



UK Secured Funding Programmes

Fosse Master Issuer

Report Date:	30-Sep-13
Reporting Period:	01-Sep-13 to 30-Sep-13
Trust Calculation Date:	01-Oct-13

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

		Fitch/Moody's/S&P Long Term Rating	Fitch/Moody's/S&P Short Term Rating	Applicable Trigger (loss of)	Consequence
Issuer	Fosse Master Issuer plc				
Funding	Fosse Funding (No. 1) Limited				
Mortgages Trustee	Fosse Trustee Limited				
Seller	Santander UK	A / A2 / A	F1 / P-1 / A-1	A-(Fitch) / A3 (Moody's) BBB- / Baa3 / A-2 BBB- (Fitch) / BBB- (S&P) F2 / P-2 / A-3 BBB- / Baa3 / BBB- F1 / P-1 / A-2 F2 or BBB+ / P-2 / A-2 or BBB	Funding 1 required to establish a Liquidity Reserve Fund. Notice to be given to Borrowers of transfer of equitable and beneficial interest in the Loans, but no need to perfect legal title to the Loans. Completion of legal assignment of Loans to Mortgages Trustee and perfection of transfer of Related Security. Seller unable to sell in New Loans, Funding 1 unable to make Initial Contributions, Further Contributions or Refinancing Contributions. Adjustment to Minimum Seller Share calculation. Independent audit of Loans in the Portfolio to verify that the representations and warranties relating to them were complied with as of their Assignment Date. Transfer of Seller collection accounts to another bank with these minimum ratings or payments to be made directly to the Mortgages Trustee GIC Account.
Servicer	Santander UK	A / A2 / A	F1 / P-1 / A-1	F2 / P-2 / A-2	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.
Cash Manager	Santander UK	A / A2 / A	F1 / P-1 / A-1		
Start-up Loan Provider	Santander UK	A / A2 / A	F1 / P-1 / A-1		
Mortgages Trustee Account Bank	Santander UK	A / A2 / A	F1 / P-1 / A-1	A or F1 / P-2 / BBB+ or A-2 P-1 / A or A-1 or A+ of no ST rating (S&P)	Remedial action required within 30 days – obtaining a guarantee from an entity rated A and F1 / P-1 / A and A-1+ and a confirmation from the Ratings Agencies that the outstanding Rated Notes will not be downgraded. If this action is not taken, the Mortgages Trustee GIC Account needs to be closed and amounts transferred to an entity rated A and F1 / P-1 / A and A-1+, unless the Rating Agencies confirm that failure to close the account and transfer amounts will not have an impact on the rating of the Rated Notes. A stand-by arrangement in respect of the Mortgages Trustee GIC Account needs to be put in place within 60 days with an entity that is rated A and F1 / P-1 / A and A-1. If a stand-by arrangement is not implemented, the Mortgages Trustee GIC Account needs to be closed and amounts transferred to an entity rated A and F1 / P-1 / A and A-1+, unless the Rating Agencies confirm that failure to close the account and transfer amounts will not have an impact on the rating of the Rated Notes.
Account Bank A in respect of the Funding 1 Transaction Account				A or F1 / P-1 / A or A-1 (or A+ if no ST rating)	Remedial action required within 30 business days – either (a) procuring a guarantee of the obligations of Account Bank A in respect of the Funding 1 Transaction Account from a financial institution having the minimum required ratings; or (b) taking such other action required by the Rating Agencies to ensure that the ratings assigned to the Rated Notes are not adversely affected. If remedial action is not taken, the Funding 1 Transaction Account needs to be closed and amounts transferred to a financing institution having the minimum required ratings
Account Bank B in respect of the Funding 1 GIC Account	Santander UK	A / A2 / A	F1 / P-1 / A-1	A or F1 / P-1 / A or A-1 (or A+ if no ST rating)	Remedial action required within 30 business days – either (a) procuring a guarantee of the obligations of Account Bank B in respect of the Funding 1 GIC Account from a financial institution having the minimum required ratings; or (b) taking such other action required by the Rating Agencies to ensure that the ratings assigned to the Rated Notes are not adversely affected. If remedial action is not taken, the Funding 1 GIC Account needs to be closed and amounts transferred to a financing institution having the minimum required ratings. 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+.
Issuer Account Bank	Santander UK	A / A2 / A	F1 / P-1 / A-1	A or F1 / P-1 / A or A-1 (or A+ if no ST rating)	Remedial action required within 30 days – obtaining a guarantee from an entity rated A and F1 / P-1 / A and A-1+ and a confirmation from the Ratings Agencies that the outstanding Rated Notes will not be downgraded. If this action is not taken, the Issuer GIC Account needs to be closed and amounts standing to the credit of the Issuer GIC Account transferred to an entity rated A and F1 / P-1 / A and A-1+, unless the Rating Agencies confirm that failure to close the account and transfer amounts will not have an impact on the rating of the Rated Notes.
Funding 1 Swap Provider	Santander UK	A / A2 / 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 not ST rating) BBB+ or F2 (Fitch) BBB- or F3 / A3 or P-2 (or A3 if no ST rating) / BBB+	Remedial action required - posting collateral and/or possibility of obtaining guarantee or transfer to eligible transferee. Further collateral required and possibility of obtaining guarantee or transfer to eligible transferee.
Issuer Swap Provider	Abbey National Treasury Services plc (all Notes other than the swaps in respect of the Notes hedged by Wells Fargo Bank NA and National Australia Bank - see below)	A / A2 / A	F1 / P-1 / A-1	A or F1 / A2 or P-1 (or A1 if no ST rating) / A or A-1 (or A+ if no ST rating) BBB+ or F2 (Fitch) BBB- or F3 / A3 or P-2 (or A3 if no ST rating) / BBB+	Remedial action required - posting collateral and/or possibility of obtaining guarantee or transfer to eligible transferee. Further collateral required and possibility of obtaining guarantee or transfer to eligible transferee. Further remedial action required including posting collateral and obtaining a guarantee or replacement.
	Wells Fargo Bank NA (Series 2012-1 Class 2A2 Notes)	AA- / Aa3 / AA-	F1+ / P-1 / A-1+	A or F1 / A2 or P-1 / A or A-1 A- or F2 (Fitch) BBB+ or F2 / A3 or P-2 / BBB+	Remedial action required - posting collateral with possibility of obtaining guarantee or transfer to eligible transferee. Further collateral required and possibility of obtaining guarantee or transfer to eligible transferee Further remedial action required including posting collateral and obtaining a guarantee or replacement.
	National Australia Bank (Series 2012-1 Class 2A1 and Class 2A5 Notes)	AA- / Aa2 / AA-	F1+ / P-1 / A-1+	A or F1 / A2 or P-1 (or A1 if no ST rating) / A or A-1 (or A+ if no ST rating) BBB+ or F2 (Fitch) BBB- or F3 / A3 or P-2 (or A3 if no ST rating) / BBB+	Remedial action required - posting collateral with possibility of obtaining guarantee or transfer to eligible transferee. Further collateral required and possibility of obtaining guarantee or transfer to eligible transferee Further remedial action required including posting collateral and obtaining a guarantee or replacement.
Paying Agent and related roles	Citibank N.A.	A / A3 / A	F1 / P-2 / A-1		
English Corporate Services Provider	Structured Finance Management Limited				
Jersey Corporate Services Provider	Sanne Corporate Services Limited				
Note Trustee and Security Trustee	Law Debenture Company				

The table above is a brief overview only. For a more detailed summary, please consult pages 58 to 66 (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.

COLLATERAL REPORT

Mortgage Loan Profile	
Original number of Loans in Portfolio	42,395
Original current value of Loans in Portfolio	£ 3,399,995,370
Current number of Loans in Portfolio	186,091
Current value of Loans in Portfolio	£ 15,427,555,063
Current number of Loan product holdings in Portfolio (A Loan may have more than one active Loan product)	259,308
Weighted average yield (pre-swap)	3.177%

Trust Assets	
Current value of Loans in portfolio at 30-Sep-13	15,428,283,133.09
Current value of Loans in portfolio at 31-Aug-13	15,778,193,505.04
Mortgage collections - Interest	40,375,882.33
Mortgage collections - Principal (Scheduled)	45,800,643.00
Mortgage collections - Principal (Unscheduled)	315,788,969.85
Principal Ledger as calculated on 01-Oct-13	1,123,027,457.27
Funding 1 Share as calculated on 01-Oct-13	12,461,874,708.95
Funding 1 Share % as calculated on 01-Oct-13	80.77%
Seller Share as calculated on 01-Oct-13	2,966,408,424.14
Seller Share % as calculated on 01-Oct-13	19.23%
Minimum Seller Share (Amount) 30-Sep-13	
X	Please refer to the notes on page 12
Y	524,561,626.53
Z	263,187,689.19
Minimum Seller Share (Amount)	122,826,473.43
Minimum Seller Share (% of Total)	910,575,789.14
	5.90%

Arrears Analysis of Non Repossessed Mortgage Loans	Number	Current balance £	Arrears £	By Number %	By current balance %
Less than 1 month in arrears	183,734	15,199,843,922	-	98.75%	98.55%
1<=2 months in arrears	1,230	115,487,563	788,258	0.66%	0.75%
2<=3 months in arrears	269	25,736,268	372,123	0.14%	0.17%
3<=4 months in arrears	222	23,451,279	460,404	0.12%	0.15%
4<=5 months in arrears	120	11,535,483	298,094	0.06%	0.07%
5<=6 months in arrears	100	10,563,662	317,037	0.05%	0.07%
6<=7 months in arrears	79	7,673,126	285,293	0.04%	0.05%
7<=8 months in arrears	53	4,894,605	182,335	0.03%	0.03%
8<=9 months in arrears	44	4,216,149	204,018	0.02%	0.03%
9<=10 months in arrears	37	3,256,582	178,018	0.02%	0.02%
10<=11 months in arrears	32	3,260,583	177,967	0.02%	0.02%
11<=12 months in arrears	23	2,252,256	122,149	0.01%	0.01%
More than 12 months in arrears	109	10,707,889	921,395	0.06%	0.07%
Total	186,052	15,422,879,366	4,311,091	100.00%	100.00%

Arrears are calculated in accordance with standard market practice in the UK. A Loan is identified as being in arrears when, on any due date, the overdue amounts which were due on previous dates equal one or more full monthly payments and the total of arrears across all sub-accounts exceeds £150.

Arrears Capitalised	Number	Amount £
Capitalisation cases (In month)	2	124,487
Capitalisation cases (cumulative)	428	37,872,337

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 January 2008

Losses on Properties in Possession	Number	Loss Amount £
Total loss on sale brought forward	230	7,570,496
Losses recorded this period	9	524,286
Total loss on sale carried forward	239	8,094,783
Recoveries	0	0

Properties in Possession	Number	Current balance £
Total properties in possession since inception	350	39,982,031
Reposessed (in month)	13	1,473,312
Sold (in month)	19	2,519,862
Current number in possession	39	4,675,697
Total properties sold since inception	311	35,306,334

Product Breakdown (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Bank of England Base Rate Tracker Loans	143,253	55.24%	9,216,228,554	59.74%
Fixed Rate Loans	17,314	6.68%	1,280,976,009	8.30%
Discounted SVR Loans	52	0.02%	1,603,810	0.01%
Standard Variable Loans	98,686	38.06%	4,928,699,191	31.95%
Other	3	0.00%	47,499	0.00%
Total	259,308	100.00%	15,427,555,063	100.00%

Payment Type (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Repayment	179,607	69.26%	8,608,207,324	55.80%
Interest only and combined repayment & int-only	79,701	30.74%	6,819,347,739	44.20%
Total	259,308	100.00%	15,427,555,063	100.00%

Use Of Proceeds (By Balance)	No of product holdings	% by number	Current balance £	% by balance
House purchase	128,072	49.39%	9,953,643,033	64.52%
Remortgage	131,236	50.61%	5,473,912,031	35.48%
Other	-	0.00%	-	0.00%
Total	259,308	100.00%	15,427,555,063	100.00%

Analysis of Mortgage loan size at reporting date £	No of accounts	% by number	Current balance £	% by balance
>0 =<50,000	68,308	36.71%	1,734,482,569	11.24%
>50,000 =<100,000	59,645	32.05%	4,376,808,011	28.37%
>100,000 =<150,000	34,175	18.36%	4,153,688,961	26.92%
>150,000 =<200,000	13,802	7.42%	2,357,768,644	15.28%
>200,000 =<250,000	5,404	2.90%	1,196,449,280	7.76%
>250,000 =<300,000	2,159	1.16%	585,824,134	3.80%
>300,000 =<350,000	1,084	0.58%	349,468,897	2.27%
>350,000 =<400,000	605	0.33%	225,060,069	1.46%
>400,000 =<450,000	353	0.19%	149,182,543	0.97%
>450,000 =<500,000	231	0.12%	109,345,656	0.71%
>500,000 =<550,000	121	0.07%	62,901,107	0.41%
>550,000 =<600,000	88	0.05%	50,535,460	0.33%
>600,000 =<650,000	52	0.03%	32,258,367	0.21%
>650,000 =<700,000	46	0.02%	30,875,053	0.20%
>700,000 =<750,000	18	0.01%	12,906,312	0.08%
>750,000 =<800,000	-	0.00%	-	0.00%
>800,000 =<850,000	-	0.00%	-	0.00%
>850,000 =<900,000	-	0.00%	-	0.00%
>900,000 =<950,000	-	0.00%	-	0.00%
>950,000 =<1,000,000	-	0.00%	-	0.00%
> 1,000,000	-	0.00%	-	0.00%
Total	186,091	100.00%	15,427,555,063	100.00%

The average Loan size was approximately £82,903.28, the maximum Loan size was £736,667.78 and the minimum Loan size was £0.

Geographical Analysis By Region	Number of accounts	% by number	Current balance £	% by balance
East Anglia	6,662	3.58%	521,713,967	3.38%
East Midlands	15,949	8.57%	1,109,952,971	7.19%
Greater London	8,212	4.41%	1,228,959,559	7.97%
Northern England	7,713	4.14%	543,886,497	3.53%
North West	19,645	10.56%	1,461,495,171	9.47%
South East	35,542	19.10%	3,943,845,750	25.56%
South West	14,411	7.74%	1,233,866,266	8.00%
West Midlands	14,235	7.65%	1,098,886,730	7.12%
Yorkshire & Humberside	16,008	8.60%	1,119,779,462	7.26%
Scotland	23,734	12.75%	1,511,641,108	9.80%
Wales	8,110	4.36%	545,564,935	3.54%
Northern Ireland	15,870	8.53%	1,107,962,649	7.18%
Total	186,091	100.00%	15,427,555,063	100.00%

Substitution, redemptions and repurchases	Number of accounts this period	Current balance this period £
Substitution & top up	0	0
Redeemed this period*	2,428	264,342,716
Repurchases this period (including arrears)**	729	85,567,656
Arrears repurchased this period**	0	0

*Redemptions this period include 624 accounts where minor balances totalling £58,045 remained to be collected after redemption. These balances have been repurchased by the Seller.

** "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 8.13 of the Mortgage Sale Agreement.

CPR Analysis	1 Month CPR %	3 Month Average CPR %	12 Month CPR (Annualised) %
Total (including unscheduled repayments and repurchases from the Mortgages Trust)			
Current month	2.29%	2.32%	23.78%
Previous month	2.31%	2.22%	23.95%
Unscheduled repayments and repurchases from the Mortgages Trust only			
Current month	2.02%	2.04%	20.52%
Previous month	2.03%	1.94%	20.69%

Standard Variable Rate (Alliance & Leicester)	
Existing borrowers SVR	4.99%
Effective date of change	02-Mar-09
Previous existing borrowers SVR	5.09%
Effective date of change	02-Feb-09

Remaining Term	Number of accounts	% by number	Current balance £	% by balance
0 to <5	25,262	13.58%	855,042,993.04	5.54%
>= 5 to < 10	35,033	18.83%	1,836,157,231.57	11.90%
>= 10 to < 15	41,832	22.48%	3,192,431,789.64	20.69%
>=15 to < 20	49,840	26.78%	5,445,407,796.63	35.30%
>= 20 to < 25	20,895	11.23%	2,490,848,833.40	16.15%
>= 25 to < 30	8,957	4.81%	1,085,886,790.85	7.04%
>= 30 to < 35	4,034	2.17%	494,526,305.23	3.21%
>= 35 to < 40	238	0.13%	27,253,323.06	0.18%
>= 40 to < 45	0	0.00%	-	0.00%
Total	186,091	100.00%	15,427,555,063	100.00%

The weighted average remaining term of Loans was approximately 196.03 months, the maximum remaining term of Loans was 460 months and the minimum remaining term of Loans was 0 months.

Seasoning	Number of accounts	% by number	Current balance £	% by balance
0 to <6	0	0.00%	-	0.00%
>= 6 to < 12	0	0.00%	-	0.00%
>= 12 to < 18	563	0.30%	90,102,277.96	0.58%
>= 18 to < 24	872	0.47%	133,463,297.31	0.87%
>= 24 to < 30	785	0.42%	107,444,025.59	0.70%
>= 30 to < 36	2,467	1.33%	280,486,232.14	1.82%
>= 36 to < 42	7,814	4.20%	811,472,571.29	5.26%
>= 42 to < 48	6,658	3.58%	701,990,962.67	4.55%
>=48 to < 54	7,568	4.07%	693,268,713.72	4.49%
>=54 to < 60	2,504	1.35%	224,807,075.70	1.46%
>= 60 to < 66	4,369	2.35%	445,858,840.82	2.89%
>= 66 to < 72	10,420	5.60%	1,204,861,105.44	7.81%
>= 72 to < 78	15,803	8.49%	1,755,554,887.02	11.38%
>= 78 to < 84	14,743	7.92%	1,520,305,031.02	9.85%
>= 84 to < 90	15,584	8.37%	1,540,446,643.01	9.99%
>= 90 to < 96	18,545	9.97%	1,653,231,147.58	10.72%
>= 96 to < 102	12,113	6.51%	942,507,988.41	6.11%
>= 102 to < 108	4,100	2.20%	278,521,809.90	1.81%
>= 108 to < 114	8,140	4.37%	483,195,301.96	3.13%
>= 114 to < 120	9,707	5.22%	560,231,703.44	3.63%
>= 120 to < 126	7,104	3.82%	394,407,126.76	2.56%
>= 126 to < 132	3,755	2.02%	204,460,582.08	1.33%
>= 132 to < 138	3,352	1.80%	187,282,888.81	1.21%
>= 138 to < 144	4,035	2.17%	218,009,638.77	1.41%
>= 144 to < 150	3,653	1.96%	176,494,721.74	1.14%
>= 150 to < 156	2,216	1.19%	93,825,422.24	0.61%
>= 156 to < 162	1,638	0.88%	69,781,532.37	0.45%
>= 162 to < 168	1,617	0.87%	72,217,023.85	0.47%
>= 168 to < 174	2,343	1.26%	102,287,541.03	0.66%
>= 174 to < 180	1,867	1.00%	80,230,089.77	0.52%
>= 180	11,756	6.32%	400,808,881.02	2.60%
Total	186,091	100.00%	15,427,555,063	100.00%

The weighted average seasoning of Loans was approximately 86.68 months, the maximum seasoning of Loans was 611 months and the minimum seasoning of Loans was 14 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%	49,957	26.85%	1,351,946,574	8.76%
>25% <=50%	49,721	26.72%	3,590,448,343	23.27%
>50% <=75%	44,507	23.92%	5,085,142,422	32.96%
>75% <=80%	8,820	4.74%	1,134,574,608	7.35%
>80% <=85%	7,665	4.12%	986,340,622	6.39%
>85% <=90%	6,272	3.37%	800,346,605	5.19%
>90% <=95%	5,491	2.95%	710,680,699	4.61%
>95% <=100%	4,262	2.29%	557,277,483	3.61%
>100%	9,396	5.05%	1,210,797,707	7.85%
Total	186,091	100.00%	15,427,555,063	100.00%

The weighted average indexed loan to value was approximately 64.09%, the maximum indexed loan to value was 242% and the minimum indexed loan to value was 0%.

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%	44,212	23.76%	1,119,991,077	7.26%
>25% <=50%	52,510	28.22%	3,631,343,533	23.54%
>50% <=75%	55,351	29.74%	6,074,995,401	39.38%
>75% <=80%	11,062	5.94%	1,431,280,227	9.28%
>80% <=85%	9,456	5.08%	1,282,224,606	8.31%
>85% <=90%	7,352	3.95%	1,044,531,057	6.77%
>90% <=95%	3,686	1.98%	509,470,640	3.30%
>95% <=100%	2,319	1.25%	312,455,161	2.03%
>100%	143	0.08%	21,263,363	0.14%
Total	186,091	100.00%	15,427,555,063	100.00%

The weighted average loan to value was approximately 60.38%, the maximum loan to value was 236% and the minimum loan to value was 0%.

Original Loan to Value Using original balance and valuation amount	Number of accounts	% by number	Current balance £	% by balance
0% to <=25%	12,088	6.50%	380,929,135	2.47%
>25% to <=50%	42,920	23.06%	2,291,276,417	14.85%
>50% to <=75%	65,026	34.94%	5,777,783,618	37.45%
>75% to <=80%	11,461	6.16%	1,173,770,896	7.61%
>80% to <=85%	17,654	9.49%	2,010,674,846	13.03%
>85% to <=90%	23,567	12.66%	2,561,373,943	16.60%
>90% to <=95%	13,375	7.19%	1,231,746,207	7.98%
>95% to <=100%	-	0.00%	-	0.00%
>100%	-	0.00%	-	0.00%
Total	186,091	100.00%	15,427,555,063	100.00%

The weighted average original loan to value was approximately 70.04%, the maximum loan to value was 95% and the minimum loan to value was 1%.

Combined Credit Enhancement	Total £	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A Notes	£10,980,680,352	80.83%	19.17%	24.08%	9.25%
Class B Notes	£231,377,471	1.70%	17.47%	22.38%	5.95%
Class M Notes	£0	0.00%	0.00%	0.00%	3.40%
Class C Notes	£0	0.00%	0.00%	0.00%	1.70%
Class Z Notes	£2,372,965,000	17.47%	0.00%	0.00%	0.00%
	13,585,022,823	100.00%			
General Reserve Fund Required Amount	£667,000,000	4.91%			

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

General Reserve Fund	
Balance brought forward	£667,000,000
Drawings	£0
Top up	£0
Balance carried forward	£667,000,000

Excess Spread	
Excess spread this month annualised	0.66%
Excess spread rolling 12 month average	0.76%

*Excess spread is calculated at each quarterly Interest Payment Date - see note 13

Funding 1 Principal Ledger-AAA	£1,123,027,457
Funding 1 Principal Ledger-AA	£0
Funding 1 Principal Ledger-A	£0
Funding 1 Principal Ledger-BBB	£0
Total Funding 1 Principal Ledger	£1,123,027,457

WATERFALLS

MORTGAGES TRUSTEE REVENUE WATERFALL

* for distribution period 1st September 2013 - 30th September 2013

Mortgages Trustee Fees	
Other third party payments	0.00
<hr/>	
Servicer Fees	1,037,470.26
Cash Manager Fees	
Mortgages Trustee Corporate Service Provider fees	
Funding 1 Account Banks fees	
<hr/>	
Funding 1 Seller	31,972,561.91
	7,365,850.16
<hr/>	

MORTGAGES TRUSTEE PRINCIPAL WATERFALL

* for distribution period 1st September 2013 - 30th September 2013

Funding 1	361,589,612.85
<hr/>	
Seller	0.00
<hr/>	

FUNDING 1 REVENUE WATERFALL

Funding 1 Security Trustee fees	0.00
Fee under Intercompany Loan	0.00
Other third party payments	0.00
<hr/>	
Cash Manager fees	0.00
Funding 1 Corporate Service Provider fees	0.00
Funding 1 Account Banks fees	0.00
<hr/>	
Payment to Funding 1 Swap Provider	0.00
<hr/>	
Interest on AAA Loan Tranches	0.00
Credit to AAA Principal Deficiency Ledger	0.00
<hr/>	
Interest on AA Loan Tranches	0.00
Credit to AA Principal Deficiency Ledger	0.00
<hr/>	
Interest on A Loan Tranches	0.00
Credit to A Principal Deficiency Ledger	0.00
<hr/>	
Interest on BBB Loan Tranches	0.00
Credit to BBB Principal Deficiency Ledger	0.00
<hr/>	
Credit to General Reserve Fund	0.00
<hr/>	
Credit to NR Principal Deficiency Ledger	0.00
<hr/>	
Interest on NR Loan Tranches	0.00
<hr/>	
Excluded swap payments and other fees under the Intercompany Loan Agreement	0.00
<hr/>	
Profit to Funding 1	0.00
<hr/>	
Payment of Funding 1 Start-up Loan	0.00
<hr/>	
Deferred Consideraation	0.00
<hr/>	

FUNDING 1 PRINCIPAL WATERFALL

Repayment of Class A Notes	0.00
Repayment of Class B Notes	0.00
Repayment of Class M Notes	0.00
Repayment of Class C Notes	0.00
<hr/>	
Repayment of NR loan tranches	0.00
<hr/>	
Credit to Cash Accumulation Ledger	0.00
<hr/>	

ISSUER REVENUE WATERFALL

Issuer Security Trustee fees	0.00
Note Trustee fees	0.00
Agent Bank fees etc.	0.00
<hr/>	
Other third party payments	0.00
<hr/>	
Issuer Cash Manager Fees	0.00
Issuer Corporate Service Provider Fees	0.00
Issuer Account Bank Fees	0.00
<hr/>	
Interest on Class A Notes (including amounts paid to Issuer Swap Providers)	0.00
Interest on Class B Notes (including amounts paid to Issuer Swap Providers)	0.00
Interest on Class M Notes (including amounts paid to Issuer Swap Providers)	0.00
Interest on Class C Notes (including amounts paid to Issuer Swap Providers)	0.00
<hr/>	
Interest on Class Z Notes	0.00
<hr/>	
Excluded Issuer swap payments	0.00
<hr/>	
Issuer profit	0.00
<hr/>	

ISSUER PRINCIPAL WATERFALL

Repayment of Class A Notes (including principal payments to class A swap providers)	0.00
Repayment of Class B Notes (including principal payments to class B swap providers)	0.00
Repayment of Class M Notes (including principal payments to class M swap providers)	0.00
Repayment of Class C Notes (including principal payments to class C swap providers)	0.00
<hr/>	
Repayment of Class Z Notes	0.00
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SWAP PAYMENTS THIS PERIOD

Note	Swap Provider	Currency Notional	Receive Reference Rate	Receive margin	Receive Rate	Received	£ Notional	Pay reference rate	Pay margin	Pay rate	Paid
2012-1 ZA1	NAB	150,000,000.00	1M AUD LIBOR	2.05%	4.65%	573,288.00	93,457,943.93	3M GBP LIBOR	1.62%	2.1296%	-

COLLATERAL

Note	Collateral Postings	Counterparty

There was no collateral posted during the reporting period 01-Sep-13 to 30-Sep-13

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 Sellers role as Servicer terminated & new Servicer is not appointed within 60 days The then current Seller Share is less than the adjusted Minimum Seller Share for 2 consecutive Trust Calculation Dates The aggregate outstanding principal balance of Loans in the Mortgages Trust is less than the required loan balance amount specified in the most recent final terms.	None None None None
An arrears trigger event will occur if: The outstanding principal balance of the Loans in arrears for more than 3 times the monthly payment then due divided by the outstanding principal balance of all of the Loans in the Mortgages Trust (expressed as a percentage) exceeds 2 per cent.	None
Full details of all trigger events can be found within the Fosse Master Issuer plc base prospectus	

Notes

1 Current number of mortgages

This is the sum of all product holdings secured by a Borrower(s) on a single property.

2 Current value of mortgages

Includes all amounts of principal, interest and fees as yet unpaid by the Borrower.

3 Funding 1 Share

The percentage Funding 1 Share is calculated net of accrued interest.

4 Seasoning

This is the age of the Loan at the report date in months based on the main mortgage completion date.

Main mortgage completion date is the date the Borrower first took out a loan on the secured property. The initial loan may have been repaid and replaced by subsequent lending under the same mortgage agreement and updated terms and conditions.

5 Remaining term

This is the remaining term of the Loan at the report date in months.

6 Product breakdown

Bank of England Base Rate Tracker Loans includes Loans issued at a discount or premium to base rate.

All Loans in the discount category are linked to SVR.

7 Payment Type

Most Loans that are not fully repayment mortgages comprise an interest only portion, on which there are no scheduled principal repayments and a repayment portion for which there is a scheduled amortisation.

8 Loan to Value (LTV) at last valuation

Prior to 2008, Further Advances were made on existing Loans based on the indexed LTV without carrying out a formal valuation. This occasionally gives rise to the unindexed LTV recording an unrealistically high LTV. Indexed and unindexed LTVs include all Further Advances on a Loan - but exclude any flexible drawdown reservoir.

9 Defaults

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

10 X

Current balance of Loans in the portfolio multiplied by 3.4%

11 Y

Flexible draw capacity (flexible drawdown reservoir of live sub-accounts) multiplied by 8% multiplied by 3%

12 Z

Balance of flexible redraws and Further Advances covered by CCA

13 Excess spread calculation

Excess spreads is calculated by dividing (excess cash available for payments below the General Reserve Fund in the waterfall) by (the Funding 1 Share)

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