

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc., Holmes Financing No 8 plc  
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
**For Period 11 May 2004 to 08 June 2004**

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	417,090	29,737,959
Replenishment	17,513	1,533,881
Repurchased	(5,235)	(435,444)
Redemptions	(11,582)	(845,941)
Losses	(14)	0
Capitalised Interest	0	3,876
Other Movements	0	0
Carried Forward	417,772	29,994,331

	Cumulative	
	Number	£000's
Brought Forward	115,191	6,399,214
Replenishment	813,498	60,322,044
Repurchased	(229,875)	(16,191,871)
Redemptions	(280,588)	(20,573,124)
Losses	(454)	(777)
Capitalised Interest	0	38,846
Other Movements	0	(1)
Carried Forward	417,772	29,994,331

	Period CPR	Annualised CPR	
1 Month	4.27%	63.65%	**( including redemptions and repurchases )
3 Month	13.74%	68.58%	
12 Month	54.45%	54.45%	

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

Asset Profiles

Weighted Average Seasoning	32.02	months
Weighted Average Loan size	£71,795.93	
Weighted Average LTV	71.59%	*** (see below)
Weighted Average Indexed LTV	54.64%	Halifax
Weighted Average Indexed LTV	53.98%	Nationwide
Weighted Average Remaining Term	18.53	Years

Product Type Analysis

	£000's	%
Variable Rate	9,181,265	30.61%
Fixed Rate	5,833,897	19.45%
Tracker Rate	14,979,169	49.94%
	29,994,331	100.00%

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc., Holmes Financing No 8 plc  
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
**For Period 11 May 2004 to 08 June 2004**

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

As at 08 June 2004 approximately 7% of the loans were flexible loans

<u>Repayment Method Analysis</u>	£000's	%
Endowment	6,862,703	22.88%
Interest Only	4,214,204	14.05%
Repayment	18,917,425	63.07%
	29,994,331	100.00%

As at 08 June 2004 approximately 13.92% of the loans were self-certified

<u>Loan Purpose Analysis</u>	£000's	%
Purchase	23,176,620	77.27%
Remortgage	6,817,711	22.73%
	29,994,331	100.00%

Mortgage Standard Variable Rate

<u>Effective Date</u>	<u>Rate</u>
01 June 2004	6.25%
01 March 2004	6.00%
01 December 2003	5.75%
01 August 2003	5.54%

Geographic Analysis

<u>Region</u>	<u>Number</u>	<u>£000's</u>	<u>%</u>
East Anglia	17,082	1,139,312	3.80%
East Midlands	22,894	1,421,787	4.74%
Greater London	67,716	6,305,101	21.02%
North	18,072	954,215	3.18%
North West	47,511	2,703,843	9.01%
Scotland	27,747	1,529,436	5.10%
South East	107,928	9,249,744	30.84%
South West	33,155	2,349,502	7.83%
Wales	20,389	1,096,795	3.66%
West Midlands	28,478	1,754,259	5.85%
Yorkshire and Humberside	26,144	1,419,692	4.73%
Unknown	656	70,645	0.24%
<b>Total</b>	<b>417,772</b>	<b>29,994,331</b>	<b>100.00%</b>

Original LTV Bands

<u>Range</u>	<u>Number</u>	<u>£000's</u>	<u>%</u>
0.00 - 25.00	13,546	581,691	1.94%
25.01 - 50.00	69,485	4,195,696	13.99%
50.01 - 75.00	145,881	11,501,425	38.35%
75.01 - 80.00	22,700	1,804,463	6.02%
80.01 - 85.00	28,047	2,312,256	7.71%
85.01 - 90.00	52,627	4,338,916	14.47%
90.01 - 95.00	85,486	5,259,884	17.54%
<b>Total</b>	<b>417,772</b>	<b>29,994,331</b>	<b>100.00%</b>

\*\*\* 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

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc., Holmes Financing No 8 plc  
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
**For Period 11 May 2004 to 08 June 2004**

All values are in thousands of pounds sterling unless otherwise stated

or booking fees.

Arrears

Band	Number	Principal	Overdue	%
Current	408,754	29,402,053	(3,225)	98.04%
1.00 - 1.99 months	5,441	363,212	3,078	1.21%
2.00 - 2.99 months	1,666	106,707	1,642	0.36%
3.00 - 3.99 months	783	48,334	1,072	0.16%
4.00 - 4.99 months	400	24,955	730	0.08%
5.00 - 5.99 months	252	15,545	554	0.05%
6.00 - 11.99 months	357	21,654	1,106	0.07%
12 months and over	41	2,158	257	0.01%
Properties in Possession	78	4,146	353	0.01%
<b>Total</b>	<b>417,772</b>	<b>29,988,764</b>	<b>5,567</b>	<b>100.00%</b>

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.

Movement in Shares of Trust

	Funding £000's	Seller £000's
Balance Brought Forward	16,083,915	13,654,044
Replenishment of Assets	0	1,533,881
Acquisition by Funding	0	0
Distribution of Principal Receipts	0	(1,281,385)
Allocation of Losses	0	0
Share of Capitalised Interest	2,097	1,779
Payment Re Capitalised Interest	(2,097)	2,097
<b>Balance Carried Forward</b>	<b>16,083,915</b>	<b>13,910,416</b>

Carried Forward Percentage	53.62318%	46.37682%
----------------------------	-----------	-----------

Minimum Seller Share	1,277,893	4.26%
----------------------	-----------	-------

Cash Accumulation Ledger

	£000's
Brought Forward	656,435
Additional Amounts Accumulated	0
Payment of Notes	0
<b>Carried Forward</b>	<b>656,435</b>

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc,, Holmes Financing No 8 plc  
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
**For Period 11 May 2004 to 08 June 2004**

All values are in thousands of pounds sterling unless otherwise stated

Target Balance	406,070	payable on 15th July 2004
	250,365	payable on 15th April 2005
	656,435	

<u>Liquidity Facilities</u>	Drawn £000's	Undrawn £000's
Holmes Funding	£0	£25,000
Holmes Financing 1	£0	£25,000
Holmes Financing 2	£0	£25,000
Holmes Financing 3	£0	£25,000
Holmes Financing 4	£0	£25,000
Holmes Financing 5	£0	£25,000
Holmes Financing 6	£0	£25,000

Excess Spread \*

Quarter to 15/04/04	0.3687%
Quarter to 15/01/04	0.4098%
Quarter to 15/10/03 (Restated)**	0.3433%
Quarter to 15/07/03 (Restated)**	0.3852%

\*Excess spread is calculated by reference to deferred consideration (determined according to relevant accounting policies) for the period, adjusted for non-cash related items and items relating to amounts falling due after transfers to the first and second reserve funds in the Funding Revenue Priority of Payments, expressed as a percentage of the average note balance over that period.

\*\*The figures for excess spread in prior periods have been restated to incorporate the cumulative effects of accounting adjustments. This restatement does not affect the past or current cash value of amounts standing to the credit of either the first or the second reserve funds.

<u>Reserve Funds</u>	First Reserve	Second Reserve	Funding Reserve
Balance as at 15/04/2004	£338,000,000.00	£7,977,968.00	£67,722,808.72
Required Amount as at 15/04/2004	£338,000,000.00	£7,977,968.00	£70,000,000.00
Percentage of Notes	2.02%	0.05%	0.40%

Properties in Possession

Stock

	Current Period	
	Number	£000's
Brought Forward	82	4,377
Repossessed in Period	15	1,958
Sold in Period	(19)	(1,836)
Carried Forward	78	4,499

	Cumulative	
	Number	£000's
Repossessed to date	560	36,107
Sold to date	(482)	(31,608)
Carried Forward	78	4,499

Repossession Sales Information

Average time Possession to Sale	82	Days
---------------------------------	----	------

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc., Holmes Financing No 8 plc  
Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
**For Period 11 May 2004 to 08 June 2004**

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

Average arrears at time of Sale 

£3,377
--------

MIG Claim Status

	Number	£000's
MIG Claims made	195	1,382
MIG Claims outstanding	2	14

Average time claim to payment 

36
----

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 £25 billion

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, Holmes Financing No 6 plc, Holmes Financing No 7 plc, Holmes Financing No 8 plc  
 Periodic Report re Holmes Trustees Limited and Holmes Funding Limited  
 For Period 11 May 2004 to 08 June 2004

**Retired Class A Notes**

Date Retired	Holmes 1	Holmes 2	Holmes 3	Holmes 4	Holmes 5	Holmes 6	Holmes 7	Holmes 8
02Q3	-	703	-	-	352	-	-	-
02Q4	-	-	-	-	352	-	-	-
03Q1	-	-	750	-	-	-	-	-
03Q2	-	-	-	-	-	-	-	-
03Q3	600	-	-	-	-	481	-	-
03Q4	-	176	-	191	-	481	-	-
04Q1	-	176	-	191	-	-	241	-
04Q2	-	176	-	191	-	-	241	-

**Outstanding Class A Notes**

Expected Redemption	Holmes 1	Holmes 2	Holmes 3	Holmes 4	Holmes 5	Holmes 6	Holmes 7	Holmes 8
04Q2	-	-	-	-	-	-	-	-
04Q3	-	176	-	191	-	-	-	-
04Q4	-	-	-	-	698	-	-	-
05Q1	-	-	750	-	-	-	-	-
05Q2	-	-	-	-	-	801	-	1,001
05Q3	650	-	-	-	-	-	-	-
05Q4	-	125	-	-	-	-	-	-
06Q1	-	125	-	-	-	-	803	-
06Q2	-	125	-	-	-	-	-	-
06Q3	-	125	500	1,340	-	-	-	-
06Q4	-	-	-	350	875	-	-	-
07Q1	-	-	-	-	-	-	161	812
07Q2	-	-	-	-	-	634	161	-
07Q3	575	-	-	-	-	-	-	-
07Q4	-	300	-	-	-	770	-	-
08Q1	-	-	-	-	-	-	-	-
08Q2	-	-	-	-	-	500	592	221
08Q3	-	-	-	-	-	-	-	221
08Q4	-	-	-	-	-	-	-	221
09Q1	-	-	-	-	-	-	-	1,171
09Q2	-	-	-	-	-	-	-	-
09Q3	-	-	-	-	-	-	-	-
09Q4	-	-	-	-	-	-	-	-
10Q1	-	-	-	-	-	-	-	-
10Q2	-	-	-	-	-	-	-	-
10Q3	250	-	-	-	-	-	-	-
10Q4	-	-	-	-	-	-	-	-

### Expected Redemption of Class A Notes

Legend: Holmes 1 (light blue), Holmes 2 (maroon), Holmes 3 (yellow), Holmes 4 (cyan), Holmes 5 (purple), Holmes 6 (pink), Holmes 7 (dark blue), Holmes 8 (green)

