

Holmes Financing No 1 plc, Holmes Financing No 2 plc and Holmes Financing No 3 plc
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 9th June 2001 to 9th July 2001

All values are expressed in thousands of pounds sterling unless otherwise stated

Mortgage Asset Analysis

Analysis of Mortgage Trust Movements

	Current Period	
	Number	£000's
Brought Forward	200,950	11,614,162
Replenishment	12,864	883,898
Repurchased	(2,662)	(172,504)
Redemptions	(4,493)	(235,259)
Other Movements	0	1
Carried Forward	206,659	12,090,298

	Cumulative	
	Number	£000's
Brought Forward	115,191	6,399,214
Replenishment	125,595	7,916,403
Repurchased	(15,458)	(976,904)
Redemptions	(18,669)	(1,248,415)
Other Movements	0	0
Carried Forward	206,659	12,090,298

Annualised 1 Month CPR	47.78%	**(including redemptions and repurchases)
Annualised 3 Month CPR	37.64%	
Annualised 12 Month CPR	17.48%	

** The annualised CPR's are expressed as a percentage of the outstanding balance at the end of the period

Asset Profiles

Weighted Average Seasoning	36 Months	*** (see below)
Weighted Average Loan size	£58,503.61	
Weighted Average LTV	79.27%	
Weighted Average Remaining Term	19	

Product Type Analysis

	£000's	%
Variable Rate	7,649,532	63.27%
Fixed Rate	4,440,766	36.73%
Tracker Rate	0	0.00%
Flexible Mortgages	0	0.00%
	12,090,298	100.00%

Mortgage Standard Variable Rate

Rate	7.74%	7.25%	7.00%
Effective Date	01 March 2000	01 May 2001	01 June 2001

Geographic Analysis

Region	Number	£000's	%
East Anglia	7,967	413,358	3.42%
East Midlands	11,297	562,449	4.65%
Greater London	38,350	2,734,029	22.61%

North West	25,215	1,207,522	9.99%
North	10,062	446,395	3.69%
South East	58,102	3,960,792	32.76%
South West	15,863	877,794	7.26%
Wales	9,885	442,973	3.66%
West Midlands	14,356	740,479	6.12%
Yorkshire and Humberside	15,471	698,461	5.78%
Unknown	91	6,046	0.05%
Total	206,659	12,090,298	100.00%

Abbey National has reallocated a number of Post Codes to different Geographical regions from those used in the prospectus and therefore some minor changes to distribution may be seen.

Original LTV Bands

Range	Number	£000's	%
0.00 - 25.00	2,481	88,542	0.73%
25.01 - 50.00	19,349	907,240	7.50%
50.01 - 75.00	49,737	3,079,586	25.47%
75.01 - 80.00	10,610	683,465	5.65%
80.01 - 85.00	13,558	900,928	7.45%
85.01 - 90.00	28,474	1,946,298	16.10%
90.01 - 95.00	82,450	4,484,239	37.09%
Total	206,659	12,090,298	100.00%

*** 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	£000's	£000's	%
Current	202,610	11,890,036	473	98.37%
1.00 - 1.99 months	2,879	139,426	1,229	1.15%
2.00 - 2.99 months	621	32,444	499	0.27%
3.00 - 3.99 months	220	10,501	234	0.09%
4.00 - 4.99 months	116	5,406	159	0.04%
5.00 - 5.99 months	65	3,177	112	0.03%
6.00 - 11.99 months	120	5,352	285	0.04%
12 months and over	13	411	81	0.00%
Properties in Possession	15	439	34	0.00%
Total	206,659	12,087,192	3,106	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.

Shares of Trust last Distribution Date (9th July 2001)

	£000's	%
Funding Share	9,494,516	78.53004%
Seller Share	2,595,782	21.46996%
	12,090,298	100.00000%

Minimum Seller Share	483,440	4.00%
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Cash Accumulation Ledger

	£000's
Brought Forward	0
Additional Amounts Accumulated	0
Payment of Notes	0
Carried Forward	0

Excess Spread

Quarter to 16/4/2001	0.8645%
Quarter to 16/1/2001	0.6047%

The introduction of Holmes Financing No 2 plc slightly reduced the excess spread for the interest period to 16th January 2001 due to the difference in days between the assets and liabilities that occurs in the first interest period.

	First Reserve	Second Reserve
Balance as at 9/7/2001	£77,145,194.00	£19,000,000.00
Percentage of Notes	0.81%	0.20%

Properties in Possession

Stock

	Current Period	
	Number	£000's
Brought Forward	9	310
Reposessed in Period	8	329
Sold in Period	(2)	(166)
Carried Forward	15	473

	Cumulative	
	Number	£000's
Reposessed to date	22	792
Sold to date	(7)	(319)
Carried Forward	15	473

Repossession Sales Information

Average time Possession to Sale	77 Days
Average arrears at time of Sale	£1,914.00

MIG Claim Status

	Number	£000's
MIG Claims made	5	43,571
MIG Claims outstanding	3	26,831

Average time claim to payment	24 days
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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 is in excess of £9 billion