

FINAL TERMS

29 September 2011

Lannraig Master Issuer plc

(Incorporated with limited liability in England and Wales, registered number 7454283)

Issue of series 2011-1 notes under its £10 billion residential buy to let mortgage backed note programme

The series 2011-1 notes will comprise the following classes of notes:

Initial principal amount	class	Final maturity	Issue price	Ratings	
				Moody's	Fitch
£670,000,000	A	December 2061	100%	Aaa (sf)	AAA sf
£159,000,000	Z	December 2061	100%	NR	NR

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the notes set forth in the base prospectus dated 27 September 2011 (the "**base prospectus**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). This document constitutes the final terms of the notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the base prospectus. Full information on the issuer and the offer of the notes is only available on the basis of the combination of these final terms and the base prospectus. The base prospectus is available for viewing at the offices of the paying agent at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB and copies are available at the registered address of the issuer at 35 Great St. Helen's, London EC3A 6AP or at www.sfm europe.com. This final terms may be used to offer and sell the series 2011-1 notes only if accompanied by the base prospectus.

The series 2011-1 notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or any other relevant jurisdiction. The series 2011-1 notes are being offered solely (i) outside the United States to non-U.S. persons in offshore transactions (as defined in Regulation S under the Securities Act ("**Regulation S**")) in reliance on Regulation S and (ii) within the United States in reliance on Rule 144A under the Securities Act ("**Rule 144A**") to persons who are "**qualified institutional buyers**" as defined in Rule 144A ("**QIBs**").

The series 2011-1 notes may not be reoffered, resold, pledged, exchanged or otherwise transferred except in transactions exempt from or not subject to the registration requirements of the Securities Act or the securities laws of any state of the United States or any other relevant jurisdiction. By its purchase of a series 2011-1 note, each purchaser will be deemed to have (1) represented and warranted that (i) it is a QIB acting for its own account or the account of another QIB, or (ii) it is a non-US person located outside the United States and (2) agreed that it will only sell such series 2011-1 note in accordance with the applicable restrictions set forth herein and/or in the base prospectus. See "**Subscription and sale**" in the base prospectus.

The series 2011-1 notes have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission or any other United States regulatory authority, nor have any of the foregoing authorities passed upon the accuracy or adequacy of this final terms or the base prospectus. Any representation to the contrary is a criminal offence.

You should read this final terms and the base prospectus carefully before you invest. A note is not a deposit and neither the series 2011-1 notes nor the BTL loans in the loan portfolio are insured or guaranteed by Clydesdale Bank PLC or by any United Kingdom or United States governmental agency. The series 2011-1 notes will be obligations solely of the issuer and will not be guaranteed by, or be the responsibility of, any other entity. The issuer will seek to satisfy its obligations under the series 2011-1 notes from its assets.

PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE ISSUER AND ANY SELLER OF ANY NOTES MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.

See the section headed "**Notices to Investors**" beginning on page 6 of the base prospectus for additional information concerning the subscription and sale of the series 2011-1 notes.

Please consider carefully the risk factors beginning on page 72 of the base prospectus before you purchase any notes.

Arranger for the programme

Barclays Capital

The following are the specific terms and conditions relating to the series 2011-1 notes and form part of the terms and conditions of the notes as applied to the series 2011-1 notes (and solely with respect to the series 2011-1 notes) by the issuer trust deed and constitute the final terms of the series 2011-1 notes for the purposes of Article 5.4 of the Prospectus Directive.

1. **Issue of the notes**

(a) **Issuer**

Lannraig Master Issuer plc

(b) **Series**

Series 2011-1

(c) **Closing date**

30 September 2011

(d) **Initial principal amount**

Notes	Initial principal amount
Series 2011-1 class A notes due December 2061	£670,000,000
Series 2011-1 class Z notes due December 2061	£159,000,000

(e) **Issue price**

100% of the initial principal amount in relation to each class of notes in the series 2011-1 notes

(f) **Ratings**

Notes	Ratings	
	Fitch	Moody's
Series 2011-1 class A notes due December 2061	AAA sf	Aaa (sf)
Series 2011-1 class Z notes due December 2061	NR	NR

(g) **Stabilising manager(s)**

Not applicable

(h) **Additional selling restrictions**

Not applicable

2. **Form and holding of the notes**

(a) **Reg S notes and Rule 144A notes**

All of the series 2011-1 notes are Reg S notes

Reg S global note certificates are registered in the name of a nominee of a common depository for Euroclear and Clearstream, Luxembourg

(b) **Specified currency**

Sterling

(c) **Specified denominations**

£100,000 and integral multiples of £1,000 in excess thereof

- (d) **Additional Business Centre(s)**
Not applicable
- (e) **Any clearing system(s) other than DTC, Euroclear, or Clearstream, Luxembourg**
Not applicable
- (f) **Additional Paying Agent(s)**
Not applicable
- (g) **Delivery**
Delivery versus payment

(h) **Clearing System Codes**

<u>Notes</u>	<u>Common code</u>	<u>ISIN</u>
Series 2011-1 class A notes due December 2061	068499968	XS0684999682
Series 2011-1 class Z notes due December 2061	068499984	XS0684999849

- (i) **Listing**
Listing on the official list of the UK Listing Authority and admission to trading on the London Stock Exchange's regulated market
- (j) **Estimate of total expenses related to admission to trading**
£5,000

3. **Interest on the notes**

- (a) **Interest commencement date**
30 September 2011
- (b) **Fixed rate note provisions**
Not Applicable
- (c) **Floating rate note provisions**
The floating rate note provisions are applicable to each class of notes in the series 2011-1 notes
- (i) **Note payment dates**
For each class of notes in the series 2011-1 notes, the monthly payment date falling in February, May, August and November in each year up to and including the final maturity date or, following the earlier to occur of the step-up date (if any) for such notes and a pass-through trigger event, each monthly payment date up to and including the final maturity date. The first note payment date in respect of each class of notes in the series 2011-1 notes will be the note payment date falling in November 2011
- (ii) **Business day convention**
For each class of notes in the series 2011-1 notes, following business day convention

(iii) **Screen rate determination**

The screen rate determination provisions are applicable to each class of notes in the series 2011-1 notes

(A) **Reference rate**

For each interest period for each class of notes in the series 2011-1 notes, three-month sterling LIBOR or, in respect of the first interest period, the linear interpolation of one-month sterling LIBOR and two-month sterling LIBOR and for each interest period following the earlier to occur of the step-up date (if any) and a pass-through trigger event, one-month sterling LIBOR

(B) **Interest determination date(s)**

The first day of each floating interest period

(C) **Relevant screen page**

Reuters Screen LIBOR 01 Page

(iv) **ISDA determination**

Not applicable

(v) **Margin(s)**

<u>Notes</u>	<u>Margin for each floating interest period up to (but excluding) the step-down date</u>	<u>Margin for each floating interest period from (and including) the step-down date</u>
Series 2011-1 class A notes	2.20%	0.85%
Series 2011-1 class Z notes	1.25%	1.25%

(vi) **Step-down date**

<u>Notes</u>	<u>Step-down date – the note payment date falling in</u>
Series 2011-1 class A and class Z notes	November 2017

(vii) **Maximum rate of interest and minimum rate of interest**

Not applicable

(viii) **Day count fraction**

Actual/365

(ix) **Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on floating rate notes, if different from those set out in the terms and conditions of the notes**

Not applicable

(x) **Party responsible for calculating the rate of interest and interest amount (if not the agent bank)**

Not applicable

(d) **Change of interest basis or redemption/payment basis**

Not applicable

4. **Repayment of the notes**

(a) **Type of note**

The series 2011-1 class A notes are controlled amortisation notes

(b) **Details relating to bullet notes**

Not applicable

(c) **Details relating to controlled amortisation notes**

Applicable

<u>Controlled amortisation dates the note payment date falling in</u>	<u>Target balance (£)</u>
September 2011 (closing date)	670,000,000
November 2011	670,000,000
February 2012	658,111,255
May 2012	646,405,001
August 2012	634,878,435
November 2012	623,528,800
February 2013	612,353,380
May 2013	601,349,501
August 2013	590,514,529
November 2013	579,845,872
February 2014	569,340,977
May 2014	558,997,331
August 2014	548,812,457
November 2014	538,783,920
February 2015	528,909,319
May 2015	519,186,291
August 2015	509,612,510
November 2015	500,185,684
February 2016	490,903,559
May 2016	481,763,913
August 2016	472,764,559
November 2016	463,903,343
February 2017	455,178,146
May 2017	446,586,878
August 2017	438,127,486
November 2017	0

(d) **Details relating to pass-through notes**

Applicable

The series 2011-1 class Z notes will become due on the note payment date falling in November 2017 and on each note payment date thereafter

(e) **Redenomination**

For each class of notes in the series 2011-1 notes, redenomination applicable

5. **Money market notes**

(a) **Money market note mandatory transfer arrangements**

Not applicable

- (b) **Name of remarketing agent**
Not applicable
- (a) **Name of conditional note purchaser**
Not applicable
- (a) **Money market note mandatory transfer dates**
Not applicable
- (a) **Maximum reset margin**
Not applicable
- (a) **Other details relating to the remarketing arrangements**
Not applicable

6. **Maturity purchase notes**

- (a) **Maturity purchase note mandatory transfer arrangements**
Applicable
- (b) **Expected maturity date**
Note payment date falling in November 2017
- (c) **Scheduled transfer date**
14 December 2017
- (d) **Loss calculation date**
The third business day after the expected maturity date
- (e) **Maturity purchaser**
Clydesdale Bank PLC

7. **Required subordinated percentage and reserves**

- (a) **Required subordinated percentage**

Notes	Required subordinated percentage
class A notes	20.8%
- (b) **Target reserve required amount**
£13,400,000
- (c) **Programme reserve required percentage**
1.62%
- (d) **Arrears or step-up trigger event**
 - (i) Item (i) funding reserve fund increased amount
£3,350,000
 - (ii) Item (ii) funding reserve fund increased amount
£3,350,000

- (iii) Item (i) and (ii) funding reserve fund increased amount
£6,700,000

8. **Details of the issuer swaps relating to the notes**

(a) **Issuer swap providers**

Not applicable

(b) **Specified currency exchange rate**

Not applicable

9. **Operational information**

Notes to be held in a manner which would allow Eurosystem eligibility:

No

10. **Rating Agencies**

The notes to be issued have been rated as set out under 1(f) above by Moody's Investor Services Limited and Fitch Ratings Ltd.

Moody's Investor Services Limited and Fitch Ratings Ltd. are established in the European Union and have applied for registration under Regulation (EC) No 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

11. **ERISA**

Employee benefit plans can buy: No

12. **Other terms or special conditions or additional information**

Not applicable

Loan tranche information

On the closing date for the series 2011-1 notes, the issuer will, pursuant to the terms of the global intercompany loan agreement, advance to funding an aggregate amount in sterling equal to the proceeds of the issue of the series 2011-1 notes.

The advance will be made up of separate loan tranches, each loan tranche will be funded by a separate class or sub-class of notes in the series 2011-1 notes and will be identified by reference to that class or sub-class of notes.

The loan tranches to be funded by the series 2011-1 notes are as follows:

<u>Loan tranches</u>	<u>Initial principal amount</u>	<u>Notes that will fund the loan tranche</u>
AAA Loan Tranche	£670,000,000	Series 2011-1 class A notes
Z Loan Tranche	£159,000,000	Series 2011-1 class Z notes

The following are certain other terms and conditions of the loan tranches that will be funded by the series 2011-

(a) **Closing date**

30 September 2011

(b) **Interest commencement date**

30 September 2011

(c) **Step-down date and final maturity date**

<u>Loan Tranches</u>	<u>Step-up date – the note payment date falling in</u>	<u>Final maturity date – the note payment date falling in</u>
AAA and Z	November 2017	December 2061

(d) **Loan payment dates**

For all loan tranches to be funded by the series 2011-1 notes, the monthly payment date falling in February, May, August and November in each year up to and including the final maturity date

Start-Up Loan

The start-up loan provider for the start-up loan to be made to the issuer on the closing date specified herein will be Clydesdale Bank PLC.

The initial principal amount of such start-up loan will be £14,600,000.

The interest rate for such start-up loan will be three-month LIBOR + 0.90%.

Other series of notes issued

As of the closing date specified herein, the aggregate principal amount outstanding of notes issued by the issuer (converted, where applicable, into sterling at the applicable specified currency exchange rate), including the notes described herein, will be:

Class A notes	£670,000,000
Class Z notes	£159,000,000

Other loan tranches

As of the closing date specified herein, the aggregate principal amount outstanding of loan tranches advanced by the issuer to funding pursuant to the terms of the global intercompany loan agreement, including the loan tranches described herein, will be:

AAA	£670,000,000
Z	£159,000,000

Maturity and repayment considerations

The average lives of each class of the series 2011-1 notes cannot be stated because the actual rate of repayment of the BTL loans and redemption of the mortgages and a number of other relevant factors are unknown. Calculations of the possible average lives of each class of the series 2011-1 notes can be made, however, based on certain assumptions. The assumptions used to calculate the possible average lives of each class of the series 2011-1 notes in the following table include that:

- (a) neither the issuer security nor the Funding security is enforced;
- (b) the aggregate current balance of BTL loans in the mortgages trust will not fall below an amount equal to the product of 1.05 and the principal amount outstanding of all notes of the issuer at any time;
- (c) no asset trigger event or non-asset trigger event occurs;
- (d) no event occurs that would cause payments on each class of the series 2011-1 notes to be deferred;
- (e) the series 2011-1 notes are issued on the closing date specified herein;
- (f) the issuer exercises its option to redeem each class of the series 2011-1 notes on the step-down date relating to such notes;
- (g) each payment made by the issuer to the noteholders is paid on the 19th day of the relevant month in which such payment is payable, regardless of whether such date is a business day;
- (h) no interest or fees are paid from mortgages trustee available principal receipts, funding available principal receipts or issuer available principal receipts;
- (i) the BTL loans are not subject to any defaults or losses, and no BTL loan falls into arrears;
- (j) the long-term, unsecured, unsubordinated and unguaranteed debt obligations of the seller continue to be rated at least "A3" by Moody's and "A-" by Fitch; and
- (k) no further series of notes are issued after the closing date specified herein.

Assumptions (e) and (f) reflect the issuer's current expectations, although no assurance can be given that repayment of the notes will occur as described. Assumptions (a) through (d) and (h) through (k) relate to unpredictable circumstances.

Based upon the foregoing assumptions, the approximate average lives of the series 2011-1 notes, at various constant payment rates for the BTL loans, would be as follows:

Constant payment rate (% per annum)	Possible average life of the series 2011-1 class A notes (in years)	Possible average life of the series 2011-1 class Z notes (in years)
5%	5.04	6.14
10%	5.04	6.14
15%	5.04	6.14
20%	5.04	6.14
25%	5.04	6.14
30%	5.04	6.14
35%	5.04	6.14

The average lives of each class of the series 2011-1 notes are subject to factors largely outside the control of the issuer and consequently no assurance can be given that these assumptions and estimates are realistic and they must therefore be viewed with considerable caution. For more information relating to the risks involved in the use of these estimated average lives, see "*Risk factors – The yield to maturity of the notes may be adversely affected by prepayments or redemptions on the BTL loans or repurchases on the BTL loans or repurchases of BTL loans by the seller*" in the base prospectus.

The cut-off date loan portfolio

The statistical and other information contained in these final terms has been compiled by reference to the BTL loans in the cut-off date loan portfolio as of 31 July 2011 (the "**cut-off date**"). The cut-off date loan portfolio comprised an aggregate current principal balance of £1,014,813,536.47. The BTL loans in the cut-off date loan portfolio were originated between 24 October 2002 and 26 July 2011.

A BTL loan included in the cut-off date loan portfolio (and which has not been assigned to the mortgages trustee pursuant to the terms of the mortgage sale agreement) will not be so assigned to the mortgages trustee if, in the period up to (and including) the applicable assignment date, it is repaid in full or if it does not comply with the terms of the mortgage sale agreement on or about the applicable assignment date.

24.32% of the aggregate current principal balance of the BTL loans in the cut-off date loan portfolio as of the cut-off date were fixed rate BTL loans. The remaining 75.68% of the aggregate current principal balance of the BTL loans in the cut-off date loan portfolio as of the cut-off date were standard variable rate BTL loans, variable rate BTL loans or tracker rate BTL loans, as described below.

As of the cut-off date, the seller's standard variable rate for existing and new borrowers was 4.59% per annum.

The tables set out in "*loan portfolio*" show statistical and other information relating to all BTL loans in the cut-off date loan portfolio as of the cut-off date.

Columns stating percentage amounts may not add up to 100% due to rounding. Certain tables where the number of BTL loans equals 8,674 refer to the fact that, of the 8,538 BTL loans in the cut-off date loan portfolio, certain BTL loans are recorded by way of the number of loan parts as opposed to the actual BTL loan (as a result of, for example, a BTL loan constituting both an original advance and a further advance under such BTL loan).

loan portfolio

Originators

Originator	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Clydesdale Bank.....	843,171,858.35	83.09%	6,295	73.73%
YBHL.....	171,641,678.12	16.91%	2,243	26.27%
Total.....	1,014,813,536.47	100.00%	8,538	100.00%

Types of BTL loan

Type of BTL loan	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Capped.....	—	0.00%	—	0.00%
Discount.....	—	0.00%	—	0.00%
Fixed.....	246,844,487.73	24.32%	1,898	21.88%
Tracker.....	253,470,285.55	24.98%	1,853	21.36%
Standard Variable.....	514,498,763.19	50.70%	4,923	56.76%
Total.....	1,014,813,536.47	100.00%	8,674	100.00%

Tenure

Tenure	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Feuhold.....	103,996,889.43	10.25%	1,309	15.09%
Freehold.....	500,255,135.47	49.30%	4,267	49.19%
Leasehold.....	410,561,511.57	40.46%	3,098	35.72%
Unknown.....	—	0.00%	—	0.00%
Total.....	1,014,813,536.47	100.00%	8,674	100.00%

Seasoning of BTL loans at closing

The following table shows length of time since the BTL loans were originated as of 31 July 2011.

<u>Age of BTL loans (months)</u>	<u>Aggregate current balance (£)</u>	<u>% of total</u>	<u>Number of BTL loans</u>	<u>% of total</u>
0.0 - 1.9.....	59,840,239.12	5.90%	335	3.92%
2.0 - 3.9.....	41,515,329.64	4.09%	262	3.07%
4.0 - 5.9.....	6,582,841.14	0.65%	59	0.69%
6.0 - 7.9.....	952,370.82	0.09%	13	0.15%
8.0 - 9.9.....	291,130.93	0.03%	3	0.04%
10.0 - 11.9.....	159,338.46	0.02%	2	0.02%
12.0 - 13.9.....	579,567.82	0.06%	8	0.09%
14.0 - 15.9.....	1,260,743.34	0.12%	5	0.06%
16.0 - 17.9.....	348,878.07	0.03%	3	0.04%
18.0 - 19.9.....	232,954.69	0.02%	3	0.04%
20.0 - 21.9.....	319,615.16	0.03%	2	0.02%
22.0 - 23.9.....	171,213.00	0.02%	3	0.04%
24.0 - 25.9.....	192,276.24	0.02%	1	0.01%
26.0 - 27.9.....	241,117.47	0.02%	3	0.04%
28.0 - 29.9.....	95,160.86	0.01%	2	0.02%
30.0 - 31.9.....	808,925.03	0.08%	11	0.13%
32.0 - 33.9.....	1,344,066.73	0.13%	13	0.15%
34.0 - 35.9.....	2,869,318.60	0.28%	29	0.34%
36.0 - 37.9.....	5,369,154.74	0.53%	50	0.59%
38.0 - 39.9.....	6,908,964.15	0.68%	69	0.81%
40.0+.....	884,730,330.46	87.18%	7,662	89.74%
Total.....	1,014,813,536.47	100.00%	8,538	100.00%

The weighted average seasoning of BTL loans, as of the cut-off date, was 51.82 months. The maximum seasoning of such BTL loans, as of the cut-off date, was 105 months and the minimum seasoning of such BTL loans, as of the cut-off date, was 0 months.

Years to maturity at closing

<u>Years to maturity</u>	<u>Aggregate current balance (£)</u>	<u>% of total</u>	<u>Number of BTL loans</u>	<u>% of total</u>
0.0 - 2.9.....	8,838,713.10	0.87%	110	1.29%
3.0 - 4.9.....	35,035,637.80	3.45%	327	3.83%
5.0 - 6.9.....	51,623,700.11	5.09%	424	4.97%
7.0 - 8.9.....	33,956,191.94	3.35%	298	3.49%
9.0 - 10.9.....	100,026,283.00	9.86%	860	10.07%
11.0 - 12.9.....	46,096,662.74	4.54%	403	4.72%
13.0 - 14.9.....	121,374,331.48	11.96%	1,058	12.39%
15.0 - 16.9.....	141,442,232.91	13.94%	1,135	13.29%
17.0 - 18.9.....	76,751,389.43	7.56%	747	8.75%
19.0 - 20.9.....	300,276,591.24	29.59%	2,466	28.88%
21.0 - 22.9.....	52,468,418.71	5.17%	411	4.81%
23.0 - 24.9.....	41,818,957.63	4.12%	267	3.13%
25.0 - 26.9.....	4,709,090.00	0.46%	27	0.32%
27.0 - 28.9.....	209,002.29	0.02%	2	0.02%
29.0 - 30.9.....	152,765.09	0.02%	2	0.02%
31.0 - 32.9.....	—	0.00%	—	0.00%
33.0 - 34.9.....	—	0.00%	—	0.00%
35.0 - 36.9.....	33,569.00	0.00%	1	0.01%
Total.....	1,014,813,536.47	100.00%	8,538	100.00%

The weighted average remaining term of the BTL loans, as of the cut-off date, was 15.20 years. The maximum remaining term, as of the cut-off date, was 36 years.

Geographical distribution of mortgaged properties

The following table shows the spread of mortgaged properties securing the BTL loans throughout England, Wales and Scotland as of the cut-off date. No properties are situated outside England, Wales and Scotland. The geographical location of a property has no impact upon the lending criteria and credit scoring tests.

Region	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
East Anglia	24,221,598.62	2.39%	216	2.53%
East Midlands	36,996,132.40	3.65%	462	5.41%
Greater London	462,190,599.06	45.54%	2,499	29.27%
North	37,912,755.05	3.74%	487	5.70%
North West	67,144,597.38	6.62%	776	9.09%
Scotland	104,794,737.66	10.33%	1,302	15.25%
South East (excluding London)	88,373,249.45	8.71%	710	8.32%
South West	55,961,967.85	5.51%	474	5.55%
Wales	6,991,989.12	0.69%	72	0.84%
West Midlands	35,498,954.96	3.50%	382	4.47%
Yorkshire	94,726,954.92	9.33%	1,158	13.56%
Total	1,014,813,536.47	100.00%	8,538	100.00%

Original loan-to-value ratios

The following table shows the range of original loan-to-value ratios, which express the current balance of a BTL loan, as at the date of its origination, divided by the latest value of the mortgaged property securing that BTL loan.

No mortgaged property has been revalued since the date of origination of the related BTL loan other than where additional lending or re-mortgaging has been applied for since the date of origination. In each of the aforementioned cases, the original valuation may have been updated with a more recent valuation, which recent valuation has been used in formulating this data.

Original LTV	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
0% - 20%	3,678,973.29	0.36%	96	1.12%
20.01% - 30.00%	8,783,781.37	0.87%	129	1.51%
30.01% - 40.00%	20,537,758.16	2.02%	288	3.37%
40.01% - 50.00%	51,235,370.04	5.05%	503	5.89%
50.01% - 60.00%	105,678,733.10	10.41%	949	11.12%
60.01% - 70.00%	254,089,616.41	25.04%	1,822	21.34%
70.01% - 74.99%	134,168,741.48	13.22%	1,070	12.53%
75.00% - 80.00%	270,767,207.59	26.68%	2,430	28.46%
80.01% - 90.00%	162,290,477.55	15.99%	1,214	14.22%
> 90%	3,582,877.48	0.35%	37	0.43%
Total	1,014,813,536.47	100.00%	8,538	100.00%

The weighted average original loan-to-value ratio of the BTL loans, as of the cut-off date was 69.40%.

Current loan-to-value ratios

The following table shows the range of current loan-to-value ratios, or LTV ratios, which express the current balance of a BTL loan, as of the cut-off date, divided by the value of the mortgaged property securing that BTL loan at the same date.

Current LTV	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
0% - 20%	6,425,346.86	0.63%	232	2.72%
20.01% - 30.00%	16,309,486.47	1.61%	254	2.97%
30.01% - 40.00%	30,072,845.59	2.96%	415	4.86%
40.01% - 50.00%	65,299,966.88	6.43%	653	7.65%
50.01% - 60.00%	121,528,334.71	11.98%	1,095	12.83%
60.01% - 70.00%	273,184,359.12	26.92%	2,056	24.08%
70.01% - 74.99%	156,552,816.73	15.43%	1,231	14.42%
75.00% - 80.00%	210,139,212.25	20.71%	1,640	19.21%
80.01% - 90.00%	131,983,514.27	13.01%	937	10.97%
>90%	3,317,653.59	0.33%	25	0.29%
Total	1,014,813,536.47	100.00%	8,538	100.00%

The weighted average current loan-to-value ratio of the BTL loans, as of the cut-off date was 67.20%.

Current indexed loan-to-value ratios

The following table shows the range of current indexed loan-to-value ratios, or LTV ratios, which express the current balance of a BTL loan, as of the cut-off date, divided by the indexed value of the mortgaged property securing that BTL loan, as of the same date (calculated using the Halifax House Price Index).

Current LTV	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
0% - 20%	6,907,951.72	0.68%	248	2.90%
20.01% - 30.00%	17,327,874.59	1.71%	272	3.19%
30.01% - 40.00%	31,144,428.76	3.07%	439	5.14%
40.01% - 50.00%	68,975,591.08	6.80%	724	8.48%
50.01% - 60.00%	127,581,026.81	12.57%	1,136	13.31%
60.01% - 70.00%	283,556,868.70	27.94%	2,093	24.51%
70.01% - 74.99%	196,564,298.67	19.37%	1,554	18.20%
75.00% - 80.00%	146,639,035.57	14.45%	1,103	12.92%
80.01% - 90.00%	133,288,547.88	13.13%	951	11.14%
>90%	2,827,912.69	0.28%	18	0.21%
Total	1,014,813,536.47	100.00%	8,538	100.00%

The weighted average current indexed loan-to-value ratio of the BTL loans, as of the cut-off date, was 66.74%.

Current balances

The following table shows the current balances of the BTL loans (including capitalised fees and/or charges, if applicable), as of the cut-off date:

Range of current principal balance	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
£0.00 - £49,999.99	42,123,084.12	4.15%	1,229	14.39%
£50,000.00 - £99,999.99	245,370,384.08	24.18%	3,249	38.05%
£100,000.00 - £149,999.99	262,755,698.69	25.89%	2,172	25.44%
£150,000.00 - £199,999.99	159,081,873.75	15.68%	925	10.83%
£200,000.00 - £249,999.99	90,257,955.23	8.89%	410	4.80%
£250,000.00 - £299,999.99	57,514,712.17	5.67%	210	2.46%
£300,000.00 - £349,999.99	33,109,938.39	3.26%	103	1.21%
£350,000.00 - £399,999.99	26,344,896.76	2.60%	71	0.83%
£400,000.00 - £449,999.99	15,360,121.18	1.51%	37	0.43%
£450,000.00 - £499,999.99	13,725,944.88	1.35%	29	0.34%
£500,000.00 - £599,999.99	23,356,867.91	2.30%	43	0.50%
£600,000.00 - £699,999.99	12,091,063.48	1.19%	19	0.22%
£700,000.00 - £799,999.99	15,536,157.07	1.53%	21	0.25%
£800,000.00 - £899,999.99	8,601,723.74	0.85%	10	0.12%
£900,000.00 - £999,999.99	9,583,115.02	0.94%	10	0.12%
£1,000,000.00 - £1,249,999.99	—	0.00%	—	0.00%
£1,250,000.00 - £1,999,999.99	—	0.00%	—	0.00%
£2,000,000.00+	—	0.00%	—	0.00%
Total	1,014,813,536.47	100.00%	8,538	100.00%

The largest BTL loan had a current balance, as of the cut-off date, of £999,973.92. The average current balance, as of the cut-off date, was approximately £118,858.46.

Flexible Offset Product Type

Originator	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Flexible Offset	799,364,923.78	78.77%	7,142	82.34%
Product Type	215,448,612.69	21.23%	1,532	17.66%
Total	1,014,813,536.47	100.00%	8,674	100.00%

BTL loan products

BTL loan products	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Buy to Let.....	1,014,813,536.47	100.0%	8,538	100.00%
Owner Occupied.....	—	0.00%	—	0.00%
Total.....	1,014,813,536.47	100.0%	8,538	100.00%

Employment status

Employment status	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Not Self-employed	827,827,602.27	81.57%	7,054	81.32%
Self-employed	186,985,934.20	18.43%	1,620	18.68%
Total.....	1,014,813,536.47	100.00%	8,674	100.00%

None of the aggregate current balance of the BTL loans, as of the cut-off date, were made to borrowers under the non-verified income program as described in the base prospectus under "*The BTL loans – Underwriting – Lending criteria*".

Distribution of fixed rate BTL loans

Fixed rate BTL loans remain at the relevant fixed rate for a period of time as specified in the offer of advance, after which they move to the standard variable rate of the originators or some other rate as specified in the offer of advance.

Fixed rate %	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
0.00% - 1.99%	—	0.00%	—	0.00%
2.00% - 2.99%	—	0.00%	—	0.00%
3.00% - 3.99%	—	0.00%	—	0.00%
4.00% - 4.99%	63,991,960.11	25.92%	280	14.75%
5.00% - 5.99%	150,762,268.28	61.08%	1,248	65.75%
6.00% - 6.99%	31,635,036.26	12.82%	361	19.02%
7.00%+	455,223.08	0.18%	9	0.47%
Total.....	246,844,487.73	100.00%	1,898	100.00%

Month/year in which fixed rate period ends

Month/year in which fixed rate period ends	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
August 2011	97,929.81	0.04%	2	0.11%
September 2011.....	32,572,773.41	13.20%	274	14.44%
October 2011.....	40,220.74	0.02%	2	0.11%
November 2011.....	44,706.46	0.02%	1	0.05%
December 2011.....	19,845,779.14	8.04%	196	10.33%
January 2012.....	79,431.76	0.03%	3	0.16%
February 2012.....	23,809,758.99	9.65%	248	13.07%
March 2012.....	—	0.00%	—	0.00%
April 2012.....	24,278,703.61	9.84%	182	9.59%
May 2012.....	14,517,342.40	5.88%	154	8.11%
June 2012.....	19,172,705.91	7.77%	138	7.27%
July 2012.....	6,132,611.20	2.48%	51	2.69%
August 2012.....	2,686,723.02	1.09%	31	1.63%
September 2012.....	8,768,608.59	3.55%	72	3.79%
October 2012.....	1,150,124.78	0.47%	15	0.79%
November 2012.....	1,658,652.45	0.67%	16	0.84%
December 2012.....	167,292.65	0.07%	3	0.16%
2013.....	74,421,264.44	30.15%	404	21.29%
2014.....	272,366.07	0.11%	4	0.21%
2015.....	484,670.16	0.20%	4	0.21%
2016.....	16,642,822.14	6.74%	98	5.16%

Month/year in which fixed rate period ends	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
For life	—	0.00%	—	0.00%
Total	246,844,487.73	100.00%	1,898	100.00%

Repayment terms

Type of repayment plan	Aggregate current balance (£)	% of total	Number of BTL loans	% of total
Interest Only	859,876,352.77	84.73%	6,393	73.70%
Repayment	154,937,183.70	15.27%	2,281	26.30%
Total	1,014,813,536.47	100.00%	8,674	100.00%

Characteristics of the United Kingdom Residential Mortgage Market

The housing market in the UK is primarily one of owner-occupier housing. The remaining occupants are in some form of public/private landlord or social ownership.

Set out in the following tables are certain characteristics of the United Kingdom mortgage market. The final terms for each series of notes will contain information supplemental to such tables together with other information regarding the characteristics of the United Kingdom mortgage market.

CPR rates

The quarterly constant payment rate ("CPR") data presented below was calculated by dividing the amount of scheduled and unscheduled repayments of BTL loans in a quarter by the quarterly balance of BTL loans outstanding. You should note that the data presented below is based upon a percentage of the total UK residential mortgage market, but because the seller's CPR data (which calculates the amount of scheduled and unscheduled repayments on a monthly basis for all BTL loans originated by the originators (and thus gives an indication of anticipated CPR for the mortgages trust)) includes the effect of further advances and product switches, which results in a higher CPR, the data presented below is on a basis which undercounts CPR relative to the seller's method of calculating CPR.

The following table sets out the quarterly CPR rates experienced in respect of residential BTL by UK lenders since June 2008.

Date	CPR for the quarter (%)	Four quarter rolling average (%)	Date	CPR for the quarter (%)	Four quarter rolling average (%)
June 2008.....	12.9%	—	March 2010.....	3.2%	3.4%
September 2008.....	7.4%	—	June 2010.....	4.0%	3.6%
December 2008.....	6.5%	—	September 2010.....	3.9%	3.7%
March 2009.....	3.1%	7.5%	December 2010.....	3.6%	3.7%
June 2009.....	3.4%	5.1%	March 2011.....	3.4%	3.7%
September 2009.....	3.3%	4.1%	June 2011.....	4.8%	3.9%
December 2009.....	3.8%	3.4%			

Source of repayment and outstanding mortgage information: Council of Mortgage Lenders

House price index

UK residential property prices, as measured by the Nationwide House Price Index and Halifax House Price Index (collectively the "**Housing Indices**"), have generally followed the UK Retail Price Index over an extended period. Nationwide is a UK building society and Halifax is a UK bank.

The housing market has been through three economic cycles since 1976. High year to year increases in the Housing Indices occurred in the late 1970s and late 1980s with greatest decrease in the early 1990s.

The following table sets out the quarterly housing price indices experienced in respect of residential BTL loans by building societies since the first quarter of 1987.

Date	UK Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change ¹	Index	% annual change ¹	Index	% annual change ¹
1987 Q1	100.30	—	81.55	—	140.60	—
1987 Q2	101.90	—	85.75	—	147.30	—
1987 Q3	102.10	—	88.64	—	152.60	—
1987 Q4	103.20	—	88.48	—	158.20	—
1988 Q1	103.70	3.33	89.95	9.80	164.90	15.94
1988 Q2	106.20	4.13	97.61	12.95	180.20	20.16
1988 Q3	107.70	5.34	108.43	20.15	198.90	26.50
1988 Q4	109.90	6.29	114.20	25.51	212.00	29.27
1989 Q1	111.70	7.43	118.76	27.79	217.80	27.82
1989 Q2	114.90	7.87	124.17	24.06	226.80	23.00
1989 Q3	116.00	7.42	125.24	14.42	227.30	13.35
1989 Q4	118.30	7.37	122.68	7.16	222.80	4.97
1990 Q1	120.40	7.50	118.87	0.09	220.70	1.32
1990 Q2	126.00	9.22	117.66	-5.38	224.30	-1.11
1990 Q3	128.10	9.92	114.20	-9.23	224.20	-1.37
1990 Q4	130.10	9.51	109.56	-11.31	222.90	0.04
1991 Q1	130.80	8.28	108.82	-8.84	220.20	-0.23
1991 Q2	133.60	5.86	110.55	-6.23	223.20	-0.49
1991 Q3	134.20	4.65	109.53	-4.18	220.80	-1.53
1991 Q4	135.50	4.07	107.00	-2.37	217.50	-2.45
1992 Q1	136.20	4.05	104.11	-4.42	210.60	-4.46
1992 Q2	139.10	4.03	105.06	-5.10	210.40	-5.91
1992 Q3	139.00	3.51	104.22	-4.97	208.40	-5.78
1992 Q4	139.60	2.98	100.08	-6.68	199.30	-8.74
1993 Q1	138.70	1.82	100.00	-4.02	196.90	-6.73
1993 Q2	140.90	1.29	103.57	-1.42	203.20	-3.48
1993 Q3	141.30	1.64	103.23	-0.96	204.20	-2.04
1993 Q4	141.80	1.56	101.84	1.74	202.50	1.59
1994 Q1	142.00	2.35	102.39	2.36	202.30	2.71
1994 Q2	144.50	2.52	102.46	-1.08	204.30	0.54
1994 Q3	144.60	2.31	103.20	-0.03	204.30	0.05
1994 Q4	145.50	2.58	103.96	2.06	200.90	-0.79
1995 Q1	146.80	3.32	101.91	-0.47	200.30	-0.99
1995 Q2	149.50	3.40	103.00	0.53	201.00	-1.63
1995 Q3	149.90	3.60	102.41	-0.77	199.00	-2.63
1995 Q4	150.10	3.11	101.60	-2.30	197.80	-1.56
1996 Q1	150.90	2.75	102.47	0.55	200.90	0.30
1996 Q2	152.80	2.18	105.79	2.67	208.60	3.71
1996 Q3	153.10	2.11	107.74	5.08	209.80	5.28
1996 Q4	154.00	2.57	110.06	8.00	212.60	7.22
1997 Q1	154.90	2.62	111.33	8.30	215.30	6.92
1997 Q2	156.90	2.65	116.51	9.65	222.60	6.50
1997 Q3	158.40	3.40	121.20	11.77	223.60	6.37
1997 Q4	159.70	3.63	123.34	11.40	224.00	5.22
1998 Q1	160.20	3.36	125.48	11.96	226.40	5.03
1998 Q2	163.20	3.94	130.11	11.04	234.90	5.38
1998 Q3	163.70	3.29	132.39	8.84	236.10	5.44
1998 Q4	164.40	2.90	132.29	7.00	236.30	5.35
1999 Q1	163.70	2.16	134.61	7.02	236.30	4.28
1999 Q2	165.50	1.40	139.66	7.09	247.70	5.31
1999 Q3	165.60	1.15	144.35	8.65	256.70	8.37
1999 Q4	166.80	1.45	148.89	11.83	263.40	10.86
2000 Q1	167.50	2.29	155.00	14.10	270.50	13.52
2000 Q2	170.60	3.04	161.99	14.83	275.60	10.67
2000 Q3	170.90	3.15	161.46	11.20	277.60	7.83
2000 Q4	172.00	3.07	162.84	8.95	278.30	5.50
2001 Q1	171.80	2.53	167.52	7.77	279.00	3.09
2001 Q2	173.90	1.92	174.83	7.63	297.00	7.48

Date	UK Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change ¹	Index	% annual change ¹	Index	% annual change ¹
2001 Q3	174.00	1.80	181.63	11.77	305.00	9.41
2001 Q4	173.80	1.04	184.59	12.54	310.90	11.08
2002 Q1	173.90	1.21	190.22	12.71	324.30	15.05
2002 Q2	176.00	1.20	206.47	16.64	346.60	15.44
2002 Q3	176.60	1.48	221.09	19.66	369.10	19.08
2002 Q4	178.20	2.50	231.29	22.55	393.00	23.43
2003 Q1	179.20	3.00	239.26	22.94	400.10	21.00
2003 Q2	181.30	2.97	250.12	19.18	422.50	19.80
2003 Q3	181.80	2.90	258.86	15.77	437.60	17.02
2003 Q4	182.90	2.60	267.12	14.40	453.50	14.32
2004 Q1	183.80	2.53	277.34	14.77	474.00	16.95
2004 Q2	186.30	2.72	296.16	16.90	513.20	19.45
2004 Q3	187.40	3.03	306.18	16.79	527.20	18.63
2004 Q4	189.20	3.39	304.15	12.98	522.00	14.07
2005 Q1	189.70	3.16	304.80	9.44	520.20	9.30
2005 Q2	191.90	2.96	314.18	5.91	532.10	3.62
2005 Q3	192.60	2.74	314.45	2.67	543.10	2.97
2005 Q4	193.70	2.35	313.97	3.18	548.40	4.93
2006 Q1	194.20	2.34	319.82	4.81	552.60	6.04
2006 Q2	197.60	2.93	329.22	4.68	582.10	8.98
2006 Q3	199.30	3.42	336.06	6.65	586.70	7.72
2006 Q4	201.40	3.90	343.25	8.92	602.80	9.46
2007 Q1	203.00	4.43	350.21	9.08	613.90	10.52
2007 Q2	206.30	4.31	362.69	9.68	644.10	10.12
2007 Q3	207.10	3.84	367.32	8.89	649.30	10.14
2007 Q4	209.80	4.09	366.98	6.68	634.40	5.11
2008 Q1	211.10	3.91	357.81	2.15	620.90	1.13
2008 Q2	215.30	4.27	348.14	-4.10	605.10	-6.25
2008 Q3	217.40	4.85	329.53	-10.86	568.90	-13.22
2008 Q4	215.50	2.68	312.85	-15.96	531.50	-17.70
2009 Q1	210.90	-0.09	298.65	-18.07	512.50	-19.19
2009 Q2	212.60	-1.26	307.34	-12.46	514.30	-16.26
2009 Q3	214.40	-1.39	319.50	-3.09	526.50	-7.75
2009 Q4	216.90	0.65	323.40	3.32	537.30	1.09
2010 Q1	219.30	3.91	324.94	8.44	539.00	5.04
2010 Q2	223.50	5.00	336.57	9.09	546.60	6.09
2010 Q3	224.50	4.60	333.85	4.39	540.40	2.61
2010 Q4	227.00	4.55	325.11	0.53	528.80	-1.59
2011 Q1	230.90	5.15	323.93	-0.31	523.20	-2.98
2011 Q2	234.90	4.97	332.67	-1.17	527.20	-3.61

Provided by Clydesdale Bank PLC.

¹ The percentage annual change is calculated in accordance with the following formula:

$LN(x/y)$ where "x" is equal to the current quarter's index value and "y" is equal to the index value of the previous year's corresponding quarter.

Sources: Office for National Statistics, Nationwide, Halifax.

Repossession rate

The table below sets out the repossession rate of BTL properties in possession at the end of the period in the United Kingdom since 2005.

Year	Repossessions (%)	Year	Repossessions (%)	Year	Repossessions (%)
2005	0.06	2007	0.12	2009	0.20
2006	0.06	2008	0.20	2010	0.18

Source: Council of Mortgage Lenders

House price to earnings ratio

The following table shows the ratio for each year of the average annual value of houses compared to the average annual salary in the United Kingdom. The average annual earnings figures are constructed using the CML's earnings survey figures referring to weekly earnings in April of each year for those male employees whose earnings were not affected by their absence from work. While this is a good indication of house affordability, it does not take into account the fact that the majority of households have more than one income to support a BTL loan.

<u>Year</u>	<u>House Price to Earnings Ratio</u>	<u>Year</u>	<u>House Price to Earnings Ratio</u>
1971	4.02	1991	5.27
1972	4.63	1992	4.85
1973	5.64	1993	4.59
1974	4.85	1994	4.55
1975	4.23	1995	4.47
1976	4.08	1996	4.51
1977	4.02	1997	4.77
1978	4.09	1998	5.11
1979	4.47	1999	5.37
1980	4.53	2000	5.86
1981	4.30	2001	5.98
1982	4.09	2002	6.78
1983	4.26	2003	7.30
1984	4.35	2004	7.78
1985	4.41	2005	7.92
1986	4.64	2006	7.86
1987	4.98	2007	8.42
1988	5.73	2008	8.14
1989	6.36	2009	7.43
1990	5.72	2010	7.88

Source: Council of Mortgage Lenders

BTL and owner-occupied arrears

The following table shows the percentage of arrears greater than 3 months for owner-occupied and BTL properties in the United Kingdom since 2008 Q2.

<u>Year</u>	<u>Owner-occupied</u>	<u>BTL</u>	<u>Year</u>	<u>Owner-occupied</u>	<u>BTL</u>
2008 Q2	1.32	1.10	2010 Q1	2.32	1.81
2008 Q3	1.41	1.56	2010 Q2	2.22	1.72
2008 Q4	1.83	2.31	2010 Q3	2.19	1.71
2009 Q1	2.30	3.06	2010 Q4	2.16	1.69
2009 Q2	2.50	2.49	2011 Q1	2.15	1.62
2009 Q3	2.45	2.19	2011 Q2	2.14	1.57
2009 Q4	2.42	2.00			

Source: Council of Mortgage Lenders

All information sourced from a third party has been accurately reproduced and that so far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Mortgage sale agreement – Conditions to assignment

For the purposes of the conditions to be met on each assignment date in order to effect a sale and assignment of a loan portfolio:

- (a) the aggregate arrears of interest threshold shall be 2.0%
- (b) the aggregate current principal balance in arrears threshold shall be 4.0%
- (c) the aggregate current principal balance threshold shall be 15.0%
- (d) the Moody's portfolio variation test margin shall be 0.30%
- (e) the weighted average yield threshold shall be 1.30%; and
- (f) the weighted average LTV ratio margin shall be 0.25%

For the purposes of the Fitch conditions:

- (a) the original weighted average LTV threshold shall be 72.0%
- (b) the current weighted average LTV threshold shall be 72.0%
- (c) the weighted average Fitch interest coverage ratio amount shall be at least 0.95; and
- (d) the Fitch original LTV threshold shall be 20.0%

USE OF PROCEEDS

The gross proceeds from the issue of the series 2011-1 notes will (after exchanging, where applicable, the proceeds of the notes for sterling, calculated by reference to the applicable specified currency exchange rate) be used by the issuer to make available loan tranches to Funding pursuant to the terms of the global intercompany loan agreement. Funding will use the gross proceeds of each loan tranche to make a contribution to the mortgages trust.

The fees (including selling and underwriting commissions) and expenses of the issuer will be approximately £1,200,000 and will be funded by the issuer from the proceeds of the start-up loan to be made on the closing date specified herein.

Listing and admission to trading application

These final terms comprise the final terms required for the notes described herein to be admitted to the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's regulated market pursuant to the £10 billion residential buy to let mortgage backed note programme of Lannraig Master Issuer plc.

Responsibility

The issuer accepts responsibility for the information contained in these final terms.

Signed on behalf of the issuer:

By:
Duly authorised