

Mercia No. 1 PLC

Investor Report

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Reporting Information

Reporting Date			30/06/2013
Reporting Period	01/05/2013	to	31/05/2013

Outstanding Issuances

	Issue Date
Mercia No. 1 Plc	12 Dec 2012

Investor Relations Contacts

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Retention of 5% net economic interest – CRD II Article 122a & BIPRU 9.15.4R

Godiva Mortgages Limited has undertaken in the Deed of Charge to the Issuer and the Note Trustee, on behalf of the Noteholders, that it will retain at the date of issuance a material net economic interest of at least 5% of the nominal value of the securitised exposures in accordance with Article 122a of Directive 2006/48/EC (as amended by Directive 2009/111/EC) (which does not take into account any implementing rules of the CRD in a relevant jurisdiction), referred to as the Capital Requirements Directive (**CRD II**). As at the Closing Date, such interest comprised an interest in the first loss tranche, in this case the Class Z VFN, as required by Article 122a. Godiva Mortgages Limited can confirm that as at the Report Date, it has not sold or hedged this interest.

IMPORTANT:

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Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Assets

	Prior Period	Current Period
Number of mortgage accounts in the Pool	13,673	13,743
Number of loans in the Pool	13,982	14,080
True Balance of mortgage accounts in the Pool	£1,559,904,947	£1,562,516,852
Cash and Authorised Investments	£114,744,347	£110,856,929
Mortgage Collections	£34,149,605	£30,566,720
General Reserve Fund	£39,700,000	£39,700,000
General Reserve Required Amount	£39,700,000	£39,700,000
Class A Principal Deficiency Ledger Balance	£0	£0
Class Z Principal Deficiency Ledger Balance	£0	£0
Retained Principal Ledger	£0	£0
Weighted Average Pre-Swap Mortgage Yield	4.32%	4.31%
Excess Spread	1.57%	n/a

Reconciliation of movements

	Number of loans	Balance (£)
Opening totals	13,673	1,559,904,947
Further advances added to the Pool		1,582,058
Loans repurchased from the Pool	(4)	(329,635)
Substitute Loans	3	328,163
Principal receipts	(172)	(24,982,690)
Additional Loans	243	25,898,512
Other movements	-	115,498
Closing totals	13,743	1,562,516,852

Asset types

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

Principal Payment Rates (PPR)

	Monthly	3 Month Average	Annualised
Current PPR - Total	1.60%	1.50%	16.60%
Previous PPR - Total	1.82%	1.30%	14.56%

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	1.51%	1.38%	15.38%
Previous CPPR - Total	1.66%	1.16%	13.11%

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

Arrears Analysis (excluding Properties in Possession)

Months in Arrears	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Current	13,701	99.7%	1,557,218,532	99.7%	-
>0 and <1	21	0.2%	2,928,134	0.2%	3,183
>=1 and <2	18	0.1%	2,130,357	0.1%	10,739
>=2 and <3	2	0.0%	167,059	0.0%	1,245
>=3 and <6	1	0.0%	72,770	0.0%	3,186
>=6 and <12	-	-	-	-	-
>=12	-	-	-	-	-
Totals	13,743	100.0%	1,562,516,852	100.0%	18,352

Capitalised arrears are not included in the above balances.

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Product Variations

	Number of Mortgage Accounts	% of total	True Balance (£)	% of total balance	Arrears Balance (£)
Arrangements (to date)	2	0.01%	451,706	0.03%	-
Capitalised arrears (to date)	2	0.01%	139,176	0.01%	58
Receiver of rent (to date)	-	0.00%	-	0.00%	-
Payment holidays taken (current month)	8	0.06%	1,264,070	0.08%	-
Switches to interest only (current month)	1	0.01%	61,251	0.00%	-
Maturity extensions (current month)	6	0.04%	795,753	0.05%	-
Other product switches (current month)	88	0.64%	11,287,684	0.72%	383

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%

Properties in Possession

	Number of Mortgage Accounts	True Balance (£)	Arrears Balance (£)	Loss Incurred (£)
Possessed (current month)	-	-	-	-
Possessed (to date)	-	-	-	-
Sold (current month)	-	-	-	-
Sold (to date)	-	-	-	-
Property Returned to Borrower (current month)	-	-	-	-
Property Returned to Borrower (to date)	-	-	-	-
Properties in Possession	-	-	-	-

Net Losses

Losses	Number of Mortgage Accounts	True Balance (£)	Loss (£)
Current month	-	-	-
To date	-	-	-
Totals	-	-	-
Average time from possession to sale in days (to date)			-

Summary Pool Statistics

	Seasoning (months)	Remaining term (months)	Loan Size (£)	Original LTV (%)	Non-Indexed LTV (%)	Indexed LTV (%)	Arrears Balance (£)
Weighted Average	37.0	180.4	113,696	52.3%	50.7%	48.6%	437*
Min	7.0	0.0	0	5.9%	0.0%	0.0%	0
Max	73.4	406.4	985,249	75.0%	78.7%	78.7%	3,186

*Weighted Average Arrears Balance is based on accounts in arrears only

Standard Variable Rates

	CBS Existing Borrower SVR, %	With Effect From
Standard Variable Rate, Current	4.74%	1 Feb 2009
Standard Variable Rate, Historical	4.99%	1 Jan 2008

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Original Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	25,774,261	1.6%	451	3.3%
>=25% and <50%	440,665,350	28.2%	4,592	33.4%
>=50% and <55%	364,626,270	23.3%	3,118	22.7%
>=55% and <60%	314,559,560	20.1%	2,432	17.7%
>=60% and <65%	301,671,240	19.3%	2,254	16.4%
>=65% and <70%	104,755,903	6.7%	782	5.7%
>=70% and <75%	8,495,929	0.5%	86	0.6%
>=75% and <80%	1,968,339	0.1%	28	0.2%
>=80% and <85%	-	-	-	-
>=85% and <90%	-	-	-	-
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Non-Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	44,861,111	2.9%	996	7.2%
>=25% and <50%	544,539,854	34.9%	5,624	40.9%
>=50% and <55%	350,484,347	22.4%	2,835	20.6%
>=55% and <60%	324,645,151	20.8%	2,363	17.2%
>=60% and <65%	222,868,124	14.3%	1,435	10.4%
>=65% and <70%	65,466,265	4.2%	408	3.0%
>=70% and <75%	9,165,744	0.6%	77	0.6%
>=75% and <80%	486,257	0.0%	5	0.0%
>=80% and <85%	-	-	-	-
>=85% and <90%	-	-	-	-
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Indexed Loan to Value ratios

Range of LTV ratios	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<25%	49,681,828	3.2%	1,017	7.4%
>=25% and <50%	668,375,215	42.8%	6,248	45.5%
>=50% and <55%	408,424,859	26.1%	3,090	22.5%
>=55% and <60%	364,487,978	23.3%	2,796	20.3%
>=60% and <65%	42,947,160	2.7%	339	2.5%
>=65% and <70%	16,944,163	1.1%	146	1.1%
>=70% and <75%	11,169,393	0.7%	102	0.7%
>=75% and <80%	486,257	0.0%	5	0.0%
>=80% and <85%	-	-	-	-
>=85% and <90%	-	-	-	-
>=90% and <95%	-	-	-	-
>=95% and <100%	-	-	-	-
>=100%	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Geographical Distribution

Regions	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
East Anglia	56,164,750	3.6%	644	4.7%
East Midlands	57,692,445	3.7%	804	5.9%
London	682,873,798	43.7%	3,978	28.9%
North	26,961,801	1.7%	416	3.0%
North West	61,662,850	3.9%	863	6.3%
Outer Metropolitan	209,047,959	13.4%	1,705	12.4%
Outer South East	165,318,152	10.6%	1,640	11.9%
South West	153,683,468	9.8%	1,630	11.9%
Wales	24,879,537	1.6%	336	2.4%
West Midlands	69,411,895	4.4%	953	6.9%
Yorkshire and Humberside	54,820,198	3.5%	774	5.6%
Totals	1,562,516,852	100.0%	13,743	100.0%

Outstanding True Balances

Range of outstanding balances (£)	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<5,000	87,639	0.0%	46	0.3%
>=5,000 and <10,000	260,815	0.0%	34	0.2%
>=10,000 and <25,000	5,267,187	0.3%	271	2.0%
>=25,000 and <50,000	73,460,632	4.7%	1,882	13.7%
>=50,000 and <75,000	184,227,586	11.8%	2,961	21.5%
>=75,000 and <100,000	214,372,844	13.7%	2,476	18.0%
>=100,000 and <150,000	366,848,392	23.5%	3,039	22.1%
>=150,000 and <200,000	249,801,603	16.0%	1,465	10.7%
>=200,000 and <250,000	140,568,277	9.0%	639	4.6%
>=250,000 and <300,000	99,540,958	6.4%	369	2.7%
>=300,000 and <350,000	70,404,395	4.5%	221	1.6%
>=350,000 and <400,000	42,833,153	2.7%	116	0.8%
>=400,000 and <450,000	29,790,502	1.9%	71	0.5%
>=450,000 and <500,000	27,591,578	1.8%	58	0.4%
>=500,000 and <600,000	29,640,154	1.9%	57	0.4%
>=600,000 and <700,000	11,456,137	0.7%	18	0.1%
>=700,000 and <800,000	5,779,981	0.4%	8	0.1%
>=800,000 and <900,000	6,832,064	0.4%	8	0.1%
>=900,000 and <1,000,000	3,752,956	0.2%	4	0.0%
>=1,000,000	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Seasoning of Loans

Age of loans in months	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<12	35,941,064	2.3%	300	2.2%
>=12 and <24	386,103,182	24.7%	3,525	25.6%
>=24 and <36	357,361,418	22.9%	3,175	23.1%
>=36 and <48	339,691,465	21.7%	2,898	21.1%
>=48 and <60	313,065,669	20.0%	2,583	18.8%
>=60 and <72	127,492,213	8.2%	1,234	9.0%
>=72 and <84	2,861,841	0.2%	28	0.2%
>=84 and <96	-	-	-	-
>=96 and <108	-	-	-	-
>=108 and <120	-	-	-	-
>=120 and <150	-	-	-	-
>=150 and <180	-	-	-	-
>=180	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Months to maturity of loans

Months to maturity	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<30	15,717,882	1.0%	182	1.3%
>=30 and <60	48,397,387	3.1%	545	4.0%
>=60 and <120	275,410,734	17.6%	2,656	19.3%
>=120 and <180	362,931,063	23.2%	3,388	24.7%
>=180 and <240	489,996,633	31.4%	4,031	29.3%
>=240 and <300	355,678,502	22.8%	2,811	20.5%
>=300 and <360	12,142,302	0.8%	112	0.8%
>=360	2,242,349	0.1%	18	0.1%
Totals	1,562,516,852	100.0%	13,743	100.0%

Interest Rate Type

Type of rate	True Balance (£)	% of total balance	Number of Loans	% of total accounts
Fixed rate	473,033,521	30.3%	4,308	30.6%
Capped	94,700,906	6.1%	773	5.5%
Tracker	201,707,045	12.9%	1,549	11.0%
Administered	793,075,380	50.8%	7,450	52.9%
Totals	1,562,516,852	100.0%	14,080	100.0%

Repayment terms

Repayment Terms	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Repayment	284,066,999	18.2%	3,686	26.8%
Interest Only	1,261,492,107	80.7%	9,893	72.0%
Combination (Interest Only and Repayment)	16,957,746	1.1%	164	1.2%
Totals	1,562,516,852	100.0%	13,743	100.0%

Employment status

Employment status	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Employed	809,070,538	51.8%	7,566	55.1%
Self-employed	645,459,709	41.3%	5,208	37.9%
Unemployed	7,327,466	0.5%	65	0.5%
Retired	87,578,505	5.6%	798	5.8%
Guarantor	-	-	-	-
Other	13,080,635	0.8%	106	0.8%
Totals	1,562,516,852	100.0%	13,743	100.0%

Months to maturity of loans split by Repayment terms

Months to maturity	Repayment	Interest Only	Combination (Interest Only and Repayment)
<30	704,935	14,873,507	139,440
>=30 and <60	3,794,559	44,091,300	511,528
>=60 and <120	32,885,151	239,923,343	2,602,240
>=120 and <180	72,599,060	284,121,753	6,210,251
>=180 and <240	94,541,851	390,277,581	5,177,201
>=240 and <300	72,556,964	280,946,579	2,174,959
>=300 and <360	6,356,631	5,643,543	142,128
>=360	627,848	1,614,501	-
Totals	284,066,999	1,261,492,107	16,957,746

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Income verification type

Income verification type	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Income verification requested	1,562,516,852	100.0%	13,743	100.0%
Fast-track	-	-	-	-
Self-certified	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Loan Purpose

Loan Purpose	True Balance (£)	% of total balance	Number of loans	% of total accounts
House Purchase	416,617,333	26.7%	4,254	30.2%
Remortgage	1,145,899,520	73.3%	9,826	69.8%
Other	-	-	-	-
Totals	1,562,516,852	100.0%	14,080	100.0%

Occupancy type

Occupancy type	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Owner-occupied*	15,954	0.0%	1	0.0%
Buy-to-let	1,562,500,899	100.0%	13,742	100.0%
Second home	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

* Owner-occupied mortgages are due to product switches and have since been repurchased.

Property type

Property type	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Detached (includes houses and bungalows)	274,984,416	17.6%	1,805	13.1%
Semi-detached	279,449,526	17.9%	2,805	20.4%
Terraced Houses	466,531,085	29.9%	4,671	34.0%
Flat/Maisonette	525,909,084	33.7%	4,315	31.4%
Other	15,642,741	1.0%	147	1.1%
Totals	1,562,516,852	100.0%	13,743	100.0%

Number of properties per borrower

Number of properties per borrower	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
1	1,382,489,993	88.5%	12,035	87.6%
2	147,954,456	9.5%	1,400	10.2%
3	32,072,403	2.1%	308	2.2%
>3	-	-	-	-
Totals	1,562,516,852	100.0%	13,743	100.0%

Debt Service Coverage Ratio

Debt Service Coverage Ratio	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
<100%	62,124,039	4.0%	652	4.7%
>=100 and <125%	126,021,978	8.1%	1,187	8.6%
>=125 and <150%	232,834,466	14.9%	1,779	12.9%
>=150 and <175%	259,181,253	16.6%	1,910	13.9%
>=175 and <200%	229,858,188	14.7%	1,769	12.9%
>=200%	652,496,928	41.8%	6,446	46.9%
Totals	1,562,516,852	100.0%	13,743	100.0%

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Interest Rate Split

Interest Rate	True Balance (£)	% of total balance	Number of loans	% of total accounts
<=1.5%	-	-	-	-
>1.5% and <=2.0%	19,385,812	1.2%	101	0.7%
>2.0% and <=2.5%	54,734,159	3.5%	470	3.3%
>2.5% and <=3.0%	2,710,731	0.2%	23	0.2%
>3.0% and <=3.5%	130,834,420	8.4%	881	6.3%
>3.5% and <=4.0%	327,512,512	21.0%	2,572	18.3%
>4.0% and <=4.5%	222,435,726	14.2%	2,457	17.5%
>4.5% and <=5.0%	701,458,820	44.9%	6,581	46.7%
>5.0% and <=5.5%	92,441,734	5.9%	870	6.2%
>5.5% and <=6.0%	10,477,280	0.7%	119	0.8%
>6.0%	525,659	0.0%	6	0.0%
Totals	1,562,516,852	100.0%	14,080	100.0%

Fixed Rate Roll Off

End of Fixed Period	True Balance (£)	% of total balance	Number of loans	% of total accounts
>0 and <=1 year	180,537,517	38.2%	1,575	36.6%
>1 and <=2 years	236,686,851	50.0%	2,117	49.1%
>2 and <=3 years	24,585,026	5.2%	256	5.9%
>3 and <=4 years	22,449,872	4.7%	285	6.6%
>4 and <=5 years	8,774,253	1.9%	75	1.7%
>5 and <=6 years	-	-	-	-
>6 and <=7 years	-	-	-	-
>7 and <=8 years	-	-	-	-
>8 and <=9 years	-	-	-	-
>9 and <=10 years	-	-	-	-
>10 years	-	-	-	-
Totals	473,033,521	100.0%	4,308	100.0%

Originator

Originator	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Coventry Building Society	-	-	-	-
Godiva Mortgages Limited	1,562,516,852	100.0%	13,743	100.0%
Totals	1,562,516,852	100.0%	13,743	100.0%

Payment frequency

Payment frequency	True Balance (£)	% of total balance	Number of mortgage accounts	% of total accounts
Monthly	1,562,516,852	100.0%	13,743	100.0%
Totals	1,562,516,852	100.0%	13,743	100.0%

Credit Enhancement

Class	Principal Value (£)	% of total	Current Note Subordination	General Reserve Fund as % of Notes	Principal Deficiency Ledgers (£)
A	1,436,400,000	88.3%	11.7%	2.8%	-
Z	191,200,000	11.7%	0.0%	0.0%	-
Totals	1,627,600,000				

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Key Parties	Current Long Term Rating (S&P / Moody's / Fitch)	Current Short Term Rating (S&P / Moody's / Fitch)	Role(s)
Coventry Building Society	NR* / A3 / A	NR* / P-2 / F1	Servicer, Cash Manager, Mortgage Sale Agreement Guarantor, Interest Rate Swap Guarantor, Class Z VFN Registrar
Godiva Mortgages Limited	NR*	NR*	Seller, Class Z VFN Holder, Interest Rate Swap Provider
Mercia No. 1 PLC	NR*	NR*	Issuer
Mercia No. 1 Holdings Limited	NR*	NR*	Holdings
Lloyds TSB Bank plc	A / A2 / A	A-1 / P-1 / F1	Account Bank
Citicorp Trustee Company Ltd	NR*	NR*	Security Trustee, Note Trustee, Principal Paying Agent and Agent Bank
Structured Finance Management Ltd	NR*	NR*	Back-Up Servicer Facilitator and Corporate Services Provider
SFM Corporate Services Ltd	NR*	NR*	Share Trustee

*NR = Not Rated

	Class A1 Notes	Class A2 Notes	Class Z VFN
Notes In Issue	12 Dec 2012	12 Dec 2012	12 Dec 2012
Issue Date	12 Dec 2012	12 Dec 2012	12 Dec 2012
Original rating (Fitch/Moody's)	AAA sf / Aaa (sf)	AAA sf / Aaa (sf)	Not Rated
Current rating (Fitch/Moody's)	AAA sf / Aaa (sf)	AAA sf / Aaa (sf)	Not Rated
Currency	GBP	GBP	GBP
Issue size	718,200,000	718,200,000	191,200,000
Current Period Balance	718,200,000	718,200,000	191,200,000
Cancellations	0	0	0
Previous Period Balance	718,200,000	718,200,000	191,200,000
Current Period Pool Factor	1.000000	1.000000	1.000000
Previous Period Pool Factor	1.000000	1.000000	1.000000
Further Sale Period end	7 Dec 2016	7 Dec 2016	n/a
Step-up and Call Date	7 Mar 2022	7 Mar 2022	n/a
Legal final maturity date	7 Dec 2050	7 Dec 2050	7 Dec 2050
ISIN	XS0864239529	XS0864240295	n/a
Stock exchange listing	LSE	LSE	Unlisted
Interest Payment Frequency	Quarterly	Quarterly	Quarterly
Accrual Start Date	7 Jun 2013	7 Jun 2013	7 Jun 2013
Accrual End Date	9 Sep 2013	9 Sep 2013	9 Sep 2013
Accrual Day Count	94	94	94
Coupon Reference Rate	3m LIBOR	3m LIBOR	3m LIBOR
Relevant Margin	0.90000%	1.10000%	0.00000%
Current Period Coupon Reference Rate	0.50575%	0.50575%	0.50575%
Current Period Coupon	1.40575%	1.60575%	0.50575%
Current Period Coupon Amount	2,600,091	2,970,013	249,034
Current Interest Shortfall	n/a	n/a	n/a
Cumulative Interest Shortfall	n/a	n/a	n/a
Principal Payments	9 Sep 2013	9 Sep 2013	9 Sep 2013
Next Interest Payment Date	Revolving	Revolving	VFN
Bond Structure	Revolving	Revolving	VFN

Mercia No. 1 PLC

Investor Report

As at: 07/03/2013

Interest Payment Date			7 Jun 2013
Collection Period for Mortgages	1 Feb 2013	to	30 Apr 2013
Calculation Period for Notes	7 Mar 2013	to	7 Jun 2013

AVAILABLE REVENUE RECEIPTS	(£)
(a) Revenue Receipts - Interest received from Borrowers	16,234,720
(a) Revenue Receipts - Fees charged to Borrowers	349,751
(b) Interest received	161,295
(c) Amounts received under the Interest Rate Swap Agreement	-
(d) General Reserve Fund	39,700,000
(e) Other net income receipts	-
(f) Surplus Principal Receipts	-
(g) Retained revenue during a Determination Period	-
(h) Reconciliation Amounts during a Determination Period	-
LESS	
(i) Amounts Belonging to Third Parties	(349,751)
PLUS	
(j) Principal used to fund a Revenue Deficiency	-
Total Available Revenue Receipts	56,096,015

PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS	(£)
(a) Fees due to Note Trustee and Security Trustee	-
(b) Fees due to Agent Bank, Corporate Services Provider, Back up Servicer Facilitator and Account Bank	-
(c) Fees due to Class Z VFN Registrar	-
(d) Other Third Party expenses	-
(e) i) Fees due to the Servicer	111,664
ii) Fees due to Cash Manager	42,221
(f) Amounts payable under the Interest Rate Swap Agreement	5,098,118
(g) Interest due on the Class A Notes	5,455,682
(h) Credited to General Reserve Ledger	39,700,000
(i) Credit to cure Class A Principal Deficiency Ledger	-
(j) Credit to cure Class Z VFN Principal Deficiency Ledger	-
(k) Interest due on the Class Z VFN	244,280
(l) Issuer Profit Amount	300
(m) Interest Rate Swap Excluded Termination Amounts	-
(n) Retained Revenue during a Determination Period	-
(o) If all Class A Notes have been repaid, Principal Amounts due for Class Z VFN	-
(p) Deferred Consideration	5,443,750
	56,096,015

REVENUE LEDGER	(£)
Opening Revenue Ledger Balance	-
Available Revenue Receipts	56,096,015
Distribution of Available Revenue Receipts	(56,096,015)
Closing Revenue Ledger Balance	-

GENERAL RESERVE LEDGER	(£)
Proceeds of Class Z VFN	39,700,000
Transferred to Revenue Ledger	(39,700,000)
Received from Revenue Ledger	39,700,000
Further Class Z VFN Funding	-
Closing General Reserve Ledger Balance	39,700,000

AVAILABLE PRINCIPAL RECEIPTS	(£)
(a) Amounts received from Borrowers	60,211,606
Cash paid by Seller to repurchase loans	177,106
Less Further Advances made	(2,870,684)
(b) Excess funds from proceeds of the Notes	-
(c)(i) Reduction in Class A Principal Deficiency Ledger	-
(c)(ii) Reduction in Class Z Principal Deficiency Ledger	-
(d) Reconciliation Amounts during a Determination Period	-
(e) Release of Ported Loan Repurchase Ledger balances	-
(f) Retained Principal Ledger balance	39,640,755
LESS	
(g) Amounts utilised to Pay Revenue Deficiency	-
(h) Amounts already used to purchase Additional Loans	(69,809,625)
Total Available Principal Receipts	27,349,158

PRE-ACCELERATION PRINCIPAL PRIORITY OF PAYMENTS	(£)
(a)(i) To pay for the purchase of further Additional Loans	£0
(a)(ii) To credit the Retained Principal Ledger for up to six months	£27,349,158
(b) Principal amounts due on the Class A1 Notes	£0
(c) Principal amounts due on the Class A2 Notes	£0
(d) Principal amounts due on the Class Z VFN	£0
(e) Any further amounts to be applied as Available Revenue Receipts	£0

RETAINED PRINCIPAL LEDGER	(£)
Opening Balance	39,640,755
Transferred to Available Principal Receipts	(39,640,755)
Retained from the Principal Priority of Payments	27,349,158
Closing Balance	27,349,158

PRINCIPAL LEDGER	(£)
Opening Principal Ledger Balance	-
Available Principal Receipts received by the Issuer	27,349,158
Utilisation of Available Principal Receipts	(27,349,158)
Closing Principal Ledger Balance	-

PRINCIPAL DEFICIENCY LEDGERS	CLASS A (£)	CLASS Z (£)
Opening Principal Deficiency Ledger Balance	-	-
Losses on the Portfolio	-	-
Principal Receipts used to pay a Revenue Deficiency	-	-
Revenue Priority of Payment (h) and (j)	-	-
Closing Principal Deficiency Ledger Balance	-	-

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Swaps¹

	Maturity	Currency	Notional	Counterparty	Receive reference rate	Receive margin	Receive rate	Pay rate	Payments (made)/received (£)
Interest Rate (Asset) Swap	7 Dec 2050	GBP	1,559,675,584	Godiva Mortgages Limited	3m LIBOR	2.50000%	3.00575%	Basket of rates	n/a

Collateral Received

	Counterparty Rating (Moody's / Fitch)		Required Rating (Initial Rating Event: Moody's / Fitch)		Breached (Y/N)	Breach Remedy (if applicable)	Collateral Posting (£)	Valuation*
	Long-term	Short-term	Long-term	Short-term				
Interest Rate (Asset) Swap Guarantor Coventry Building Society	A3 / A	P-2 / F1	A2 / A	P-1 / F1	Y	Post collateral	-	(85,314,700)

*The mark to market value of this swap is out of the money for Mercia No. 1 PLC

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Summary of Tests & Triggers

Event	Trigger	Prospectus	Breached	Consequence if Trigger Breached	
Cash Manager Trigger	Cash Manager's ratings fall below required levels	Moody's long-term: Baa3	73	No	Appoint Back-up Cash Manager within 60 days
Seller Trigger (a)	CBS ratings fall below required levels	Moody's short-term: P-2 , Fitch short-term: F-2	73	No	Provide Solvency Certificate to the Issuer and the Security Trustee when additional mortgages are sold
Seller Trigger (b)	CBS ratings fall below required levels	Moody's long-term: Baa3, Fitch long-term: BBB-	74	No	Provide Security Trustee details of Borrowers and draft notice of assignment on a monthly basis
Servicer Trigger	Servicer's ratings fall below required levels	Moody's long-term: Baa3, Fitch long-term: BBB-	74	No	Appoint Back-up Servicer within 60 days
Interest Rate Swap Guarantor Trigger	Guarantor's ratings fall below required levels	Moody's short-term: P-1 and long-term: A2 (or A1 if long-term only), Fitch short-term: F1 and long-term: A	74	Yes	Post collateral or obtain guarantee
Account Bank Trigger	Account Bank's ratings fall below required levels	Moody's short-term: P-1 and long-term: A2 (or A1 if long-term only), Fitch short-term: F1 and long-term: A	75	No	Replace Account Bank within 30 days
Perfection Events	The Seller enters into insolvency	Insolvency	77	No	Perfection of title on the loans
Asset Conditions	Quality of the pool of loans declines beyond given percentages	Arrears > 3%; Further Advances > 3%; WA OLTV > 60%; Interest Only > 85%	94 - 95	No	Must repurchase any loans subject to Further Advances or Product Switches and cannot sell further Substitute Loans or Additional Loans
Principal Shortfall	Principal receipts are insufficient to fund Further Advances in the period	Shortfall	158	No	The loans subject to the Further Advances must be repurchased or a drawing made under the Class Z VFN
Utilisation of General Reserve	General Reserve Fund is below General Reserve Required Amount	Shortfall	158	No	Class Z VFN Holder required to further fund the Class Z VFN up to the Maximum Class Z VFN Amount of £500,000,000
Further Sale Period end	Event of Default or Quality of Pool declines beyond given levels	Class Z PDL > 50% Class Z Principal Outstanding; Aggregate Losses > 5% initial Current Balance; Arrears > 5%	44	No	Further Sale Period ends

Mercia No. 1 PLC

Investor Report

As at: 31/05/2013

Glossary

Additional Loans	Additional Loans may be sold to the Issuer during the Further Sale Period to the extent that there are sufficient Principal Receipts to fund such sale and subject to the Additional Loan Conditions, the Loan Warranties and the Estimated Revenue Deficiency condition.
Administered Rates	The Seller operates a number of variable administered rates including a Standard Variable Rate.
Arrears Balance	Arrears includes any fees and insurance premiums that are past due and interest on arrears. Capitalised arrears are excluded from the Arrears Balance.
Authorised Investments	Authorised Investments comprise short term cash deposits maturing before the next Interest Payment Date. The deposits are only made with counterparties that meet the strict ratings criteria set out in the Transaction Documents. Investments must either (a) mature within 90 days and be rated at least F1+ by Fitch and P-1 by Moody's and, if the investments have a long-term rating, AA- by Fitch and Aa3 by Moody's or (b) mature within 30 days and be rated at least F1 by Fitch and P-1 by Moody's and, if the investments have a long-term rating, A by Fitch and A2 by Moody's
Class Z Variable Funding Notes (VFNs)	Class Z Variable Funding Notes are unrated notes which are not publicly issued, listed or traded and are held by Godiva Mortgages Limited. The Class Z notes are subordinated to the General Reserve Fund and have been established to provide credit and, given their subordination, yield enhancement to the programme. The Prospectus provides that the General Reserve Fund shall not be available to meet any deficit of interest on Class Z notes or meet a deficit caused by a debit balance on the Class Z Principal Deficiency Ledger.
Constant Default Rates (CDR)	Constant Default Rate is calculated from the current mortgage balance of loans entering into default in the month and is shown as a percentage of the opening True Balance.
Constant Prepayment Rates (CPR)	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.
Default	For the purposes of this report a loan is identified as being in default where the Months in Arrears is six or more.
Employment Status	Employment status of the primary applicant. People employed by a company of which they are also a director are included as Self-Employed.
Excess Spread	This is defined as the revenue amounts stated in the most recent waterfall junior to the General Reserve Fund applied to the outstanding 'A' notes.
Further Sale Period	During this period the Seller may sell Additional Loans to the Issuer to the extent that there are sufficient Principal Receipts to fund such sale and subject to the Additional Loan Conditions, the Loan Warranties and the Estimated Revenue Deficiency condition. The Further Sale Period will end early if certain performance triggers occur, if there is an Event of Default or at the option of the Seller.
General Reserve Required Amount	The value disclosed at the month end is equal to the value calculated on the calculation date immediately preceding the month end.
Geographical Distribution	This uses the regions in the HPI Regional Series published by Nationwide Building Society. The definition of those regions is available at http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm . This definition differs from the standard NUTS 1 regions used in other reporting.
Income Verification Requested	Income verification has been requested on all mortgages in the pool at application. With certain low-risk low-LTV loans, proof of income is only required for a random selection of loans. The performance of the loans and decline/withdrawal rates on the random selection is closely monitored.
Indexed	Indexation is applied to house price valuations on a regional basis using non-seasonally adjusted data. The indexation is applied as at the end of March, June, September and December.
Interest Payments	Payments received in a reporting period are applied first to interest and then to principal.
Months in Arrears	Months in Arrears is calculated as the Arrears balance divided by the normal contractual payment due, ignoring any temporary arrangement or payment holiday.
Mortgage Account	A mortgage account consists of one or more underlying loans all secured with equal priority by a first charge on the same property and thereby forming a single mortgage account. All items are disclosed at mortgage account level with the exception of Interest Rate Type, Loan Purpose and Interest Rate Split which are reported at an individual loan level.
Mortgage Collections	The aggregate amount of scheduled and unscheduled principal, and interest collected during the reporting period.
Principal Deficiency Ledger	Losses are allocated to the Class Z PDL first and then to the Class A PDL. A debit balance on the Principal Deficiency Ledger will be eliminated to the extent there are excess revenue receipts available during the period. Any uncured debit balance on the notes appears on page 2
Principal Payment Rates (PPR)	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.
Principal Receipts	Payments received in a reporting period are applied first to interest and then to principal.
Properties in Possession - Possessed	Balances and arrears for this entry are taken as of the possession date.
Properties in Possession - Property Returned to Borrower	Balances and arrears for this entry are taken as of the date the property is returned.
Receiver of Rent	In these cases the Servicer receives rent directly from the tenant as part of the mortgage payment under the Law of Property Act (LPA).
Retained Principal Ledger	Principal Receipts may be retained in this ledger during the Further Sale Period for up to six months to fund Additional Loans.
Scheduled Principal Receipts	The element of Principal Receipts that are included in the contractual payment for a Borrower who has a Repayment or Combination mortgage.
Substitute Loans	Under the terms of the programme, the Seller may sell additional assets into the pool in exchange for assets that have been repurchased under the terms of the Asset Conditions.
Step Up and Call Date	The Step Up Date occurs on the first Interest Payment Date after the fifth anniversary of the end of the Further Sale Period. The issuer may call the Class A notes at any time on or after the Step Up Date.
True Balance	As at the given date, the aggregate (but avoiding double counting) of (i) the original principal amount advanced to the relevant Borrower and any further amount advanced, (ii) any interest, fees or charges which have been properly capitalised and (iii) any other amount (including Accrued Interest and Arrears of Interest) which is due or accrued (whether or not due) and which has not been paid and has not been capitalised.
Unscheduled Principal Receipts	The element of Principal Receipts that are not Scheduled Principal Receipts.
Waterfall	Available Revenue Receipts and Available Principal Receipts are allocated in accordance with the "Cashflows" section of the Base Prospectus to enable the payments on the Notes to be made on the relevant dates, subject to there being sufficient available revenue and principal receipts. Note payment dates fall quarterly on 7 March, June, September and December or the next business day. Waterfalls reported in the Investor Report refer to the latest quarter that has been calculated.