

**Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: March 2014**
**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	21/04/2014
Start Date of reporting period	01/03/2014
End Date of reporting period	31/03/2014
Web links - prospectus, transaction documents, loan-level data	<a href="http://www.ybs.co.uk/your-society/treasury/wholesale_funding/covered-bonds/reports.html">http://www.ybs.co.uk/your-society/treasury/wholesale_funding/covered-bonds/reports.html</a>

**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+	-	Aa1	na	na	na	na
Issuer	Yorkshire Building Society	-	BBB+/F2	-	Baa1/P2	na	na	na	na
Seller(s)	Yorkshire Building Society	-	BBB+/F2	-	Baa1/P2	na	na	na	na
Cash manager	Yorkshire Building Society	BBB-	BBB+/F2	Baa3	Baa1/P2	na	na	na	na
Stand-by cash manager	n/a	-	-	-	-	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	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	-	BBB+	-	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)	2,895,765,639								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.69%								
LLP pay rate/margin	3.85%								
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
<b>Revenue receipts / ledger</b>			
Beg Balance	0	n/a	n/a
Third party payments	(100)	n/a	n/a
Interest on Mortgages	8,490,977	n/a	n/a
Interest on GIC	11,400	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	2,500,000	n/a	n/a
Cash Capital Contribution deemed to be revenue	0	n/a	n/a
Net interest from / (to) Interest Rate Swap Provider	(5,837,042)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,437,578)	n/a	n/a
Pre-funding of monthly swap payments / other payments	(933,752)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Deferred Consideration	(1,793,905)	n/a	n/a
Closing Balance	0	n/a	n/a
<b>Principal receipts / ledger</b>			
Beg Balance	0	n/a	n/a
Principal repayments under mortgages	35,387,349	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	468,860,642	n/a	n/a
Cash Capital Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	1,867,249	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	(506,115,239)	n/a	n/a
Closing Balance	0	n/a	n/a
<b>Reserve receipts / ledger</b>			
Beg Balance	9,987,106	n/a	n/a
Transfers to GIC	0	n/a	n/a
Interest on GIC	0	n/a	n/a
Reserve Required Amount	(2,500,000)	n/a	n/a
Transfers from GIC	0	n/a	n/a
Closing Balance	7,487,106	n/a	7,137,967
<b>Capital Account receipts / ledger</b>			
Beg Balance	976,314,213	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	1,946,203	n/a	n/a
Increase in loan balance due to insurance & fees	247,316	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	431,606,044	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,410,113,776	n/a	n/a

**Asset Coverage Test**

	Value	Description
A	2,636,988,159	Adjusted current balance
B	35,387,349	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	112,595,586	Set-off
Z	95,992,202	Negative carry
Total: A + B + C + D - (Y + Z)	2,463,787,719	
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)	711,767,719	
Credit support as derived from ACT (%)	40.6%	

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)	1,746,152,000
Cover pool balance (GBP)	3,158,073,158
GIC account balance (GBP)	53,876,831
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,155,075,584
Aggregate deposits attaching to the cover pool (GBP)	112,595,586
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	110,193,045
Nominal level of overcollateralisation (GBP)	711,767,719
Nominal level of overcollateralisation (%)	140.63%
Total Outstanding Current Balance of Mortgages in the Portfolio	3,158,073,158
Number of Mortgages in Pool	32,695
Average loan balance (GBP)	96,592
Weighted average indexed LTV (%)	55.76
Weighted average non-indexed LTV (%)	58.11
Weighted average seasoning (months)	75.81
Weighted average remaining term (months)	205.66
Weighted average interest rate (%)	3.78
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (% , current month)	11.35
Constant Pre-Payment Rate (% , quarterly average)	11.68
Principal Payment Rate (% , current month)	15.58
Principal Payment Rate (% , quarterly average)	15.90
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 / 4.3

**Mortgage Collections**

Mortgage collections (scheduled - interest)	8,490,977
Mortgage collections (scheduled - principal)	9,649,715
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	25,737,634

**Loan Redemptions & Replenishments Since Previous Reporting Date**

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	240	5.87%	19,600,912	4.00%
Loans bought back by seller(s)	41	1.00%	2,316,906	0.47%
of which are non-performing loans	1	0.02%	97,268	0.02%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	3,806	93.10%	468,260,199	95.51%

**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	23,117	70.71%	2,328,409,303	73.73%	4.06%	21.39	0	4.45	4.06%
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	3,673	11.23%	361,777,987	11.46%	2.89%	0	2.39	2.39	5.46%
Fixed for life	3	0.01%	22,969	0.00%	0.00%	186.6	0	0	0.00%
Tracker at origination, reverting to SVR	2,080	6.36%	181,504,482	5.75%	3.92%	3.45	0	4.45	3.63%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	3,459	10.58%	268,091,590	8.49%	2.32%	155.54	1.82	0	4.83%
SVR, including discount to SVR	363	1.11%	18,266,828	0.58%	4.99%	169.03	0.04	4.45	5.09%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>					

**Stratifications**

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	32,257	98.66%	3,114,262,243	98.61%
0-1 months in arrears	266	0.81%	25,436,872	0.81%
1-2 months in arrears (greater than 1 month, includes 2 months)	89	0.27%	9,061,033	0.29%
2-3 months in arrears (greater than 2 months, includes 3 months)	45	0.14%	5,264,984	0.17%
3-6 months in arrears (greater than 3 month, includes 6 months)	37	0.11%	3,950,759	0.13%
6-12 months in arrears (greater than 6 months, includes 12 months)	1	0.00%	97,268	0.00%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	16,971	51.91%	1,021,184,835	32.34%
50-55%	1,971	6.03%	219,607,221	6.95%
55-60%	2,166	6.62%	264,018,065	8.36%
60-65%	2,362	7.22%	317,093,814	10.04%
65-70%	2,459	7.52%	349,363,579	11.06%
70-75%	2,362	7.22%	364,633,581	11.55%
75-80%	1,615	4.94%	225,497,804	7.14%
80-85%	1,406	4.30%	198,293,256	6.28%
85-90%	912	2.79%	131,268,029	4.16%
90-95%	293	0.90%	39,407,583	1.25%
95-100%	130	0.40%	20,767,304	0.66%
100-105%	33	0.10%	4,650,149	0.15%
105-110%	8	0.02%	1,228,158	0.04%
110-125%	4	0.01%	632,112	0.02%
125%+	3	0.01%	427,668	0.01%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	18,772	57.42%	1,177,576,715	37.29%
50-55%	1,701	5.20%	220,257,622	6.97%
55-60%	1,882	5.76%	269,006,772	8.52%
60-65%	2,234	6.83%	336,571,836	10.66%
65-70%	2,124	6.50%	320,393,543	10.15%
70-75%	1,806	5.52%	271,381,567	8.59%
75-80%	1,312	4.01%	177,424,448	5.62%
80-85%	1,052	3.22%	145,050,517	4.59%
85-90%	727	2.22%	98,906,484	3.13%
90-95%	431	1.32%	55,218,954	1.75%
95-100%	319	0.98%	42,160,407	1.34%
100-105%	192	0.59%	23,836,308	0.75%
105-110%	83	0.25%	11,541,133	0.37%
110-125%	49	0.15%	6,922,465	0.22%
125%+	11	0.03%	1,822,388	0.06%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	903	2.76%	1,545,768	0.05%
5,000-10,000	724	2.21%	5,526,767	0.18%
10,000-25,000	2,941	9.00%	53,235,397	1.69%
25,000-50,000	5,847	17.88%	218,838,249	6.93%
50,000-75,000	5,361	16.40%	334,172,101	10.58%
75,000-100,000	4,784	14.63%	416,683,678	13.19%
100,000-150,000	6,397	19.57%	782,599,183	24.78%
150,000-200,000	2,932	8.97%	503,867,184	15.95%
200,000-250,000	1,229	3.76%	273,160,720	8.65%
250,000-300,000	631	1.93%	172,142,665	5.45%
300,000-350,000	346	1.06%	111,744,177	3.54%
350,000-400,000	222	0.68%	82,964,652	2.63%
400,000-450,000	118	0.36%	50,181,669	1.59%
450,000-500,000	71	0.22%	33,766,712	1.07%
500,000-600,000	97	0.30%	53,037,050	1.68%
600,000-700,000	56	0.17%	35,908,804	1.14%
700,000-800,000	19	0.06%	14,055,235	0.45%
800,000-900,000	14	0.04%	11,743,759	0.37%
900,000-1,000,000	3	0.01%	2,899,389	0.09%
1,000,000 +	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	895	2.74%	91,546,229	2.90%
East Midlands	1,499	4.58%	149,460,301	4.73%
Greater London	2,251	6.88%	406,295,596	12.87%
Northern Ireland	187	0.57%	18,574,171	0.59%
North	2,013	6.16%	153,401,071	4.86%
North West	5,390	16.49%	439,514,681	13.92%
Scotland	4,357	13.33%	382,435,598	12.11%
South East	3,488	10.67%	474,639,284	15.03%
South West	1,447	4.43%	151,021,461	4.78%
Wales	1,442	4.41%	117,197,088	3.71%
West Midlands	1,644	5.03%	164,977,913	5.22%
Yorkshire and Humberside	8,082	24.72%	609,009,765	19.28%
Other	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	17,883	54.70%	1,645,081,306	52.09%
Part-and-part	0	0.00%	0	0.00%
Interest-only	3,036	9.29%	357,916,269	11.33%
Offset	11,776	36.02%	1,155,075,584	36.58%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	1,768	5.41%	325,995,197	10.32%
12-24 months	626	1.91%	106,277,188	3.37%
24-36 months	1,499	4.58%	234,288,313	7.42%
36-48 months	2,426	7.42%	357,816,690	11.33%
48-60 months	1,178	3.60%	138,478,726	4.38%
60-72 months	1,609	4.92%	189,526,836	6.00%
72-84 months	3,468	10.61%	385,080,222	12.19%
84-96 months	4,411	13.49%	409,645,805	12.97%
96-108 months	3,420	10.46%	285,407,896	9.04%
108-120 months	2,491	7.62%	169,661,052	5.37%
120-150 months	8,150	24.93%	469,020,505	14.85%
150-180 months	1,648	5.04%	86,874,728	2.75%
180+ months	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	18,405	56.29%	1,975,151,194	62.54%
SVR	6,146	18.80%	432,892,415	13.71%
Tracker	8,121	24.84%	747,206,811	23.66%
Other (please specify)	23	0.07%	2,822,738.95	0.09%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	32,695	100.00%	3,158,073,158	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	32,695	100.00%	3,158,073,158	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,294	3.96%	41,948,266	1.33%
30-60 months	1,961	6.00%	78,210,878	2.48%
60-120 months	5,481	16.76%	319,529,363	10.12%
120-180 months	8,944	27.36%	712,951,683	22.58%
180-240 months	8,371	25.60%	984,714,757	31.18%
240-300 months	4,673	14.29%	713,235,665	22.58%
300-360 months	1,451	4.44%	220,926,170	7.00%
360+ months	520	1.59%	86,556,377	2.74%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	19,837	60.67%	2,311,323,988	73.19%
Self-employed	990	3.03%	140,182,396	4.44%
Unemployed	90	0.28%	7,624,292	0.24%
Retired	457	1.40%	23,495,066	0.74%
Guarantor	0	0.00%	0	0.00%
Other	11,321	34.63%	675,447,416	21.39%
<b>Total</b>	<b>32,695</b>	<b>100.00%</b>	<b>£ 3,158,073,158</b>	<b>100.00%</b>

**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
<b>YBS / Issuer</b>	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
<b>YBS / Seller</b>	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
<b>Account Bank</b>	Account Bank short ratings fall below trigger	P1 (Moody's), A1 (Fitch)	Yes	Standby Account bank invoked
<b>Stand-by Account Bank</b>	Standby Account Bank short ratings fall below trigger	P1 (Moody's), A1 (Fitch)	No	Move to higher rated bank/guarantee required
<b>Servicer</b>	Servicer rating fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	No	Back up Servicer required
<b>Servicer</b>	Servicer rating fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer servicing to Back up Servicer
<b>Cash Manager</b>	Cash Manager ratings fall below trigger	Initial below Baa1 (Moody's), BBB+ (Fitch)	No	Back up Cash Manager required
<b>Cash Manager</b>	Cash Manager ratings fall below trigger	Subsequent below Baa3 (Moody's), BBB- (Fitch)	No	Transfer cash management to Back up Cash manager
<b>Cash Manager</b>	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
<b>Interest Rate Swap Provider</b>	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
<b>LLP Event of Default (post YBS Event of Default)</b>	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