

Holmes Financing No 1 plc, Holmes Financing No 2 plc, Holmes Financing No 3 plc, Holmes Financing No 4 plc, Holmes
Financing No 5 plc
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 9th November 2001 to 10th December 2001

All values are in thousands of pounds sterling unless otherwise stated

Mortgage Asset Analysis

Analysis of Mortgage Trust Movements

	Current Period	
	Number	£000's
Brought Forward	284,890	17,853,158
Replenishment	11,365	811,854
Repurchased	(5,479)	(356,146)
Redemptions	(5,042)	(421,553)
Other Movements	0	0
Carried Forward	285,734	17,887,313

	Cumulative	
	Number	£000's
Brought Forward	115,191	6,399,214
Replenishment	242,715	16,268,979
Repurchased	(31,419)	(2,036,077)
Redemptions	(40,753)	(2,744,803)
Other Movements	0	0
Carried Forward	285,734	17,887,313

Annualised 1 Month CPR	65.05%	** (including redemptions and repurchases)
Annualised 3 Month CPR	41.14%	
Annualised 12 Month CPR	23.26%	

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

Asset Profiles

Weighted Average Seasoning	35.94 Months	
Weighted Average Loan size	£62,601.28	
Weighted Average LTV	79.12%	*** (see below)
Weighted Average Remaining Term	19.40 Years	

Product Type Analysis

	£000's	%
Variable Rate	11,923,683	66.66%
Fixed Rate	5,963,630	33.34%
Tracker Rate	0	0.00%
Flexible Mortgages	0	0.00%
	17,887,313	100.00%

Mortgage Standard Variable Rate

Effective Date	Rate
01 September 2001	6.75%
01 November 2001	6.50%
03 December 2001	6.10%

Geographic Analysis

Region	Number	£000's	%
East Anglia	11,132	612,380	3.42%
East Midlands	15,229	797,762	4.46%
Greater London	55,083	4,283,450	23.95%
North West	13,100	604,187	3.38%
North	33,718	1,667,335	9.32%
South East	81,369	5,941,809	33.22%
South West	22,640	1,338,229	7.48%

Wales	14,252	664,447	3.71%
West Midlands	18,908	1,025,513	5.73%
Yorkshire and Humberside	20,188	943,847	5.28%
Unknown	115	8,354	0.05%
Total	285,734	17,887,313	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	3,746	148,767	0.83%
25.01 - 50.00	26,988	1,368,003	7.65%
50.01 - 75.00	69,558	4,614,768	25.80%
75.01 - 80.00	14,888	1,033,204	5.78%
80.01 - 85.00	18,967	1,352,282	7.56%
85.01 - 90.00	42,361	3,109,847	17.39%
90.01 - 95.00	109,226	6,260,442	35.00%
Total	285,734	17,887,313	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	Principal	Overdue	%
Current	280,331	17,605,844	(926)	98.44%
1.00 - 1.99 months	3,789	194,700	1,573	1.09%
2.00 - 2.99 months	716	39,580	569	0.22%
3.00 - 3.99 months	331	16,749	353	0.09%
4.00 - 4.99 months	194	9,621	261	0.05%
5.00 - 5.99 months	118	6,409	212	0.04%
6.00 - 11.99 months	205	9,328	436	0.05%
12 months and over	21	1,028	123	0.01%
Properties in Possession	29	1,370	83	0.01%
Total	285,734	17,884,629	2,684	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 (10th December 2001)

	£000's	%
Funding Share	11,973,516	66.93859%
Seller Share	5,913,797	33.06141%
	17,887,313	100.00000%

Minimum Seller Share	715,305	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 16/10/2001	0.4621%
Quarter to 16/7/2001	0.6650%

Quarter to 16/4/2001

0.8645%

<u>Reserve Funds</u>	First Reserve	Second Reserve
Balance as at 15/10/2001	£127,075,547.00	£19,000,000.00
Percentage of Notes	1.06%	0.16%

Properties in Possession

Stock

	Current Period	
	Number	£000's
Brought Forward	23	1,085
Repossessed in Period	12	628
Sold in Period	(6)	(260)
Carried Forward	29	1,453

	Cumulative	
	Number	£000's
Repossessed to date	70	3,246
Sold to date	(41)	(1,793)
Carried Forward	29	1,453

Repossession Sales Information

Average time Possession to Sale

80

 Days

Average arrears at time of Sale

£4,766.00

MIG Claim Status

	Number	£000's
MIG Claims made	30	229
MIG Claims outstanding	8	61

Average time claim to payment

23 days

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 £16 billion