

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: July 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	21/08/2015
Start Date of reporting period	01/07/2015
End Date of reporting period	31/07/2015
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		SGP		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)	3,721,425,852								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.74%								
LLP pay rate/margin	3.23%								
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	9,857,420	n/a	n/a
Interest on GIC	19,341	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	(4,565,236)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,920,946)	n/a	n/a
Pre-funding of monthly swap payments / other payments	(1,017,810)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Deferred Consideration	(1,372,669)	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	53,469,850	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	(55,415,846)	n/a	n/a
Cash Capital Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	5,271,151	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	(3,325,154)	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	9,480,481
Capital Account receipts / ledger			
Beg Balance	1,277,457,092	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	2,705,461	n/a	n/a
Increase in loan balance due to insurance & fees	221,956	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	(3,325,154)	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,277,059,355	n/a	n/a

Asset Coverage Test

	Value	Description
A	3,302,894,774	Adjusted current balance
B	53,469,850	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	159,623,621	Set-off
Z	111,181,778	Negative carry
Total: A + B + C + D - (Y + Z)	3,085,559,225	
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)	562,539,225	
Credit support as derived from ACT (%)		22.3%

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)	2,523,020,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	2,381,568,000
Cover pool balance (GBP)	3,800,852,848
GIC account balance (GBP)	74,160,059
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,273,570,101
Aggregate deposits attaching to the cover pool (GBP)	159,623,621
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	156,848,221
Nominal level of overcollateralisation (GBP)	1,277,832,848.19
Nominal level of overcollateralisation (%)	150.6%
Total Outstanding Current Balance of Mortgages in the Portfolio	3,800,852,848
Number of Mortgages in Pool	34,101
Average loan balance (GBP)	111,459
Weighted average indexed LTV (%)	52.34
Weighted average non-indexed LTV (%)	59.17
Weighted average seasoning (months)	64.89
Weighted average remaining term (months)	223.07
Weighted average interest rate (%)	3.37
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (% , current month)	12.72
Constant Pre-Payment Rate (% , quarterly average)	10.61
Principal Payment Rate (% , current month)	16.89
Principal Payment Rate (% , quarterly average)	14.83
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)	9,857,420
Mortgage collections (scheduled - principal)	13,265,155
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	40,204,695

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	326	84.68%	32,794,791	86.10%
Loans bought back by seller(s)	59	15.32%	5,295,472	13.90%
of which are non-performing loans	3	5.08%	298,667	5.64%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	281	n/a	55,463,731	n/a

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	26,682	78.24%	3,191,529,977	83.97%	3.46%	25.02	0	4.4	3.43%
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	3,033	8.89%	287,878,154	7.57%	2.81%	0	2.31	2.31	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	3.70%	97,044,553	2.55%	4.15%	2.19	0	4.4	3.50%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	2,854	8.37%	212,582,286	5.59%	2.24%	146.54	1.74	0	4.68%
SVR, including discount to SVR	270	0.79%	11,817,878	0.31%	4.98%	154.72	0	4.4	5.09%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	33,751	98.97%	3,767,956,346	99.13%
0-1 month in arrears	205	0.60%	18,658,132	0.49%
1-2 months in arrears (greater than 1 month, includes 2 months)	65	0.19%	6,242,480	0.16%
2-3 months in arrears (greater than 2 months, includes 3 months)	37	0.11%	3,738,080	0.10%
3-6 months in arrears (greater than 3 months, includes 6 months)	40	0.12%	3,959,144	0.10%
6-12 months in arrears (greater than 6 months, includes 12 months)	3	0.01%	298,667	0.01%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	16,921	49.62%	1,145,763,142	30.14%
50-55%	2,100	6.16%	275,190,086	7.24%
55-60%	2,300	6.74%	325,111,607	8.55%
60-65%	2,600	7.62%	408,880,704	10.76%
65-70%	2,507	7.35%	387,946,822	10.21%
70-75%	2,724	7.99%	481,225,583	12.66%
75-80%	1,435	4.21%	205,722,580	5.41%
80-85%	1,698	4.98%	281,722,750	7.41%
85-90%	1,207	3.54%	194,606,540	5.12%
90-95%	474	1.39%	73,957,976	1.95%
95-100%	104	0.30%	16,265,439	0.43%
100-105%	22	0.06%	3,077,940	0.08%
105-110%	4	0.01%	691,927	0.02%
110-125%	3	0.01%	376,290	0.01%
125%+	2	0.01%	313,462	0.01%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	20,218	59.29%	1,612,440,426	42.42%
50-55%	2,332	6.84%	372,642,714	9.80%
55-60%	2,516	7.38%	405,215,158	10.66%
60-65%	2,315	6.79%	373,641,984	9.83%
65-70%	2,044	5.99%	319,385,666	8.40%
70-75%	1,421	4.17%	223,675,429	5.88%
75-80%	1,296	3.80%	206,502,261	5.43%
80-85%	1,048	3.07%	159,038,026	4.18%
85-90%	607	1.78%	86,153,859	2.27%
90-95%	176	0.52%	23,609,725	0.62%
95-100%	80	0.23%	11,038,383	0.29%
100-105%	26	0.08%	3,977,121	0.10%
105-110%	11	0.03%	1,863,489	0.05%
110-125%	10	0.03%	1,601,111	0.04%
125%+	1	0.00%	67,495	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	934	2.74%	1,765,072	0.05%
5,000-10,000	690	2.02%	5,175,864	0.14%
10,000-25,000	2,850	8.36%	51,442,750	1.35%
25,000-50,000	5,276	15.47%	197,565,857	5.20%
50,000-75,000	5,058	14.83%	315,733,624	8.31%
75,000-100,000	4,600	13.49%	401,274,386	10.56%
100,000-150,000	6,763	19.83%	829,564,080	21.83%
150,000-200,000	3,459	10.14%	595,022,114	15.65%
200,000-250,000	1,750	5.13%	389,775,091	10.25%
250,000-300,000	1,001	2.94%	273,336,756	7.19%
300,000-350,000	589	1.73%	190,419,685	5.01%
350,000-400,000	354	1.04%	131,790,349	3.47%
400,000-450,000	212	0.62%	89,725,250	2.36%
450,000-500,000	181	0.53%	85,924,550	2.26%
500,000-600,000	187	0.55%	102,044,663	2.68%
600,000-700,000	114	0.33%	73,276,033	1.93%
700,000-800,000	47	0.14%	34,901,421	0.92%
800,000-900,000	21	0.06%	17,822,291	0.47%
900,000-1,000,000	15	0.04%	14,293,011	0.38%
1,000,000 +	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	967	2.84%	113,349,297	2.98%
East Midlands	1,630	4.78%	181,301,010	4.77%
Greater London	2,795	8.20%	635,282,331	16.71%
Northern Ireland	190	0.56%	20,197,265	0.53%
North	1,993	5.84%	163,203,672	4.29%
North West	5,472	16.05%	486,681,030	12.80%
Scotland	4,203	12.33%	383,798,376	10.10%
South East	3,940	11.55%	637,098,731	16.76%
South West	1,569	4.60%	183,787,578	4.84%
Wales	1,475	4.33%	129,457,760	3.41%
West Midlands	1,806	5.30%	203,453,472	5.35%
Yorkshire and Humberside	8,061	23.64%	663,242,327	17.45%
Other	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	19,995	58.63%	2,243,995,444	59.04%
Part-and-part	0	0.00%	0	0.00%
Interest-only	2,425	7.11%	283,287,303	7.45%
Offset	11,681	34.25%	1,273,570,101	33.51%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	2,865	8.40%	565,510,531	14.88%
12-24 months	5,136	15.06%	980,518,456	25.80%
24-36 months	317	0.93%	43,569,752	1.15%
36-48 months	1,407	4.13%	215,495,945	5.67%
48-60 months	1,729	5.07%	246,090,322	6.47%
60-72 months	1,063	3.12%	124,058,054	3.26%
72-84 months	1,014	2.97%	108,355,491	2.85%
84-96 months	2,459	7.21%	265,664,103	6.99%
96-108 months	3,584	10.51%	336,622,132	8.86%
108-120 months	3,418	10.02%	280,135,367	7.37%
120-150 months	5,983	17.54%	374,550,224	9.85%
150-180 months	5,126	15.03%	260,282,470	6.85%
180+ months	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	22,662	66.46%	2,924,581,892	76.95%
SVR	5,386	15.79%	352,067,625	9.26%
Tracker	6,053	17.75%	524,203,331	13.79%
Other (please specify)	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	34,101	100.00%	3,800,852,848	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	34,101	100.00%	3,800,852,848	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,269	3.72%	38,343,841	1.01%
30-60 months	1,746	5.12%	70,055,355	1.84%
60-120 months	5,369	15.74%	316,834,864	8.34%
120-180 months	9,191	26.95%	765,283,407	20.13%
180-240 months	7,308	21.43%	961,157,266	25.29%
240-300 months	5,962	17.48%	1,054,395,266	27.74%
300-360 months	2,160	6.33%	387,860,816	10.20%
360+ months	1,096	3.21%	206,922,033	5.44%
Total	34,101	100.00%	£ 3,800,852,848	100.00%

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	22,976	67.38%	3,058,599,180	80.47%
Self-employed	1,039	3.05%	167,367,972	4.40%
Unemployed	86	0.25%	7,487,982	0.20%
Retired	408	1.20%	21,779,103	0.57%
Guarantor	0	0.00%	0	0.00%
Other	9,592	28.13%	545,618,611	14.36%
Total	34,101	100.00%	£ 3,800,852,848	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	34,101	100.00%	£ 3,800,852,848	100.00%

Note 2

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