

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1.
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Mortgage Asset Analysis

Analysis of Mortgage Trust Movements

| | Current Period | |
|----------------------|----------------|---------------------|
| | Number | £000's |
| Brought Forward | 423,329 | 39,570,112 |
| Replenishment | 0 | 0 |
| Repurchased | (3,805) | (405,656) |
| Redemptions | (6,657) | (729,378) |
| Losses | (25) | (953) |
| Capitalised Interest | 0 | 4,348 (* see below) |
| Other Movements | 0 | 0 |
| Carried Forward | 412,842 | 38,438,473 |

* Capitalised interest refers to interest due met from amounts standing to the credit of overpayment facilities on flexible loans

| | Cumulative | |
|----------------------|------------|-----------------------|
| | Number | £000's |
| Brought Forward | 115,191 | 6,399,214 |
| Replenishment | 1,708,788 | 153,897,327 |
| Repurchased | (589,567) | (51,066,562) |
| Redemptions | (819,548) | (71,058,676) |
| Losses | (526) | (11,630) |
| Capitalised Interest | 0 | 284,844 (* see above) |
| Other Movements | 0 | (6,044) |
| Carried Forward | 412,842 | 38,438,473 |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1.
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Prepayment Rates

| | Trust Payment Rate (CPR) - Annualised Trust Payment Redemptions Rate (CPR) | |
|----------|---|--------|
| 1 Month | 1.90% | 20.57% |
| 3 Month | 5.95% | 21.77% |
| 12 Month | 21.33% | 21.33% |

| | Trust Payment Rate (CPR) - Annualised Trust Payment Repurchases Rate (CPR) | |
|----------|---|--------|
| 1 Month | 1.03% | 9.41% |
| 3 Month | 4.07% | 12.68% |
| 12 Month | 16.60% | 16.60% |

| | Trust Payment Rate (CPR) - Redemptions and Annualised Trust Payment Repurchases Rate (CPR) | |
|----------|--|--------|
| 1 Month | 2.93% | 29.98% |
| 3 Month | 10.02% | 34.45% |
| 12 Month | 37.93% | 37.93% |

Asset Profiles

| | | |
|---------------------------------|------------|---|
| Weighted Average Seasoning | 42.73 | months |
| Weighted Average Loan size | £93,106.98 | |
| Weighted Average LTV | 66.10% | *** (see below) |
| Weighted Average Indexed LTV | 62.45% | using Halifax House Price Index **** |
| Weighted Average Indexed LTV | 60.94% | using Nationwide House Price Index **** |
| Weighted Average Remaining Term | 17.29 | Years |

**** these figures have been corrected as of 9 March 2009. Please see the Special Schedule attached to this report.

Product Type Analysis

| | £000's | % |
|---------------|------------|---------|
| Variable Rate | 9,294,423 | 24.18% |
| Fixed Rate | 17,243,499 | 44.86% |
| Tracker Rate | 11,900,551 | 30.96% |
| | 38,438,473 | 100.00% |

As at 08 December 2008 approximately 18.78% of the loans were flexible loans

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1.
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

| <u>Repayment Method Analysis</u> | £000's | % |
|----------------------------------|-------------------|----------------|
| Endowment | 3,674,718 | 9.56% |
| Interest Only | 14,153,046 | 36.82% |
| Repayment | 20,610,709 | 53.62% |
| | 38,438,473 | 100.00% |

As at 08 December 2008 approximately 28.64% of the loans were written under Abbey's policy of non-income verification

| <u>Loan Purpose Analysis</u> | £000's | % |
|------------------------------|-------------------|----------------|
| Purchase | 20,553,052 | 53.47% |
| Remortgage | 17,885,421 | 46.53% |
| | 38,438,473 | 100.00% |

Mortgage Standard Variable Rate

| <u>Effective Date</u> | <u>Rate</u> |
|-----------------------|-------------|
| 03 December 2008 | 5.44% |
| 01 November 2008 | 6.94% |
| 01 May 2008 | 7.09% |
| 01 March 2008 | 7.34% |

Geographic Analysis

| Region | Number | £000's | % |
|--------------------------|----------------|-------------------|----------------|
| East Anglia | 15,572 | 1,318,992 | 3.43% |
| East Midlands | 21,924 | 1,733,835 | 4.51% |
| Greater London | 71,109 | 8,723,045 | 22.69% |
| North | 16,534 | 1,100,898 | 2.86% |
| North West | 48,114 | 3,588,833 | 9.34% |
| Scotland | 25,104 | 1,665,950 | 4.33% |
| South East | 110,210 | 11,964,802 | 31.13% |
| South West | 33,619 | 3,108,592 | 8.09% |
| Wales | 19,149 | 1,367,186 | 3.56% |
| West Midlands | 25,392 | 2,000,274 | 5.20% |
| Yorkshire and Humberside | 25,714 | 1,838,896 | 4.78% |
| Unknown | 401 | 27,170 | 0.07% |
| Total | 412,842 | 38,438,473 | 100.00% |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Original LTV Bands

| Range | Number | £000's | % | Average Seasoning |
|---------------|---------|------------|---------|-------------------|
| 0.00 - 25.00 | 36,690 | 1,326,711 | 3.45% | 41.48 |
| 25.01 - 50.00 | 111,315 | 7,281,948 | 18.94% | 44.67 |
| 50.01 - 75.00 | 153,122 | 16,255,295 | 42.29% | 42.24 |
| 75.01 - 80.00 | 19,517 | 2,478,557 | 6.45% | 39.79 |
| 80.01 - 85.00 | 27,277 | 3,819,065 | 9.94% | 36.65 |
| 85.01 - 90.00 | 39,630 | 5,309,011 | 13.81% | 38.45 |
| 90.01 - 95.00 | 25,290 | 1,967,887 | 5.12% | 67.56 |
| Total | 412,842 | 38,438,473 | 100.00% | 42.73 |

*** The balance is the current outstanding balance on the account including accrued interest. The LTV is that at origination and excludes any capitalised high loan to value fees, valuation fees or booking fees.

Arrears

| Band | Number | Principal | Overdue | % |
|--------------------------|---------|------------|---------|---------|
| Current | 397,289 | 36,756,049 | 115 | 95.69% |
| 1.00 - 1.99 months | 8,245 | 891,866 | 6,666 | 2.32% |
| 2.00 - 2.99 months | 2,938 | 304,083 | 4,269 | 0.79% |
| 3.00 - 3.99 months | 1,459 | 148,485 | 2,827 | 0.39% |
| 4.00 - 4.99 months | 839 | 86,189 | 2,046 | 0.22% |
| 5.00 - 5.99 months | 516 | 57,104 | 1,622 | 0.15% |
| 6.00 -11.99 months | 1,043 | 114,265 | 4,713 | 0.30% |
| 12 months and over | 198 | 20,317 | 1,847 | 0.05% |
| Properties in Possession | 315 | 33,667 | 2,343 | 0.09% |
| Total | 412,842 | 38,412,025 | 26,448 | 100.00% |

Definition of Arrears

This arrears multiplier is calculated as the arrears amount (which is the difference between the expected monthly repayments and the amount that has actually been paid, i.e. a total of under and/or over payments) divided by the monthly amount repayable. It is recalculated every time the arrears amount changes, i.e. on the date when a payment is due.

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1.
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Movement in Shares of Trust

| | Funding | Seller |
|------------------------------------|-------------|-----------|
| | £000's | £000's |
| Balance Brought Forward | 32,067,044 | 7,503,068 |
| Replenishment of Assets | 0 | 0 |
| Acquisition by Funding | 0 | 0 |
| Distribution of Principal Receipts | (1,065,259) | (69,775) |
| Allocation of Losses | (773) | (180) |
| Share of Capitalised Interest | 3,525 | 823 |
| Payment Re Capitalised Interest | (3,525) | 3,525 |
| Balance Carried Forward | 31,001,012 | 7,437,461 |
| Carried Forward Percentage | 80.65100% | 19.34900% |
| Minimum Seller Share | 2,579,175 | 6.71% |

Cash Accumulation Ledger

| | £000's |
|--------------------------------|------------------------------|
| Brought Forward | 3,377 |
| Additional Amounts Accumulated | 1,066,032 |
| Payment of Notes | 0 |
| Carried Forward | 1,069,409 |
| Target Balance | 1,278,565 |
| | payable on 15th January 2009 |
| | 1,278,565 |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Excess Spread *

| | |
|---------------------|---------|
| Quarter to 15/10/08 | 0.4164% |
| Quarter to 15/07/08 | 0.3592% |
| Quarter to 15/04/08 | 0.3174% |
| Quarter to 15/01/08 | 0.5229% |

*Excess spread is calculated by reference to deferred consideration (determined according to relevant accounting policies) for the period, adjusted for non-cash related items and items relating to amounts falling due after transfers to the first and second reserve funds in the Funding Revenue Priority of Payments, expressed as a percentage of the average note balance over that period.

Reserve Funds

| | First Reserve | Second Reserve | Funding Reserve |
|--------------------------------|-----------------|----------------|-----------------|
| Balance as at 15/10/08 | £563,000,000.00 | £0.00 | £10,000,000.00 |
| Required Amount as at 15/10/08 | £563,000,000.00 | £0.00 | £10,000,000.00 |
| Percentage of Notes | 1.76% | 0.00% | 0.03% |
| Percentage of Funding Share | 1.82% | 0.00% | 0.03% |

Notes Outstanding

| | £000's | Enhancement |
|-----------------------|------------|-------------|
| AAA Notes Outstanding | 29,758,945 | 8.96% |
| AA Notes Outstanding | 886,725 | 6.20% |
| A Notes Outstanding | 464,856 | 4.75% |
| BBB Notes Outstanding | 959,385 | 1.76% |
| Total | 32,069,911 | |

Properties in Possession

Stock

| | Current Period | |
|----------------------|----------------|---------|
| | Number | £000's |
| Brought Forward | 335 | 35,997 |
| Reposessed in Period | 47 | 5,785 |
| Sold in Period | (67) | (8,115) |
| Carried Forward | 315 | 33,667 |

| | Cumulative | |
|--------------------|------------|-----------|
| | Number | £000's |
| Reposessed to date | 2,488 | 403,974 |
| Sold to date | (2,173) | (370,307) |
| Carried Forward | 315 | 33,667 |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Repossession Sales Information

| | |
|---------------------------------|----------|
| Average time Possession to Sale | 107 Days |
| Average arrears at time of Sale | £6,814 |

MIG Claim Status **

| | Number | £000's |
|-----------------|--------|--------|
| MIG Claims made | 199 | 1,396 |

**On the 14th October, 2005, Abbey exercised its right to cancel all relevant MIG policies and therefore, none of the mortgage loans in the portfolio are currently covered by a MIG policy.

Trigger Events

- There has been no debit to the AAA Principal Deficiency Ledger
- The Seller has not suffered an Insolvency Event
- The Seller is still the Servicer
- The Outstanding Principal balance falls below £39bn for two consecutive distribution dates. *

* On 19th December 2008, mortgage backed notes totalling £13.36 billion equivalent were issued via Holmes Master Issuer 2008-2, to support this the Trust Property was increased to £52.96 billion. The restructure of the Trust means that the new minimum trust size will be £52bn. The Final Terms Documentation for HMI 2008-2 can be found at www.holmesreporting.com.

Contact Details

If you have any queries regarding this report please contact the Securitisation Team via

Telephone : +44 (1908) 343836
 Facsimilie : +44 (1908) 343019
 Email : Securitisation@Abbey.com
 Or, visit our website at www.holmesreporting.com

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
2006-1,
Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

| <u>Notes</u> | <u>Deal</u> | <u>Rating (S&P/Moody's/Fitch)</u> | <u>Outstanding</u> | <u>Reference Rate</u> | <u>Margin</u> |
|--------------------|-----------------------------|---------------------------------------|--------------------|-----------------------|---------------|
| Series 4 Class A | Holmes Financing No. 1 | AAA/Aaa/AAA | £250,000,000 | | 6.62% |
| Series 4 Class B | Holmes Financing No. 1 | AA/Aa3/AA | £11,000,000 | 6.21000% | 0.62% |
| Series 4 Class C | Holmes Financing No. 1 | BBB/Baa2/BBB | £14,000,000 | 6.21000% | 1.75% |
| Series 4 Class A 1 | Holmes Financing No. 8 | AAA/Aaa/AAA | £900,000,000 | 6.21000% | 0.15% |
| Series 4 Class A 2 | Holmes Financing No. 8 | AAA/Aaa/AAA | \$500,000,000 | 4.75250% | 0.14% |
| Series 4 Class B | Holmes Financing No. 8 | AA/Aa3/AA | £39,900,000 | 6.21000% | 0.30% |
| Series 4 Class C | Holmes Financing No. 8 | BBB/Baa2/BBB | £68,000,000 | 6.21000% | 0.90% |
| Series 3 Class A1 | Holmes Financing No. 9 | AAA/Aaa/AAA | € 740,000,000 | 5.31800% | 0.10% |
| Series 3 Class A2 | Holmes Financing No. 9 | AAA/Aaa/AAA | £400,000,000 | 6.21000% | 0.09% |
| Series 4 Class A | Holmes Financing No. 9 | AAA/Aaa/AAA | £600,000,000 | 6.21000% | 0.09% |
| Series 3 Class A | Holmes Financing No. 10 | AAA/Aaa/AAA | € 1,000,000,000 | 5.31800% | 0.07% |
| Series 3 Class B1 | Holmes Financing No. 10 | AA/Aa3/AA | € 37,000,000 | 5.31800% | 0.12% |
| Series 3 Class B2 | Holmes Financing No. 10 | AA/Aa3/AA | £27,500,000 | 6.21000% | 0.12% |
| Series 3 Class M1 | Holmes Financing No. 10 | A/A2/A | € 34,000,000 | 5.31800% | 0.20% |
| Series 3 Class M2 | Holmes Financing No. 10 | A/A2/A | £20,000,000 | 6.21000% | 0.20% |
| Series 3 Class C1 | Holmes Financing No. 10 | BBB/Baa2/BBB | € 52,500,000 | 5.31800% | 0.40% |
| Series 3 Class C2 | Holmes Financing No. 10 | BBB/Baa2/BBB | £22,000,000 | 6.21000% | 0.40% |
| Series 4 Class A1 | Holmes Financing No. 10 | AAA/Aaa/AAA | \$1,440,000,000 | 4.75250% | 0.08% |
| Series 4 Class A2 | Holmes Financing No. 10 | AAA/Aaa/AAA | £750,000,000 | 6.21000% | 0.09% |
| Series 2 Class A | Holmes Master Issuer 2006-1 | AAA/Aaa/AAA | \$1,500,000,000 | 4.75250% | 0.06% |
| Series 2 Class B | Holmes Master Issuer 2006-1 | AA/Aa3/AA | \$35,000,000 | 4.75250% | 0.12% |
| Series 2 Class M | Holmes Master Issuer 2006-1 | A/A2/A | \$30,000,000 | 4.75250% | 0.19% |
| Series 2 Class C | Holmes Master Issuer 2006-1 | BBB/Baa2/BBB | \$40,000,000 | 4.75250% | 0.39% |
| Series 3 Class A1 | Holmes Master Issuer 2006-1 | AAA/Aaa/AAA | \$900,000,000 | 4.75250% | 0.08% |
| Series 3 Class A2 | Holmes Master Issuer 2006-1 | AAA/Aaa/AAA | € 670,000,000 | 5.31800% | 0.10% |
| Series 3 Class A3 | Holmes Master Issuer 2006-1 | AAA/Aaa/AAA | £700,000,000 | 6.21000% | 0.10% |
| Series 3 Class B2 | Holmes Master Issuer 2006-1 | AA/Aa3/AA | € 37,500,000 | 5.31800% | 0.15% |
| Series 3 Class B3 | Holmes Master Issuer 2006-1 | AA/Aa3/AA | £20,000,000 | 6.21000% | 0.15% |
| Series 3 Class M2 | Holmes Master Issuer 2006-1 | A/A2/A | € 35,500,000 | 5.31800% | 0.22% |
| Series 3 Class M3 | Holmes Master Issuer 2006-1 | A/A2/A | £12,000,000 | 6.21000% | 0.22% |
| Series 3 Class C2 | Holmes Master Issuer 2006-1 | BBB/Baa2/BBB | € 61,500,000 | 5.31800% | 0.42% |
| Series 3 Class C3 | Holmes Master Issuer 2006-1 | BBB/Baa2/BBB | £12,500,000 | 6.21000% | 0.42% |
| Series 2 Class A | Holmes Master Issuer 2007-1 | AAA/Aaa/AAA | \$1,500,000,000 | 4.75250% | 0.05% |
| Series 2 Class B2 | Holmes Master Issuer 2007-1 | AA/Aa3/AA | € 26,300,000 | 5.31800% | 0.14% |
| Series 2 Class M2 | Holmes Master Issuer 2007-1 | A/A2/A | € 10,600,000 | 5.31800% | 0.22% |
| Series 2 Class M3 | Holmes Master Issuer 2007-1 | A/A2/A | £10,800,000 | 6.21000% | 0.22% |
| Series 2 Class C1 | Holmes Master Issuer 2007-1 | BBB/Baa2/BBB | \$9,800,000 | 4.75250% | 0.42% |
| Series 2 Class C2 | Holmes Master Issuer 2007-1 | BBB/Baa2/BBB | € 21,900,000 | 5.31800% | 0.42% |
| Series 2 Class C3 | Holmes Master Issuer 2007-1 | BBB/Baa2/BBB | £5,000,000 | 6.21000% | 0.42% |
| Series 3 Class A1 | Holmes Master Issuer 2007-1 | AAA/Aaa/AAA | \$1,600,000,000 | 4.75250% | 0.08% |
| Series 3 Class A2 | Holmes Master Issuer 2007-1 | AAA/Aaa/AAA | € 1,500,000,000 | 5.31800% | 0.10% |
| Series 3 Class A3 | Holmes Master Issuer 2007-1 | AAA/Aaa/AAA | £800,000,000 | 6.21000% | 0.10% |
| Series 3 Class B2 | Holmes Master Issuer 2007-1 | AA/Aa3/AA | € 46,700,000 | 5.31800% | 0.14% |
| Series 3 Class B3 | Holmes Master Issuer 2007-1 | AA/Aa3/AA | £48,000,000 | 6.21000% | 0.14% |
| Series 3 Class M2 | Holmes Master Issuer 2007-1 | A/A2/A | € 28,000,000 | 5.31800% | 0.22% |
| Series 3 Class M3 | Holmes Master Issuer 2007-1 | A/A2/A | £28,800,000 | 6.21000% | 0.22% |
| Series 3 Class C2 | Holmes Master Issuer 2007-1 | BBB/Baa2/BBB | € 86,900,000 | 5.31800% | 0.42% |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
2006-1,
Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

| | | | | | |
|-------------------|-----------------------------|--------------|-----------------|----------|-------|
| Series 3 Class C3 | Holmes Master Issuer 2007-1 | BBB/Baa2/BBB | £25,500,000 | 6.21000% | 0.42% |
| Series 4 Class A | Holmes Master Issuer 2007-1 | AAA/Aaa/AAA | \$1,000,000,000 | 4.75250% | 0.10% |
| Series 2 Class A | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | CAD 600,000,000 | 2.49333% | 0.08% |
| Series 2 Class A1 | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | \$2,750,000,000 | 4.75250% | 0.05% |
| Series 2 Class B1 | Holmes Master Issuer 2007-2 | AA/Aa3/AA | \$25,000,000 | 4.75250% | 0.12% |
| Series 2 Class B2 | Holmes Master Issuer 2007-2 | AA/Aa3/AA | €95,000,000 | 5.31800% | 0.13% |
| Series 2 Class B3 | Holmes Master Issuer 2007-2 | AA/Aa3/AA | £50,000,000 | 6.21000% | 0.14% |
| Series 2 Class C1 | Holmes Master Issuer 2007-2 | BBB/Baa2/BBB | \$34,000,000 | 4.75250% | 0.41% |
| Series 2 Class C2 | Holmes Master Issuer 2007-2 | BBB/Baa2/BBB | €106,000,000 | 5.31800% | 0.41% |
| Series 2 Class C3 | Holmes Master Issuer 2007-2 | BBB/Baa2/BBB | £45,000,000 | 6.21000% | 0.43% |
| Series 2 Class M1 | Holmes Master Issuer 2007-2 | A/A2/A | \$10,000,000 | 4.75250% | 0.22% |
| Series 2 Class M2 | Holmes Master Issuer 2007-2 | A/A2/A | €20,000,000 | 5.31800% | 0.22% |
| Series 2 Class M3 | Holmes Master Issuer 2007-2 | A/A2/A | £38,000,000 | 6.21000% | 0.24% |
| Series 3 Class A1 | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | \$1,250,000,000 | 4.75250% | 0.08% |
| Series 3 Class A2 | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | €1,300,000,000 | 5.31800% | 0.09% |
| Series 3 Class A3 | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | £450,000,000 | 6.21000% | 0.09% |
| Series 4 Class A1 | Holmes Master Issuer 2007-2 | AAA/Aaa/AAA | \$750,000,000 | 4.75250% | 0.10% |
| Series 1 Class A1 | Holmes Master Issuer 2007-3 | AAA/Aaa/AAA | €3,854,466,000 | 5.38800% | 0.10% |
| Series 1 Class A2 | Holmes Master Issuer 2007-3 | AAA/Aaa/AAA | €3,114,720,000 | 5.42500% | 0.11% |
| Series 1 Class A3 | Holmes Master Issuer 2007-3 | AAA/Aaa/AAA | €2,491,776,000 | 4.81300% | 0.12% |
| Series 1 Class B | Holmes Master Issuer 2007-3 | AA/Aa3/AA | £124,000,000 | 6.21000% | 1.00% |
| Series 1 Class M | Holmes Master Issuer 2007-3 | A/A2/A | £127,000,000 | 6.21000% | 1.60% |
| Series 1 Class C | Holmes Master Issuer 2007-3 | BBB/Baa2/BBB | £250,000,000 | 6.21000% | 2.25% |
| Series 1 Class A1 | Holmes Master Issuer 2008-1 | AAA/Aaa/AAA | €2,257,200,000 | 4.74800% | 0.12% |
| Series 1 Class A2 | Holmes Master Issuer 2008-1 | AAA/Aaa/AAA | €4,514,400,000 | 4.75000% | 0.12% |
| Series 1 Class A3 | Holmes Master Issuer 2008-1 | AAA/Aaa/AAA | €1,003,200,000 | 5.38800% | 0.12% |
| Series 1 Class A4 | Holmes Master Issuer 2008-1 | AAA/Aaa/AAA | €1,630,200,000 | 5.42500% | 0.12% |
| Series 1 Class B | Holmes Master Issuer 2008-1 | AA/Aa3/AA | £370,000,000 | 6.21000% | 1.00% |
| Series 1 Class M | Holmes Master Issuer 2008-1 | A/A2/A | £120,000,000 | 6.21000% | 1.60% |
| Series 1 Class C | Holmes Master Issuer 2008-1 | BBB/Baa2/BBB | £250,000,000 | 6.21000% | 2.25% |

Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer 2006-1, Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1.
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Retired Class A Notes

| Date Retired | Holmes 1 | Holmes 8 | Holmes 9 | Holmes 10 | Holmes 2006-1 | Holmes 2007-1 | Holmes 2007-2 | Holmes 2007-3 | Holmes 2008-1 |
|--------------|----------|----------|----------|-----------|---------------|---------------|---------------|---------------|---------------|
| 02Q3 | - | - | - | - | - | - | - | - | - |
| 02Q4 | - | - | - | - | - | - | - | - | - |
| 03Q1 | - | - | - | - | - | - | - | - | - |
| 03Q2 | - | - | - | - | - | - | - | - | - |
| 03Q3 | 600 | - | - | - | - | - | - | - | - |
| 03Q4 | - | - | - | - | - | - | - | - | - |
| 04Q1 | - | - | - | - | - | - | - | - | - |
| 04Q2 | - | - | - | - | - | - | - | - | - |
| 04Q3 | - | - | - | - | - | - | - | - | - |
| 04Q4 | - | - | - | - | - | - | - | - | - |
| 05Q1 | - | - | - | - | - | - | - | - | - |
| 05Q2 | - | 1,001 | - | - | - | - | - | - | - |
| 05Q3 | 650 | - | - | - | - | - | - | - | - |
| 05Q4 | - | - | - | - | - | - | - | - | - |
| 06Q1 | - | - | - | - | - | - | - | - | - |
| 06Q2 | - | - | - | - | - | - | - | - | - |
| 06Q3 | - | - | - | - | - | - | - | - | - |
| 06Q4 | - | - | 1,018 | - | - | - | - | - | - |
| 07Q1 | - | 812 | - | - | - | - | - | - | - |
| 07Q2 | - | - | - | - | - | - | - | - | - |
| 07Q3 | 575 | - | - | 679 | - | - | - | - | - |
| 07Q4 | - | - | - | - | - | - | - | - | - |
| 08Q1 | - | - | - | - | - | 771 | - | - | - |
| 08Q2 | - | 221 | - | 388 | - | 600 | 715 | - | - |
| 08Q3 | - | 221 | - | 388 | - | - | 715 | - | - |

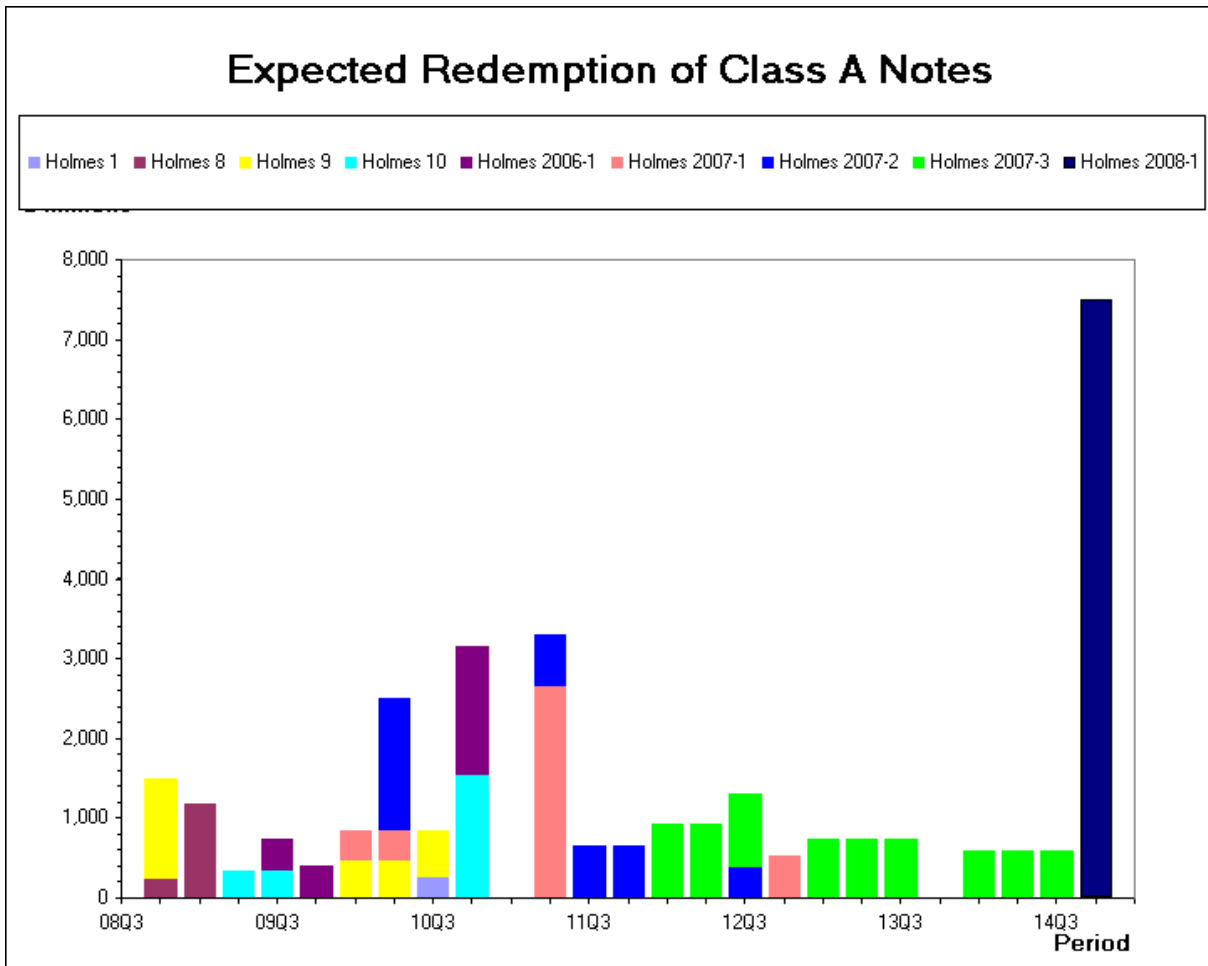
Holmes Financing No 1 plc, Holmes Financing No 8 plc, Holmes Financing No 9 plc, Holmes Financing No 10 plc, Holmes Master Issuer
 2006-1,
 Holmes Master Issuer 2007-1, Holmes Master Issuer 2007-2, Holmes Master Issuer 2007-3, Holmes Master Issuer 2008-1,
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 11 November 2008 to 08 December 2008

All values are in thousands of pounds sterling unless otherwise stated

Outstanding Class A Notes

| Expected Redemption | Holmes 1 | Holmes 8 | Holmes 9 | Holmes 10 | Holmes 2006-1 | Holmes 2007-1 | Holmes 2007-2 | Holmes 2007-3 | Holmes 2008-1 |
|---------------------|----------|----------|----------|-----------|---------------|---------------|---------------|---------------|---------------|
| 08Q3 | - | - | - | - | - | - | - | - | - |
| 08Q4 | - | 221 | 1,272 | - | - | - | - | - | - |
| 09Q1 | - | 1,171 | - | - | - | - | - | - | - |
| 09Q2 | - | - | - | 342 | - | - | - | - | - |
| 09Q3 | - | - | - | 342 | 397 | - | - | - | - |
| 09Q4 | - | - | - | - | 397 | - | - | - | - |
| 10Q1 | - | - | 453 | - | - | 386 | - | - | - |
| 10Q2 | - | - | 453 | - | - | 386 | 1,664 | - | - |
| 10Q3 | 250 | - | 600 | - | - | - | - | - | - |
| 10Q4 | - | - | - | 1,526 | 1,632 | - | - | - | - |
| 11Q1 | - | - | - | - | - | - | - | - | - |
| 11Q2 | - | - | - | - | - | 2,649 | 654 | - | - |
| 11Q3 | - | - | - | - | - | - | 654 | - | - |
| 11Q4 | - | - | - | - | - | - | 654 | - | - |
| 12Q1 | - | - | - | - | - | - | - | 918 | - |
| 12Q2 | - | - | - | - | - | - | - | 918 | - |
| 12Q3 | - | - | - | - | - | - | 377 | 918 | - |
| 12Q4 | - | - | - | - | - | 515 | - | - | - |
| 13Q1 | - | - | - | - | - | - | - | 742 | - |
| 13Q2 | - | - | - | - | - | - | - | 742 | - |
| 13Q3 | - | - | - | - | - | - | - | 742 | - |
| 13Q4 | - | - | - | - | - | - | - | - | - |
| 14Q1 | - | - | - | - | - | - | - | 593 | - |
| 14Q2 | - | - | - | - | - | - | - | 593 | - |
| 14Q3 | - | - | - | - | - | - | - | 593 | - |
| 14Q4 | - | - | - | - | - | - | - | - | 7,500 |
| 15Q1 | - | - | - | - | - | - | - | - | - |

All values are in thousands of pounds sterling unless otherwise stated



All values are in thousands of pounds sterling unless otherwise stated

Special Schedule

Improvement of Abbey and Holmes Indexed Loan-to-Value Metrics

We provide indexed loan-to-value measures to help investors assess the level of collateral backing supporting the mortgages in each of our mortgage backed security programs.

During 2008 it became clear to Abbey that the rapid changes in house-prices being observed in the UK were very unevenly distributed.

Specific house-types (for example, flats) and specific locations (for example, provincial city-centres such as Leeds, Manchester & Cardiff) were performing very poorly relative to other property types and locations. As a result, we have found the reliability of indexed original valuations as a guide to property values has deteriorated significantly.

In-line with other major UK lenders, Abbey uses automated valuations to value properties for remortgages and further advances, where a reliable automated valuation is available.

In response to our increasing concerns regarding the accuracy of indexed original valuations, and finding no reliable alternative method of indexation, in Q4 2008 Abbey re-valued all properties in our residential property portfolio for which a reliable automated valuation was available. This was successful in more than 90% of cases.

Abbey has several years of experience working with- and analysing- automated valuations. We view these valuations as accurate and reliable, and use them in a range of portfolio- and risk- management processes. In addition to the underwriting uses noted above, the automated re-valuation data acquired in Q4 2008 has been integrated into Abbey's pricing strategies, Basel II IRB ratings models and management information.

Automated valuations are demonstrably more accurate than indexed original values. In testing we have found the variability of the disposal value of a property relative to a recent automated valuation to be roughly half the variability of the disposal value of a property relative to its indexed original valuation. While no method of valuation is perfect, this is a significant improvement.

During February 2009 work began to review the approach to integrate re-valuation data into the reporting of indexed loan-to-values in Abbey's mortgage-backed securities reporting. Unfortunately, it was discovered that due to steps omitted in generating monthly Holmes reporting, indexed property values used in the August report (covering the period 8th July to 8th August) were not indexed further in subsequent reporting.

As a result, the indexed loan-to-value figures detailed in original reports from September 2008 through to January 2009 were incorrect. We apologise for these errors.

Original loan-to-value figures are unaffected and have been reported accurately.

A thorough review of the calculation of Holmes indexed loan-to-value calculations has been undertaken. In addition to the omission noted above, we have determined that the calculation can be improved:

1. The Halifax indexed loan-to-value has previously been calculated using the national non-seasonally adjusted previous-owner-occupier-only data series. The Nationwide indexed loan-to-value has previously been calculated using the national, seasonally adjusted, all buyer-type indices. The Halifax index previously used introduces unnecessary distortion and volatility.
2. The loan balance used previously in indexed loan-to-value calculations is the original advance, or the balance outstanding after the completion of any subsequent Further Advance, if there has been a subsequent Further Advance.

This approach omits the effects of the repayment method chosen, and any over-payments, on the balance currently outstanding. As mortgage contracts have become more flexible, and customers have made more use of this flexibility, these effects have become significant.

We provide indexed loan-to-value data to help investors assess the level of collateral backing supporting the mortgage exposures in each of our mortgage backed security programs. We believe this is best assessed by:

- Using the current balance outstanding on each loan
- Using the most recent valuation of the property suitable for underwriting purposes (whether obtained by internal inspection, external inspection, or automated valuation)
- Indexing this valuation from the valuation date to the current date using the national, seasonally-adjusted, all buyer-type house price indices published by Nationwide and/or Halifax
- Updating this valuation at least once each year using a reputable automated valuation, wherever this yields a sufficiently accurate valuation for underwriting purposes

Going forward, we will construct the indexed loan-to-value figures we publish in Holmes monthly reporting in this way.

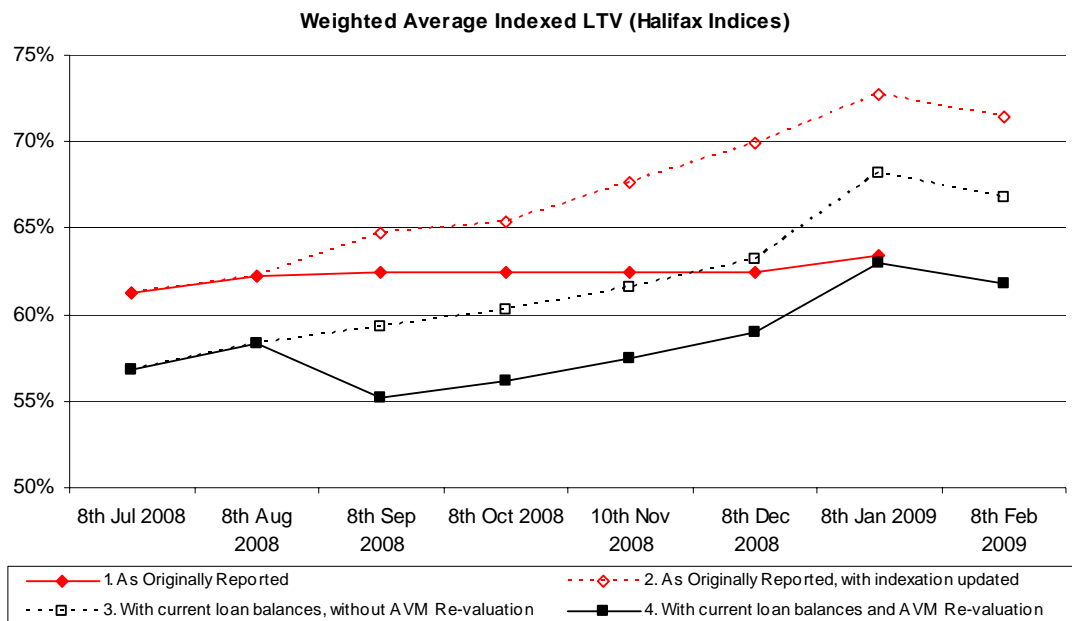
To make the impact of these changes clear, we have tabulated below the indexed loan-to-value, using Halifax and Nationwide indices:

1. As originally published
2. As originally published, with the indexation omitted from the original calculations applied
3. Calculated using current loan balances, and national, non-seasonally adjusted, all-buyer type indices, but excluding the automated re-valuation data
4. Calculated using current loan balances, using national, non-seasonally adjusted, all-buyer type indices, and indexing from the most recent reliable valuation, including automated re-valuations

This fourth data-series is our best current view of the indexed loan-to-value of the Holmes portfolio, and will form the basis of future indexed loan-to-value figures published in Holmes monthly reports.

All values are in thousands of pounds sterling unless otherwise stated

| Weighted Average Indexed LTV (Halifax indices) | | | | |
|--|---------------------------|--|---|--|
| | 1. As Originally Reported | 2. As Originally Reported, with indexation updated | 3. With current loan balances, without AVM Re-valuation | 4. With current loan balances and AVM Re-valuation |
| 8th Jul 2008 | 61.23% | 61.23% | 56.78% | 56.78% |
| 8th Aug 2008 | 62.20% | 62.20% | 58.31% | 58.31% |
| 8th Sep 2008 | 62.42% | 64.70% | 59.27% | 55.23% |
| 8th Oct 2008 | 62.44% | 65.35% | 60.25% | 56.20% |
| 10th Nov 2008 | 62.43% | 67.64% | 61.62% | 57.51% |
| 8th Dec 2008 | 62.45% | 69.86% | 63.16% | 58.99% |
| 8th Jan 2009 | 63.47% | 72.72% | 68.13% | 62.98% |
| 8th Feb 2009 | | 71.47% | 66.79% | 61.76% |



All values are in thousands of pounds sterling unless otherwise stated

| Weighted Average Indexed LTV (Nationwide indices) | | | | |
|---|---------------------------|--|---|--|
| | 1. As originally reported | 2. As originally reported, with indexation updated | 3. With current loan balances, without AVM Re-valuation | 4. With current loan balances and AVM Re-valuation |
| 8th Jul 2008 | 59.55% | 59.55% | 55.90% | 55.90% |
| 8th Aug 2008 | 60.66% | 60.66% | 57.48% | 57.48% |
| 8th Sep 2008 | 60.91% | 63.78% | 58.52% | 55.14% |
| 8th Oct 2008 | 60.93% | 64.93% | 59.74% | 56.34% |
| 10th Nov 2008 | 60.92% | 66.11% | 60.57% | 57.16% |
| 8th Dec 2008 | 60.94% | 66.31% | 60.68% | 57.29% |
| 8th Jan 2009 | 61.97% | 69.81% | 66.02% | 61.81% |
| 8th Feb 2009 | | 71.36% | 66.86% | 62.62% |

