

Holmes Master Trust Investor Report - September 2016



UK Secured Funding Programmes

Holmes Master Issuer

Report Date:	30-Sep-16
Reporting Period:	01-September-16 to 30-September-16
Trustee Distribution Date:	08-Sep-16
Funding and Issuer Distribution Date:	17-Oct-16

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MAIN PARTIES TO THE STRUCTURE, RATINGS AND TRIGGERS (IF APPLICABLE)

Role	Counterparty	Fitch/Moody's/S&P Long Term Rating	Fitch/Moody's/S&P Short Term Rating	Applicable Trigger (loss of)	Consequence
Issuer	Holmes Master Issuer				
Funding	Holmes Funding Limited				
Mortgages Trustee	Holmes Trustees Limited				
Seller	Santander UK	A / A1 / A	F1 / P-1 / A-1	A3 (Moody's) BBB / Baa2 / BBB BBB- / Baa3 / BBB- F2 / P-2 / A-3 F2 / P-2 / A-2 A3 (Moody's) F1 (Fitch) / A-1 (S&P) Baa3 (Moody's) F1 / P-1 / A-1	Funding required to establish a liquidity reserve fund. Seller to submit to the Mortgages Trustee, Funding, the Security Trustee and the Rating Agencies draft letters of notice to the Borrowers of sale and purchase of Loans. Completion of legal assignment of Loans to the Mortgages Trustee. New Loans may not be assigned to the Mortgages Trustee. Funding may not offer payments to the Seller to acquire an increased interest in the Trust Property. Independent auditors need to be appointed to determine whether a random selection of Loans and their Related Security constituting the Trust Property complied with the representations and warranties at the date of assignment. Quarterly (instead of annual) review of the calculation components of the Minimum Seller Share. Adjustment to Minimum Seller Share. The title deeds and the customer files relating to the Loans in the Portfolio to be segregated from the title deeds and customer files of other properties and mortgages of the Seller which do not form part of the Portfolio.
Servicer	Santander UK	A / A1 / A	F1 / P-1 / A-1		
Cash Manager	Santander UK	A / A1 / A	F1 / P-1 / A-1		
Each Start-up Loan Provider	Santander UK	A / A1 / A	F1 / P-1 / A-1		
Funding Account Bank A	Bank of New York Mellon	AA+ / Aa1 / AA-	F1+ / P1 / A-1+	A or F1 / P-1 / A or A-1 (or A+ if no ST rating)	Termination of role and transfer of Funding Transaction Account to a financial institution having the required ratings, unless within 30 calendar days: (a) a guarantee of the Account Bank A's obligations is obtained from a financial institution having the required ratings; or (b) such other actions required by the Rating Agencies are taken to ensure that the ratings assigned to the outstanding Rated Notes are not adversely affected.
Funding Account Bank B	Santander UK	A / A1 / A	F1 / P-1 / A-1	A or F1 / P-1 / A or A-1 (or A+ if no ST rating)	Termination of role and transfer of Funding GIC Account to a financial institution having the required ratings, unless within 30 calendar days: (a) a guarantee of the Account Bank B's obligations is obtained from a financial institution having the required ratings; or (b) such other actions required by the Rating Agencies are taken to ensure that the ratings assigned to the outstanding Rated Notes are not adversely affected. If certain conditions are met pursuant to the Panel Bank Guidelines (see Schedule 5 to the Cash Management Agreement) a limited amount of cash may be kept with Santander UK as an Eligible Bank when it is rated below A or F1 / P-1 / A or A-, but no lower than F2 and BBB- / P-2 / A-2 and BBB+.
Mortgage Trust Account Bank	Santander UK	A / A1 / A	F1 / P-1 / A-1	BBB+ or F2 / P-2 / BBB+ or A-2 A or F1 / P-1 / A or A-1 (or A+ if no ST rating) A or A-1 (or A+ if no ST rating) (S&P)	Termination of role and transfer of Mortgages Trustee GIC Account to a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating), unless within 30 calendar days: (a) the rights and obligations in respect of the provision of the Mortgages Trustee GIC Account are transferred to a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating); or (b) a guarantee from a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating) is obtained; or (c) such other actions required by the Rating Agencies are taken to ensure that the ratings assigned to the outstanding Rated Notes are not adversely affected, and for each of the remedial actions above, a confirmation from the Rating Agencies that the outstanding Rated Notes will not be downgraded is also required. Termination of role and transfer of Mortgages Trustee GIC Account to a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating), unless within 60 London Business Days: (a) a stand-by arrangement is put in place in respect of the Mortgages Trustee GIC Account with a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating); or (b) such other action required by the Rating Agencies is taken to ensure that the ratings assigned to the outstanding Rated Notes are not adversely affected, and for each of the remedial actions above, a confirmation from the Rating Agencies that the outstanding Rated Notes will not be downgraded is also required. Termination of role and transfer of Mortgages Trustee GIC Account to a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating), unless within 60 London Business Days: (a) the Excess Amount (being the amount by which the monies collected by the Servicer in respect of the Loans and standing to the credit of the Mortgages Trustee GIC Account exceed 5% of the Funding Share) is transferred to a financial institution rated A and A-1 (or A+ if no ST rating) by S&P; or (b) such other action required by the Rating Agencies is taken to ensure that the ratings assigned to the outstanding Rated Notes are not adversely affected, and for each of the remedial actions above, a confirmation from the Rating Agencies that the outstanding Rated Notes will not be downgraded is also required.
Issuer Account Bank	Santander UK	A / A1 / A	F1 / P-1 / A-1	F1 / P-1 / A or A-1 (or A+ if no ST rating)	Termination of Issuer Bank Account Agreement and closure of account, unless within 30 calendar days: (a) the relevant Master Issuer Transaction Account and rights and obligations of the Issuer Account Bank are transferred to a financial institution rated A and F1 / P-1 / A and A-1 (or A+ if no ST rating); or (b) a guarantee of the Issuer Account Bank's obligations is obtained from a financial institution having the above ratings; or (c) such other actions are taken to ensure that the ratings assigned to the outstanding issuing entity rated notes are not adversely affected, and for each of the remedial actions above, a confirmation from the Rating Agencies that the outstanding Rated Notes will not be downgraded is also required.
Funding Swap Provider	Santander UK	A / A1 / A	F1 / P-1 / A-1	A or F1 / A2 or P-1 (or A1 if no ST rating) / A or A-1 (A+ if no ST rating) / BBB- or F3 / A3 or P-2 (A3 if no ST rating) / BBB+	Remedial action required including posting collateral with possibility of obtaining guarantee, transferring to eligible transferee or taking such other action as will result in the rating of the relevant Notes being maintained at the same level. Further remedial action required including posting/continuing to post collateral with the possibility of obtaining a guarantee, transferring to eligible transferee or taking such other action as will result in the rating of the relevant Notes being maintained at the same level.
Issuer Swap Provider	Abbey National Treasury Services plc.	A / A1 / A	F1 / P-1 / A-1	A or F1 / A2 or P-1 (or A1 if no ST rating) / A or A-1 (A+ if no ST rating) BBB- or F3 / A3 or P-2 (A3 if no ST rating) / BBB+	Remedial action required as above. Further remedial action required as above.
Paying Agent and related roles	Bank of New York Mellon	AA+ / Aa1 / AA-	F1+ / P1 / A-1+		
Corporate Services Provider	Wilmington Trust SP Services (London) Limited				
Note Trustee and Security Trustee	Bank of New York Mellon				

The table above is a brief overview only. For a more detailed summary, please consult pages 60 to 68 (Rating Triggers Table) of the base prospectus. Investors are also advised to consult the underlying Transaction Documents to understand the precise legal terms and conditions associated with the roles listed above and the rating triggers summarised above.

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COLLATERAL REPORT

Mortgage Loan Profile	
Original number of Mortgage Loans in Pool	115,191
Original current value of Mortgage Loans in Pool	£ 6,399,214,138
Current number of Mortgage Loans in Pool at 30-September-2016	64,300
Current £ value of Mortgage Loans in Pool at 30-September-2016	£ 5,861,685,364
Weighted Average Yield on 08-September-2016	3.20%

Trust Assets	
Current value of Mortgage Loans in Pool at 01 September 2016	6,013,362,000.06
Last months Closing Trust Assets at 01 August 2016	6,133,623,541.37
Mortgage collections - Interest on 01 September 2016	16,140,354.47
Mortgage collections - Principal (Scheduled) on 01 September 2016	35,750,794.58
Mortgage collections - Principal (Unscheduled) on 01 September 2016	84,276,695.81
Principal Ledger as calculated on 08 September 2016	242,342,528.18
Funding Share as calculated on 31 August 2016	3,561,304,912.42
Funding Share % as calculated on 31 August 2016	58.06201%
Seller Share as calculated on 31 August 2016	2,572,318,628.95
Seller Share % as calculated on 31 August 2016	41.93799%
Minimum Seller Share (Amount) 31 August 2016	
W	256,527,933.07
X	264,587,928.00
Y	203,239,509.16
Z	-
AA	62,620.33
W + X + Y + Z + AA =	724,417,990.57
Minimum Seller Share (% of Total) on 01 September 2016	12.04680%

Arrears Analysis of Non Repossessed Mortgage Loans at 30 September 2016	Number	Current Balance £	Arrears £	By Number %	By Current Balance %
Less than 1 month in arrears	63,713	5,799,987,556	-	99.09	98.95
1<=2 months in arrears	514	54,036,355	368,102	0.80	0.92
2<=3 months in arrears	64	6,559,032	70,135	0.10	0.11
3<=4 months in arrears	8	956,654	7,122	0.01	0.02
4<=5 months in arrears	1	145,767	361	0.00	0.00
5<=6 months in arrears	-	-	-	-	-
6<=7 months in arrears	-	-	-	-	-
7<=8 months in arrears	-	-	-	-	-
8<=9 months in arrears	-	-	-	-	-
9<=10 months in arrears	-	-	-	-	-
10<=11 months in arrears	-	-	-	-	-
11<=12 months in arrears	-	-	-	-	-
More than 12 months in arrears	-	-	-	-	-
Total	64,300	5,861,685,364	445,719	100.00	100.00

Arrears Capitalised at 30 September 2016	Number	Current Balance £	Capitalised Amount £
Capitalisation cases (in month)	2	69,401	850
Capitalisation cases (cumulative) *	1,258	120,313,929	1,623,837

*Includes properties in possession cases, cases no longer in arrears but excludes any Loans repurchased from the Portfolio or Loans that have been redeemed since May 2008.

Losses on Properties in Possession at 30 September 2016	Number	Loss Amount £
Total loss on sale brought forward	2,234	71,745,264
Losses recorded this period	-	-
Total loss on sale carried forward	2,234	71,745,264
Recoveries*	56	85,239

*This figure represents all live cases and would therefore exclude cases that have been closed due to bankruptcy.

Properties in Possession at 30 September 2016	Number	Current Balance £
Total properties in possession since inception	4,539	530,849,819
Repossessed (in month)	-	-
Sold (in month)	-	-
Current number in possession	-	-
Total properties sold since inception	4,539	530,849,819

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Product Breakdown (By Balance)	Number of accounts	% by number	Current balance £	% by balance
Discounted SVR Loans	235	0.37	6,591,792	0.11
Fixed Rate Loans	4,080	6.35	347,882,675	5.93
Bank of England Base Rate Tracker Loans	29,135	45.31	2,850,133,248	48.62
Standard Variable Loans	30,850	47.98	2,657,077,650	45.33
Unknown	-	0.00	-	-
Total	64,300	100	5,861,685,364	100.00

Payment Type (By Balance)	Number of accounts	% by number	Current balance £	% by balance
Interest only and Combined repayment & int-only	28,399	44.17	3,711,053,387	63.31
Repayment	35,901	55.83	2,150,631,977	36.69
Total	64,300	100.00	5,861,685,364	100.00

Use Of Proceeds (By Balance)	Number of accounts	% by number	Current balance £	% by balance
Remortgage	38,598	60.03	3,332,941,232	56.86
House Purchase	25,702	39.97	2,528,744,132	43.14
Unknown	-	-	-	-
Total	64,300	100.00	5,861,685,364	100.00

Analysis of Mortgage loan size at reporting date £	Number of accounts	% by number	Current balance £	% by balance
0 to <=50,000	25,042	38.95	599,094,960	10.22
>50,000 to <=100,000	16,949	26.36	1,234,706,019	21.06
>100,000 to <=150,000	10,530	16.38	1,294,235,681	22.08
>150,000 to <=200,000	5,763	8.96	990,846,482	16.90
>200,000 to <=250,000	2,718	4.23	604,189,206	10.31
>250,000 to <=300,000	1,342	2.09	365,507,482	6.24
>300,000 to <=350,000	782	1.22	251,750,490	4.29
>350,000 to <=400,000	469	0.73	174,581,416	2.98
>400,000 to <=450,000	259	0.40	109,051,247	1.86
>450,000 to <=500,000	199	0.31	94,477,811	1.61
>500,000 to <=550,000	114	0.18	58,903,982	1.00
>550,000 to <=600,000	44	0.07	25,361,196	0.43
>600,000 to <=650,000	41	0.06	25,556,381	0.44
>650,000 to <=700,000	23	0.04	15,438,499	0.26
>700,000 to <=750,000	25	0.04	17,984,512	0.31
> 750,000	-	0.00	-	0.00
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum loan size was £ 749,000.00, the minimum loan size was £ 0.00 and the average loan size was £ 91,161.51.

Geographical Analysis By Region	Number of accounts	% by number	Current balance £	% by balance
East Anglia	2,344	3.65	206,405,923	3.52
East Midlands	3,644	5.67	279,133,678	4.76
London	9,746	15.16	1,222,657,787	20.86
North	2,680	4.17	169,444,407	2.89
North West	8,007	12.45	575,290,960	9.81
Scotland	4,852	7.55	312,286,009	5.33
South East	15,923	24.76	1,735,419,308	29.61
South West	5,283	8.22	508,049,269	8.67
Yorkshire and Humberside	4,287	6.67	293,210,998	5.00
Wales	3,326	5.17	240,662,162	4.11
West Midlands	4,208	6.54	319,124,864	5.44
Unknown	-	-	-	-
Total	64,300	100.00	5,861,685,364	100.00

Substitution, redemptions and repurchases during period	Number of accounts this period	Current balance this period £
September 2016		
Substitution & Top up	0	0
Redeemed this period	1,190	44,227,626
Repurchases this period (including arrears)*	346	40,049,070
Arrears repurchased this period*	115	11,311,021
Cumulative arrears repurchased*	7,367	803,492,393

*Arrears for this purpose means, in respect of a Loan, on any date that two or more Monthly Payments have become due and remain unpaid by the relevant Borrower, and this reporting line relates to repurchases under clause 8.11 of the Mortgage Sale Agreement.

PPR/CPR Analysis* 01 August 2016- 01 September 2016	1 Month %	1 Month Annualised %	3 Month Average %	3 Month Annualised %	12 Month Average %
Total (including unscheduled repayments and repurchases from the Mortgages Trust)					
Current month	2.17%	23.11%	2.21%	23.54%	21.74%
Previous month	2.15%	22.97%	2.19%	23.38%	21.84%
Unscheduled repayments and repurchases from the Mortgages Trust only					
Current month	1.51%	16.72%	1.51%	16.58%	15.93%
Previous month	1.47%	16.29%	1.45%	15.96%	16.17%

*As of February 2014 the definitions and calculations for PPR/CPR have been amended to align the reporting between all Santander UK secured funding structures.

Standard Variable Rate - Applicable to underwritten Santander UK mortgages	
Existing Borrowers SVR	4.49%
Effective date of change	Sep-2016
Previous existing Borrowers SVR	4.74%
Effective date of change	Oct-2012

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Remaining Term	Number of accounts	% by number	Current balance £	% by balance
0 to <5	13,151.00	20.45	706,325,520.07	12.05
>= 5 to < 10	17,214.00	26.77	1,314,084,657.81	22.42
>= 10 to < 15	20,070.00	31.21	2,054,489,144.96	35.05
>= 15 to < 20	11,110.00	17.28	1,429,694,520.01	24.39
>= 20 to < 25	2,113.00	3.29	266,546,904.94	4.55
>= 25 to < 30	398.00	0.62	56,460,897.97	0.96
>= 30 to < 35	244.00	0.38	34,083,718.50	0.58
>= 35 to < 40	-	-	-	0.00
>= 40 to < 45	-	-	-	0.00
>= 45	-	-	-	0.00
Unknown	-	-	-	0.00
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum remaining term for a loan was 415.00 months, the minimum remaining term was 0.00 months and the weighted average remaining term was 142.48 months.

Seasoning	Number of accounts	% by number	Current balance £	% by balance
0 to <6	-	0.00	-	0.00
>= 6 to < 12	46.00	0.07	8,373,692.88	0.14
>= 12 to < 18	101.00	0.16	17,689,482.41	0.30
>= 18 to < 24	80.00	0.12	12,422,206.27	0.21
>= 24 to < 30	53.00	0.08	7,355,364.61	0.13
>= 30 to < 36	58.00	0.09	7,541,509.17	0.13
>= 36 to < 42	50.00	0.08	5,941,941.89	0.10
>= 42 to < 48	408.00	0.63	39,764,709.98	0.68
>= 48 to < 54	1,328.00	2.07	124,464,284.81	2.12
>= 54 to < 60	879.00	1.37	98,908,634.64	1.69
>= 60 to < 66	1,162.00	1.81	123,233,856.33	2.10
>= 66 to < 72	1,282.00	1.99	132,180,405.50	2.25
>= 72 to < 78	1,083.00	1.68	112,729,106.38	1.92
>= 78 to < 84	643.00	1.00	65,549,333.07	1.12
>= 84 to < 90	1,493.00	2.32	132,850,315.86	2.27
>= 90 to < 96	1,744.00	2.71	184,361,704.92	3.15
>= 96 to < 102	3,091.00	4.81	402,677,236.43	6.87
>= 102 to < 108	4,522.00	7.03	612,341,258.43	10.45
>= 108 to < 114	6,382.00	9.93	715,777,395.00	12.21
>= 114 to < 120	5,323.00	8.28	554,445,933.60	9.46
>= 120 to < 126	5,457.00	8.49	540,680,393.77	9.22
>= 126 to < 132	3,794.00	5.90	337,591,572.72	5.76
>= 132 to < 138	3,200.00	4.98	261,525,897.60	4.46
>= 138 to < 144	2,578.00	4.01	198,798,185.27	3.39
>= 144 to < 150	3,194.00	4.97	222,070,252.82	3.79
>= 150 to < 156	3,542.00	5.51	236,371,135.96	4.03
>= 156 to < 162	2,835.00	4.41	181,708,412.93	3.10
>= 162 to < 168	3,002.00	4.67	170,574,129.02	2.91
>= 168 to < 174	2,125.00	3.30	112,091,985.02	1.91
>= 174 to < 180	1,749.00	2.72	91,143,995.67	1.55
>= 180	3,096.00	4.81	150,521,031.30	2.57
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum seasoning for a loan was 253.00 months, the minimum seasoning was 8.00 months and the weighted average seasoning was 116.66 months.

Indexed Current Loan to Value Using current capital balance and HPI indexed latest valuation	Number of accounts	% by number	Current balance £	% by balance
>0% <=25%	25,044.00	38.95	824,255,800.02	14.06
>25% <=50%	20,423.00	31.76	1,993,030,466.66	34.00
>50% <=75%	15,484.00	24.08	2,429,936,217.05	41.45
>75% <=80%	2,045.00	3.18	377,311,978.57	6.44
>80% <=85%	1,088.00	1.69	200,769,042.10	3.43
>85% <=90%	195.00	0.30	32,363,215.48	0.55
>90% <=95%	11.00	0.02	1,716,167.01	0.03
>95%	9.00	0.01	2,272,607.95	0.04
Unknown	1.00	0.00	29,869.42	0.00
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum indexed LTV was 132.40, the minimum indexed LTV was 0.00 and the weighted average indexed LTV was 49.23.

Loan to Value at Last Valuation Using current capital balance and unindexed latest valuation	Number of accounts	% by number	Current balance £	% by balance
>0% <=25%	18,390.00	28.60	459,505,075.13	7.84
>25% <=50%	17,728.00	27.57	1,340,539,162.63	22.87
>50% <=75%	17,273.00	26.86	2,245,310,829.89	38.30
>75% <=80%	3,403.00	5.29	553,977,883.79	9.45
>80% <=85%	2,375.00	3.69	406,745,579.77	6.94
>85% <=90%	2,401.00	3.73	424,715,808.86	7.25
>90% <=95%	1,534.00	2.39	270,846,894.69	4.62
>95%	1,183.00	1.84	159,412,163.78	2.72
Unknown	13.00	0.02	631,965.72	0.01
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum unindexed LTV was 216.95, the minimum unindexed LTV was 0.00 and the weighted average unindexed LTV was 60.86.

Original Loan to Value at Last Valuation Using original balance and valuation amount	Number of accounts	% by number	Current balance £	% by balance
>0% <=25%	5,265.00	8.19	210,913,225.47	3.60
>25% <=50%	15,586.00	24.24	902,794,040.44	15.40
>50% <=75%	22,959.00	35.71	2,215,667,341.89	37.80
>75% <=80%	5,513.00	8.57	685,304,824.21	11.69
>80% <=85%	4,459.00	6.93	576,948,284.99	9.84
>85% <=90%	6,319.00	9.83	828,595,406.20	14.14
>90% <=95%	4,186.00	6.51	440,830,275.34	7.52
>95%	-	0.00	-	0.00
Unknown	13.00	0.02	631,965.72	0.01
Total	64,300	100.00	5,861,685,364	100.00

As at the report date, the maximum original LTV was 95.00, the minimum LTV at origination was 0.12 and the weighted average LTV at origination was 67.38.

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LOAN NOTE REPORT

Closing Date		Series 2010-1 Notes																	
12/11/2010																			
2010-1	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Woody's/Fitch	Original Ratings S&P/Woody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type	
A1	X5057834545	US43641NBB91	A1+P-1F1+	A1+P-1F1+	USD	1.63	500,000,000	(500,000,000)	0	1M USD LIBOR	0.15%	-	-	-	-	n/a	Oct-2011	Bullet	
A2	X5057834628	US43641NBB74	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.63	900,000,000	(900,000,000)	0	3M USD LIBOR	1.40%	-	-	-	-	Apr-2014	Oct-2054	Sched AM	
A3	X5057834891	X5057834974	AAA/Aaa/AAA	AAA/Aaa/AAA	EUR	1.14	500,000,000	(500,000,000)	0	3M EURIBOR	1.40%	-	-	-	-	Apr-2014	Oct-2054	Sched AM	
A4	X5057835195	X5057835278	AAA/Aaa/AAA	AAA/Aaa/AAA	EUR	1.14	750,000,000	(750,000,000)	0	3M EURIBOR	1.50%	-	-	-	-	Jan-2016	Oct-2054	Sched AM	
A5	X5057835351	X5057835435	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	375,000,000	0	375,000,000	GBP FIXED	0.000%	4.009%	15/04/2016 - 17/10/2016	17/10/2016	7,516,875	Oct-2017	Oct-2054	Bullet	
Z	X5057835518	n/a	n/a	n/a	GBP	-	600,000,000	(600,000,000)	0	3M GBP LIBOR	0.90%	-	-	-	-	n/a	Oct-2054	P-Through	

Closing Date		Series 2011-3 Notes																	
21/09/2011																			
2011-3	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Woody's/Fitch	Original Ratings S&P/Woody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type	
A1	X50679914787	US43641NBB88	A-1+P-1F1+	A-1+P-1F1+	USD	1.58	500,000,000	(500,000,000)	0	1M USD LIBOR	0.13%	-	-	-	-	n/a	Jul-2012	Bullet	
A2	X50679914860	US43641NBB61	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.58	2,000,000,000	(2,000,000,000)	0	3M USD LIBOR	1.55%	-	-	-	-	Jan-2015	Oct-2054	Sched AM	
A3	X50679914953	X50679922899	AAA/Aaa/AAA	AAA/Aaa/AAA	EUR	1.15	200,000,000	(200,000,000)	0	3M EURIBOR	1.40%	-	-	-	-	Jan-2015	Oct-2054	Sched AM	
A4	X50679914944	X50679929397	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	165,000,000	(86,628,571)	76,371,429	3M GBP LIBOR	1.45%	2.17750%	15/07/2016 - 17/10/2016	17/10/2016	427,106	Oct-2016	Oct-2054	Sched AM	
A5	X50679915081	US43641NBL73	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.58	500,000,000	0	500,000,000	USD FIXED	0.00%	3.61500%	15/07/2016-16/01/2017	16/01/2017	9,137,917	Jan-2019	Oct-2054	Sched AM	
A6	X50679915164	US43641NBM56	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.58	250,000,000	0	250,000,000	3M USD LIBOR	1.75%	2.43010%	15/07/2016 - 17/10/2016	17/10/2016	1,586,315	Jan-2019	Oct-2054	Sched AM	

Closing Date		Series 2012-1 Notes																	
25/01/2012																			
2012-1	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Woody's/Fitch	Original Ratings S&P/Woody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type	
A1	X50736418459	US43641NBN30	A-1+P-1F1+	A-1+P-1F1+	USD	1.54	500,000,000	(500,000,000)	0	1M USD LIBOR	0.20%	-	-	-	-	n/a	Jan-2013	Bullet	
A2	X50736397604	US43641NBP87	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.54	500,000,000	(500,000,000)	0	3M USD LIBOR	1.65%	-	-	-	-	Apr-2015	Oct-2054	Sched AM	
A3	X50736398054	X50736341205	AAA/Aaa/AAA	AAA/Aaa/AAA	EUR	1.20	1,200,000,000	(1,200,000,000)	0	3M EURIBOR	1.55%	-	-	-	-	Apr-2015	Oct-2054	Sched AM	
A4	X50736398917	X5073624114	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	175,000,000	(175,000,000)	0	3M GBP LIBOR	1.75%	-	-	-	-	Apr-2015	Oct-2054	Sched AM	
A5	X50736399055	X50736240819	AAA/Aaa/AAA	AAA/Aaa/AAA	JPY	118.00	20,000,000,000	(20,000,000,000)	0	3M JPY LIBOR	1.25%	-	-	-	-	Apr-2015	Oct-2054	Sched AM	
A6	X50736399139	X50736240900	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	215,000,000	(66,342,857)	148,657,143	3M GBP LIBOR	1.85%	2.37750%	15/07/2016 - 17/10/2016	17/10/2016	907,722	Jul-2017	Oct-2054	Sched AM	
Z	X50737122464	n/a	n/a	n/a	GBP	-	610,000,000	(610,000,000)	0	3M GBP LIBOR	0.90%	-	-	-	-	n/a	Oct-2054	P-Through	

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LOAN NOTE REPORT

Closing Date		Series 2012-2 Notes																
2012-2	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Moody's/Fitch	Original Ratings S&P/Moody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a. %	Current interest rate p.a. %	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type
A1	X5077322806	n/a	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.59	1,250,000,000	(204,142,857)	1,045,857,143	3M USD LIBOR	1.55%	2.23010%	15/07/2016 - 17/10/2016	17/10/2016	6,090,067	Oct-2017	Oct-2054	Sched AM
Z	X5077332788	n/a	n/a	n/a	GBP	-	175,000,000	(175,000,000)	0	3M GBP LIBOR	0.90%	-	-	-	-	n/a	Oct-2054	P-Through

Closing Date		Series 2012-3 Notes																
2012-3	ISIN (Reg S)	ISIN (144a)	08/01/2014	Original Ratings S&P/Moody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a. %	Current interest rate p.a. %	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type
A1	X50790113475	X50790113632	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	515,000,000	(85,028,875)	429,971,125	3M GBP LIBOR	1.55%	2.07750%	15/07/2016 - 17/10/2016	17/10/2016	2,294,178	Oct-2017	Oct-2054	Sched AM
B1	X50790113558	US43641NB072	AA/Aa3/AA	AA/Aa3/AA	USD	1.55	140,000,000	0	140,000,000	3M USD LIBOR	2.20%	2.88010%	15/07/2016 - 17/10/2016	17/10/2016	1,052,837	Oct-2017	Oct-2054	Sched AM
B2	X50790188055	X50790188139	AA/Aa3/AA	AA/Aa3/AA	GBP	-	33,000,000	0	33,000,000	3M GBP LIBOR	2.35%	2.87750%	15/07/2016 - 17/10/2016	17/10/2016	243,880	Oct-2017	Oct-2054	Sched AM

Closing Date		Series 2013-1 Notes																	
2013-1	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Moody's/Fitch	Original Ratings S&P/Moody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a. %	Current interest rate p.a. %	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type	Placement
A1	X50938279378	US43641NBV55	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.51	750,000,000	(750,000,000)	0	1M USD LIBOR	0.08%	-	-	-	-	n/a	Apr-2014	Sched AM	Public
A2	X50938012704	X50938943080	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	500,000,000	(328,571,429)	171,428,571	3M GBP LIBOR	0.40%	0.92750%	15/07/2016 - 17/10/2016	17/10/2016	408,361	Oct-2016	Oct-2054	Sched AM	Public
A3	X50938091575	n/a	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	100,000,000	(51,428,571)	48,571,429	3M GBP LIBOR	0.40%	0.92750%	15/07/2016 - 17/10/2016	17/10/2016	115,702	Jan-2017	Oct-2054	Sched AM	Retained

Closing Date		Series 2016-1 Notes																	
2016-1	ISIN (Reg S)	ISIN (144a)	Current Ratings S&P/Moody's/Fitch	Original Ratings S&P/Moody's/Fitch	Currency	Applicable Exchange Rate	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a. %	Current interest rate p.a. %	Accrual Period	Next coupon date	Interest next coupon	Step up Date	Legal Maturity	Bond Type	Placement
A1	XS1419677387	US43641NBW39	AAA/Aaa/AAA	AAA/Aaa/AAA	USD	1.46	375,000,000	0	375,000,000	1M USD LIBOR	0.60%	1.12428%	15/09/2016 - 15/09/2016	17/10/2016	374,760	N/A	Apr-2017	Sched AM	Public
A2	XS1419677544	XS1419805996	AAA/Aaa/AAA	AAA/Aaa/AAA	GBP	-	340,000,000	0	340,000,000	3M GBP LIBOR	0.75%	1.27750%	15/07/2016 - 17/10/2016	17/10/2016	1,115,544	Jul-2021	Oct-2054	Sched AM	Public
Z	XS1419677460	n/a	n/a	n/a	GBP	-	582,000,000	0	582,000,000	3M GBP LIBOR	0.90%	1.42750%	15/07/2016 - 17/10/2016	17/10/2016	2,133,761	N/A	Oct-2054	P-Through	Retained

*All Notes are listed on the London Stock Exchange.

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Combined Credit Enhancement	Total £	Total %	Current note subordination	Subordination +Reserve Fund	% Required
Class A Notes	£2,978,442,817	80.86%	19.14%	24.71%	23.10%
Class B Notes	£123,177,134	3.34%	15.80%	21.36%	5.70%
Class Z Notes	£582,000,000	15.80%	0.00%	5.57%	
	£3,683,619,950.86	100.00%			
Funding Reserve Fund Required Amount	£205,000,000	5.57%			

Interest shortfall in period	£0
Cumulative interest shortfall	£0
Principal shortfall in period	£0
Cumulative principal shortfall	£0
Cumulative net loss	£0
Excess principal paid in current period	£0

Funding Reserve Fund	
Balance brought forward	£205,000,000
Drawings	£0
Top up	£0
Balance carried forward	£205,000,000

Quarterly Excess Spread*	Excluding Z notes	Including Z notes
Quarterly Excess Spread annualised	5.85%	5.76%
Quarterly Excess Spread rolling 12 month average	2.01%	1.56%

*Quarterly Excess Spread is calculated at each quarterly Interest Payment Date

Monthly Excess Spread* as at September 2016	Excluding Z notes	Including Z notes
Monthly Excess Spread annualised	1.50%	1.27%

*Monthly Excess Spread is calculated using monthly Funding Revenue received and one third of Fundings quarterly liabilities

Funding Principal Ledger-AAA	242,342,528
Funding Principal Ledger-AA	-
Funding Principal Ledger-A	-
Funding Principal Ledger-BBB	-
Funding Principal Ledger	242,342,528

Accounts as at 30 September 2016	Counterparty	Rate	Amount
Mortgages Trustee GIC	Santander UK	Libor	233,029,963
Funding GIC	Santander UK	Libor	466,028,679
Funding Transaction Account	Santander UK	Libor - 0.25%	46,036
Panel Banks	Bank of New York Mellon	-	-

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SWAP PAYMENTS

Note	Swap Counterparty	Currency Notional	Receive Reference Rate	Receive Margin	Receive Rate	Interest Received	Principal Received	£ Notional	Pay reference rate	Pay margin	Pay rate	Interest Paid	Principal Paid
2016-1 A1	ANTS	375,000,000.00	1M USD LIBOR	0.60000%	1.10765%	357,678.65	0.00	256,814,135.05	3M GBP LIBOR	0.35700%	0.88450%	0.00	0.00

COLLATERAL

Note	Collateral Postings	Counterparty

There was no collateral posted during the reporting period 01-September-16 to 30-September-16.

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TRIGGER EVENTS	
Asset Amount debited to AAA Principal Deficiency Sub Ledger, unless certain criteria are met	None
Non Asset Insolvency Event occurs in relation to Seller. Seller's role as Servicer terminated & new servicer appointed within 60 days. The then current Seller Share is less than the Minimum Seller Share.	None None 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 Issuer 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)	None
Full details of all Trigger Events can be found within the Holmes Master Issuer plc. base prospectus	

Definitions

1 Current value of mortgages

Includes all amounts of principal, interest and fees as yet unpaid by the borrower. Current Value of Mortgage Loans in Pool in 'Mortgage Loan Profile' and 'Trust Asset' is different due to the 'Mortgage Loan Profile' value including the accrued interest over the reporting period.

2 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.

3 Defaults

For the purpose of the Bank of England Market Notice dated 30 November 2010 "defaults" is defined as properties been taken into possession.

4 1 month CPR

On any trust calculation date, the total principal receipts received during the immediately preceding trust calculation period divided by the aggregate current balance of the loans comprised in the trust property calculated on the previous trust calculation date in respect of the previous trust calculation period.

5 1 month annualised CPR

Calculated as $1 - ((1 - R) ^ 12)$ where R is (i) total principal receipts received scheduled and unscheduled during the relevant period, divided by (ii) the aggregate outstanding principal balance of the loans in the expected portfolio as at the start of that period.

6 3 month average CPR

The total principal receipts received during the immediately preceding trust calculation period for the last 3 months divided by the average aggregate current balance of the last 3 months of the loans comprised in the trust property.

7 3 month annualised CPR

Calculated as $1 - ((1 - R) ^ 4)$ where R is (i) total principal receipts received scheduled and unscheduled during the relevant period, divided by (ii) the average aggregate outstanding

12 month average CPR

8 The total principal receipts received during the immediately preceding trust calculation period for the last 12 months divided by the average aggregate current balance of the last 12 months

9

Savings balance

10 X

Current balance of Loans in the trust property multiplied by 4.4%

11 Y

Flexible drawings set-off risk

12 Z

Breach of Mortgage Sale Agreement

13 AA

Reward loans cashbacks

14 Excess Spread calculation

After a review of the calculation and reporting, Excess Spread has been updated to include 4 reporting components:

1. Quarterly including Z Notes 2. Quarterly excluding Z Notes 3. Monthly including Z Notes 4. Monthly excluding Z Notes

In all cases Excess Spread is calculated by dividing excess cash available (pre and post Z Note payment) divided by a. Quarterly = the weighted average Funding Share for the relevant period and b. Monthly = the current Funding Share for the relevant period

Notes Risk retention

The seller confirms that if it sells one or more new loans and their related security to the mortgages trustee on or after 1 January 2015, the seller, in its capacity as originator, (i) on or immediately following the relevant sale date, will retain, on an on-going basis, a material net economic interest of not less than 5 per cent. in the nominal value of the securitised exposures in accordance with the text of Article 405 of Regulation (EU) No 575/2013 and Article 51 of Regulation (EU) No 231/2013, and (ii) will disclose via an RNS announcement (or in such other manner as the seller may determine) such retained interest and the manner in which it is held. Any change to the manner in which such interest is held will be notified to noteholders in accordance with the conditions.

All capitalised terms used in this investor report have the meaning or descriptions assigned to them in the Holmes Master Issuer plc. base prospectus.