Yorkshire BUILDING SOCIETY Covered Bond Programme

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: February 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	21/03/2015
Start Date of reporting period	01/02/2015
End Date of reporting period	28/02/2015
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	-	Aa1	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)	3,459,545,020								
Swap notional maturity/ies	Loan balance zero								
LLP receive rate/margin	1.72%								
LLP pay rate/margin	3.37%								
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	(180)	n/a	n/a
Interest on Mortgages	8,548,285	n/a	n/a
Interest on GIC	12,641	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	(4,360,594)	n/a	n/a
Interest (to) Covered Bond Swap Providers	(2,411,756)	n/a	n/a
Pre-funding of monthly swap payments / other payments	(883,396)	n/a	n/a
Interest paid on Covered Bonds without Covered Bonds Swaps	0	n/a	n/a
Deferred Consideration	(905,000)	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	34,827,346	n/a	n/a
Proceeds from Term Advances	0	n/a	n/a
Mortgages Purchased	(100,581,445)	n/a	n/a
Cash Captial Contributions deemed to be principal	0	n/a	n/a
Proceeds from Mortgage Sales	2,994,415	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	62,759,685	n/a	n/a
Closing Balance	0	n/a	n/a
Reserve receipts / ledger			
Beg Balance	8,487,106	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	8,487,106	n/a	8,455,677
Capital Account receipts / ledger			
Beg Balance	1,303,150,940	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	1,798,664	n/a	n/a
Increase in loan balance due to insurance & fees	225,960	n/a	n/a
Capital Contributions	0	n/a	n/a
Capital Distribution	62,759,685	n/a	n/a
Losses from Capital Contribution in Kind	0	n/a	n/a
Closing Balance	1,367,935,248	n/a	n/a

Asset Coverage Test

	Value	Description
A	2,946,265,862	Adjusted current balance
B	34,827,346	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	141,397,620	Set-off
Z	104,456,708	Negative carry
Total: A + B + C + D - (Y + Z)	2,735,238,880	
Method Used for Calculating "A" (note 1)	A (ii)	
Asset Percentage (%)	83.70%	
Maximum asset percentage from Fitch (%)	87.00%	
Maximum asset percentage from Moody's (%)	83.70%	
Maximum asset percentage from S&P (%)	n/a	
Credit support as derived from ACT (GBP)	576,718,880	
Credit support as derived from ACT (%)	26.7%	

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)	2,158,520,000
Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate)	2,048,259,000
Cover pool balance (GBP)	3,525,205,857
GIC account balance (GBP)	53,836,981
Any additional collateral (please specify)	0
Any additional collateral (GBP)	0
Aggregate balance of off-set mortgages (GBP)	1,217,603,170
Aggregate deposits attaching to the cover pool (GBP)	141,397,620
Aggregate deposits attaching specifically to the off-set mortgages (GBP)	139,083,914
Nominal level of overcollateralisation (GBP) (note 2i)	1,366,685,857.01
Nominal level of overcollateralisation (%) (note 2ii)	163.3%
Total Outstanding Current Balance of Mortgages in the Portfolio	3,525,205,857
Number of Mortgages in Pool	33,246
Average loan balance (GBP)	106,034
Weighted average indexed LTV (%)	53.57
Weighted average non-indexed LTV (%)	58.66
Weighted average seasoning (months)	68.44
Weighted average remaining term (months)	217.60
Weighted average interest rate (%)	3.51
Standard Variable Rate(s) (%)	4.99
Constant Pre-Payment Rate (%, current month)	7.63
Constant Pre-Payment Rate (%, quarterly average)	9.71
Principal Payment Rate (%, current month)	12.08
Principal Payment Rate (%, quarterly average)	14.04
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

Note 2

(i) Revised calculation: Cover pool balance (previously ACT Credit support balance) less Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)

(ii) Revised calculation: Cover pool balance (previously ACT Credit support balance) / Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate)

Mortgage Collections

Mortgage collections (scheduled - interest)	8,548,285
Mortgage collections (scheduled - principal)	12,885,539
Mortgage collections (unscheduled - interest)	0
Mortgage collections (unscheduled - principal)	21,941,807

Loan Redemptions & Replenishments Since Previous Reporting Date

	Number	% of total number	Amount (GBP)	% of total amount
Loan redemptions since previous reporting date	197	80.74%	14,402,565	82.21%
Loans bought back by seller(s)	47	19.26%	3,116,224	17.79%
of which are non-performing loans	2	4.26%	505,685	16.23%
of which have breached R&Ws	0	0.00%	0	0.00%
Loans sold into the cover pool	527	n/a	100,616,565	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	25,343	76.23%	2,871,234,654	81.45%	3.64%	24.39	0	4.41	3.63%
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	3,218	9.68%	308,527,540	8.75%	2.84%	0	2.34	2.34	5.45%
Fixed for life	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker at origination, reverting to SVR	1,359	4.09%	103,432,221	2.93%	4.24%	2.28	0	4.41	3.60%
Tracker at origination, reverting to Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Tracker for life	3,026	9.10%	228,227,238	6.47%	2.27%	149.28	1.77	0	4.74%
SVR, including discount to SVR	300	0.90%	13,784,205	0.39%	4.96%	158.04	0.01	4.41	5.14%
Libor	0	0.00%	0	0.00%	0.00%	0	0	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**					

Stratifications

Arrears Breakdown	Number	% of Total Number	Amount	% of Total Amount
Current	32,829	98.75%	3,483,824,055	98.83%
0-1 month in arrears	246	0.74%	24,505,949	0.70%
1-2 months in arrears (greater than 1 month, includes 2 months)	86	0.26%	7,905,696	0.22%
2-3 months in arrears (greater than 2 months, includes 3 months)	41	0.12%	4,205,573	0.12%
3-6 months in arrears (greater than 3 month, includes 6 months)	42	0.13%	4,258,899	0.12%
6-12 months in arrears (greater than 6 months, includes 12 months)	1	0.00%	120,103	0.00%
12+ months in arrears (greater than 12 months)	1	0.00%	385,582	0.01%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Current LTV (Non-Indexed)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Non Indexed	16,854	50.69%	1,092,465,645	30.99%
50-55%	2,053	6.18%	256,111,724	7.27%
55-60%	2,206	6.64%	298,546,690	8.47%
60-65%	2,540	7.64%	382,906,726	10.86%
65-70%	2,432	7.32%	365,642,028	10.37%
70-75%	2,656	7.99%	446,251,252	12.66%
75-80%	1,449	4.36%	204,285,914	5.80%
80-85%	1,530	4.60%	242,779,656	6.89%
85-90%	993	2.99%	155,545,868	4.41%
90-95%	387	1.16%	58,500,857	1.66%
95-100%	107	0.32%	16,611,319	0.47%
100-105%	29	0.09%	3,932,235	0.11%
105-110%	5	0.02%	937,857	0.03%
110-125%	3	0.01%	375,582	0.01%
125%+	2	0.01%	312,504	0.01%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Current LTV (Indexed as Defined in OC)	Number	% of Total Number	Amount	% of Total Amount
0-50% - Indexed	19,403	58.36%	1,414,172,813	40.12%
50-55%	2,053	6.18%	312,607,626	8.87%
55-60%	2,310	6.95%	366,825,061	10.41%
60-65%	2,370	7.13%	382,234,032	10.84%
65-70%	2,030	6.11%	311,038,621	8.82%
70-75%	1,582	4.76%	231,073,183	6.55%
75-80%	1,169	3.52%	170,967,028	4.85%
80-85%	970	2.92%	148,727,669	4.22%
85-90%	672	2.02%	96,393,223	2.73%
90-95%	393	1.18%	52,369,698	1.49%
95-100%	168	0.51%	21,096,266	0.60%
100-105%	74	0.22%	9,669,250	0.27%
105-110%	28	0.08%	4,317,448	0.12%
110-125%	22	0.07%	3,319,368	0.09%
125%+	2	0.01%	394,572	0.01%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Current outstanding balance of loan	Number	% of total number	Amount (GBP)	% of total amount
0-5,000	931	2.80%	1,742,943	0.05%
5,000-10,000	686	2.06%	5,138,608	0.15%
10,000-25,000	2,901	8.73%	52,253,786	1.48%
25,000-50,000	5,471	16.46%	205,093,641	5.82%
50,000-75,000	5,116	15.39%	319,710,959	9.07%
75,000-100,000	4,563	13.72%	397,672,185	11.28%
100,000-150,000	6,535	19.66%	800,655,061	22.71%
150,000-200,000	3,241	9.75%	558,073,128	15.83%
200,000-250,000	1,516	4.56%	337,779,769	9.58%
250,000-300,000	871	2.62%	238,447,262	6.76%
300,000-350,000	478	1.44%	154,639,256	4.39%
350,000-400,000	309	0.93%	114,943,766	3.26%
400,000-450,000	174	0.52%	73,700,791	2.09%
450,000-500,000	138	0.42%	65,620,656	1.86%
500,000-600,000	154	0.46%	83,973,934	2.38%
600,000-700,000	90	0.27%	58,031,187	1.65%
700,000-800,000	42	0.13%	31,033,961	0.88%
800,000-900,000	17	0.05%	14,390,480	0.41%
900,000-1,000,000	13	0.04%	12,304,483	0.35%
1,000,000 +	0	0.00%	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Regional Distribution	Number	% of Total Number	Amount	% of Total Amount
East Anglia	948	2.85%	105,600,543	3.00%
East Midlands	1,576	4.74%	169,765,171	4.82%
Greater London	2,591	7.79%	553,326,621	15.70%
Northern Ireland	182	0.55%	18,565,365	0.53%
North	1,981	5.96%	156,017,279	4.43%
North West	5,369	16.15%	461,384,189	13.09%
Scotland	4,229	12.72%	379,435,708	10.76%
South East	3,754	11.29%	575,143,822	16.32%
South West	1,493	4.49%	166,879,102	4.73%
Wales	1,463	4.40%	124,004,969	3.52%
West Midlands	1,741	5.24%	189,540,881	5.38%
Yorkshire and Humberside	7,919	23.82%	625,542,207	17.74%
Other	0	0.00%	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Repayment type	Number	% of total number	Amount (GBP)	% of total amount
Capital repayment	19,061	57.33%	2,007,377,535	56.94%
Part-and-part	0	0.00%	0	0.00%
Interest-only	2,588	7.78%	300,225,152	8.52%
Offset	11,597	34.88%	1,217,603,170	34.54%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Seasoning	Number	% of total number	Amount (GBP)	% of total amount
0-12 months	3,304	9.94%	650,596,846	18.46%
12-24 months	2,606	7.84%	480,767,159	13.64%
24-36 months	622	1.87%	100,184,097	2.84%
36-48 months	1,286	3.87%	190,851,377	5.41%
48-60 months	2,092	6.29%	296,841,747	8.42%
60-72 months	982	2.95%	109,370,592	3.10%
72-84 months	1,541	4.64%	175,157,881	4.97%
84-96 months	3,203	9.63%	335,928,197	9.53%
96-108 months	3,924	11.80%	345,217,117	9.79%
108-120 months	2,911	8.76%	231,720,012	6.57%
120-150 months	6,811	20.49%	406,801,497	11.54%
150-180 months	3,964	11.92%	201,769,335	5.72%
180+ months	0	0.00%	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Interest payment type	Number	% of total number	Amount (GBP)	% of total amount
Fixed	21,263	63.96%	2,594,905,029	73.61%
SVR	5,575	16.77%	369,718,616	10.49%
Tracker	6,408	19.27%	560,582,213	15.90%
Other (please specify)	0	0.00%	0.00	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Loan purpose type	Number	% of total number	Amount (GBP)	% of total amount
Owner-occupied	33,246	100.00%	3,525,205,857	100.00%
Buy-to-let	0	0.00%	0	0.00%
Second home	0	0.00%	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Income verification type	Number	% of total number	Amount (GBP)	% of total amount
Fully verified	33,246	100.00%	3,525,205,857	100.00%
Fast-track	0	0.00%	0	0.00%
Self-certified	0	0.00%	0	0.00%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Remaining term of loan	Number	% of total number	Amount (GBP)	% of total amount
0-30 months	1,278	3.84%	37,956,093	1.08%
30-60 months	1,842	5.54%	75,133,570	2.13%
60-120 months	5,364	16.13%	315,535,358	8.95%
120-180 months	9,080	27.31%	741,850,588	21.04%
180-240 months	7,424	22.33%	934,020,788	26.50%
240-300 months	5,444	16.37%	924,359,691	26.22%
300-360 months	1,929	5.80%	332,713,996	9.44%
360+ months	885	2.66%	163,635,773	4.64%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Employment status	Number	% of total number	Amount (GBP)	% of total amount
Employed	21,624	65.04%	2,760,583,825	78.31%
Self-employed	1,006	3.03%	152,150,087	4.32%
Unemployed	87	0.26%	7,677,054	0.22%
Retired	428	1.29%	22,918,967	0.65%
Guarantor	0	0.00%	0	0.00%
Other	10,101	30.38%	581,875,924	16.51%
Total	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

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

Series	5	7	8	9
Issue date	22/09/10	12/04/11	23/03/12	11/06/14
Original rating (Moody's/S&P/Fitch/DBRS)	Aa1/AAA	Aa1/AAA	Aa2/AAA	Aa1/AA+
Current rating (Moody's/S&P/Fitch/DBRS)	Aa1/AAA	Aa1/AAA	Aa1/AAA	Aa1/AAA
Denomination	EUR	GBP	GBP	EUR
Amount at issuance	600,000,000	750,000,000	500,000,000	500,000,000
Amount outstanding	600,000,000	750,000,000	500,000,000	500,000,000
FX swap rate (rate:£1)	1.195	n/a	n/a	1.230
Maturity type (hard/soft-bullet/pass-through)	soft-bullet	soft-bullet	soft-bullet	soft-bullet
Scheduled final maturity date	22/09/15	12/04/18	23/03/16	11/06/21
Legal final maturity date	22/09/16	12/04/19	23/03/17	11/06/22
ISIN	XS0543208689	XS0616210752	XS0762446853	XS1076256400
Stock exchange listing	London	London	London	London
Coupon payment frequency	Annual	Annual	Quarterly	Annual
Coupon payment date	22nd	12th	23rd	11th
Coupon (rate if fixed, margin and reference rate if floating)	3.250%	4.750%	1.75% / 3m Libor	1.250%
Margin payable under extended maturity period (%)	1.350%	1.275%	1.750%	0.220%
Swap counterparty/ies	HSBC Bank Plc	HSBC Bank Plc	n/a	Natixis
Swap notional denomination	EUR	GBP	n/a	EUR
Swap notional amount	600,000,000	750,000,000	n/a	500,000,000
Swap notional maturity	22/09/15	12/04/18	n/a	11/06/21
LLP receive rate/margin	3.250%	4.750%	n/a	1.250%
LLP pay rate/margin	1.683% / 3m Libor	1.495% / 3m Libor	n/a	0.6% / 3m Libor
Collateral posting amount	0	0	n/a	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), 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)	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	**33,246**	**100.00%**	**£ 3,525,205,857**	**100.00%**

Note 3

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