

**Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: October 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	21/11/2013
Start Date of reporting period	01/10/2013
End Date of reporting period	31/10/2013
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			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)	2,830,195,911								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.69%								
LLP pay rate/margin	3.98%								
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	9,106,996	n/a	n/a
Interest on GIC	16,579	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	2,076,624	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	(5,149,371)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,076,624)	n/a	n/a
Pre-funding of monthly swap payments	(2,148,232)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	(868,116)	n/a	n/a
Deferred Consideration	(957,756)	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	55,395,973	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	3,642,746	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	(59,038,719)	n/a	n/a
Closing Balance	0	n/a	n/a
<b>Reserve receipts / ledger</b>			
Beg Balance	9,965,106	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	9,965,106	n/a	9,964,517
<b>Capital Account receipts / ledger</b>			
Beg Balance	1,203,480,686	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	2,937,945	n/a	n/a
Increase in loan balance due to insurance & fees	268,817	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	(59,038,719)	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,147,648,729	n/a	n/a

**Asset Coverage Test**

	Value	Description
A	2,418,245,786	Adjusted current balance
B	55,395,973	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	97,435,573	Set-off
Z	110,639,002	Negative carry
Total: A + B + C + D - (Y + Z)	2,265,567,183	
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)	513,547,183	
Credit support as derived from ACT (%)	29.3%	

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)	1,752,020,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	1,758,008,000
Cover pool balance (GBP)	2,897,429,905
GIC account balance (GBP)	78,518,161
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,050,777,278
Aggregate deposits attaching to the cover pool (GBP)	97,435,573
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	95,780,235
Nominal level of overcollateralisation (GBP)	513,547,183
Nominal level of overcollateralisation (%)	129.31%
Number of Mortgages in Pool	30,496
Average loan balance (GBP)	95,010
Weighted average indexed LTV (%)	57.13
Weighted average non-indexed LTV (%)	58.45
Weighted average seasoning (months)	77.00
Weighted average remaining term (months)	203.64
Weighted average interest rate (%)	3.94
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (%) - current month	18.60
Constant Pre-Payment Rate (%) - quarterly average	15.46
Principal Payment Rate (%) - current month	22.51
Principal Payment Rate (%) - quarterly average	19.37
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 / 4.7

**Mortgage Collections**

Mortgage collections (scheduled - interest)	9,106,996
Mortgage collections (scheduled - principal)	9,669,699
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	45,726,274

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

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	352	87.78%	39,602,900	90.93%
Loans bought back by seller(s)	47	11.72%	3,647,621	8.37%
of which are non-performing loans	2	0.50%	304,059	0.70%
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	20,895	68.52%	2,038,100,138	70.34%	4.34%	18.8	0	4.46	4.34%
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	3,713	12.18%	372,961,298	12.87%	2.90%	0	2.4	2.4	5.46%
Fixed for life	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker at origination, reverting to SVR	2,141	7.02%	199,444,345	6.88%	3.85%	5.12	0	4.46	3.60%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	3,404	11.16%	268,076,062	9.25%	2.31%	159.85	1.81	0	4.85%
SVR, including discount to SVR	343	1.12%	18,848,063	0.65%	4.99%	171.37	0.03	4.46	5.11%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>					

**Stratifications**

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	30,033	98.48%	2,850,770,978	98.39%
0-1 month in arrears	282	0.92%	27,682,755	0.96%
1-2 months in arrears (greater than 1 month, includes 2 months)	96	0.31%	10,411,394	0.36%
2-3 months in arrears (greater than 2 months, includes 3 months)	47	0.15%	4,852,414	0.17%
3-6 months in arrears (greater than 3 month, includes 6 months)	36	0.12%	3,408,305	0.12%
6-12 months in arrears (greater than 6 months, includes 12 months)	2	0.01%	304,059	0.01%
12+ months in arrears (greater than 12 months)	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	15,714	51.53%	930,603,099	32.12%
50-55%	1,832	6.01%	197,596,824	6.82%
55-60%	1,836	6.35%	227,774,737	7.86%
60-65%	2,099	6.88%	265,715,999	9.17%
65-70%	2,385	7.82%	333,288,305	11.50%
70-75%	2,086	6.84%	316,946,472	10.94%
75-80%	1,644	5.39%	229,293,628	7.91%
80-85%	1,407	4.61%	201,210,397	6.94%
85-90%	873	2.86%	121,636,154	4.20%
90-95%	347	1.14%	46,173,896	1.59%
95-100%	128	0.42%	20,624,057	0.71%
100-105%	31	0.10%	4,430,512	0.15%
105-110%	7	0.02%	1,055,891	0.04%
110-125%	5	0.02%	768,674	0.03%
125%+	2	0.01%	311,259	0.01%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	17,136	56.19%	1,045,170,699	36.07%
50-55%	1,512	4.96%	185,850,976	6.41%
55-60%	1,620	5.31%	213,276,307	7.36%
60-65%	1,934	6.34%	283,026,306	9.77%
65-70%	2,148	7.04%	326,300,409	11.26%
70-75%	1,586	5.20%	233,463,327	8.06%
75-80%	1,412	4.63%	193,948,796	6.69%
80-85%	1,072	3.52%	147,615,428	5.09%
85-90%	673	2.21%	87,645,657	3.02%
90-95%	515	1.69%	66,467,118	2.29%
95-100%	390	1.28%	50,426,805	1.74%
100-105%	256	0.84%	32,301,853	1.11%
105-110%	149	0.49%	18,543,387	0.64%
110-125%	79	0.26%	11,132,943	0.38%
125%+	14	0.05%	2,259,895	0.08%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	894	2.93%	1,532,287	0.05%
5,000-10,000	612	2.01%	4,941,321	0.16%
10,000-25,000	2,702	8.96%	49,772,609	1.68%
25,000-50,000	5,405	17.72%	201,900,742	6.98%
50,000-75,000	5,092	16.70%	317,046,733	10.94%
75,000-100,000	4,533	14.86%	394,652,734	13.62%
100,000-150,000	6,047	19.83%	738,274,249	25.48%
150,000-200,000	2,740	8.98%	470,284,136	16.23%
200,000-250,000	1,159	3.80%	257,246,140	8.88%
250,000-300,000	548	1.80%	149,689,190	5.17%
300,000-350,000	302	0.99%	97,492,020	3.36%
350,000-400,000	165	0.54%	61,359,885	2.12%
400,000-450,000	98	0.32%	41,566,483	1.43%
450,000-500,000	62	0.20%	29,430,683	1.02%
500,000-600,000	74	0.24%	40,367,131	1.39%
600,000-700,000	45	0.15%	28,829,449	1.00%
700,000-800,000	10	0.03%	7,447,703	0.26%
800,000-900,000	6	0.02%	5,058,356	0.17%
900,000-1,000,000	2	0.01%	1,938,056	0.07%
1,000,000 +	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	831	2.72%	84,643,698	2.92%
East Midlands	1,411	4.63%	141,036,815	4.87%
Greater London	2,033	6.67%	341,874,954	11.80%
Northern Ireland	115	0.38%	9,746,354	0.34%
North	1,914	6.28%	149,220,617	5.15%
North West	5,186	17.01%	425,093,548	14.67%
Scotland	3,625	11.89%	294,455,765	10.16%
South East	3,321	10.89%	449,461,856	15.51%
South West	1,414	4.64%	148,728,541	5.13%
Wales	1,371	4.50%	113,032,632	3.90%
West Midlands	1,568	5.14%	157,424,803	5.43%
Yorkshire and Humberside	7,707	25.27%	582,710,320	20.11%
Other	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	16,453	53.95%	1,481,606,967	51.14%
Part-and-part	0	0.00%	0	0.00%
Interest-only	3,034	9.95%	365,045,659	12.60%
Offset	11,009	36.10%	1,050,777,278	36.27%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	0	0.00%	0	0.00%
12-24 months	1,443	4.73%	241,797,921	8.35%
24-36 months	1,749	5.74%	278,896,211	9.63%
36-48 months	1,867	6.12%	261,306,212	9.02%
48-60 months	1,435	4.71%	172,803,423	5.96%
60-72 months	2,356	7.73%	281,849,689	9.73%
72-84 months	4,275	14.02%	452,474,797	15.62%
84-96 months	4,319	14.16%	387,815,546	13.38%
96-108 months	2,814	9.23%	219,904,463	7.59%
108-120 months	2,612	8.57%	174,745,710	6.03%
120-150 months	7,249	23.77%	405,893,162	14.01%
150-180 months	377	1.24%	19,942,771	0.69%
180+ months	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	16,319	53.51%	1,674,745,516	57.80%
SVR	6,045	19.82%	452,580,930	15.62%
Tracker	8,131	26.66%	769,986,660	26.57%
Other (please specify)	1	0.00%	116,800	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	30,496	100.00%	2,897,429,905	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	30,496	100.00%	2,897,429,905	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,144	3.75%	35,576,787	1.23%
30-60 months	1,839	6.03%	72,643,465	2.51%
60-120 months	5,001	16.40%	295,659,598	10.20%
120-180 months	7,962	26.11%	633,753,687	21.87%
180-240 months	8,670	28.43%	999,942,551	34.51%
240-300 months	4,210	13.81%	615,489,529	21.24%
300-360 months	1,263	4.14%	181,581,898	6.27%
360+ months	407	1.33%	62,782,391	2.17%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</b>	<b>100.00%</b>

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	18,805	61.66%	2,124,913,026	73.34%
Self-employed	967	3.17%	130,678,094	4.51%
Unemployed	61	0.20%	4,048,215	0.14%
Retired	461	1.51%	24,049,632	0.83%
Guarantor	0	0.00%	0	0.00%
Other	10,202	33.45%	613,740,938	21.18%
<b>Total</b>	<b>30,496</b>	<b>100.00%</b>	<b>£ 2,897,429,905</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)	Yes	Back up Servicer appointed
<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)	Yes	Back up Cash Manager appointed
<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)	Yes	Pre-funding of amount due in respect of the bonds/to the relevant covered bond swap provider. Pre-funding ledger in place
<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.