

LANNRAIG MASTER TRUST - INVESTOR'S REPORT
Note Information

Report Date: 19-Jan-2016
Report Frequency: Monthly

SERIES 2011-1
ORIGINAL INFORMATION - 30 SEPTEMBER 2011

| Tranche | Rating (Moody's/Fitch) | ISIN No. | Legal Maturity | Principal Information | | | | | | Interest Information | | | | | | |
|---------|---------------------------|--------------|----------------|-----------------------|--------------|--------------|---------|--------------|-------|----------------------|-------------------------|----------------|--------|------------------------------|------------------|----------------------|
| | | | | Original Balance | Denomination | Notes Issued | FX Rate | GBP Eqv | WAL** | Bond Type | Scheduled Maturity Date | Reference Rate | Margin | Step Down / Call Option Date | Step Down Margin | Interest Calculation |
| A | Aaa/AAA | XS0684999682 | Dec-61 | £670,000,000 | £100,000 | 6,700 | 1.00000 | £670,000,000 | 5.04 | Scheduled Amort | Nov-2017 | 3M GBP LIBOR | 2.20% | Nov-2017 | 0.85% | ACT/365 |

**Based on 5% CPR

Interest accrual start: 19/11/2015
Interest accrual end: 19/02/2016
Interest payment date: 19/02/2016
Days in period: 92
Record date: 18/02/2016

SERIES 2011-1
PERIOD CASH FLOWS

| Tranche | Principal Information | | | | | | Interest Information | | | | | | | | | |
|---------|-----------------------|--------------------------------|----------------|--------------|---------------|-------------|-----------------------|-------------------------------|--------------------------------|----------------|-------------|-------------------|---------------|-------------------------|------------------------------|-------------------------------|
| | Principal Issued | Scheduled Principal for period | Paid in Period | Paid to Date | Principal C/f | Pool Factor | GBP Eqv Principal O/s | Principal Shortfall in Period | Cumulative Principal Shortfall | Reference Rate | Coupon Rate | Interest Per Note | Due in Period | Interest Paid in Period | Interest Shortfall in Period | Cumulative Interest Shortfall |
| A | £670,000,000 | £9,282,113 | £0 | £169,814,314 | £500,185,686 | 0.74655 | £500,185,686 | £0 | £0 | 0.57250% | 2.77250% | £520.94 | £3,490,298 | £0 | £0 | £0 |

SERIES 2012-1
ORIGINAL INFORMATION - 22 NOVEMBER 2012

| Tranche | Rating (Moody's/Fitch) | ISIN No. | Legal Maturity | Principal Information | | | | | | Interest Information | | | | | | |
|---------|---------------------------|--------------|----------------|-----------------------|--------------|--------------|---------|--------------|-------|----------------------|-------------------------|----------------|--------|------------------------------|------------------|----------------------|
| | | | | Original Balance | Denomination | Notes Issued | FX Rate | GBP Eqv | WAL** | Bond Type | Scheduled Maturity Date | Reference Rate | Margin | Step Down / Call Option Date | Step Down Margin | Interest Calculation |
| A | Aaa/AAA | XS0857869548 | Dec-61 | £715,000,000 | £100,000 | 7,150 | 1.00000 | £715,000,000 | 5.99 | Scheduled Amort | Nov-2018 | 3M GBP LIBOR | 1.00% | Nov-2018 | 0.85% | ACT/365 |

**Based on 5% CPR

Interest accrual start: 19/11/2015
Interest accrual end: 19/11/2015
Interest payment date: 19/11/2015
Days in period: -
Record date: 18/02/2016

SERIES 2012-1
PERIOD CASH FLOWS

| Tranche | Principal Information | | | | | | Interest Information | | | | | | | | | |
|---------|-----------------------|--------------------------------|----------------|--------------|---------------|-------------|-----------------------|-------------------------------|--------------------------------|----------------|-------------|-------------------|---------------|-------------------------|------------------------------|-------------------------------|
| | Principal Issued | Scheduled Principal for period | Paid in Period | Paid to Date | Principal C/f | Pool Factor | GBP Eqv Principal O/s | Principal Shortfall in Period | Cumulative Principal Shortfall | Reference Rate | Coupon Rate | Interest Per Note | Due in Period | Interest Paid in Period | Interest Shortfall in Period | Cumulative Interest Shortfall |
| A | £715,000,000 | £0 | £0 | £0 | £715,000,000 | 1.00000 | £715,000,000 | £0 | £0 | 0.57250% | 1.57250% | £395.78 | £2,829,827 | £0 | £0 | £0 |

LANNRAIG MASTER TRUST - INVESTOR'S REPORT
Note Information

Report Date: 19-Jan-2016
Report Frequency: Monthly

SERIES 1 Class Z1 VFN

| Tranche | Rating (Moody's/Fitch) | ISIN No. | Legal Maturity | Original Balance | Denomination | Notes Issued | FX Rate | GBP Eqv | WAL** | Bond Type | Scheduled Maturity Date | Reference Rate | Margin | Step Down / Call Option Date | Step Down Margin | Interest Calculation |
|---------|---------------------------|----------|----------------|------------------|--------------|--------------|---------|--------------|-------|--------------|----------------------------|----------------|--------|---------------------------------|------------------|-------------------------|
| Z VFN | Unrated | | Dec-61 | £214,000,000 | £100,000 | 2,140 | 1.00000 | £214,000,000 | N/A | Pass Through | N/A | 3M GBP LIBOR | 0.90% | N/A | 0.90% | ACT/365 |

Interest accrual start: 19/11/2015
Interest accrual end: 19/02/2016
Interest payment date: 19/02/2016
Days in period: 92
Record date: 18/02/2016

SERIES 1 Class Z1 VFN

PERIOD CASH FLOWS

| Tranche | Principal Information | | | | | | | Interest Information | | | | | | | | |
|---------|-----------------------|-----------------------------------|----------------|--------------|---------------|-------------|--------------------------|----------------------------------|-----------------------------------|----------------|-------------|-------------------|---------------|----------------------------|---------------------------------|----------------------------------|
| | Principal Issued | Scheduled Principal for period | Paid in Period | Paid to Date | Principal C/f | Pool Factor | GBP Eqv Principal O/s | Principal Shortfall in Period | Cumulative Principal Shortfall | Reference Rate | Coupon Rate | Interest Per Note | Due in Period | Interest Paid in Period | Interest Shortfall in Period | Cumulative Interest Shortfall |
| Z VFN | £214,000,000 | £0 | £0 | £0 | £214,000,000 | 1.00000 | £214,000,000 | £0 | £0 | 0.57250% | 1.47250% | £771.91 | £841,903 | £0 | £0 | £0 |

LANNRAIG MASTER TRUST - INVESTOR'S REPORT

Collateral Report

Trust Calculation Period End Date: 31-Dec-2015
Report Date: 31-Dec-2015

Asset Accrual Start Date: 01-Dec-2015
Asset Accrual End Date: 31-Dec-2015

| Pool Data Mortgage Principal Analysis | | This Period | | Since Issue | |
|---|---------------|-------------------|-------------------------------|-------------------|-------------------------------|
| | | No. of Loan Parts | Value | No. of Loan Parts | |
| Original mortgage loans in pool | @ 30-Sep-2011 | 8,566 | £1,000,185,567 | 8,566 | £1,000,185,567 |
| Opening mortgage principal balance: | @ 01-Dec-2015 | 11,660 | £1,589,441,804 | 8,566 | £1,000,185,567 |
| Substitutions in period | | 0 | £0 | 9,722 | £1,677,072,324 |
| Re-drawn principal | | | £127,868 | | £8,282,162 |
| Further Advance principal | | | £77,346 | | £10,857,514 |
| Repurchases (product switches/further advances) | | (14) | (£6,094,669) | (1,621) | (£240,687,363) |
| Unscheduled prepayments (redemptions) | | (133) | (£16,595,474) | (5,154) | (£808,295,059) |
| Scheduled repayments | | | (£1,642,577) | | (£82,100,846) |
| Closing mortgage principal balance: | @ 31-Dec-2015 | <u>11,513</u> | <u>£1,565,314,299</u> | <u>11,513</u> | <u>£1,565,314,299</u> |
| | | | <u>3 mth CPR (annualised)</u> | | <u>1 mth CPR (annualised)</u> |
| Annualised CPR (excl repurchases) | | | 13.1% | | 11.6% |
| Annualised CPR (inc repurchases) | | | 17.8% | | 15.6% |
| Annualised TRR (Total principal receipts)* | | | 18.9% | | 16.6% |

*All receipts used in principal waterfall to repay Seller/Funding share in trust pool

Mortgages Trust Bank Account and Ledger Balances

| | |
|---|-------------|
| Mortgages Trustee Transaction Account - CB: | £0 |
| Mortgages Trustee Transaction Account - YB: | £0 |
| Mortgages Trustee Guaranteed Investment Income Account (GIC): | £39,627,241 |
| Authorised Investments: | £0 |

Mortgages Trust Assets

| | Closing | October-2015 | November-2015 | December-2015 |
|-------------------------------|--------------|----------------|----------------|----------------|
| Minimum seller's share (%) | 3.03708% | 4.49487% | 4.56324% | 4.63772% |
| Minimum seller's share amount | £30,376,228 | £74,116,758 | £73,898,703 | £73,713,764 |
| Seller's share (%) | 17.11538% | 13.88983% | 12.49851% | 11.04197% |
| Seller's share amount | £171,185,567 | £229,032,517 | £202,405,468 | £175,505,725 |
| Funding share (%) | 82.88462% | 86.11017% | 87.50149% | 88.95803% |
| Funding share amount | £829,000,000 | £1,419,889,589 | £1,417,030,116 | £1,413,936,079 |

Pool Performance

| Possession and Loss Information | Number | Principal (£) | Revenue (£) | Total (£) |
|---|--------|---------------|-------------|-----------|
| Properties repossessed in period: | 0 | £0 | £0 | £0 |
| Properties repossessed since inception: | 9 | £698,326 | £53,125 | £751,451 |
| Properties in possession (current): | 1 | £37,722 | £2,490 | £40,212 |
| Total sold repossessions this period: | 0 | £0 | £0 | £0 |
| Total sold repossessions since inception: | 8 | £673,142 | £45,820 | £718,962 |
| Losses on sold repossessions this period:* | 0 | £0 | £0 | £0 |
| Losses on sold repossessions since inception: | 6 | £190,666 | £35,939 | £226,605 |
| MIG claims submitted/received & net recoveries: | 0 | £0 | £0 | £0 |
| Average time from possession to sale (days): | 113 | | | |
| Weighted average loss severity this period: | | | | 0.00% |
| Weighted average loss severity since inception: | | | | 33.66% |

*Loss severity is calculated as the net loss (current loan balance less net sale proceeds) divided by the principal loan balance at sale.
 Note: Voluntary sales are included in the sold repossession analysis

LANNRAIG MASTER TRUST - INVESTOR'S REPORT
Waterfall and Distribution Analysis

| | |
|---|-------------|
| Trust Calculation Period End Date: | 31-Dec-2015 |
| Report Date: | 31-Dec-2015 |
| Funding & Issuer Interest Period Start date: | 21-Dec-2015 |
| Funding & Issuer Interest Period End date: | 19-Jan-2016 |

| Reserve Funds | Balance 21-Dec-2015 | Top ups in Period | Paid / Released in Period | Balance 19-Jan-2016 |
|-------------------------------------|------------------------|----------------------|------------------------------|------------------------|
| Reserve fund - Funding | £24,300,000 | £0 | £0 | £24,300,000 |
| Reserve fund - Issuer | £0 | £0 | £0 | £0 |
| Total Reserve Fund available | £24,300,000 | £0 | £0 | £24,300,000 |
| Funding Liquidity Reserve (Funding) | £12,155,571 | £0 | (£12,155,571) | £0 |

| Funding and Issuer Loans | Balance @ 21-Dec-2015 | Interest Charged in period | Interest (Paid) in period | Principal (Paid)/ Increase in period | Balance @ 19-Jan-2016 |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---|--------------------------|
| Funding Subordinated Loan (Funding) | £0 | £0 | £0 | £0 | £0 |
| Start-up Loan (Issuer) | £0 | £0 | £0 | £0 | £0 |

Mortgages Trustee Priority of Payments

| | |
|---|--------------------|
| Available revenue receipts to Mortgages Trustee in period ending: | 31-Dec-2015 |
| Mortgage interest received in the period (on loans in portfolio): | £4,534,023 |
| Fee income on mortgages received in the period (inc bank interest): | £39,191 |
| Offset benefit received in the period (from originator): | £80,558 |
| Non-cash redraw amounts received: | £0 |
| Available revenue receipts: | £4,653,772 |
| Less: Servicing and sundry fees payable: | £120,599 |
| Net distributable revenue receipts in period: | £4,533,174 |
| Payable to Funding: | £4,032,622 |
| Payable to Seller: | £500,552 |
| Available principal receipts to Mortgages Trustee in period ending: | 31-Dec-2015 |
| Unscheduled principal receipts: | £16,595,474 |
| Repurchase principal receipts: | £6,094,669 |
| Scheduled principal receipts: | £1,642,577 |
| Total principal available for distribution: | £24,332,719 |
| Distributed to Funding: | £3,094,038 |
| Distributed to Seller: | £21,238,682 |

Funding Basis Swap Summary

| Paying Entity | Notional | Calculation period (days) | WA Rate | Payment | Payment date | Collateral Posted |
|--|--------------|------------------------------|--------------------------|------------------|--------------|-------------------|
| Lannraig Funding Ltd (0 - 5 Yr Fixed) | £592,079,447 | 31 | 3.83000% | £1,911,630 | 19-Jan-2016 | £0 |
| Lannraig Funding Ltd (Variable) | £440,824,490 | 31 | 5.03690% | £1,885,810 | 19-Jan-2016 | £0 |
| Clydesdale Bank PLC | £440,824,490 | 31 | 4.17000% | £1,661,033 | 19-Jan-2016 | £0 |
| National Australia Bank Ltd (Aggregated) | £592,079,447 | 31 | 3m GBP LIBOR + WA Spread | £2,071,021 | 19-Jan-2016 | £0 |
| Net Received(Paid): | | | | (£65,386) | | |

Funding Revenue Priority of Payments for period: to 21-Dec-2015
Issuer Revenue Priority of Payments for period: to 21-Dec-2015

| Funding Revenue Priority of Payments for period: | | Issuer Revenue Priority of Payments for period: | |
|---|--------------------|--|-------------------|
| to | 21-Dec-2015 | to | 21-Dec-2015 |
| | 19-Jan-2016 | | 19-Jan-2016 |
| Revenue Waterfall | | Revenue Waterfall | |
| Funding revenue receipts on investment in portfolio: | £4,032,622 | Issuer available revenue receipts from Funding: | £2,241,680 |
| Funding basis swap: | £3,732,054 | Issuer available revenue receipts from Funding: (Issuer expenses) | £13,271 |
| Funding revenue ledger: | £12,885 | Issuer revenue ledger: | £16,001 |
| Funding available reserve fund: | £24,300,000 | Issuer available reserve fund: | £0 |
| Funding Liquidity Reserve fund: | £0 | | |
| Total Funding available revenue receipts: | £32,077,560 | Total Issuer available revenue receipts: | £2,270,952 |
| Third party creditors | | Third party creditors | |
| (A) Funding Security Trustee fees payable: | £392 | (A) Issuer Note and Security Trustee fees payable: | £584 |
| (B) Issuer's obligations for fees payable: | £12,871 | (B) Paving and Agent Bank fees payable: | £0 |
| (C) Other fees payable: | £1,333 | (C) Other fees payable: | £4,039 |
| (D) Cash Management fees payable: | £8,333 | (D) Cash Management fees payable: | £8,333 |
| (E) Corporate Services fees payable: | £0 | (E) Amounts due to the A notes and A note swap providers (AAA): | £1,992,213 |
| (F) Funding Basis Swap payable: | £3,797,440 | (F) Amounts due to the B notes and B note swap providers (AA): | £0 |
| (G) Amounts due to the A note tranches /co loans (AAA): | £1,991,739 | (G) Amounts due to the C notes and C note swap providers (A): | £0 |
| (H) Amounts due to the B note tranches /co loans (AA): | £0 | (H) Amounts due to the D notes and D note swap providers (BBB): | £0 |
| (I) Funding Liquidity Reserve Fund | £0 | (I) Amounts due to the E notes and E note swap providers (BB): | £0 |
| (J) Amounts due to the C note tranches /co loans (A): | £0 | (J) To fund Issuer reserve fund: | £0 |
| (K) Amounts due to the D note tranches /co loans (BBB): | £0 | | |
| (L) Amounts due to the E note tranches /co loans (BB): | £0 | | |
| (M) Amounts due to the F note tranches /co loans (BB): | £0 | | |
| (N) Amounts due to the G note tranches /co loans (BB): | £0 | | |
| (O) Amounts due to the H note tranches /co loans (BB): | £0 | | |
| (P) Amounts due to the I note tranches /co loans (BB): | £0 | | |
| (Q) Amounts due to the J note tranches /co loans (BB): | £0 | | |
| (R) Funding reserve fund: | £24,300,000 | | |
| Total Issuer obligations: | £30,112,108 | Total Issuer obligations: | £2,005,169 |
| Excess available funds: | £1,965,453 | Excess available funds: | £265,782 |
| (T) (i) Profit retained by Funding: | £400 | (K) Profit retained by Issuer: | £400 |
| (T) (ii) Profit retained by Funding (on behalf of Issuer): | £400 | (L) Amounts due to the Z notes and Z note swap providers (unrated): | £265,382 |
| (U) Amounts due to the Z note tranches /co loans (unrated): | £249,941 | (M)(i) Start up loan interest due: | £0 |
| (V) Start up loan contribution to Issuer: | £0 | (M)(ii) Start up loan principal due: | £0 |
| (W) Funding subordinated loan interest due: | £0 | (N) Clear debt balances on Issuer bank account: | £0 |
| (X) Issuer obligations under swap termination amounts: | £0 | (O) Issuer swap termination amounts: | £0 |
| (Y) Funding basis swap termination amounts: | £0 | (P) Other start up loan principal amounts due: | £0 |
| (Z) Funding subordinated loan principal due: | £0 | (Q) Intercompany excess amounts due to Funding : | £0 |
| (AA) Deferred contributions due to mortgages trustee: | £1,714,712 | | |
| Excess funds distributed: | £1,965,453 | Excess funds distributed: | £265,782 |
| Total excess funds available: | £0 | Total excess funds available: | £0 |
| Funding Guaranteed Investment Contract Account (GIC): | £39,420,759 | Issuer Sterling Account: | £2,165,631 |
| Authorised Investments: | £0 | Authorised Investments: | £0 |
| Interest shortfall in period: | £0 | Interest shortfall in period: | £0 |
| Cumulative interest shortfall: | £0 | Cumulative interest shortfall: | £0 |
| | | Annualised excess spread % - Including Z note interest payment: | 1.73% |
| | | Annualised excess spread % - Excluding Z note interest payment: | 1.47% |

Principal Ledger: Funding

| | |
|---|-------------------|
| Funding principal ledger - AAA (A notes): Credits B/Fwd | £3,094,038 |
| Funding principal ledger - AAA (A notes): Credits in period | £3,094,038 |
| Funding principal ledger - AAA (A notes): Debits | £0 |
| Funding principal ledger - AA (B notes): | £0 |
| Funding principal ledger - A (C notes): | £0 |
| Funding principal ledger - BBB (D notes): | £0 |
| Funding principal ledger - Unrated (Z notes): | £0 |
| | £6,188,075 |
| (H) Principal deficiency in period - AAA (A Notes) | £0 |
| (S) Principal deficiency in period - unrated (Z Notes) | £0 |
| Cumulative principal deficiency | £0 |

Principal Ledger: Issuer

| | |
|--|-----------|
| Issuer principal ledger - AAA (A notes): Credits B/Fwd | £0 |
| Issuer principal ledger - AAA (A notes): Credits in period | £0 |
| Issuer principal ledger - AAA (A notes): Debits | £0 |
| Issuer principal ledger - AA (B notes): | £0 |
| Issuer principal ledger - A (C notes): | £0 |
| Issuer principal ledger - BBB (D notes): | £0 |
| Issuer principal ledger - Unrated (Z notes): | £0 |
| | £0 |

LANNRAIG MASTER TRUST - INVESTOR'S REPORT

Arrears Analysis

Report Date: 31-Dec-2015

| All Live loans (Buy to Let) | | | | | | |
|-----------------------------|-----------------------|--------------------|----------------|-----------------------|--------------------|----------------|
| Months | Current Principal (£) | Arrears Amount (£) | No. Loan Parts | Current Principal (%) | Arrears Amount (%) | No Loans (%) |
| Current | £1,544,176,142 | £0 | 11,313 | 98.65% | 0.00% | 98.26% |
| >0M <=1M | £4,393,960 | £13,546 | 40 | 0.28% | 2.51% | 0.35% |
| >1M <=2M | £6,075,027 | £27,907 | 57 | 0.39% | 5.17% | 0.50% |
| >2M <=3M | £2,063,477 | £15,926 | 19 | 0.13% | 2.95% | 0.17% |
| >3M <=4M | £774,037 | £9,438 | 8 | 0.05% | 1.75% | 0.07% |
| >4M <=5M | £1,152,302 | £13,853 | 7 | 0.07% | 2.57% | 0.06% |
| >5M <=6M | £454,404 | £171,145 | 7 | 0.03% | 31.70% | 0.06% |
| >6M <=12M | £4,494,318 | £154,774 | 44 | 0.29% | 28.67% | 0.38% |
| >12M | £1,730,631 | £133,339 | 18 | 0.11% | 24.70% | 0.16% |
| Total: | £1,565,314,299 | £539,928 | 11,513 | 100.00% | 100.00% | 100.00% |

| All Live loans (Buy to Let) | | | | | | |
|-----------------------------|-----------------------|--------------------|----------------|-----------------------|--------------------|----------------|
| Status | Current Principal (£) | Arrears Amount (£) | No. Loan Parts | Current Principal (%) | Arrears Amount (%) | No Loans (%) |
| Current | £1,544,176,142 | £0 | 11,313 | 98.65% | 0.00% | 98.26% |
| Arrears | £21,100,435 | £537,438 | 199 | 1.35% | 99.54% | 1.73% |
| Litigation | £0 | £0 | 0 | 0.00% | 0.00% | 0.00% |
| Possession | £37,722 | £2,490 | 1 | 0.00% | 0.46% | 0.01% |
| Total: | £1,565,314,299 | £539,928 | 11,513 | 100.00% | 100.00% | 100.00% |

Arrears stated include applicable fees

| | | | |
|----------------------------|------------|---------|----|
| Arrears Capitalised | £1,999,456 | £31,273 | 12 |
|----------------------------|------------|---------|----|

| All Live Loans (Buy to Let) | | | |
|-----------------------------|-------------------|--------------------|----------------|
| Arrears % | Principal at Risk | Principal at Risk% | No. Loan Parts |
| 3 Months+ | £8,605,693 | 0.55% | 84 |
| 6 Months+ | £6,224,949 | 0.40% | 62 |
| 12 Months+ | £1,730,631 | 0.11% | 18 |

Definition: A mortgage is identified as being in arrears when on any due date which is five or more days past the relevant due date, any amount (including fees) owed by the borrower is overdue.

LANNRAIG MASTER TRUST - INVESTOR'S REPORT

Pool Analysis

Report Date: 31-Dec-2015

Geographical Distribution

| Region | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|------------------|----------------|----------------|---------------------------|----------------|
| East Anglia | 286 | 2.48% | £35,187,487 | 2.25% |
| East Midlands | 524 | 4.55% | £43,504,422 | 2.78% |
| London | 2,816 | 24.46% | £688,494,598 | 43.98% |
| North | 600 | 5.21% | £44,131,838 | 2.82% |
| North West | 1,021 | 8.87% | £89,009,363 | 5.69% |
| Outer Metro | 883 | 7.67% | £135,019,580 | 8.63% |
| Scotland | 1,898 | 16.49% | £156,423,447 | 9.99% |
| South West | 637 | 5.53% | £80,368,125 | 5.13% |
| Wales | 112 | 0.97% | £11,253,165 | 0.72% |
| West Midlands | 543 | 4.72% | £55,927,371 | 3.57% |
| Yorks and Humber | 1,303 | 11.32% | £102,618,586 | 6.56% |
| South East | 890 | 7.73% | £123,376,317 | 7.88% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Maturity Profile

| Years to Maturity | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|-------------------|----------------|----------------|---------------------------|----------------|
| <= 5 | 1,073 | 9.32% | £122,076,002 | 7.80% |
| > 5 <= 10 | 1,927 | 16.74% | £203,850,337 | 13.02% |
| > 10 <= 15 | 3,333 | 28.95% | £408,195,109 | 26.08% |
| > 15 <= 20 | 3,242 | 28.16% | £443,187,844 | 28.31% |
| > 20 <= 25 | 1,895 | 16.46% | £382,917,446 | 24.46% |
| > 25 | 43 | 0.37% | £5,087,562 | 0.33% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Repayment Profile

| Repayment Method | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|------------------|----------------|----------------|---------------------------|----------------|
| Interest Only | 8,682 | 75.41% | £1,366,806,593 | 87.32% |
| Repayment | 2,831 | 24.59% | £198,507,706 | 12.68% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Product Type

| Type | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|--------------|----------------|----------------|---------------------------|----------------|
| Capped | 0 | 0.00% | £0 | 0.00% |
| Discounted | 1 | 0.01% | £42,074 | 0.00% |
| Fixed | 3,222 | 27.99% | £654,663,148 | 41.82% |
| Tracker | 3,150 | 27.36% | £438,389,066 | 28.01% |
| Variable | 5,140 | 44.65% | £472,220,011 | 30.17% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Loan Type

| Type | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|--------------|----------------|----------------|---------------------------|----------------|
| Offset | 2,742 | 23.82% | £365,391,984 | 23.34% |
| Flexible | 8,771 | 76.18% | £1,199,922,315 | 76.66% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Seasoning

| Months | No. Loan Parts | % of Total | Current Principal Balance | % of Total |
|--------------|----------------|----------------|---------------------------|----------------|
| <= 6 | 0 | 0.00% | 0 | 0.00% |
| > 6 <= 12 | 611 | 5.31% | 158,775,703 | 10.14% |
| > 12 <= 18 | 317 | 2.75% | 54,747,263 | 3.50% |
| > 18 <= 24 | 865 | 7.51% | 169,537,931 | 10.83% |
| > 24 <= 30 | 757 | 6.58% | 167,688,796 | 10.71% |
| > 30 <= 36 | 244 | 2.12% | 47,913,127 | 3.06% |
| > 36 <= 42 | 167 | 1.45% | 21,152,341 | 1.35% |
| > 42 <= 48 | 449 | 3.90% | 58,530,895 | 3.74% |
| > 48 <= 54 | 532 | 4.62% | 61,434,940 | 3.92% |
| > 54 <= 60 | 203 | 1.76% | 21,125,469 | 1.35% |
| > 60 <= 72 | 67 | 0.58% | 7,571,461 | 0.48% |
| > 72 <= 84 | 34 | 0.30% | 2,476,106 | 0.16% |
| > 84 <= 96 | 495 | 4.30% | 59,136,595 | 3.78% |
| > 96 <= 108 | 2,615 | 22.71% | 310,692,688 | 19.85% |
| > 108 <= 120 | 2,862 | 24.86% | 315,431,748 | 20.15% |
| > 120 | 1,295 | 11.25% | 109,099,237 | 6.97% |
| Total | 11,513 | 100.00% | £1,565,314,299 | 100.00% |

Mortgage Pool Statistics as at:

31-Dec-2015

| | |
|---|-----------------|
| Weighted Average Seasoning (months): | 68.92 |
| Weighted Average Remaining Term (years): | 14.81 |
| Average Loan Size: | £135,961 |
| Weighted Average Current LTV (un-indexed) | 66.54% |
| Weighted Average Current LTV (indexed)* | 58.24% |
| Pre-swap yield (on mortgage portfolio): | 3.48% |
| Current Clydesdale Bank 'Buy to Let' SVR: | 5.35% |

*Indexation uses Nationwide HPI

LANNRAIG MASTER TRUST - INVESTOR'S REPORT

Pool Analysis

Report Date: 31-Dec-2015

Distribution of loans by Loan-to-Value (Current LTV)

| LTV Range (%) | No. of Loans | % of Total | Current Principal Balance | % of Total |
|---------------|---------------|----------------|---------------------------|----------------|
| > 0 <= 25 | 644 | 5.67% | 22,438,511 | 1.43% |
| > 25 <= 50 | 1,685 | 14.83% | 150,125,847 | 9.59% |
| > 50 <= 55 | 603 | 5.31% | 75,271,396 | 4.81% |
| > 55 <= 60 | 866 | 7.62% | 133,157,837 | 8.51% |
| > 60 <= 65 | 974 | 8.57% | 147,649,374 | 9.43% |
| > 65 <= 70 | 1,527 | 13.44% | 242,060,372 | 15.46% |
| > 70 <= 75 | 2,259 | 19.88% | 373,435,858 | 23.86% |
| > 75 <= 80 | 1,955 | 17.21% | 312,351,439 | 19.95% |
| > 80 <= 85 | 784 | 6.90% | 99,957,392 | 6.39% |
| > 85 <= 90 | 30 | 0.26% | 4,317,456 | 0.28% |
| > 90 <= 95 | 19 | 0.17% | 2,096,103 | 0.13% |
| > 95 <= 100 | 7 | 0.06% | 907,967 | 0.06% |
| > 100 | 9 | 0.08% | 1,544,748 | 0.10% |
| Total | 11,362 | 100.00% | 1,565,314,299 | 100.00% |

| | |
|--|----------|
| Original Weighted Average Current Loan-to-Value* | 68.40% |
| Weighted Average Current Loan-to-Value | 66.54% |
| Average Loan Principal Balance | £135,961 |

*Per latest final terms

Distribution of loans by Loan-to-Value (Current Indexed LTV)*

| LTV Range (%) | No. of Loans | % of Total | Current Principal Balance | % of Total |
|---------------|---------------|----------------|---------------------------|----------------|
| > 0 <= 25 | 874 | 7.69% | 35,347,603 | 2.26% |
| > 25 <= 50 | 2,578 | 22.69% | 278,621,088 | 17.80% |
| > 50 <= 55 | 1,129 | 9.94% | 164,315,437 | 10.50% |
| > 55 <= 60 | 1,746 | 15.37% | 276,233,696 | 17.65% |
| > 60 <= 65 | 2,106 | 18.54% | 317,493,775 | 20.28% |
| > 65 <= 70 | 1,681 | 14.79% | 280,991,685 | 17.95% |
| > 70 <= 75 | 1,108 | 9.75% | 194,064,518 | 12.40% |
| > 75 <= 80 | 130 | 1.14% | 16,606,112 | 1.06% |
| > 80 <= 85 | 4 | 0.04% | 415,439 | 0.03% |
| > 85 <= 90 | 3 | 0.03% | 298,737 | 0.02% |
| > 90 <= 95 | 0 | 0.00% | - | 0.00% |
| > 95 <= 100 | 2 | 0.02% | 489,267 | 0.03% |
| > 100 | 1 | 0.01% | 436,942 | 0.03% |
| Total | 11,362 | 100.00% | 1,565,314,299 | 100.00% |

*Indexation uses Nationwide HPI

| | |
|--|--------|
| Weighted Average Current Indexed Loan-to-Value | 58.24% |
|--|--------|

Distribution of loans by Current Principal Balance

| LTV Range (Principal) | No. of Loans | % of Total | Current Principal Balance | % of Total |
|------------------------|---------------|----------------|---------------------------|----------------|
| > 0 <= 50,000 | 1,830 | 16.11% | 58,503,365 | 3.74% |
| > 50,000 <= 100,000 | 3,554 | 31.28% | 268,890,391 | 17.18% |
| > 100,000 <= 150,000 | 2,624 | 23.09% | 318,989,979 | 20.38% |
| > 150,000 <= 200,000 | 1,325 | 11.66% | 229,963,380 | 14.69% |
| > 200,000 <= 250,000 | 660 | 5.81% | 147,302,465 | 9.41% |
| > 250,000 <= 300,000 | 414 | 3.64% | 113,473,415 | 7.25% |
| > 300,000 <= 400,000 | 492 | 4.33% | 168,740,428 | 10.78% |
| > 400,000 <= 500,000 | 211 | 1.86% | 93,857,208 | 6.00% |
| > 500,000 <= 750,000 | 188 | 1.65% | 110,260,471 | 7.04% |
| > 750,000 <= 1,000,000 | 64 | 0.56% | 55,333,198 | 3.53% |
| > 1,000,000 | 0 | 0.00% | 0 | 0.00% |
| Total | 11,362 | 100.00% | £1,565,314,299 | 100.00% |

| | |
|---|----------|
| Largest Eligible Loan Principal Balance | £999,884 |
|---|----------|

LANNRAIG MASTER TRUST - INVESTOR'S REPORT

Credit Enhancement and Triggers

| Credit Enhancement | Total £ | % of Total | Current Note Subordination % | Credit Enhancement % | % Required CE |
|------------------------------------|-----------------------|----------------|------------------------------|----------------------|---------------|
| Class A Notes: | £1,215,185,686 | 85.03% | 14.97% | 16.67% | 15.35% |
| Class B Notes: | £0 | 0.00% | 0.00% | 0.00% | 0.00% |
| Class C Notes: | £0 | 0.00% | 0.00% | 0.00% | 0.00% |
| Class D Notes: | £0 | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z Notes: | £214,000,000 | 14.97% | 0.00% | 0.00% | 0.00% |
| Total: | <u>£1,429,185,686</u> | <u>100.00%</u> | | | |
| Programme reserve required amount: | £24,300,000 | 1.70% | of total notes o/s | | |
| Programme reserve actual amount: | £24,300,000 | 2.00% | of AAA o/s | | |

| Trigger Events | Trigger Event |
|---|----------------------|
| Asset Trigger | Trigger Event |
| An amount is debited to the AAA principal deficiency sub-ledger to the Funding principal deficiency ledger. | NO |
| Non-Asset Trigger | Trigger Event |
| An insolvency event in relation to the seller. | NO |
| Seller's role as servicer is terminated and a new servicer is not appointed within 60 days. | NO |
| On any distribution date, the seller fails to pay to the mortgages trustee any offset rebate amount where, following notification of such failure, the Funding security trustee is of the opinion that such failure is materially prejudicial to the interests of the note holders of the notes issued by all issuers. | NO |
| The current sellers share is equal to or less than the minimum sellers share on any two consecutive trust distribution dates "seller's share event". | NO |
| Arrears Trigger Event | Default |
| The current principal balance of the mortgage loans in the mortgages portfolio in arrears for more than 90 days divided by the current principal amount of the mortgage pool exceeds 2%. | NO |
| Issuer Events of Default | Default |
| The terms and conditions set out in the base prospectus include market standard events of default, including, for example, a non-payment under the outstanding notes or a material breach of its contractual obligations under the programme documentation by the Issuer.* | NO |
| Outstanding Issuer event of default: | NO |
| <i>*Please see 'Terms and Conditions of the notes' in the base prospectus for further details.</i> | |
| Disclosure Requirements | Compliant |
| Clydesdale Bank PLC confirms that it retains a material net economic interest of not less than 5 per cent. of the nominal value of the securitisation in accordance with Article 405 of Regulation 575/2013 (the "CRR"). Such material net economic interest is retained in the form of a minimum transferor interest of 5 per cent. as permitted under option (a) of Article 405 of the CRR. | YES |
| Notices | |

LANNRAIG MASTER TRUST - INVESTOR'S REPORT
MAIN PARTIES TO THE STRUCTURE, RATINGS AND TRIGGERS (IF APPLICABLE)

19 January 2016

| Role | Counterparty | Long Term Rating (Moody's/Fitch) | Short Term Rating (Moody's/Fitch) | Applicable Trigger (Loss of) | Consequence |
|---|---|--|-----------------------------------|---|--|
| | | | | A3(cr) (Moody's), A- (Fitch), A- (S&P) | No further assignment of loans to the mortgages trust unless a solvency certificate is provided by each originator at the assignment date. |
| | | | | Aa3(cr) (Moody's); P-1(cr) (Moody's), F1+ (Fitch), A-1+ (S&P); AA- (S&P) | Item "w" of minimum sellers share increase from 20% to greater of: (a) 60% or (b) 100% less 5% of aggregate mortgage portfolio balance. |
| | | | | A3(cr) (Moody's); P-1 (cr) (Moody's), F1 (Fitch), A-1 (S&P); A+ (S&P) | Item "w" of minimum sellers share increase to 100%. |
| | | | | P-1(cr) (Moody's), F1 (Fitch), A-1 (S&P), A-1 (S&P) | Item "x" of minimum sellers share determined by Seller following quarterly review rather than annual review. Item "B" of Offset Rebate Amount increases from 0% to 115% of the aggregate amount of the Offset Benefit that will be applied in reduction of the Current Principal Balance of the Offset BTL Loans |
| Seller | Clydesdale Bank plc | Baa1 / A | P-2 / F1 | A3(cr) (Moody's) | Establish a Funding Liquidity Reserve Fund (see page 232-4 of base prospectus dated 19 November 2012 for details) unless rating confirmation provided by Moody's. |
| | | | | Baa1(cr) (Moody's), BBB+ (Fitch) | Notify details of the loans assigned to the mortgages trust (names/addresses) to the Mortgages Trustee, Funding, Funding Security Trustee and the rating agencies, unless rating confirmation provided by Moody's/Fitch, as applicable. |
| | | | | BBB- (Fitch), Baa3 (cr) (Moody's) BBB (S&P) | Within 10 business days, notify each borrower included in the mortgages trust of the sale and assignment effected by the mortgage sale agreement (unless confirmation by each applicable rating agency that current rating of the notes will not be adversely affected) |
| Servicer | Clydesdale Bank plc | Baa1 / A | P-2 / F1 | Baa3(cr) (Moody's) | "Back-up" servicer to be appointed- within 60 days |
| Cash Manager | Clydesdale Bank plc | Baa1 / A | P-2 / F1 | | |
| Funding Fixed Basis Rate Swap Provider | National Australia Bank Limited (London Branch) | Aa2 / AA- | P-1 / F1+ | Level 1: A and F1 (Fitch), A3 or A3(cr) (Moody's), A and A1 (S&P) Level 2: BBB+ and F2 (Fitch) | Collateral posting / Transfer / Guarantor Collateral posting / Transfer / Guarantor |
| Funding SVR Basis Rate Swap Provider | Clydesdale Bank plc | Baa2/A | P-2/F1 | N/A | |
| Start up Loan Provider | Clydesdale Bank plc | Baa1 / A | P-2 / F1 | | |
| Funding CB Account | Clydesdale Bank plc | | | Moody's (P-1), Fitch (A or F1), S&P (A (LT) if at least A-1 (ST) OR A+ (LT) if below A-1 (ST)) | Amounts to be transferred to the Funding CB Account subject to maximum amount (Non-Bullet Funding Amount), interest rate exceeding Funding GIC Rate, Z2 Loan Tranche Minimum Issuance Level being met and maximum time (maturing before next Monthly Payment Date). |
| Account Bank Provider (Mortgages Trustee & Funding) | National Australia Bank Limited (London Branch) (Funding GIC Account, Mortgages Trustee GIC Account, All Moneys Mortgages Trustee Bank Account) | Baa2 / A & Aa2 / AA- | P-2 / F1 & P-1 / F1+ | S&P A-(LT) if at least A-1 (ST) OR A+ (LT) if below A-1 (ST) | Funding GIC Account, Mortgages Trustee GIC Account & All Moneys Mortgages Trustee Account. Termination within 60 days (up to 90 days if written plans provided to S&P and S&P has provided a rating confirmation of breach unless; suitably rated provider can provide a guarantee, otherwise transfer to suitably rated provider if this action is not taken, Cash Manager will use reasonable endeavours to establish replacement bank accounts. |
| Account Bank Provider (Issuer) | National Australia Bank Limited (London Branch) | Aa2 / AA- | P-1 / F1+ | Moody's (P-1), Fitch (A or F1) S&P (A (LT) if at least A-1 (ST) OR A+ (LT) if below A-1 (ST)) | Termination within 30 days of breach unless; suitably rated provider can provide a guarantee, otherwise transfer to suitably rated provider. Termination within 60 days (up to 90 days if written plans provided to S&P and S&P has provided a rating confirmation) of breach unless; suitably rated provider can provide a guarantee, otherwise transfer to suitably rated provider. If the event is not taken, transfer Cash |
| Cross Currency Swap Providers | Not Applicable | N/A | N/A | Level 1: Fitch (F1 and A), Moody's (P-1 and A2) Level 2: Fitch (F2 and BBB+), Moody's (P-2 and A3) Level 3: Fitch (F3 and BBB-) | Collateral posting / Transfer / Guarantor Collateral posting / Transfer / Guarantor Transfer / Guarantor and Collateral |
| Principal Paying Agent & Agent Bank | Citibank N.A - London Branch | A1 / A+ | P-1 / F1 | | |
| Note Trustee | Citicorp Trustee Company Limited | N/A | | | |
| Corporate Services Provider | Structured Finance Management Limited | N/A | | | |
| Funding & Issuer Security Trustee, Registrar & Transfer Agent | Citibank N.A - London Branch | A1 / A+ | P-1 / F1 | | |
| Issuer | Lannraig Master Issuer plc Lannraig Funding Limited Lannraig Trustees Limited | | | | |
| Programme Arrangers | Barclays Bank plc | | | | |
| Manager | N/A | | | | |
| Stock Exchange Listing | UK Listing Authority - London | | | | |
| Registered Office (Issuer) | 35 Great St. Helen's, London EC3A 6AP | | | | |
| Arrangers & Lead Managers | Barclays Bank plc | | | | |
| Legal Advisors | Clifford Chance LLP | | | | |
| Issuer | Carey Olsen | | | | |
| Mortgages Trustee | Clifford Chance LLP / Shepherd & Wedderburn LLP | | | | |
| Clydesdale Bank | Sidney Austin LLP | | | | |
| Managers/Note Trustee/Issuer Security Trustee/Funding Security Trustee | | | | | |
| CONTACTS | | | | | |
| Structured Funding Team (UK Treasury): Harpreet Chadha - Senior Manager, Treasury, Structured Funding (NAGE) Stephen Hynes - Head of Structured Funding (NAGE) | | email: structured.funding@cbva.com Tel: +44 207 710 2454 (harpreet.chadha@cbva.com) Tel: +44 207 710 1447 (stephen.hynes@cbva.com) | | | |
| Report locations: Bloomberg: LNRG https://live.bloomberg.net/clydesdalebankplc www.cbortm.co.uk/debtinvestors | | | | | |
| Lannraig Master Trust Report incorporates: Lannraig Trustees Limited Lannraig Funding Limited Lannraig Master Issuer plc | | | | | |