Covered Bond Programme

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: August 2015

Administration

Name of issuer	Yorkshire Building Society
Name of RCB programme	Yorkshire Building Society €7.5 billion Global Covered Bond Programme
Name, job title and contact details of person validating this form	Richard Driver, Secured Funding Manager, rjdriver@ybs.co.uk
Date of form submission	21/09/2015
Start Date of reporting period	01/08/2015
End Date of reporting period	31/08/2015
Web links - prospectus, transaction documents, loan-level data	http://www.ybs.co.uk/your-society/treasury/wholesale_funding/covered-bonds/reports.html

Counterparties, Ratings

	Counterparty/ies	Fitch		Moody's		S&P		DBRS	
		Rating trigger	Current rating	Rating trigger	Current rating	Rating trigger	Current rating	Rating trigger	Current rating
Covered bonds		-	AAA	-	Aaa	na	na	na	na
Issuer	Yorkshire Building Society	-	A-/F1	-	Baa1/P2	na	na	na	na
Seller(s)	Yorkshire Building Society	-	A-/F1	-	Baa1/P2	na	na	na	na
Cash manager	Yorkshire Building Society	BBB-	A-/F1	Baa3	Baa1/P2	na	na	na	na
Stand-by cash manager	n/a	-	-	-	-	na	na	na	na
Account bank	Yorkshire Building Society	F2	F1	P2	P2	na	na	na	na
Stand-by account bank	HSBC Bank Plc	F2	F1+	P2	P1	na	na	na	na
Servicer(s)	Yorkshire Building Society	BBB-	A-	Baa3	Baa1/P2	na	na	na	na
Stand-by servicer(s)	n/a	-	-	-	-	na	na	na	na
Swap provider(s) on cover pool	Yorkshire Building Society	-	A-	-	Baa1/P2	na	na	na	na
Stand-by swap provider(s) on cover pool	n/a	n/a	n/a	n/a	n/a	na	na	na	na
Swap notional amount(s) (GBP)	3,803,175,474								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.74%								
LLP pay rate/margin	3.19%								
Collateral posting amount(s) (GBP)	0								

Accounts, Ledgers

	Value as of End Date of reporting period	Value as of Start Date of reporting period	TARGETED VALUE
Revenue receipts / ledger			
Beg Balance	0	n/a	n/a
Third party payments	(100)	n/a	n/a
Interest on Mortgages	10,011,205	n/a	n/a
Interest on GIC	17,543	n/a	n/a
Interest on Sub Assets	0	n/a	n/a
Interest on Authorised Investments	0	n/a	n/a
Transfer from Coupon payment ledger	0	n/a	n/a
Other Revenue	0	n/a	n/a
Amounts transferred from / (to) Reserve Fund	0	n/a	n/a
Cash Capital Contribution deemed to be revenue	0	n/a	n/a
Net interest from / (to) Interest Rate Swap Provider	(5,008,174)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(3,210,288)	n/a	n/a
Pre-funding of monthly swap payments / other payments	(952,992)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Deferred Consideration	(857,194)	n/a	n/a
Closing Balance	0	n/a	n/a
Principal receipts / ledger			
Beg Balance	0	n/a	n/a
Principal repayments under mortgages	54,576,684	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	(311,320,525)	n/a	n/a
Cash Captial Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	2,995,785	n/a	n/a
Principal payments to Covered Bonds Swap Providers	0	n/a	n/a
Principal paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Capital Distribution	253,748,056	n/a	n/a
Closing Balance	0	n/a	n/a
Reserve receipts / ledger			
Beg Balance	9,859,251	n/a	n/a
Transfers to GIC	0	n/a	n/a
Interest on GIC	0	n/a	n/a
Reserve Required Amount	0	n/a	n/a
Transfers from GIC	0	n/a	n/a
Closing Balance	9,859,251	n/a	9,389,408
Capital Account receipts / ledger			
Beg Balance	1,277,059,355	n/a	n/a
Increase in loan balance due to Capitalised interest	0	n/a	n/a
Increase in loan balance due to Further Advances	926,212	n/a	n/a
Increase in loan balance due to insurance & fees	221,394	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	253,748,056	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,531,955,016	n/a	n/a

Asset Coverage Test

	Value	Description
A	3,522,130,186	Adjusted current balance
B	54,576,684	Principal collections not yet applied
C	0	Qualifying additional collateral
D	0	Substitute assets
E	n/a	Proceeds of sold mortgage loans
V	n/a	Set-off offset loans
W	n/a	Personal secured loans
X	n/a	Flexible draw capacity
Y	167,562,359	Set-off
Z	107,566,703	Negative carry
Total: A + B + C + D - (Y + Z)	3,301,577,809	
Method Used for Calculating "A" (note 1)	A (ii)	
Asset Percentage (%)	87.00%	
Maximum asset percentage from Fitch (%)	87.00%	
Maximum asset percentage from Moody's (%)	91.30%	
Maximum asset percentage from S&P (%)	n/a	
Credit support as derived from ACT (GBP)	778,557,809	
Credit support as derived from ACT (%)	30.9%	

Note 1

(i) Adjusted True Balance less deemed reductions. (ii) Arrears Adjusted True Balance less deemed Reductions multiplied by the Asset Percentage

Programme-Level Characteristics

Programme Currency	EUR
Programme size	7,500,000,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	2,523,020,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	2,418,880,000
Cover pool balance (GBP)	4,052,584,857
GIC account balance (GBP)	76,436,690
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,318,910,549
Aggregate deposits attaching to the cover pool (GBP)	167,562,359
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	164,466,800
Nominal level of overcollateralisation (GBP)	1,529,564,857.30
Nominal level of overcollateralisation (%)	160.6%
Total Outstanding Current Balance of Mortgages in the Portfolio	4,052,584,857
Number of Mortgages in Pool	35,287
Average loan balance (GBP)	114,846
Weighted average indexed LTV (%)	53.28
Weighted average non-indexed LTV (%)	59.83
Weighted average seasoning (months)	61.45
Weighted average remaining term (months)	227.18
Weighted average interest rate (%)	3.31
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (%, current month)	12.96
Constant Pre-Payment Rate (%, quarterly average)	12.22
Principal Payment Rate (%, current month)	17.23
Principal Payment Rate (%, quarterly average)	16.48
Constant Default Rate (%, current month)	0
Constant Default Rate (%, quarterly average)	0
Fitch Discontinuity Factor (%)	4 (moderate risk)
Moody's Timely Payment Indicator	Probable
Moody's Collateral Score (%)	5.0 / 3.1

Mortgage Collections

Mortgage collections (scheduled - interest)	10,011,205
Mortgage collections (scheduled - principal)	13,495,774
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	41,080,910

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	335	84.38%	34,715,140	90.38%
Loans bought back by seller(s)	62	15.62%	3,696,255	9.62%
of which are non-performing loans	2	3.23%	223,657	6.05%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	1,583	n/a	310,264,410	n/a

Product Rate Type and Reversionary Profiles

					Weighted average				
	Number	% of total number	Amount (GBP)	% of total amount	Current rate	Remaining teaser period (month)	Current margin	Reversionary margin	Initial rate
Fixed at origination, reverting to SVR	27,930	79.15%	3,448,598,972	85.10%	3.38%	25.03	0	4.39	3.37%
Fixed at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Fixed at origination, reverting to tracker	2,999	8.50%	282,936,669	6.98%	2.79%	0	2.29	2.29	5.45%
Fixed for life	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker at origination, reverting to SVR	1,262	3.58%	100,346,197	2.48%	4.01%	2.84	0	4.39	3.38%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	2,828	8.01%	209,393,795	5.17%	2.24%	146.2	1.74	0	4.68%
SVR, including discount to SVR	268	0.76%	11,309,223	0.28%	4.98%	153.36	0	4.39	5.12%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	34,906	98.92%	4,016,408,512	99.11%
0-1 month in arrears	235	0.67%	21,132,386	0.52%
1-2 months in arrears (greater than 1 month, includes 2 months)	67	0.19%	6,766,553	0.17%
2-3 months in arrears (greater than 2 months, includes 3 months)	34	0.10%	3,368,296	0.08%
3-6 months in arrears (greater than 3 month, includes 6 months)	43	0.12%	4,685,453	0.12%
6-12 months in arrears (greater than 6 months, includes 12 months)	2	0.01%	223,657	0.01%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	17,095	48.45%	1,176,963,550	29.04%
50-55%	2,152	6.10%	291,192,616	7.19%
55-60%	2,369	6.71%	342,268,937	8.45%
60-65%	2,743	7.77%	441,398,446	10.89%
65-70%	2,607	7.39%	410,403,898	10.13%
70-75%	2,853	8.09%	512,068,045	12.64%
75-80%	1,485	4.21%	215,995,038	5.33%
80-85%	1,909	5.41%	325,279,504	8.03%
85-90%	1,395	3.95%	231,232,732	5.71%
90-95%	540	1.53%	84,232,436	2.08%
95-100%	105	0.30%	16,783,255	0.41%
100-105%	23	0.07%	3,040,138	0.08%
105-110%	4	0.01%	691,313	0.02%
110-125%	4	0.01%	491,117	0.01%
125%+	3	0.01%	543,834	0.01%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	20,368	57.72%	1,645,789,621	40.61%
50-55%	2,407	6.82%	390,627,261	9.64%
55-60%	2,633	7.46%	431,395,952	10.64%
60-65%	2,437	6.91%	400,630,323	9.89%
65-70%	2,152	6.10%	347,723,979	8.58%
70-75%	1,540	4.36%	247,183,322	6.10%
75-80%	1,422	4.03%	233,029,287	5.75%
80-85%	1,266	3.59%	199,295,084	4.92%
85-90%	723	2.05%	109,288,387	2.70%
90-95%	209	0.59%	28,674,584	0.71%
95-100%	81	0.23%	11,346,751	0.28%
100-105%	25	0.07%	3,803,480	0.09%
105-110%	11	0.03%	1,861,275	0.05%
110-125%	11	0.03%	1,711,895	0.04%
125%+	2	0.01%	223,657	0.01%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	938	2.66%	1,723,896	0.04%
5,000-10,000	704	2.00%	5,250,370	0.13%
10,000-25,000	2,847	8.07%	51,466,490	1.27%
25,000-50,000	5,241	14.85%	196,400,628	4.85%
50,000-75,000	5,107	14.47%	318,972,996	7.87%
75,000-100,000	4,711	13.35%	411,083,523	10.14%
100,000-150,000	7,042	19.96%	864,319,403	21.33%
150,000-200,000	3,715	10.53%	639,172,437	15.77%
200,000-250,000	1,955	5.54%	435,936,612	10.76%
250,000-300,000	1,083	3.07%	295,789,651	7.30%
300,000-350,000	662	1.88%	213,693,529	5.27%
350,000-400,000	412	1.17%	153,383,123	3.78%
400,000-450,000	238	0.67%	100,614,394	2.48%
450,000-500,000	212	0.60%	100,491,196	2.48%
500,000-600,000	212	0.60%	115,661,589	2.85%
600,000-700,000	116	0.33%	74,789,558	1.85%
700,000-800,000	53	0.15%	39,288,794	0.97%
800,000-900,000	25	0.07%	21,248,823	0.52%
900,000-1,000,000	14	0.04%	13,297,846	0.33%
1,000,000 +	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	1,007	2.85%	122,235,655	3.02%
East Midlands	1,687	4.78%	192,343,323	4.75%
Greater London	2,986	8.46%	698,198,282	17.23%
Northern Ireland	193	0.55%	20,841,282	0.51%
North	2,042	5.79%	170,137,017	4.20%
North West	5,637	15.97%	514,745,361	12.70%
Scotland	4,277	12.12%	399,328,310	9.85%
South East	4,117	11.67%	682,176,123	16.83%
South West	1,633	4.63%	195,914,950	4.83%
Wales	1,510	4.28%	136,022,471	3.36%
West Midlands	1,898	5.38%	218,168,053	5.38%
Yorkshire and Humberside	8,300	23.52%	702,474,031	17.33%
Other	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	21,014	59.55%	2,452,609,034	60.52%
Part-and-part	0	0.00%	0	0.00%
Interest-only	2,398	6.80%	281,065,275	6.94%
Offset	11,875	33.65%	1,318,910,549	32.54%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	3,467	9.83%	690,143,436	17.03%
12-24 months	5,925	16.79%	1,134,918,462	28.00%
24-36 months	354	1.00%	47,790,631	1.18%
36-48 months	1,350	3.83%	204,539,739	5.05%
48-60 months	1,618	4.59%	232,404,353	5.73%
60-72 months	1,077	3.05%	126,446,970	3.12%
72-84 months	1,035	2.93%	111,406,078	2.75%
84-96 months	2,272	6.44%	247,400,968	6.10%
96-108 months	3,505	9.93%	329,330,198	8.13%
108-120 months	3,460	9.81%	285,926,710	7.06%
120-150 months	5,813	16.47%	369,109,454	9.11%
150-180 months	5,411	15.33%	273,167,858	6.74%
180+ months	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	23,844	67.57%	3,182,973,358	78.54%
SVR	5,432	15.39%	349,131,648	8.62%
Tracker	6,011	17.03%	520,479,851	12.84%
Other (please specify)	0	0.00%	0.00	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	35,287	100.00%	4,052,584,857	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	35,287	100.00%	4,052,584,857	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,284	3.64%	38,080,747	0.94%
30-60 months	1,714	4.86%	69,253,627	1.71%
60-120 months	5,407	15.32%	321,293,926	7.93%
120-180 months	9,288	26.32%	777,862,954	19.19%
180-240 months	7,494	21.24%	1,001,018,593	24.70%
240-300 months	6,441	18.25%	1,166,275,768	28.78%
300-360 months	2,404	6.81%	439,004,374	10.83%
360+ months	1,255	3.56%	239,794,869	5.92%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	24,223	68.65%	3,310,658,157	81.69%
Self-employed	1,057	3.00%	173,392,323	4.28%
Unemployed	87	0.25%	7,579,657	0.19%
Retired	410	1.16%	21,502,456	0.53%
Guarantor	0	0.00%	0	0.00%
Other	9,510	26.95%	539,452,264	13.31%
Total	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Covered Bonds Outstanding, Associated Derivatives (please disclose for all bonds outstanding)

Series	5	7	8	9	10
Issue date	22/09/10	12/04/11	23/03/12	11/06/14	19/06/15
Original rating (Moody's/S&P/Fitch/DBRS)	Aa1/AAA	Aa1/AAA	Aa2/AAA	Aa1/AA+	Aaa/AAA
Current rating (Moody's/S&P/Fitch/DBRS)	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA	Aaa/AAA
Denomination	EUR	GBP	GBP	EUR	EUR
Amount at issuance	600,000,000	750,000,000	500,000,000	500,000,000	500,000,000
Amount outstanding	600,000,000	750,000,000	500,000,000	500,000,000	500,000,000
FX swap rate (rate:£1)	1.195	n/a	n/a	1.230	1.372
Maturity type (hard/soft-bullet/pass-through)	soft-bullet	soft-bullet	soft-bullet	soft-bullet	soft-bullet
Scheduled final maturity date	22/09/15	12/04/18	23/03/16	11/06/21	19/06/20
Legal final maturity date	22/09/16	12/04/19	23/03/17	11/06/22	19/06/21
ISIN	XS0543208689	XS0616210752	XS0762446853	XS1076256400	XS1248340587
Stock exchange listing	London	London	London	London	London
Coupon payment frequency	Annual	Annual	Quarterly	Annual	Annual
Coupon payment date	22nd	12th	23rd	11th	19th
Coupon (rate if fixed, margin and reference rate if floating)	3.250%	4.750%	1.75% / 3m Libor	1.250%	0.500%
Margin payable under extended maturity period (%)	1.350%	1.275%	1.750%	0.220%	0.040%
Swap counterparty/ies	HSBC Bank Plc	HSBC Bank Plc	n/a	Natixis	HSBC Bank Plc
Swap notional denomination	EUR	GBP	n/a	EUR	EUR
Swap notional amount	600,000,000	750,000,000	n/a	500,000,000	500,000,000
Swap notional maturity	22/09/15	12/04/18	n/a	11/06/21	19/06/20
LLP receive rate/margin	3.250%	4.750%	n/a	1.250%	0.500%
LLP pay rate/margin	1.683% / 3m Libor	1.495% / 3m Libor	n/a	0.6% / 3m Libor	0.445% / 3m Libor
Collateral posting amount	0	0	n/a	0	0

Programme triggers

Event (please list all triggers)	Summary of Event	Trigger (S&P, Moody's, Fitch, DBRS; short-term, long-term)	Trigger breached (yes/no)	Consequence of a trigger breach
YBS / Issuer	YBS failure to pay on Covered Bonds	YBS failure to pay on Covered Bonds or YBS insolvency	No	Triggers a Notice to Pay on the LLP
YBS / Seller	Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies.	Long term Baa3 (moody's), Fitch BBB-	No	Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies
Account Bank	Account Bank short ratings fall below trigger	P1 (Moody's), F1 (Fitch)	Yes	Standby Account bank invoked
Stand-by Account Bank	Standby Account Bank short ratings fall below trigger	P1 (Moody's), F1 (Fitch)	No	Move to higher rated bank/guarantee required
Servicer	Servicer rating fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	No	Back up Servicer required
Servicer	Servicer rating fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer servicing to Back up Servicer
Cash Manager	Cash Manager ratings fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	No	Back up Cash Manager required
Cash Manager	Cash Manager ratings fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer cash management to Back up Cash manager
Cash Manager	Cash Manager ratings fall below trigger	Initial below Baa1 (Moody's)	No	Pre-funding of amount due in respect of the bonds/to the relevant covered bond swap provider
Interest Rate Swap Provider	Interest Rate Swap provider ratings fall below Trigger	Short term below P2 (Moody's), A2 (Fitch)	No	Within 30 Business Days, i) transfer all rights under the Agreement to a third party, ii) procure a co-obligor and either take such action as agreed with Moody's or post collateral
LLP Event of Default (post YBS Event of Default)	LLP failure to pay on Covered Bonds Amortisation Test failure Interest Coverage Test failure	LLP failure to pay on Covered Bonds, breach of Amortisation or Interest Coverage Test.	No	Bonds becoming immediately due and payable

Currency of assets

	Number	% of total number	Amount (GBP)	% of total amount
GBP	**35,287**	**100.00%**	**£ 4,052,584,857**	**100.00%**

Note 2

Non GBP bond issuance - all non GBP covered bonds are swapped back into GBP in line with rating agency criteria