786,993	311,655,352	248,213,337	205,717,055	69,669,276	329,402,675	147,597,536	2,104,670,426
<b>Total</b>	<b>183,449,744</b>	<b>350,052,583</b>	<b>650,199,008</b>	<b>138,725,380</b>	<b>338,789,958</b>	<b>704,534,640</b>	<b>534,951,704</b>	<b>441,603,848</b>	<b>131,993,998</b>	<b>583,697,180</b>	<b>295,913,103</b>	<b>4,353,911,145</b>

# Coventry Building Society Covered Bonds

## Investor Report

## Key Events & Parties

### Summary of Tests & Triggers

Event	Summary	Trigger	Fitch Rating Trigger	Fitch Current Rating	Moody's Rating Trigger	Moody's Current Rating	Breached	Consequence if Trigger Breached
<b>Issuer Event of Default</b>	Issuer failure to pay on Covered Bonds or issuer insolvency	Issuer failure to pay on Covered Bonds or issuer insolvency	N/A	N/A	N/A	N/A	No	Activates the Covered Bond Guarantee
<b>Servicer Trigger (1)</b>	Servicer's ratings fall below required levels	(Initial) Moody's short-term: P-2 , Fitch short-term: F2	F2	F1	P-2	P-2	No	At initial trigger, direct funds to account held with Stand-by Account Bank
<b>Servicer Trigger (2)</b>	Servicer's ratings fall below required levels	(Subsequent) Moody's long-term: Baa1, Fitch long-term: BBB	BBB	A	Baa1	A3	No	Replace servicer within 60 days at subsequent breach
<b>Asset Coverage Test</b>	Failure of Asset Coverage Test	Adjusted Aggregate Loan Amount less than Aggregate Principal Amount Outstanding	N/A	N/A	N/A	N/A	No	If not remedied within three calculation dates, triggers Issuer Event of Default
<b>Interest Rate Shortfall Test</b>	Failure of Interest Rate Shortfall Test	Forecast revenue insufficient to fund the next month's payments	N/A	N/A	N/A	N/A	No	Consider a cash capital contribution
<b>Interest Coverage Test</b>	Interest received in next 12 months exceeds interest payable	Amount received is less than amount payable	N/A	N/A	N/A	N/A	No	Regulatory action
<b>Overcollateralisation Test</b>	Eligible assets exceed bonds outstanding	Excess is less than 8% of bonds outstanding	N/A	N/A	N/A	N/A	No	Regulatory action
<b>Cash Manager (1)</b>	Cash Manager's ratings fall below required levels	(Initial) Moody's long-term: Baa1, Fitch long-term: BBB	BBB	A	Baa1	A3	No	Enter into Back up Cash Manager Agreement
<b>Cash Manager (2)</b>	Cash Manager's ratings fall below required levels	(Subsequent) Moody's long-term: Baa3, Fitch long-term: BBB-	BBB-	A	Baa3	A3	No	Appoint Back up Cash Manager
<b>Stand-by Account Bank</b>	Account Bank's ratings fall below required levels	Moody's short-term: P-1 , Fitch short-term: F1	F1	F1+	P-1	P-1	Yes	Appoint Stand-by Account Bank
<b>Swap Counterparty Rating Trigger</b> (see page 12, "Collateral Postings")	Breach of ratings trigger	Counterparty ratings downgrade		(see page 12, "Collateral Postings")			Yes	Collateral posting

Key Parties	Current Long Term Rating (S&P / Moody's / Fitch)	Current Short Term Rating (S&P / Moody's / Fitch)	Role
<b>Coventry Building Society</b>	NR / A3 / A	NR / P-2 / F1	Issuer, Servicer, Cash Manager, Interest Rate (Asset) Swap Provider and Covered Bond (Liability) Swap Provider
<b>Coventry Building Society Covered Bonds LLP</b>	N/A	N/A	LLP
<b>HSBC Bank plc</b>	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
<b>HSBC Corporate Trustee Company (UK) Ltd</b>	N/A	N/A	Bond Trustee and Security Trustee
<b>Deloitte LLP</b>	N/A	N/A	Asset Pool Monitor
<b>Structured Finance Management Ltd</b>	N/A	N/A	Corporate Services Provider
<b>Various</b>	N/A / Aa3 / N/A	N/A / P-1 / F1+	Authorised Investments Providers



# Coventry Building Society Covered Bonds

## Investor Report

## Asset Coverage Test

Asset Coverage Test			
Calculation Date		19/02/2015	19/01/2015
<b>Aggregate Adjusted Loan Amount</b>	<b>=A+B+C+D-(X+Y+Z)</b>		
<b>Description</b>		<b>Value</b>	<b>Value</b>
True Balance		4,353,911,145	4,418,611,818
Adjusted Indexed Valuation		11,997,172,147	12,110,559,009
Asset Percentage		87.0%	87.0%
Loans < 3 months in arrears		4,353,911,145	4,418,611,818
Loans >=3 months in arrears =< 75% LTV		-	-
Loans >=3 months in arrears > 75% LTV		-	-
Principal Outstanding on Bonds		2,544,300,000	3,044,300,000
Average Remaining Maturity of Bonds (Weighted Average Years)		2.9	2.2
Negative Carry Factor (Weighted Average)		1.22%	1.39%
<b>A = Lower of (i) and (ii) multiplied by Asset Percentage :</b>			
<b>(i) Adjustment on True Balance</b>			
Adjusted True Balance			
made up by:	<b>M</b>		
Loans < 3 months in arrears	0.75	4,351,892,145	4,416,287,526
Loans >=3 months in arrears =< 75% LTV	0.4	0	0
Loans >=3 months in arrears > 75% LTV	0.25	0	0
<b>Adjusted True Balance</b>		<b>4,351,892,145</b>	<b>4,416,287,526</b>
<b>(ii) Arrears Adjustment on True Balance</b>			
Arrears Adjusted True Balance			
made up by:	<b>N</b>		
Loans < 3 months in arrears	1	4,353,176,899	4,417,463,198
Loans >=3 months in arrears =< 75% LTV	0.4	0	0
Loans >=3 months in arrears > 75% LTV	0.25	0	0
<b>sub total</b>		<b>4,353,176,899</b>	<b>4,417,463,198</b>
<b>Asset Percentage</b>			
Contractual (maximum)		90.0%	90.0%
Moody's Required		87.7%	87.7%
Fitch Required		87.0%	87.0%
<b>Current Asset Percentage (% used)</b>		<b>87.0%</b>	<b>87.0%</b>
<b>Arrears Adjusted True Balance</b>		<b>3,787,263,902</b>	<b>3,843,192,982</b>
Fitch Discontinuity Factor (%)		15.7%	
Moody's Timely Payment Indicator		Probable	
Moody's Collateral Score (%)		5.0%	
Moody's Collateral Score excl. systemic risk (%)		3.0%	

Asset Coverage Test (continued)			
		19/02/2015	19/01/2015
<b>A: Arrears Adjusted True Balance</b>		<b>3,787,263,902</b>	<b>3,843,192,982</b>
<b>B: Principal Receipts Retained in Cash</b>		<b>60,309,563</b>	<b>19,105,524</b>
<b>C: Retained Cash Contributions</b>		<b>-</b>	<b>-</b>
<b>D: Substitution Assets - Principal Receipts<sup>1</sup> - Capital Contributions</b>		<b>54,768,441</b>	<b>46,790,313</b>
<b>X: Savings set off balance</b>		<b>(92,759,526)</b>	<b>(93,581,837)</b>
<b>Y : Flexible draw deduction</b>		<b>-</b>	<b>-</b>
<b>Z: Negative carry adjustment</b>		<b>(90,320,705)</b>	<b>(94,204,365)</b>
<b>Adjusted Aggregate Loan Amount</b>		<b>3,719,261,676</b>	<b>3,721,302,617</b>
<b>Aggregate Principal Amount Outstanding</b>		<b>2,544,300,000</b>	<b>3,044,300,000</b>
<b>Test Result</b>		<b>PASS</b>	<b>PASS</b>
<b>Surplus Result</b>		<b>1,174,961,676</b>	<b>677,002,617</b>
<b>Loan Amount to Covered Bond ratio percentage</b>		<b>58.44%</b>	<b>68.90%</b>
<b>Credit Enhancement and Liquidity Support</b>			
		<b>31/01/2015</b>	<b>31/12/2014</b>
Reserve funds		12,006,890	12,020,066
Retained principal		615,078,004	65,895,837
Overcollateralisation		1,948,627,519	1,465,291,768
Overcollateralisation percentage		76.59%	48.13%
Interest Coverage Test		Pass	Pass

<sup>1</sup>Substitution Assets are comprised of short term cash deposits and UK Treasury Bills.

# Coventry Building Society Covered Bonds

## Investor Report

## Principal & Revenue Receipts and Ledgers

Interest Payment Date 24/02/2015  
 Collection Period for Mortgages 01/01/2015 to 31/01/2015  
 Calculation Period for Notes 26/01/2015 to 24/02/2015

Has an LLP notice to pay been issued ? No

	Month End 31/01/2015	Month End 31/12/2014
<b>AVAILABLE REVENUE RECEIPTS</b>	(£)	(£)
(a) Revenue Receipts - Interest received from Borrowers	10,923,894	11,909,868
(a) Revenue Receipts - Fees charged to Borrowers	327,116	423,156
(b) Interest received	30,857	34,759
(c) Excess Reserve Fund	-	13,177
(d) Other Revenue Receipts	43,871	35,837
(e) Excess Required Coupon Amount	-	-
(f) Reserve Ledger credit amounts following Notice to Pay	-	-
LESS		
(g) Amounts Belonging to Third Parties	(327,116)	(423,156)
(h) Required Coupon Amount	-	-
(i) Interest Accumulation Ledger	-	-
<b>Total Available Revenue Receipts</b>	<b>10,998,621</b>	<b>11,993,640</b>

	(£)	(£)
<b>PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS</b>		
(a) Fees due to Bond Trustee and Security Trustee	-	-
(b) Fees due to Agent	-	-
(c) Amounts due to Servicer, Cash Manager, Standby Account Bank, Corporate Services Provider and Asset Monitor	1,914	13,737
(d) Amounts due to the Interest Rate Swap Provider	5,627,254	4,893,243
(e) (i) Amounts due to/(from) the Covered Bond Swap Providers	(713,297)	2,761,804
(ii) Amounts due on the Term Advance	3,835,750	1,267,840
(f) Transfer to Coupon Payment Ledger following Cash Manager Event	-	-
(g) Transfer to Standby GIC Account following Servicer Event of Default	-	-
(h) Transfer to Reserve Ledger	14,955	-
(i) Excluded Swap Termination Amounts	-	-
(j) Indemnity amounts due to the Members	-	-
(k) Repayment of Cash Capital Contributions	-	-
(l) Deferred Consideration	2,232,046	3,057,017
(m) Fees due to the Liquidation Member	-	-
(n) Members profit amount	-	-
<b>Revenue priority of payments total</b>	<b>10,998,621</b>	<b>11,993,640</b>

	(£)	(£)
<b>AVAILABLE PRINCIPAL RECEIPTS</b>		
(a) Scheduled amounts received from Borrowers	18,366,714	17,840,878
Unscheduled amounts received from Borrowers	99,145,303	50,263,267
Less Further Advances made	(2,434,013)	(2,208,308)
(b) (i) Term Advance	-	-
(ii) Cash Capital Contributions	500,000,000	-
(iii) Sale of Selected Loans	-	-
<b>Total Available Principal Receipts</b>	<b>615,078,004</b>	<b>65,895,837</b>

	(£)	(£)
<b>PRE-ACCELERATION PRINCIPAL PRIORITY OF PAYMENTS</b>		
(a) Purchase of New Loans or Substitution Assets	-	-
(b) Transfer to Principal Ledger	-	-
(c) (i) Amounts due to the Covered Bond Swap Providers	-	-
(ii) Amounts due on the Term Advance	500,000,000	-
(d) Capital Distribution to Members	115,078,004	65,895,837
<b>Principal priority of payments total</b>	<b>615,078,004</b>	<b>65,895,837</b>

	Month End 31/01/2015	Month End 31/12/2014
<b>LEDGERS</b>		
<b>Reserve Ledger</b>	(£)	(£)
Balance b/f on Reserve Ledger	12,020,066	12,009,010
Transfers to/from GIC	(13,177)	11,056
Cash Capital Contribution	-	-
<b>Balance c/f on Reserve Ledger</b>	<b>12,006,890</b>	<b>12,020,066</b>
Reserve Fund Required Amount	12,006,890	12,020,066
<b>Total cash holding month end</b>	<b>139,410,631</b>	<b>91,319,523</b>
<b>Bond value</b>	<b>2,544,300,000</b>	<b>3,044,300,000</b>
<b>Percentage Cash Holding</b>	<b>5.5%</b>	<b>3.0%</b>

	(£)	(£)
<b>Summary Balance Sheet and Ledgers</b>		
GIC Account	84,642,190	44,529,210
Substitution Assets <sup>1</sup>	54,768,441	46,790,313
<b>Subtotal</b>	<b>139,410,631</b>	<b>91,319,523</b>
Transaction Account	-	-
Authorised Investments	-	-
Loan Balance	4,353,911,145	4,418,611,818
<b>Total Assets</b>	<b>4,493,321,777</b>	<b>4,509,931,341</b>
Intercompany Loan <sup>2</sup>	2,544,300,000	3,044,300,000
Capital Account	1,949,021,777	1,465,631,341
<b>Total Liabilities</b>	<b>4,493,321,777</b>	<b>4,509,931,341</b>

<sup>1</sup>Substitution Assets comprise short term cash deposits and UK Treasury Bills.

<sup>2</sup>Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap.

# Coventry Building Society Covered Bonds

## Investor Report

Notes in Issue

	1	2	3	5	6	
Notes In Issue	<b>Series</b>					
	<b>Issue Date</b>	22/07/2008	20/11/2008	19/04/2011	10/02/2012	03/11/2014
	<b>Original rating</b> (Moody's / S&P / Fitch)	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA
	<b>Current rating</b> (Moody's / S&P / Fitch)	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA	Aaa / NR / AAA
	<b>Currency</b>	GBP	GBP	GBP	GBP	EUR
	<b>Issue size</b>	1,500,000,000	500,000,000	750,000,000	500,000,000	500,000,000
	<b>Relevant Swap Rate</b>	1.000	1.000	1.000	1.000	0.789
	<b>GBP Equivalent</b>	1,500,000,000	500,000,000	750,000,000	500,000,000	394,300,000
	<b>Current Period Balance</b>	900,000,000	500,000,000	750,000,000	500,000,000	500,000,000
	<b>Previous Period Balance</b>	900,000,000	500,000,000	750,000,000	500,000,000	500,000,000
	<b>Current Period Pool Factor</b>	1	1	1	1	1
	<b>Previous Period Pool Factor</b>	1	1	1	1	1
	<b>Expected maturity date</b>	25/07/2016	24/11/2016	19/04/2018	10/02/2015	03/11/2021
	<b>Legal Final maturity date</b>	25/07/2016	24/11/2016	19/04/2018	10/02/2015	03/11/2021
	<b>Extended Due for Payment Date</b>	24/07/2017	24/11/2017	19/04/2019	10/02/2016	03/11/2022
<b>Margin payable under extended maturity period (%)</b>	0.50%	0.50%	1.22%	1.60%	0.03%	
<b>ISIN</b>	XS0378817240	XS0400750542	XS0618833635	XS0744752568	XS1131109537	
<b>Stock exchange listing</b>	LSE	LSE	LSE	LSE	LSE	
Interest Payments 01/02/2015 - 28/02/2015	<b>Interest Payment Frequency</b>	Monthly	Monthly	Annually	Quarterly	Annually
	<b>Accrual Start Date</b>	26/01/2015	26/01/2015	22/04/2014	10/11/2014	03/11/2014
	<b>Accrual End Date</b>	24/02/2015	24/02/2015	20/04/2015	10/02/2015	03/11/2015
	<b>Accrual Day Count</b>	29	29	363	92	365
	<b>Coupon Reference Rate</b>	0.50444%	0.50444%	N/A	0.55713%	N/A
	<b>Relevant Margin</b>	0.50000%	0.50000%	4.62500%	1.60000%	0.62500%
	<b>Current Period Coupon Reference Rate</b>	1m GBP LIBOR	1m GBP LIBOR	Fixed	3m GBP LIBOR	Fixed
	<b>Current Period Coupon</b>	1.00444%	1.00444%	4.62500%	2.15713%	0.62500%
	<b>Current Period Coupon Amount</b>	718,200	399,000	-	2,718,550	-
	<b>Current Interest Shortfall</b>	-	-	-	-	-
Principal Payments 01/02/2015 - 28/02/2015	<b>Cumulative Interest Shortfall</b>	-	-	-	-	-
	<b>Next Interest Payment Date</b>	24/02/2015	24/02/2015	20/04/2015	10/02/2015	03/11/2015
	<b>Bond Structure</b>	Soft bullet	Soft bullet	Soft bullet	Soft bullet	Soft bullet
	<b>Current Period Scheduled Principal Payment</b>	-	-	-	-	-
	<b>Actual Principal Paid</b>	-	-	-	-	-
	<b>Principal Shortfall</b>	-	-	-	-	-
	<b>Cumulative Principal Shortfall</b>	-	-	-	-	-
<b>Expected Principal Payment Date</b>	25/07/2016	24/11/2016	19/04/2018	10/02/2015	03/11/2021	

# Coventry Building Society Covered Bonds

## Investor Report

Swaps

### Swaps<sup>1</sup>

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 (£)
	<b>Interest Rate (Asset) Swap</b>										
Series 1-6	19/04/2018	GBP	4,362,827,557	Coventry Building Society	1m LIBOR	1.19000%	1.69163%	Basket of rates	N/A	3.10378%	(5,627,254)
	<b>Covered Bond (Liability) Swap</b>										
Series 3	19/04/2018	GBP	750,000,000	HSBC plc	Fixed	N/A	4.62500%	1m LIBOR	1.63%	2.13719%	(1,229,616)
Series 5	10/02/2015	GBP	500,000,000	Coventry Building Society	3m LIBOR	1.60000%	2.15713%	1m LIBOR	1.88%	2.38444%	(489,953)
Series 6	03/11/2021	EUR	500,000,000	HSBC plc	Fixed	N/A	0.62500%	1m LIBOR	0.40%	0.90644%	(283,969)

### 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			
<b>Interest Rate (Asset) Swap</b> Coventry Building Society	A3 / A	P-2 / F1	A2 / A	P-1 / F1	Y	Post collateral	- <sup>1</sup>
<b>Covered Bond (Liability) Swap</b> HSBC plc	Aa3 / AA-	P-1 / F1+	A2 / A	P-1 / F1	N	Post additional collateral	44,733,156
Coventry Building Society	A3 / A	P-2 / F1	A2 / A	P-1 / F1	Y	Post collateral	3,600,000

<sup>1</sup>The 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

<b>Adjusted True Balance</b>	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.
<b>Administered rates</b>	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.
<b>Arrears Adjusted True Balance</b>	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).
<b>Arrears Balance</b>	Arrears includes any fees and insurance premiums that are past due and interest on arrears. Capitalised arrears are excluded from the Arrears Balance.
<b>Asset Percentage</b>	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.
<b>Constant Default Rates (CDR)</b>	Constant Default Rate is calculated from the balance of loans entering into default in the month and it is shown as a percentage of the opening True Balance.
<b>Constant Prepayment Rates (CPPR)</b>	The Constant Prepayment Rate is calculated from the total Unscheduled Principal Receipts and is shown as a percentage of the opening True Balance. This is consistent with the ESF definition for Constant Prepayment Rates.
<b>Default</b>	For the purposes of this report a loan is identified as being in default where the Months in Arrears is six or more.
<b>Employment Status</b>	Employment status of the primary applicant. People employed by a company of which they are also a director are included as Self-Employed.
<b>Geographical Distribution</b>	This uses the regions in the HPI Regional Series published by Nationwide Building Society. The definition of those regions is available at <a href="http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm">http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm</a> . This definition differs from the standard NUTS 1 regions used in other reporting.
<b>Income Verification Requested</b>	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.
<b>Indexed</b>	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.
<b>Interest Payments</b>	Payments received in a reporting period are applied first to interest and then to principal.
<b>Months in Arrears</b>	Months in Arrears is calculated as the Arrears balance divided by the normal contractual payment due, ignoring any temporary arrangement or payment holiday.
<b>Mortgage Account</b>	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. All items are disclosed at mortgage account level with the exception of Product groups, Repayment terms and the Originator which are reported at an individual loan level.
<b>Mortgage Collections</b>	The aggregate amount of scheduled and unscheduled principal, and interest collected during the reporting period.
<b>Negative carry adjustment</b>	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).
<b>Overcollateralisation</b>	Overcollateralisation is calculated in accordance with Regulation 17(2) of the Regulated Covered Bonds Regulations 2008 (as amended) which sets a lower level of 8% for this measure. Mortgages are included after making a deduction for assets where the Indexed LTV exceeds 80% to restrict the value of the loan to 80% of the latest valuation. Liquid assets are included up to a value of 8% of bonds with a maturity of one year or more and 100% of bonds with a maturity of less than one year.
<b>Principal Payment Rates (PPR)</b>	Principal Payment Rates are calculated from the total Principal Receipts in the month including redemptions, contractual repayments and unscheduled prepayments and are shown as a percentage of the opening True Balance. The ESF uses the term "Principal Payment Rates" for this value.
<b>Principal Receipts</b>	Payments received in a reporting period are applied first to interest and then to principal.
<b>Reserve Fund Required Amount</b>	The value disclosed at the month end is equal to the value calculated at the calculation date immediately proceeding the month end.
<b>Savings Balances</b>	Saving balances are reported on the basis used 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.
<b>Scheduled Principal Receipts</b>	The element of Principal Receipts that are included in the contractual payment for a Borrower who has a Repayment or Combination mortgage.
<b>True Balance</b>	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.
<b>Unscheduled Principal Receipts</b>	The element of Principal Receipts that are not Scheduled Principal Receipts.
<b>Weighted Average Current margin</b>	The current margin is calculated as the interest rate on the loan less the relevant swap rate for Fixed rate loans; current 3 month LIBOR for Administered loans; or current base rate for Tracker loans.
<b>Weighted Average Initial rate</b>	The initial rate is the initial margin on the product plus the index rate prevailing at the time the loan was taken out.
<b>Weighted Average Reversionary margin</b>	The reversionary margin is calculated as the final interest rate due on the loan's current product less 3 month LIBOR for Administered loans or base rate for Tracker loans.