

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

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	132,882	13,521,423
Replenishment	0	0
Repurchased	(831)	(111,201)
Redemptions	(1,081)	(132,027)
Losses	(13)	(542)
Capitalised Interest	0	370 (* see below)
Other Movements	0	0
Carried Forward	130,957	13,278,023

* 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	2,001,135	192,813,577
Repurchased	(1,057,571)	(101,932,022)
Redemptions	(926,072)	(84,287,105)
Losses	(1,726)	(55,330)
Capitalised Interest	0	339,689 (* see above)
Other Movements	0	0
Carried Forward	130,957	13,278,023

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Prepayment Rates (** see below)

	Trust Payment Rate (CPR) - Redemptions	Annualised Trust Payment Rate (CPR)
1 Month	0.98%	11.11%
3 Month	3.04%	11.60%
12 Month	11.13%	11.13%

	Trust Payment Rate (CPR) - Repurchases	Annualised Trust Payment Rate (CPR)
1 Month ***	0.82%	8.47%
3 Month ***	2.47%	8.67%
12 Month ***	11.38%	11.38%

	Trust Payment Rate (CPR) - Redemptions and Repurchases	Annualised Trust Payment Rate (CPR)
1 Month ***	1.80%	19.57%
3 Month ***	5.50%	20.27%
12 Month ***	22.51%	22.51%

** These rates have been calculated as per the method defined in the prospectus.

*** These rates do not include the Repurchase of loans executed on 7th October, 2010 as part of the Holmes Trust re-structure.

Asset Profiles

Weighted Average Seasoning	54.13	Months	
Weighted Average Loan size	£101,392.24		
Weighted Average LTV	68.42%	*** (see below)	
Weighted Average Indexed LTV (Halifax HPI) *	63.40%		Original Loan and Indexed Original Valuation 70.29%
Weighted Average Indexed LTV (Nationwide HPI) *	63.09%		Original Loan and Indexed Original Valuation 67.64%
Weighted Average Remaining Term	16.73	Years	

Product Type Analysis

	£000's	%
Variable Rate	5,348,388	40.28%
Fixed Rate	4,239,673	31.93%
Tracker Rate	3,689,963	27.79%
	13,278,023	100.00%

As at 10 January 2011 approximately 19.24% of the loans were flexible loans

* These figures have been calculated on a new and improved valuation basis as per the Special Schedule issued along with the February, 2009 report. The latest AVM update was run in Q3 2010.

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

<u>Repayment Method Analysis</u>	£000's	%
Endowment	805,976	6.07%
Interest Only	6,085,318	45.83%
Repayment	6,386,729	48.10%
	13,278,023	100.00%

As at 10 January 2011 approximately 35.98% of the loans were written under Santander's policy of non-income verification

<u>Loan Purpose Analysis</u>	£000's	%
Purchase	5,591,375	42.11%
Remortgage	7,686,648	57.89%
	13,278,023	100.00%

Mortgage Standard Variable Rate

<u>Effective Date</u>	<u>Rate</u>
01 April 2009	4.24%
01 February 2009	4.69%
01 January 2009	4.94%
01 December 2008	5.44%

Geographic Analysis

<u>Region</u>	<u>Number</u>	<u>£000's</u>	<u>%</u>
East Anglia	5,298	486,828	3.67%
East Midlands	5,791	497,847	3.75%
Greater London	26,846	3,656,535	27.54%
North	5,156	369,487	2.78%
North West	16,190	1,294,990	9.75%
Scotland	8,082	585,778	4.41%
South East	29,616	3,449,111	25.98%
South West	10,972	1,111,395	8.37%
Wales	5,772	452,163	3.41%
West Midlands	8,319	703,405	5.30%
Yorkshire and Humberside	8,911	670,393	5.05%
Unknown	4	91	0.00%
Total	130,957	13,278,023	100.00%

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Original LTV Bands

Range	Number	£000's	%	Average Seasoning
0.00 - 25.00	10,759	357,359	2.69%	56.71
25.01 - 50.00	31,597	2,050,880	15.45%	58.73
50.01 - 75.00	50,398	5,711,538	43.01%	52.39
75.01 - 80.00	6,689	910,178	6.85%	53.09
80.01 - 85.00	11,558	1,734,118	13.06%	48.08
85.01 - 90.00	13,513	1,963,318	14.79%	52.21
90.01 - 95.00	6,443	550,632	4.15%	80.84
Total	130,957	13,278,023	100.00%	54.13

*** 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	125,064	12,553,476	1,093	94.64%
1.00 - 1.99 months	2,865	352,155	2,192	2.65%
2.00 - 2.99 months	978	114,689	1,417	0.86%
3.00 - 3.99 months	556	69,571	1,174	0.52%
4.00 - 4.99 months	324	36,468	794	0.27%
5.00 - 5.99 months	264	30,585	814	0.23%
6.00 - 11.99 months	591	70,760	2,604	0.53%
12 months and over	238	27,614	2,184	0.21%
Properties in Possession	77	9,734	699	0.07%
Total	130,957	13,265,052	12,971	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 Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Movement in Shares of Trust

	Funding 1	Funding 2	Seller
	£000's	£000's	£000's
Balance Brought Forward	8,430,421	0	5,091,002
Replenishment of Assets	0	0	0
Acquisition by Funding	0	0	0
Distribution of Principal Receipts	0	0	(243,228)
Allocation of Losses	(338)	0	(204)
Share of Capitalised Interest	231	0	139
Payment Re Capitalised Interest	(231)	0	231
Balance Carried Forward	<u>8,430,083</u>	<u>0</u>	<u>4,847,940</u>

Carried Forward Percentage	63.48899%	0.00000%	36.51101%
----------------------------	-----------	----------	-----------

Minimum Seller Share	876,544	6.60%
----------------------	---------	-------

Cash Accumulation Ledger

	Funding 1	Funding 2
	£000's	£000's
Brought Forward	214,033	0
Additional Amounts Accumulated	338	0
Payment of Notes	0	0
Carried Forward	<u>214,371</u>	<u>0</u>

Target Balance	212,833	-	payable on 18th January, 2011
	-	-	
	-	-	
	<u>212,833</u>	<u>0</u>	

Excess Spread *

	Funding 1	Funding 2
Quarter to 15/10/2010	0.9587%	0.0132%
Quarter to 15/7/2010	1.1084%	0.9851%
Quarter to 15/4/2010	1.0319%	0.9799%
Quarter to 15/1/2010	0.8056%	0.7652%

*In order to more accurately show the credit support available to note holders in Holmes, excess spread is now reported as all excess revenue at and under the payments of start-up loans in the Funding pre-enforcement revenue priority of payments. The previous measure was an amount net of payments that in reality were subordinated to revenue that investors could use if ever required.

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Funding 1 Reserve Funds

	First Reserve	Second Reserve	Third Reserve	Funding Reserve
Balance as at 15/10/2010	£400,000,000.00	£0.00	£0.00	£0.00
Required Amount as at 15/10/2010	£400,000,000.00	£0.00	£0.00	£0.00
Percentage of Notes	4.63%	0.00%	0.00%	0.00%
Percentage of Funding Share	4.74%	0.00%	0.00%	0.00%

Funding 2 Reserve Funds

	First Reserve	Second Reserve	Third Reserve	Funding Reserve
Balance as at 8/10/2010	£0.00	£0.00	£0.00	£0.00
Required Amount as at 8/10/2010	£0.00	£0.00	£0.00	£0.00
Percentage of Notes	0.00%	0.00%	0.00%	0.00%
Percentage of Funding Share	0.00%	0.00%	0.00%	0.00%

Funding 1 Redemption Reserve Ledger

	First Reserve
Balance as at 10 January 2011	£5,501,099,000.00

Notes Outstanding

	Funding 1		Funding 2	
	£000's	Enhancement	£000's	Enhancement
AAA Notes Outstanding	7,831,111	9.40%	0	0.00%
AA Notes Outstanding	79,942	8.48%	0	0.00%
A Notes Outstanding	47,952	7.92%	0	0.00%
BBB Notes Outstanding	84,939	6.94%	0	0.00%
BB Notes Outstanding	0	6.94%	0	0.00%
NR Notes Outstanding	600,000	0.00%	0	0.00%
Total	8,643,944		0	

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Properties in Possession

Stock

	Current Period	
	Number	£000's
Brought Forward	74	9,592
Repossessed in Period	17	3,716
Repurchased in Period	0	0
Sold in Period	(14)	(2,875)
Carried Forward	77	10,433

	Cumulative	
	Number	£000's
Repossessed to date	4,088	472,267
Repurchased to date	(184)	(26,385)
Sold to date	(3,827)	(435,449)
Carried Forward	77	10,433

Repossession Sales Information

Average time Possession to Sale	109 Days
Average arrears at time of Sale	£7,633

Trigger Events

Asset	
Amount debited to the AAA principal deficiency sub ledger (Funding programme notes outstanding)	None
Non Asset	
Insolvency event occurs in relation to seller	None
Seller's role as servicer terminated & new servicer appointed within 60 days	None
The then current Seller Share is less than the minimum seller's share	None
An arrears trigger event will occur if:	
(i) the outstanding principal balance of the loans in arrears for more than 90 days divided by the outstanding principal balance of all of the loans in the mortgages trust (expressed as a percentage) exceeds 2 per cent. or	None
(ii) the issuing entity does not exercise its option to redeem the issuing entity notes on the relevant step-up date pursuant to the terms and conditions of the issuing entity notes (but only where such right of redemption arises on or after a particular specified date and not as a result of the occurrence of any event specified in the terms and conditions of the relevant issuing entity notes)	
Full details of all trigger events can be found within the Holmes Master Issuer plc offering circular	

Contact Details

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

Telephone : +44 (0)20 7756 6165

Facsimilie : +44 (0)20 7756 5862

Email : MBF@santander.co.uk

Or, visit our website at www.holmesreporting.com

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

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 3 Class A1	Holmes Master Issuer 2007-1	AAA/Aaa/AAA	\$1,600,000,000	0.52594%	0.08%
Series 3 Class A2	Holmes Master Issuer 2007-1	AAA/Aaa/AAA	€ 1,500,000,000	0.83500%	0.10%
Series 3 Class A3	Holmes Master Issuer 2007-1	AAA/Aaa/AAA	£800,000,000	0.73359%	0.10%
Series 3 Class B2	Holmes Master Issuer 2007-1	AA/Aa3/AA	€ 46,700,000	0.83500%	0.14%
Series 3 Class B3	Holmes Master Issuer 2007-1	AA/Aa3/AA	£48,000,000	0.73359%	0.14%
Series 3 Class M2	Holmes Master Issuer 2007-1	A/A2/A	€ 28,000,000	0.83500%	0.22%
Series 3 Class M3	Holmes Master Issuer 2007-1	A/A2/A	£28,800,000	0.73359%	0.22%
Series 3 Class C2	Holmes Master Issuer 2007-1	BBB/Baa2/BBB	€ 86,900,000	0.83500%	0.42%
Series 3 Class C3	Holmes Master Issuer 2007-1	BBB/Baa2/BBB	£25,500,000	0.73359%	0.42%
Series 4 Class A	Holmes Master Issuer 2007-1	AAA/Aaa/AAA	\$1,000,000,000	0.52594%	0.10%
Series 3 Class A1	Holmes Master Issuer 2007-2	AAA/Aaa/AAA	\$1,250,000,000	0.52594%	0.08%
Series 3 Class A2	Holmes Master Issuer 2007-2	AAA/Aaa/AAA	€ 1,300,000,000	0.83500%	0.09%
Series 3 Class A3	Holmes Master Issuer 2007-2	AAA/Aaa/AAA	£450,000,000	0.73359%	0.09%
Series 4 Class A1	Holmes Master Issuer 2007-2	AAA/Aaa/AAA	\$750,000,000	0.52594%	0.10%
Series 1 Class A1	Holmes Master Issuer 2010-1	A1+/P-1/A1+	\$500,000,000	0.26031%	0.15%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$122,081,380	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$115,457,441	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$109,192,906	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$103,268,274	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$97,665,104	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$92,365,952	0.27143%	1.40%
Series 1 Class A2	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	\$259,968,944	0.27143%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 67,822,989	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 64,143,023	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 60,662,725	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 57,371,263	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 54,258,391	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 51,314,418	0.95300%	1.40%
Series 1 Class A3	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 144,427,191	0.95300%	1.40%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 68,845,516	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 65,110,069	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 61,577,302	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 58,236,216	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 55,076,413	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 52,088,055	0.95300%	1.50%
Series 1 Class A4	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	€ 389,066,429	0.95300%	1.50%
Series 1 Class A5	Holmes Master Issuer 2010-1	AAA/Aaa/AAA	£375,000,000	0.64882%	1.41%
Series 1 Class Z	Holmes Master Issuer 2010-1		£600,000,000	0.64882%	0.90%

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Retired Class A Notes

Date Retired	Holmes 1	Holmes 9	Holmes 10	Holmes 2006-1	Holmes 2007-1	Holmes 2007-2	Holmes 2007-3	Holmes 2008-1	Holmes 2008-2	Holmes 2010-1
02Q3	-	-	-	-	-	-	-	-	-	-
02Q4	-	-	-	-	-	-	-	-	-	-
03Q1	-	-	-	-	-	-	-	-	-	-
03Q2	-	-	-	-	-	-	-	-	-	-
03Q3	600	-	-	-	-	-	-	-	-	-
03Q4	-	-	-	-	-	-	-	-	-	-
04Q1	-	-	-	-	-	-	-	-	-	-
04Q2	-	-	-	-	-	-	-	-	-	-
04Q3	-	-	-	-	-	-	-	-	-	-
04Q4	-	-	-	-	-	-	-	-	-	-
05Q1	-	-	-	-	-	-	-	-	-	-
05Q2	-	-	-	-	-	-	-	-	-	-
05Q3	650	-	-	-	-	-	-	-	-	-
05Q4	-	-	-	-	-	-	-	-	-	-
06Q1	-	-	-	-	-	-	-	-	-	-
06Q2	-	-	-	-	-	-	-	-	-	-
06Q3	-	-	-	-	-	-	-	-	-	-
06Q4	-	1,018	-	-	-	-	-	-	-	-
07Q1	-	-	-	-	-	-	-	-	-	-
07Q2	-	-	-	-	-	-	-	-	-	-
07Q3	575	-	679	-	-	-	-	-	-	-
07Q4	-	-	-	-	-	-	-	-	-	-
08Q1	-	-	-	-	771	-	-	-	-	-
08Q2	-	-	388	-	600	715	-	-	-	-
08Q3	-	-	388	-	-	715	-	-	-	-
08Q4	-	1,272	-	-	-	-	-	-	-	-
09Q1	-	-	-	-	-	-	-	-	-	-
09Q2	-	-	342	-	-	-	-	-	-	-
09Q3	-	-	342	397	-	-	-	-	-	-
09Q4	-	-	-	397	-	-	-	-	-	-
10Q1	-	453	-	-	386	-	-	-	600	-
10Q2	-	453	-	-	386	1,664	-	-	500	-
10Q3	250	600	-	-	-	-	6,758	7,500	11,400	-
10Q4	-	-	1,526	1,632	-	-	-	-	-	-

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

Outstanding Class A Notes

Expected Redemption	Holmes 1	Holmes 9	Holmes 10	Holmes 2006-1	Holmes 2007-1	Holmes 2007-2	Holmes 2007-3	Holmes 2008-1	Holmes 2008-2	Holmes 2010-1
10Q4	-	-	-	-	-	-	-	-	-	-
11Q1	-	-	-	-	-	-	-	-	-	-
11Q2	-	-	-	-	2,649	654	-	-	-	-
11Q3	-	-	-	-	-	654	-	-	-	-
11Q4	-	-	-	-	-	654	-	-	-	307
12Q1	-	-	-	-	-	-	-	-	-	-
12Q2	-	-	-	-	-	-	-	-	-	-
12Q3	-	-	-	-	-	377	-	-	-	-
12Q4	-	-	-	-	515	-	-	-	-	195
13Q1	-	-	-	-	-	-	-	-	-	184
13Q2	-	-	-	-	-	-	-	-	-	174
13Q3	-	-	-	-	-	-	-	-	-	165
13Q4	-	-	-	-	-	-	-	-	-	156
14Q1	-	-	-	-	-	-	-	-	-	147
14Q2	-	-	-	-	-	-	-	-	-	627
14Q3	-	-	-	-	-	-	-	-	-	-
14Q4	-	-	-	-	-	-	-	-	-	-
15Q1	-	-	-	-	-	-	-	-	-	-
15Q2	-	-	-	-	-	-	-	-	-	-
15Q3	-	-	-	-	-	-	-	-	-	-
15Q4	-	-	-	-	-	-	-	-	-	-
16Q1	-	-	-	-	-	-	-	-	-	-
16Q2	-	-	-	-	-	-	-	-	-	-
16Q3	-	-	-	-	-	-	-	-	-	-
16Q4	-	-	-	-	-	-	-	-	-	-
17Q1	-	-	-	-	-	-	-	-	-	-
17Q2	-	-	-	-	-	-	-	-	-	-
17Q3	-	-	-	-	-	-	-	-	-	-
17Q4	-	-	-	-	-	-	-	-	-	375
18Q1	-	-	-	-	-	-	-	-	-	-

Holmes Master Issuer (Series 2007-1, Series 2007-2, Series 2010-1),
Periodic Report re Holmes Trustee Limited, Holmes Funding Limited and Holmes Funding 2 Limited
For Period 09 December 2010 to 10 January 2011

All values are in thousands of pounds sterling unless otherwise stated

