

# Coventry Building Society Covered Bonds

## Investor Report

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### Reporting Information

Reporting Date	30/06/2015
Reporting Period	01/05/2015 to 31/05/2015

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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
6	03/11/2014
7	17/03/2015



# 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	40,724	41,181
Number of loans in Pool	47,352	47,889
True Balance of mortgage accounts in Pool	£4,387,260,224	£4,458,160,998
Cash and other Substitution Assets	£155,105,121	£95,124,986

### 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	£146,471,398	£86,078,074

### Yield Analysis

	Prior Period	Current Period
Weighted Average Pre-Swap Mortgage Yield	3.05%	3.03%

### Arrears Analysis (excluding Properties in Possession)

Months in Arrears	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Current	40,984	99.5%	4,435,739,604	99.5%	-
>0 and <1	157	0.4%	17,039,984	0.4%	39,718
>=1 and <2	40	0.1%	5,381,410	0.1%	34,149
>=2 and <3	-	-	-	-	-
>=3 and <6	-	-	-	-	-
>=6 and <12	-	-	-	-	-
>=12	-	-	-	-	-
<b>Totals</b>	<b>41,181</b>	<b>100.0%</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>73,867</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	40,724	4,387,260,224
Loans added to pool	1,021	151,632,994
Loans repurchased from pool	(80)	(8,233,821)
<i>of which are non-performing loans</i>	<i>(64)</i>	<i>(7,083,522)</i>
<i>of which have breached R&amp;Ws</i>	<i>(16)</i>	<i>(1,150,299)</i>
Redemptions	(484)	(50,338,234)
Principal receipts		(22,685,070)
Other movements		524,904
Closing totals	41,181	4,458,160,998

### Analysis of accounts with associated savings balances

	Number of loans	Balance (£)	Savings (£)
Loans with Offset arrangement	5,715	663,882,259	78,358,046
Other loans	42,174	3,794,278,739	28,415,635
<b>Totals</b>	<b>47,889</b>	<b>4,458,160,998</b>	<b>106,773,681</b>

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	44.6	203.7	108,258	126,262	106,118	52.5%	46.7%	375
Min	3.1	0.0	0	0	0	0.0%	0.0%	0
Max	128.6	416.9	972,717	972,717	962,589	93.5%	89.7%	5,946

### Principal Payment Rates (PPR)

	Monthly	3 Month Average	Annualised
Current PPR - Total	1.66%	2.09%	22.38%
Previous PPR - Total	2.98%	2.05%	21.96%

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

### Constant Prepayment Rates (CPPR)

	Monthly	3 Month Average	Annualised
Current CPPR - Total	1.25%	1.64%	17.98%
Previous CPPR - Total	2.52%	1.59%	17.54%

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	190,589,217	4.3%	1,943	4.7%
East Midlands	358,615,300	8.0%	4,032	9.8%
London	659,555,178	14.8%	3,689	9.0%
North	141,767,846	3.2%	1,853	4.5%
North West	349,666,263	7.8%	3,829	9.3%
Northern Ireland	-	-	-	-
Outer Metropolitan	721,471,508	16.2%	4,801	11.7%
Outer South East	552,778,759	12.4%	4,686	11.4%
Scotland	-	-	-	-
South West	453,580,048	10.2%	4,303	10.4%
Wales	132,533,549	3.0%	1,544	3.7%
West Midlands	594,272,978	13.3%	6,907	16.8%
Yorkshire and Humberside	303,330,352	6.8%	3,594	8.7%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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%	422,305,396	9.5%	11,121	27.0%
>=25% and <50%	1,379,201,318	30.9%	13,552	32.9%
>=50% and <55%	393,340,796	8.8%	2,894	7.0%
>=55% and <60%	478,298,349	10.7%	3,157	7.7%
>=60% and <65%	452,604,111	10.2%	2,809	6.8%
>=65% and <70%	423,234,186	9.5%	2,559	6.2%
>=70% and <75%	538,623,734	12.1%	3,014	7.3%
>=75% and <80%	307,972,278	6.9%	1,749	4.2%
>=80% and <85%	57,077,372	1.3%	300	0.7%
>=85% and <90%	5,269,672	0.1%	25	0.1%
>=90% and <95%	233,786	0.0%	1	0.0%
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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	1,856,448	0.0%	735	1.8%
>=5,000 and <10,000	6,499,114	0.1%	857	2.1%
>=10,000 and <25,000	58,447,455	1.3%	3,289	8.0%
>=25,000 and <50,000	242,290,099	5.4%	6,433	15.6%
>=50,000 and <75,000	402,108,583	9.0%	6,459	15.7%
>=75,000 and <100,000	506,937,413	11.4%	5,812	14.1%
>=100,000 and <150,000	997,909,655	22.4%	8,127	19.7%
>=150,000 and <200,000	764,991,360	17.2%	4,453	10.8%
>=200,000 and <250,000	495,053,430	11.1%	2,224	5.4%
>=250,000 and <300,000	312,306,123	7.0%	1,146	2.8%
>=300,000 and <350,000	210,706,565	4.7%	653	1.6%
>=350,000 and <400,000	136,812,540	3.1%	367	0.9%
>=400,000 and <450,000	88,729,839	2.0%	209	0.5%
>=450,000 and <500,000	77,036,792	1.7%	162	0.4%
>=500,000 and <600,000	77,969,894	1.7%	144	0.3%
>=600,000 and <700,000	44,563,424	1.0%	69	0.2%
>=700,000 and <800,000	15,508,132	0.3%	21	0.1%
>=800,000 and <900,000	10,888,326	0.2%	13	0.0%
>=900,000 and <1,000,000	7,545,804	0.2%	8	0.0%
>=1,000,000	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</b>	<b>100.0%</b>

### Employment status

Employment status	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Employed	3,370,517,753	75.6%	32,129	78.0%
Self-employed	979,753,210	22.0%	7,001	17.0%
Unemployed	9,483,861	0.2%	119	0.3%
Retired	78,882,896	1.8%	1,728	4.2%
Guarantor	-	-	-	-
Other	19,523,278	0.4%	204	0.5%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</b>	<b>100.0%</b>

### Originator

Originator	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Coventry Building Society	4,458,160,998	100.0%	47,889	100.0%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>47,889</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%	561,367,265	12.6%	12,661	30.7%
>=25% and <50%	1,773,290,594	39.8%	15,296	37.1%
>=50% and <55%	505,569,406	11.3%	3,263	7.9%
>=55% and <60%	502,080,634	11.3%	3,131	7.6%
>=60% and <65%	483,729,556	10.9%	2,968	7.2%
>=65% and <70%	366,999,422	8.2%	2,293	5.6%
>=70% and <75%	238,908,253	5.4%	1,423	3.5%
>=75% and <80%	17,810,804	0.4%	103	0.3%
>=80% and <85%	5,446,995	0.1%	28	0.1%
>=85% and <90%	2,958,070	0.1%	15	0.0%
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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	241,865,123	5.4%	1,598	3.9%
>=12 and <24	1,220,581,406	27.4%	8,502	20.6%
>=24 and <36	704,562,247	15.8%	5,783	14.0%
>=36 and <48	660,577,096	14.8%	6,287	15.3%
>=48 and <60	481,789,387	10.8%	4,958	12.0%
>=60 and <72	353,779,784	7.9%	3,845	9.3%
>=72 and <84	138,780,049	3.1%	1,762	4.3%
>=84 and <96	282,539,960	6.3%	3,435	8.3%
>=96 and <108	192,219,520	4.3%	2,371	5.8%
>=108 and <120	141,492,027	3.2%	2,024	4.9%
>=120 and <150	39,974,400	0.9%	616	1.5%
>=150 and <180	-	-	-	-
>=180	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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	2,495,250,481	56.0%	23,940	50.0%	3.28%	20.1	2.56%	4.17%	3.20%
Fixed at origination, reverting to LIBOR	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
Fixed at origination, reverting to Tracker	209,573,164	4.7%	2,712	5.7%	1.30%	0.1	0.80%	0.80%	5.39%
Fixed for life	-	-	8	0.0%	0.00%	-	0.00%	0.00%	0.00%
Tracker at origination, reverting to Administered	164,419,416	3.7%	1,647	3.4%	3.26%	7.7	2.72%	3.83%	2.83%
Tracker at origination, reverting to LIBOR	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
Tracker for life	182,460,883	4.1%	2,637	5.5%	1.26%	0.0	0.76%	0.76%	4.15%
Administered, including discount to Administered LIBOR	1,406,457,054	31.5%	16,945	35.4%	2.93%	0.0	2.35%	2.35%	3.15%
	-	-	-	-	0.00%	-	0.00%	0.00%	0.00%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>47,889</b>	<b>100.0%</b>	<b>2.99%</b>	<b>11.6</b>	<b>2.35%</b>	<b>3.28%</b>	<b>3.31%</b>

### Months to maturity of loans

Months to maturity	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<30	57,730,536	1.3%	1,754	4.3%
>=30 and <60	134,770,678	3.0%	2,827	6.9%
>=60 and <120	513,077,263	11.5%	7,764	18.9%
>=120 and <180	965,255,436	21.7%	9,752	23.7%
>=180 and <240	1,222,686,140	27.4%	9,537	23.2%
>=240 and <300	1,138,602,443	25.5%	7,093	17.2%
>=300 and <360	312,744,271	7.0%	1,768	4.3%
>=360	113,294,232	2.5%	686	1.7%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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	10,260,219	40,631,285	6,839,032	57,730,536
>=30 and <60	51,686,410	67,152,980	15,931,288	134,770,678
>=60 and <120	334,232,827	127,712,016	51,132,420	513,077,263
>=120 and <180	759,279,840	141,111,004	64,864,592	965,255,436
>=180 and <240	1,042,327,688	127,135,836	53,222,616	1,222,686,140
>=240 and <300	1,080,110,121	43,361,267	15,131,054	1,138,602,443
>=300 and <360	305,814,234	4,110,725	2,819,311	312,744,271
>=360	111,194,859	929,547	1,169,825	113,294,232
<b>Totals</b>	<b>3,694,906,198</b>	<b>552,144,660</b>	<b>211,110,140</b>	<b>4,458,160,998</b>

### Product groups

Type of rate	True Balance (£)	% of total balance	Number of Loans	% of total accounts
Fixed rate	2,309,473,832	51.8%	21,494	44.9%
Capped	2,006,903	0.0%	18	0.0%
Tracker	471,660,696	10.6%	5,922	12.4%
Administered	1,675,019,567	37.6%	20,455	42.7%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>47,889</b>	<b>100.0%</b>

### Repayment terms

Repayment Terms	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	3,250,220,909	72.9%	36,682	76.6%
Interest Only	512,099,400	11.5%	5,113	10.7%
Combination (Interest Only and Repayment)	31,958,430	0.7%	379	0.8%
Offset	663,882,259	14.9%	5,715	11.9%
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>47,889</b>	<b>100.0%</b>

### Occupancy type

Occupancy type	True Balance (£)	% of total balance	Number of Loans	% of total accounts
Owner-occupied	4,456,355,151	100.0%	47,873	100.0%
Buy-to-let*	1,805,846	0.0%	16	0.0%
Second home	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>47,889</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	4,458,160,998	100.0%	41,181	100.0%
Fast-track	-	-	-	-
Self-certified	-	-	-	-
<b>Totals</b>	<b>4,458,160,998</b>	<b>100.0%</b>	<b>41,181</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	2,324,491,751	1,002,272,769	846,805,960	253,764,059	8,405,065	-	-	4,435,739,604
<1 Month in Arrears	8,642,726	3,040,902	3,011,828	2,344,528	-	-	-	17,039,984
>=1 and <3 Months in Arrears	1,523,381	2,336,369	911,190	610,470	-	-	-	5,381,410
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>2,334,657,858</b>	<b>1,007,650,040</b>	<b>850,728,978</b>	<b>256,719,057</b>	<b>8,405,065</b>	-	-	<b>4,458,160,998</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	100,892,610	43,104,886	34,719,741	11,703,336	168,644	-	-	190,589,217
East Midlands	172,779,963	86,228,050	84,553,702	15,053,586	-	-	-	358,615,300
London	431,570,104	156,843,559	58,850,815	12,084,240	206,459	-	-	659,555,178
North	61,896,140	34,484,589	35,573,123	9,053,557	760,437	-	-	141,767,846
North West	144,771,509	71,304,382	91,799,946	40,453,191	1,337,235	-	-	349,666,263
Outer Metropolitan	419,129,034	173,701,342	104,669,334	23,301,015	670,782	-	-	721,471,508
Outer South East	302,618,426	119,315,760	102,758,715	26,667,353	1,418,505	-	-	552,778,759
South West	231,093,486	92,137,793	102,113,610	26,458,630	1,776,529	-	-	453,580,048
Wales	55,391,939	25,503,712	31,705,584	19,611,760	320,553	-	-	132,533,549
West Midlands	291,211,694	137,270,655	127,662,848	36,607,915	1,519,866	-	-	594,272,978
Yorkshire and Humberside	123,302,952	67,755,311	76,321,559	35,724,475	226,055	-	-	303,330,352
<b>Totals</b>	<b>2,334,657,858</b>	<b>1,007,650,040</b>	<b>850,728,978</b>	<b>256,719,057</b>	<b>8,405,065</b>	-	-	<b>4,458,160,998</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	1,633,556,692	751,738,651	656,591,375	200,788,068	7,546,123	-	-	3,250,220,909
Interest Only	300,612,747	106,165,885	82,286,051	22,974,720	59,997	-	-	512,099,400
Combination (Interest Only and Repayment)	24,098,525	5,675,170	2,184,736	-	-	-	-	31,958,430
Offset	376,389,895	144,070,334	109,666,816	32,956,268	798,946	-	-	663,882,259
<b>Total</b>	<b>2,334,657,858</b>	<b>1,007,650,040</b>	<b>850,728,978</b>	<b>256,719,057</b>	<b>8,405,065</b>	-	-	<b>4,458,160,998</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	1,101,180,946	560,513,118	484,681,444	157,365,255	5,733,068	-	-	2,309,473,832
Capped	700,163	332,122	922,029	52,589	-	-	-	2,006,903
Variable	1,232,776,749	446,804,800	365,125,505	99,301,212	2,671,996	-	-	2,146,680,262
<b>Totals</b>	<b>2,334,657,858</b>	<b>1,007,650,040</b>	<b>850,728,978</b>	<b>256,719,057</b>	<b>8,405,065</b>	-	-	<b>4,458,160,998</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	189,980,535	356,880,828	655,173,241	141,101,688	348,808,954	718,563,869	550,261,801	450,799,196	131,909,581	590,089,158	302,170,754	4,435,739,604
<1 Month in Arrears	509,959	1,598,772	3,550,875	524,008	722,244	2,010,059	1,604,576	1,928,317	554,842	3,158,501	877,830	17,039,984
>=1 and <3 Months in Arrears	98,723	135,701	831,062	142,150	135,065	897,580	912,382	852,535	69,126	1,025,319	281,768	5,381,410
>=3 and <6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
>=6 Months in Arrears	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>190,589,217</b>	<b>358,615,300</b>	<b>659,555,178</b>	<b>141,767,846</b>	<b>349,666,263</b>	<b>721,471,508</b>	<b>552,778,759</b>	<b>453,580,048</b>	<b>132,533,549</b>	<b>594,272,978</b>	<b>303,330,352</b>	<b>4,458,160,998</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	99,289	180,009	71,291	169,421	172,849	132,947	193,027	196,613	73,902	353,874	213,227	1,856,448
>=5,000 and <10,000	271,380	849,138	179,061	509,493	625,561	396,031	630,198	288,072	1,371,011	740,297	740,297	6,499,114
>=10,000 and <25,000	3,089,993	6,723,966	2,111,535	3,850,228	5,989,641	3,742,952	5,840,151	5,517,387	2,562,811	12,239,320	6,779,471	58,447,455
>=25,000 and <50,000	11,131,288	26,144,620	9,213,845	14,716,400	27,715,356	16,850,252	22,689,234	23,272,511	11,260,421	52,294,054	27,002,117	242,290,099
>=50,000 and <75,000	19,886,363	45,782,990	17,676,283	22,064,151	44,188,286	30,100,290	38,939,514	41,911,651	19,023,711	82,852,838	39,682,505	402,108,583
>=75,000 and <100,000	26,780,864	59,602,922	30,865,306	23,038,684	48,990,798	47,275,977	50,826,967	56,063,938	22,594,276	90,049,996	50,847,685	506,937,413
>=100,000 and <150,000	51,685,639	96,947,200	85,199,884	36,014,505	89,356,478	124,943,976	135,538,239	118,809,446	32,741,336	149,007,411	77,665,540	997,909,655
>=150,000 and <200,000	34,005,189	51,860,883	122,922,773	18,763,963	53,857,895	141,900,865	112,433,813	86,886,644	18,438,281	80,539,431	43,381,622	764,991,360
>=200,000 and <250,000	17,713,181	27,616,671	105,451,113	9,643,410	29,882,605	102,484,912	70,941,888	44,773,018	9,985,045	52,624,678	23,936,910	495,053,430
>=250,000 and <300,000	8,006,459	16,891,370	76,292,648	5,182,643	20,958,997	78,419,474	35,136,506	26,667,591	5,968,876	25,523,321	13,258,239	312,306,123
>=300,000 and <350,000	3,856,022	8,280,347	58,198,927	3,521,421	10,046,690	56,711,356	23,806,953	16,567,786	4,271,294	18,025,989	7,419,780	210,706,565
>=350,000 and <400,000	3,994,592	7,383,084	41,902,020	390,873	4,842,618	33,442,381	18,261,000	10,478,252	1,099,245	11,579,116	3,439,358	136,812,540
>=400,000 and <450,000	3,760,035	2,148,609	24,568,392	846,216	3,042,420	28,154,902	10,666,519	7,082,169	855,117	4,283,745	3,321,714	88,729,839
>=450,000 and <500,000	1,459,834	3,321,198	22,956,851	1,408,222	4,272,923	15,537,658	12,785,781	6,219,194	958,171	6,678,336	1,438,623	77,036,792
>=500,000 and <600,000	3,342,870	4,237,209	28,162,389	1,648,218	3,735,879	17,962,722	7,063,769	3,901,652	1,108,956	4,169,242	2,636,990	77,969,894
>=600,000 and <700,000	671,995	645,083	16,749,289	12,873,447	1,987,267	12,873,447	4,648,676	3,800,471	1,304,035	1,252,057	631,103	44,563,424
>=700,000 and <800,000	-	-	8,048,216	-	-	5,283,728	747,630	-	-	1,428,558	-	15,508,132
>=800,000 and <900,000	834,225	-	4,237,231	-	-	3,395,126	1,620,893	800,852	-	-	-	10,888,326
>=900,000 and <1,000,000	-	-	4,748,122	-	-	1,862,512	-	-	-	-	935,171	7,545,804
>=1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>190,589,217</b>	<b>358,615,300</b>	<b>659,555,178</b>	<b>141,767,846</b>	<b>349,666,263</b>	<b>721,471,508</b>	<b>552,778,759</b>	<b>453,580,048</b>	<b>132,533,549</b>	<b>594,272,978</b>	<b>303,330,352</b>	<b>4,458,160,998</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
	98,090	88,942	178,790	76,507	91,321	150,275	117,964	105,410	85,838	86,039	84,399	

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	141,835,956	265,970,333	477,636,853	102,703,287	254,878,822	518,133,366	400,243,407	314,193,258	93,210,739	449,684,734	231,730,154	3,250,220,909
Interest Only	20,054,622	33,704,194	78,230,928	16,312,265	40,002,798	83,996,788	67,096,566	67,424,657	19,695,017	59,903,708	25,677,858	512,099,400
Combination (Interest Only and Repayment)	1,926,653	3,344,078	1,874,858	1,115,620	2,060,715	4,548,814	4,317,923	3,020,225	813,400	6,560,776	2,375,367	31,958,430
Offset	26,771,986	55,596,695	101,812,539	21,636,674	52,723,928	114,792,540	81,120,862	68,941,908	18,814,393	78,123,759	43,546,974	663,882,259
<b>Total</b>	<b>190,589,217</b>	<b>358,615,300</b>	<b>659,555,178</b>	<b>141,767,846</b>	<b>349,666,263</b>	<b>721,471,508</b>	<b>552,778,759</b>	<b>453,580,048</b>	<b>132,533,549</b>	<b>594,272,978</b>	<b>303,330,352</b>	<b>4,458,160,998</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	98,450,987	170,874,141	374,687,294	66,225,472	179,678,741	399,122,905	297,307,856	243,035,629	61,947,348	265,559,956	152,583,502	2,309,473,832
Capped	-	108,165	253,188	94,912	99,265	573,412	141,556	523,590	126,467	86,350	-	2,006,903
Variable	92,138,230	187,632,994	284,614,696	75,447,461	169,888,258	321,775,191	255,329,346	210,020,829	70,459,734	328,626,672	150,746,850	2,146,680,262
<b>Total</b>	<b>190,589,217</b>	<b>358,615,300</b>	<b>659,555,178</b>	<b>141,767,846</b>	<b>349,666,263</b>	<b>721,471,508</b>	<b>552,778,759</b>	<b>453,580,048</b>	<b>132,533,549</b>	<b>594,272,978</b>	<b>303,330,352</b>	<b>4,458,160,998</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-1	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	A2	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	A2	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	A2	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 / A2 / A	NR / P-1 / 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- / 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
<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	19/06/2015	19/05/2015	
<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	4,458,160,998	4,387,260,224	
Adjusted Indexed Valuation	12,221,645,557	12,048,301,459	
Asset Percentage	87.0%	87.0%	
Loans < 3 months in arrears	4,458,160,998	4,387,260,224	
Loans >=3 months in arrears =< 75% LTV	-	-	
Loans >=3 months in arrears > 75% LTV	-	-	
Principal Outstanding on Bonds	3,044,300,000	3,044,300,000	
Average Remaining Maturity of Bonds (Weighted Average Years)	2.8	2.9	
Negative Carry Factor (Weighted Average)	1.15%	1.15%	
<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	4,454,985,331	4,383,751,935
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>4,454,985,331</b>	<b>4,383,751,935</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	4,456,358,481	4,385,111,006
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>4,456,358,481</b>	<b>4,385,111,006</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>3,877,031,878</b>	<b>3,815,046,576</b>	
Fitch Discontinuity Factor (%)	16.3%		
Moody's Timely Payment Indicator	Probable		
Moody's Collateral Score (%)	5.0%		
Moody's Collateral Score excl. systemic risk (%)	2.6%		

Asset Coverage Test (continued)			
	19/06/2015	19/05/2015	
<b>A: Arrears Adjusted True Balance</b>	<b>3,877,031,878</b>	<b>3,815,046,576</b>	
<b>B: Principal Receipts Retained in Cash</b>	<b>3,359,112</b>	<b>62,919,702</b>	
<b>C: Retained Cash Contributions</b>	-	-	
<b>D: Substitution Assets - Principal Receipts' - Capital Contributions</b>	<b>69,664,191</b>	<b>69,708,446</b>	
<b>X: Savings set off balance</b>	<b>(106,773,681)</b>	<b>(101,426,955)</b>	
<b>Y : Flexible draw deduction</b>	-	-	
<b>Z: Negative carry adjustment</b>	<b>(97,448,865)</b>	<b>(100,422,405)</b>	
<b>Adjusted Aggregate Loan Amount</b>	<b>3,745,832,636</b>	<b>3,745,825,363</b>	
<b>Aggregate Principal Amount Outstanding</b>	<b>3,044,300,000</b>	<b>3,044,300,000</b>	
<b>Test Result</b>	<b>PASS</b>	<b>PASS</b>	
<b>Surplus Result</b>	<b>701,532,636</b>	<b>701,525,363</b>	
<b>Loan Amount to Covered Bond ratio percentage</b>	<b>68.29%</b>	<b>69.39%</b>	
<b>Credit Enhancement and Liquidity Support</b>			
	<b>31/05/2015</b>	<b>30/04/2015</b>	
Reserve funds	10,198,241	10,166,619	
Retained principal	73,023,303	132,628,148	
Overcollateralisation	1,508,583,754	1,497,661,082	
Overcollateralisation percentage	49.55%	49.20%	
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 24/06/2015  
 Collection Period for Mortgages 01/05/2015 to 31/05/2015  
 Calculation Period for Notes 25/05/2015 to 24/06/2015

Has an LLP notice to pay been issued ?

No

	Month End 31/05/2015	Month End 30/04/2015
	(£)	(£)
<b>AVAILABLE REVENUE RECEIPTS</b>		
(a) Revenue Receipts - Interest received from Borrowers	10,436,672	10,840,274
(a) Revenue Receipts - Fees charged to Borrowers	392,905	410,226
(b) Interest received	52,950	27,237
(c) Excess Reserve Fund	12,340	-
(d) Other Revenue Receipts	20,915	32,619
(e) Excess Required Coupon Amount	-	-
(f) Reserve Ledger credit amounts following Notice to Pay	-	-
LESS		
(g) Amounts Belonging to Third Parties	(392,905)	(410,226)
(h) Required Coupon Amount	-	-
(i) Interest Accumulation Ledger	-	-
<b>Total Available Revenue Receipts</b>	<b>10,522,877</b>	<b>10,900,129</b>

### PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS

	(£)	(£)
(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	3,354	1,958
(d) Amounts due to the Interest Rate Swap Provider	5,329,947	4,485,757
(e) (i) Amounts due to/(from) the Covered Bond Swap Providers	917,964	2,075,756
(ii) Amounts due on the Term Advance	2,208,600	1,237,320
(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	-	31,623
(i) Excluded Swap Termination Amounts	-	-
(j) Indemnity amounts due to the Members	-	-
(k) Repayment of Cash Capital Contributions	-	-
(l) Deferred Consideration	2,063,011	3,067,716
(m) Fees due to the Liquidation Member	-	-
(n) Members profit amount	-	-
<b>Revenue priority of payments total</b>	<b>10,522,877</b>	<b>10,900,129</b>

### AVAILABLE PRINCIPAL RECEIPTS

	(£)	(£)
(a) Scheduled amounts received from Borrowers	18,195,717	20,199,714
Unscheduled amounts received from Borrowers	57,445,685	115,431,410
Less Further Advances made	(2,618,099)	(3,002,976)
(b) (i) Term Advance	-	-
(ii) Cash Capital Contributions	-	-
(iii) Sale of Selected Loans	-	-
<b>Total Available Principal Receipts</b>	<b>73,023,303</b>	<b>132,628,148</b>

### PRE-ACCELERATION PRINCIPAL PRIORITY OF PAYMENTS

	(£)	(£)
(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	-	-
(d) Capital Distribution to Members	73,023,303	132,628,148
<b>Principal priority of payments total</b>	<b>73,023,303</b>	<b>132,628,148</b>

### LEDGERS

	Month End 31/05/2015	Month End 30/04/2015
	(£)	(£)
<b>Reserve Ledger</b>		
Balance b/f on Reserve Ledger	10,166,619	10,147,003
Transfers to/from GIC	31,623	19,616
Cash Capital Contribution	-	-
<b>Balance c/f on Reserve Ledger</b>	<b>10,198,241</b>	<b>10,166,619</b>
Reserve Fund Required Amount	10,198,241	10,166,619

<b>Total cash holding month end</b>	<b>95,124,986</b>	<b>155,105,121</b>
<b>Bond value</b>	<b>3,044,300,000</b>	<b>3,044,300,000</b>
<b>Percentage Cash Holding</b>	<b>3.1%</b>	<b>5.1%</b>

### Summary Balance Sheet and Ledgers

	(£)	(£)
GIC Account	25,460,796	85,396,676
Substitution Assets <sup>1</sup>	69,664,191	69,708,446
<b>Subtotal</b>	<b>95,124,986</b>	<b>155,105,121</b>
Transaction Account	-	-
Authorised Investments	-	-
Loan Balance	4,458,160,998	4,387,260,224
<b>Total Assets</b>	<b>4,553,285,984</b>	<b>4,542,365,345</b>
Intercompany Loan <sup>2</sup>	3,044,300,000	3,044,300,000
Capital Account	1,508,985,984	1,498,065,345
<b>Total Liabilities</b>	<b>4,553,285,984</b>	<b>4,542,365,345</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	6	7
<b>Series</b>					
<b>Issue Date</b>	22/07/2008	20/11/2008	19/04/2011	03/11/2014	17/03/2015
<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	EUR	GBP
<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	0.789	1.000
<b>GBP Equivalent</b>	1,500,000,000	500,000,000	750,000,000	394,300,000	500,000,000
<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	03/11/2021	17/03/2020
<b>Legal Final maturity date</b>	25/07/2016	24/11/2016	19/04/2018	03/11/2021	17/03/2020
<b>Extended Due for Payment Date</b>	24/07/2017	24/11/2017	19/04/2019	03/11/2022	17/03/2021
<b>Margin payable under extended maturity period (%)</b>	0.50%	0.50%	1.22%	0.03%	0.30%
<b>ISIN</b>	XS0378817240	XS0400750542	XS0618833635	XS1131109537	XS1203083438
<b>Stock exchange listing</b>	LSE	LSE	LSE	LSE	LSE
<b>Interest Payment Frequency</b>	Monthly	Monthly	Annually	Annually	Quarterly
<b>Accrual Start Date</b>	26/05/2015	26/05/2015	21/04/2015	03/11/2014	17/03/2015
<b>Accrual End Date</b>	24/06/2015	24/06/2015	20/04/2016	03/11/2015	17/06/2015
<b>Accrual Day Count</b>	29	29	365	365	92
<b>Coupon Reference Rate</b>	0.50563%	0.50563%	N/A	N/A	0.56406%
<b>Relevant Margin</b>	0.50000%	0.50000%	4.62500%	0.62500%	0.30000%
<b>Current Period Coupon Reference Rate</b>	1m GBP LIBOR	1m GBP LIBOR	Fixed	Fixed	3m GBP LIBOR
<b>Current Period Coupon</b>	1.00563%	1.00563%	4.62500%	0.62500%	0.86406%
<b>Current Period Coupon Amount</b>	719,100	399,500	-	-	1,090,000
<b>Current Interest Shortfall</b>	-	-	-	-	-
<b>Cumulative Interest Shortfall</b>	-	-	-	-	-
<b>Next Interest Payment Date</b>	24/06/2015	24/06/2015	20/04/2016	03/11/2015	17/06/2015
<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	03/11/2021	17/03/2020

# 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 1-7	19/04/2018	GBP	4,352,299,005	Coventry Building Society	1m LIBOR	1.19000%	1.69819%	Basket of rates	N/A	3.02814%	(5,329,947)
	<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%	2.14188%	(1,364,348)
Series 6	03/11/2021	EUR	500,000,000	HSBC plc	Fixed	N/A	0.62500%	1m LIBOR	0.40%	0.90763%	(284,342)
Series 7	17/03/2020	GBP	500,000,000	Coventry Building Society	3m LIBOR	0.30000%	0.86406%	1m LIBOR	0.40%	0.90438%	(359,274)

### 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	A2 / A	P-1 / F1	A2 / A	P-1 / F1	Y	Post collateral	- <sup>1</sup>
<b>Covered Bond (Liability) Swap</b> HSBC plc	Aa2 / AA-	P-1 / F1+	A2 / A	P-1 / F1	N	Post additional collateral	12,552,103
Coventry Building Society	A2 / A	P-1 / F1	A2 / A	P-1 / F1	Y	Post collateral	-

<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 (CPR)</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.