

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: July 2013
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	Daren Murray, Head of Wholesale Funding, djmurray@ybs.co.uk
Date of form submission	21/08/2013
Start Date of reporting period	01/07/2013
End Date of reporting period	31/07/2013
Web links - prospectus, transaction documents, loan-level data	http://www.ybs.co.uk/your-society/treasury/wholesale_funding/covered-bonds/reports_13.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		-	AA+	-	Aa2	na	na	na	na
Issuer	Yorkshire Building Society	-	BBB+/F2	-	Baa2/P2	na	na	na	na
Seller(s)	Yorkshire Building Society	-	BBB+/F2	-	Baa2/P2	na	na	na	na
Cash manager	Yorkshire Building Society	BBB-	BBB+/F2	Baa3	Baa2/P2	na	na	na	na
Stand-by cash manager	BONY Mellon	-	-	-	-	na	na	na	na
Account bank	Yorkshire Building Society	F2	F2	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-	BBB+	Baa3	Baa2	na	na	na	na
Stand-by servicer(s)	Target Group	-	-	-	-	na	na	na	na
Swap provider(s) on cover pool	Yorkshire Building Society	-	BBB+	-	Baa2	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)	3,013,071,607								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.69%								
LLP pay rate/margin	4.01%								
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	9,730,060	n/a	n/a
Interest on GIC	17,234	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	2,212,460	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	(5,945,536)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,212,460)	n/a	n/a
Pre-funding of monthly swap payments	(2,212,460)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	(961,644)	n/a	n/a
Deferred Consideration	(627,554)	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	51,694,125	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	0	n/a	n/a
Cash Capital Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	14,051,272	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	(65,745,397)	n/a	n/a
Closing Balance	0	n/a	n/a
Reserve receipts / ledger			
Beg Balance	9,935,106	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	9,935,106	n/a	9,934,670
Capital Account receipts / ledger			
Beg Balance	1,361,127,938	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	2,267,141	n/a	n/a
Increase in loan balance due to insurance & fees	294,956	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	(65,745,397)	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,297,944,639	n/a	n/a

Asset Coverage Test

	Value	Description
A	2,550,468,943	Adjusted current balance
B	51,694,125	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	99,757,088	Set-off
Z	119,562,880	Negative carry
Total: A + B + C + D - (Y + Z)	2,382,843,099	
Method Used for Calculating "A" (note 1)	A (ii)	
Asset Percentage (%)	83.70%	
Maximum asset percentage from Fitch (%)	86.00%	
Maximum asset percentage from Moody's (%)	83.70%	
Maximum asset percentage from S&P (%)	n/a	
Credit support as derived from ACT (GBP) (see note 2)	630,823,099	
Credit support as derived from ACT (%)	36.0%	

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

	EUR
Programme Currency	EUR
Programme size	7,500,000,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)	1,752,020,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	1,774,718,000
Cover pool balance (GBP)	3,058,156,845
GIC account balance (GBP)	75,447,340
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,105,863,731
Aggregate deposits attaching to the cover pool (GBP)	99,757,088
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	96,976,631
Nominal level of overcollateralisation (GBP)	630,823,099
Nominal level of overcollateralisation (%)	136.01%
Number of Mortgages in Pool	31,790
Average loan balance (GBP)	96,199
Weighted average indexed LTV (%)	58.84
Weighted average non-indexed LTV (%)	58.98
Weighted average seasoning (months)	73.91
Weighted average remaining term (months)	206.27
Weighted average interest rate (%)	3.97
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (% current month)	16.05
Constant Pre-Payment Rate (% quarterly average)	15.08
Principal Payment Rate (% current month)	19.96
Principal Payment Rate (% quarterly average)	18.91
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 / 4.8

Mortgage Collections

Mortgage collections (scheduled - interest)	9,730,060
Mortgage collections (scheduled - principal)	9,878,248
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	41,815,877

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	332	60.81%	32,391,017	69.16%
Loans bought back by seller(s)	212	38.83%	14,305,140	30.54%
of which are non-performing loans	2	0.37%	140,101	0.30%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	0	0.00%	0	0.00%

Product Rate Type and Reversionary Profiles

	Number	% of total number	Amount (GBP)	% of total amount	Weighted average				
					Current rate	Remaining teaser period (month)	Current margin	Reversionary margin	Initial rate
Fixed at origination, reverting to SVR	21,639	68.07%	2,131,924,947	69.71%	4.39%	19.59	0	4.47	4.40%
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	3,894	12.25%	394,552,212	12.90%	2.91%	0	2.41	2.41	5.46%
Fixed for life	1	0.00%	17,992	0.00%	0.00%	354	0	0	0.00%
Tracker at origination, reverting to SVR	2,338	7.35%	228,604,060	7.48%	3.77%	6.36	0	4.47	3.55%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	3,549	11.16%	282,865,639	9.25%	2.32%	161.99	1.82	0	4.86%
SVR, including discount to SVR	369	1.16%	20,191,994	0.66%	4.99%	172.62	0.03	4.47	5.15%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	31,336	98.57%	3,012,127,362	98.49%
0-1 month in arrears	269	0.85%	27,047,210	0.88%
1-2 months in arrears (greater than 1 month, includes 2 months)	97	0.31%	10,185,395	0.33%
2-3 months in arrears (greater than 2 months, includes 3 months)	46	0.14%	4,651,162	0.15%
3-6 months in arrears (greater than 3 month, includes 6 months)	40	0.13%	4,005,615	0.13%
6-12 months in arrears (greater than 6 months, includes 12 months)	2	0.01%	140,101	0.00%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	16,140	50.77%	962,369,537	31.47%
50-55%	1,873	5.89%	200,044,843	6.54%
55-60%	1,997	6.28%	233,568,272	7.64%
60-65%	2,143	6.74%	272,574,029	8.91%
65-70%	2,479	7.80%	343,146,381	11.22%
70-75%	2,319	7.29%	354,675,763	11.60%
75-80%	1,733	5.45%	247,889,749	8.11%
80-85%	1,538	4.84%	222,990,646	7.29%
85-90%	989	3.11%	139,477,436	4.56%
90-95%	386	1.21%	51,375,229	1.68%
95-100%	144	0.45%	22,840,275	0.75%
100-105%	29	0.09%	4,063,275	0.13%
105-110%	11	0.03%	1,544,510	0.05%
110-125%	6	0.02%	973,094	0.03%
125%+	3	0.01%	622,806	0.02%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	17,342	54.55%	1,044,877,729	34.17%
50-55%	1,551	4.88%	187,087,380	6.12%
55-60%	1,564	4.92%	200,782,751	6.57%
60-65%	1,774	5.58%	251,541,471	8.23%
65-70%	2,241	7.05%	341,162,551	11.16%
70-75%	1,916	6.03%	291,704,047	9.54%
75-80%	1,516	4.77%	217,877,813	7.12%
80-85%	1,268	3.99%	180,441,552	5.90%
85-90%	870	2.74%	114,183,856	3.73%
90-95%	587	1.85%	77,384,321	2.53%
95-100%	451	1.42%	59,256,021	1.94%
100-105%	343	1.08%	44,267,280	1.45%
105-110%	202	0.64%	25,366,985	0.83%
110-125%	150	0.47%	19,685,628	0.64%
125%+	15	0.05%	2,537,459	0.08%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	882	2.77%	1,546,533	0.05%
5,000-10,000	617	1.94%	4,829,373	0.15%
10,000-25,000	2,778	8.74%	50,382,097	1.65%
25,000-50,000	5,595	17.60%	209,327,287	6.84%
50,000-75,000	5,286	16.63%	329,484,344	10.77%
75,000-100,000	4,721	14.85%	411,497,277	13.46%
100,000-150,000	6,371	20.04%	778,583,890	25.46%
150,000-200,000	2,881	9.06%	494,948,513	16.18%
200,000-250,000	1,244	3.91%	276,086,807	9.03%
250,000-300,000	587	1.85%	160,149,302	5.24%
300,000-350,000	325	1.02%	104,969,127	3.43%
350,000-400,000	175	0.55%	64,995,201	2.13%
400,000-450,000	104	0.33%	44,113,428	1.44%
450,000-500,000	66	0.21%	31,248,284	1.02%
500,000-600,000	87	0.27%	47,492,210	1.55%
600,000-700,000	49	0.15%	31,344,742	1.02%
700,000-800,000	14	0.04%	10,356,831	0.34%
800,000-900,000	6	0.02%	5,060,764	0.17%
900,000-1,000,000	2	0.01%	1,940,855	0.06%
1,000,000 +	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	874	2.75%	89,690,757	2.93%
East Midlands	1,473	4.63%	148,950,087	4.87%
Greater London	2,134	6.71%	366,419,540	11.98%
Northern Ireland	118	0.37%	10,251,236	0.34%
North	1,992	6.27%	155,452,944	5.08%
North West	5,390	16.96%	446,810,826	14.61%
Scotland	3,777	11.88%	310,050,189	10.14%
South East	3,475	10.93%	476,612,495	15.58%
South West	1,486	4.67%	157,897,704	5.16%
Wales	1,420	4.47%	118,494,744	3.87%
West Midlands	1,633	5.14%	165,542,725	5.41%
Yorkshire and Humberside	8,018	25.22%	611,983,600	20.01%
Other	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	17,164	53.99%	1,568,609,941	51.29%
Part-and-part	0	0.00%	0	0.00%
Interest-only	3,211	10.10%	383,683,173	12.55%
Offset	11,415	35.91%	1,105,863,731	36.16%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	51	0.16%	11,141,285	0.36%
12-24 months	1,906	6.00%	325,215,545	10.63%
24-36 months	2,267	7.13%	354,487,955	11.59%
36-48 months	1,504	4.73%	194,902,840	6.37%
48-60 months	1,381	4.34%	163,142,738	5.33%
60-72 months	3,164	9.95%	374,482,651	12.25%
72-84 months	4,548	14.31%	467,428,622	15.28%
84-96 months	4,313	13.57%	384,449,090	12.57%
96-108 months	2,737	8.61%	202,907,795	6.63%
108-120 months	2,660	8.37%	174,137,074	5.69%
120-150 months	7,259	22.83%	405,861,251	13.27%
150-180 months	0	0.00%	0	0.00%
180+ months	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	16,757	52.71%	1,735,291,958	56.74%
SVR	6,410	20.16%	488,468,873	15.97%
Tracker	8,621	27.12%	834,276,065	27.28%
Other (please specify)	2	0.01%	119,950	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	31,790	100.00%	3,058,156,845	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	31,790	100.00%	3,058,156,845	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,136	3.57%	36,679,981	1.20%
30-60 months	1,868	5.88%	74,252,176	2.43%
60-120 months	5,114	16.09%	301,483,126	9.86%
120-180 months	8,042	25.30%	639,840,348	20.92%
180-240 months	9,209	28.97%	1,059,053,030	34.63%
240-300 months	4,621	14.54%	680,937,898	22.27%
300-360 months	1,359	4.27%	198,137,200	6.48%
360+ months	441	1.39%	67,773,086	2.22%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	19,596	61.64%	2,243,541,146	73.36%
Self-employed	1,004	3.16%	136,775,795	4.47%
Unemployed	67	0.21%	4,366,013	0.14%
Retired	484	1.52%	25,236,406	0.83%
Guarantor	0	0.00%	0	0.00%
Other	10,639	33.47%	648,237,486	21.20%
Total	31,790	100.00%	£ 3,058,156,845	100.00%

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

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

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), A1 (Fitch)	Yes	Standby Account bank invoked
Stand-by Account Bank	Standby Account Bank short ratings fall below trigger	P1 (Moody's), A1 (Fitch)	No	Move to higher rated bank/guarantee required
Servicer	Servicer rating fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	Yes	Back up Servicer appointed
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)	Yes	Back up Cash Manager appointed
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)	Yes	Pre-funding of amount due in respect of the bonds/to the relevant covered bond swap provider. Pre-funding ledger in place
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.