ABBEY COVERED BONDS LLP

Monthly Report **October 2007**

Date of Report **08/10/2007**

Counterparties

Group Guarantor	Abbey National plc
Servicer	Abbey National plc
Cash Manager	Abbey National plc
Covered Bond Swap Providers	Barclays Capital
	Citibank
	Deutsche Bank AG
Interest Rate Swap Provider	Abbey National Treasury Services
Bank Account Provider	Abbey National plc

Asset Coverage Test

A=	£ 8,683,848,812	(Adjusted loan balances)
B=	£ -	(Principal collections not applied)
C=	£ -	(Cash Capital Contributions)
D=	£ -	(Substitution Assets)
V=	£ 128,724,180	(For set-off risk in relation to Flexible Plus Loans)
W=	£ 383,151,763	(For set-off risk in relation to general depositors)
X=	£ 72,983,605	(For set-off risk in relation to drawdown facilities)
Y=	£ 616,828	(Aggregate of Future payments on Reward Loans)
Z=	£ 138,973,813	(Potential negative carry on funds held in GIC)
Total A+B+C+D-(V+W+X+Y+Z)	£ 7,959,398,623	
	Pass	Pass / Fail
Method Used for Calculating "A"	A(ii)	A(i) Adjusted Current balance less deemed reductions / A(ii) Arrears adjusted Balance less deemed reductions multiplied by Asset Percentage
Asset Percentage	90.7%	
Amount of Credit Support	£ 4,933,983,623	Result of the over collateralisation in the Asset Coverage Test

Portfolio Characteristics

Total Outstanding Current Balance of Mortgages in the Portfolio	£ 9,578,794,075
Number of Mortgages in Pool	124,834
Average Loan Balance	£ 76,732.25
Weighted Average Current LTV	66.24%

Current LTV Levels Breakdown *	Number	Value	% of Total
0 - 30%	33,865	949,610,476	9.9%
30 - 35%	5,797	287,411,864	3.0%
35 - 40%	6,013	333,986,222	3.5%
40 - 45%	6,347	414,792,312	4.3%
45 - 50%	6,595	487,687,646	5.1%
50 - 55%	6,930	589,448,186	6.2%
55 - 60%	7,129	671,577,193	7.0%
60 - 65%	6,912	683,431,587	7.1%
65 - 70%	7,527	812,348,022	8.5%
70 - 75%	8,193	981,772,400	10.2%
75 - 80%	6,159	735,366,405	7.7%
80 - 85%	5,700	643,484,842	6.7%
85 - 90%	5,696	717,946,694	7.5%
90 - 95%	3,951	493,531,200	5.2%
95 -100%	2,584	270,010,321	2.8%
100% +	5,436	506,388,706	5.3%
Totals	124,834	9,578,794,075	100.0%

* using latest (non-indexed) valuation

Cash Ledgers

Revenue Ledger	-
Principal Ledger	-
Reserve Ledger	23,972,074
Payments Ledger	14,993,385
Cash Contributions Ledger	-
Total	38,965,459

Represented By :

GIC Account	38,965,459
Transaction Account	-
Authorised Investments / Substitution Assets	-
Total	38,965,459

LLP Balance Sheet

Cash	38,965,459
Mortgages	9,578,794,075
Authorised Investments / Substitution Assets	-
Total	9,617,759,534

Capital Account Ledger - AN plc	6,592,344,534
Capital Account Ledger - ANTS	-
Intercompany Loan Outstanding	3,025,415,000
Total	9,617,759,534

Credit Ratings	Long Term Moodys, S&P, Fitch	Short Term Moodys, S&P, Fitch
AN plc	Aa3, A+, AA-	P-1, A-1, F1+
Barclays Capital	Aa1, AA, AA+	P-1, A-1+, F1+
Citibank	Aa1, AA-, AA+	P-1, A-1+, F1+
Deutsche Bank AG	Aa3, AA-, AA-	P-1, A-1+, F1+

AN plc Event Of Default	No
LLP Event Of Default	No