



# RBC Covered Bond Program Monthly Investor Report

**Calculation Date:** 2009/12/31  
**Distribution Date:** 2010/01/18

This report contains information regarding RBC Covered Bond Program's Cover Pool as of the indicated Calculation Date. The composition of the Cover Pool will change as Mortgage Loans are added and removed from the Cover Pool from time to time and, accordingly, the characteristics and performance of the Mortgage Loans in the Cover Pool will vary over time.

The Guarantor LP has no liabilities or claims outstanding against it other than those relating to the RBC Covered Bond Program. For defined terms, please see page 168 and following of the European Covered Bond Prospectus ("EU Prospectus") approved by the United Kingdom Listing Authority and published on October 31, 2008 on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/> under Royal Bank of Canada and the headline "Publication of Prospectus".

The information contained in this report does not constitute an invitation or recommendation to invest or otherwise deal in, or an offer to sell or the solicitation of an offer to buy or subscribe for, any security. Reliance should not be placed on the information herein when making any decision to buy, hold or sell any security or for any other purpose.

## Program Information

| <u>Series</u> | <u>Initial Principal Amount</u> | <u>C\$ Equivalent</u> | <u>Maturity Date</u> | <u>Coupon Rate</u> | <u>Rate Type</u> |
|---------------|---------------------------------|-----------------------|----------------------|--------------------|------------------|
| CB1           | € 2,000,000,000                 | \$2,843,673,000       | 2012/11/05           | 4.50%              | Fixed            |
| CB2           | € 1,250,000,000                 | \$1,883,750,000       | 2018/01/22           | 4.63%              | Fixed            |
| CB3           | \$750,000,000                   | \$750,000,000         | 2014/11/10           | 3.27%              | Fixed            |

## Parties

|                      |  |
|----------------------|--|
| Issuer               | Royal Bank of Canada                           |
| Covered Bond Trustee | Computershare Trust Company of Canada          |
| Guarantor LP         | RBC Covered Bond Guarantor Limited Partnership |

## Royal Bank of Canada's Credit Ratings

|                   | <u>Moody's</u> | <u>Standard &amp; Poor's</u> | <u>DBRS</u> | <u>Fitch Ratings</u> |
|-------------------|----------------|------------------------------|-------------|----------------------|
| Senior Debt       | Aaa            | AA-                          | AA          | AA                   |
| Subordinated Debt | Aa1            | A+                           | AA (low)    | AA-                  |
| Short-Term        | P-1            | A-1+                         | R-1 (high)  | F1+                  |
| Rating Outlook    | Negative       | Stable                       | Stable      | Stable               |
| Covered Bonds     | Aaa            | AAA (neg)                    | AAA         | AAA                  |

## Events of Defaults & Test Compliance

|                               |    |
|-------------------------------|----|
| Issuer Event of Default       | No |
| Guarantor LP Event of Default | No |

## Supplementary Information

| <u>Series</u> | <u>Swap Provider</u> | <u>Translation Rate</u> |
|---------------|----------------------|-------------------------|
| CB1           | Royal Bank of Canada | 1.4218365 C\$/€         |
| CB2           | Royal Bank of Canada | 1.5070000 C\$/€         |
| CB3           | Royal Bank of Canada | N/A                     |

## Asset Coverage Test<sup>(1)</sup> (C\$)

|   |                         |                   |                |
|---|-------------------------|-------------------|----------------|
| <b>Outstanding Covered Bonds</b>  | <b>\$5,477,423,000</b>  |                   |                |
| A = lesser of (i) LTV Adjusted True Balance and (ii) Asset Percentage Adjusted True Balance | 18,124,634,940          | A (i)             | 19,488,791,666 |
|   |                         | A (ii)            | 18,124,634,940 |
| B = Principal Receipts  | -                       | Asset Percentage: | 93.00%         |
| C = Cash Capital Contributions  | -                       |                   |                |
| D = Substitute Assets and/or Authorized Investments   | -                       |                   |                |
| Z = Negative Carry Factor calculation   | 184,304,854             |                   |                |
| <b>Total: A + B + C + D - Z</b>   | <b>\$17,940,330,086</b> |                   |                |

## Asset Coverage Test

**Pass**

<sup>(1)</sup> For further information regarding the Asset Coverage Test, please see pages 123 to 125 of the EU Prospectus and the EU Prospectus generally.



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## Cover Pool Summary Statistics

|                                  |                                 |
|----------------------------------|---------------------------------|
| Current Balance                  | \$19,505,923,638 <sup>(1)</sup> |
| Number of Mortgage Loans in Pool | 153,459                         |
| Average Loan Size                | \$127,108                       |
| Number of Properties             | 132,413                         |
| Number of Borrowers              | 130,083                         |

|  |                |
|--|----------------|
| Weighted Average LTV - Authorized <sup>(2)</sup> | 68.40%         |
| Weighted Average LTV - Drawn <sup>(3)</sup>      | 62.16%         |
| Weighted Average Rate                            | 4.01%          |
| Weighted Average Original Term                   | 58.77 (Months) |
| Weighted Average Remaining Term                  | 30.57 (Months) |
| Weighted Average Seasoning                       | 28.20 (Months) |

<sup>(1)</sup> As of December 8, 2009, approximately \$8.7 billion of mortgages were sold to the Cover Pool.

<sup>(2)</sup> The LTV of RBC's Homeline product is calculated at a plan level, taking into account all the mortgage loan segments and the line of credit, based on the approved credit limit of the plan and the appraised value of the property.

<sup>(3)</sup> LTV - Drawn represents the LTV based on the actual amount borrowed by a client against a property and the appraised value of the property. With respect to RBC's Homeline product, the LTV - Drawn is calculated at a plan level, taking into account all mortgage loan segments and the line of credit.

## Cover Pool Provincial Distribution

| <u>Province</u>       | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|-----------------------|------------------------|-------------------|--------------------------|-------------------|
| Alberta               | 20,889                 | 13.61             | 3,140,619,786            | 16.10             |
| British Columbia      | 27,456                 | 17.89             | 4,635,423,225            | 23.76             |
| Manitoba              | 6,095                  | 3.97              | 490,465,648              | 2.51              |
| New Brunswick         | 2,776                  | 1.81              | 192,078,487              | 0.98              |
| Newfoundland          | 1,481                  | 0.97              | 115,255,094              | 0.59              |
| Northwest Territories | 102                    | 0.07              | 14,452,831               | 0.07              |
| Nova Scotia           | 5,138                  | 3.35              | 414,161,817              | 2.12              |
| Nunavut               | 1                      | 0.00              | 89,692                   | 0.00              |
| Ontario               | 60,869                 | 39.66             | 7,954,872,360            | 40.82             |
| Prince Edward Island  | 519                    | 0.34              | 39,625,153               | 0.20              |
| Quebec                | 23,169                 | 15.10             | 2,078,062,070            | 10.65             |
| Saskatchewan          | 4,826                  | 3.14              | 414,395,065              | 2.12              |
| Yukon                 | 138                    | 0.09              | 16,422,411               | 0.08              |
| <b>Total</b>          | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

## Cover Pool Bureau Score<sup>(1)</sup> Distribution

| <u>Bureau Score</u> | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|---------------------|------------------------|-------------------|--------------------------|-------------------|
| Score Unavailable   | 608                    | 0.40              | 120,595,401              | 0.62              |
| 499 or less         | 1,386                  | 0.90              | 189,463,744              | 0.97              |
| 500 - 539           | 862                    | 0.56              | 125,547,309              | 0.64              |
| 540 - 559           | 601                    | 0.39              | 89,593,318               | 0.46              |
| 560 - 579           | 790                    | 0.51              | 115,532,170              | 0.59              |
| 580 - 599           | 1,128                  | 0.74              | 156,872,410              | 0.80              |
| 600 - 619           | 1,813                  | 1.18              | 264,612,971              | 1.36              |
| 620 - 639           | 2,872                  | 1.87              | 427,117,279              | 2.19              |
| 640 - 659           | 4,202                  | 2.74              | 618,223,842              | 3.17              |
| 660 - 679           | 5,675                  | 3.70              | 811,804,071              | 4.16              |
| 680 - 699           | 7,398                  | 4.82              | 1,037,387,217            | 5.32              |
| 700 - 719           | 9,894                  | 6.45              | 1,395,974,547            | 7.16              |
| 720 - 739           | 13,541                 | 8.82              | 1,874,644,201            | 9.61              |
| 740 - 759           | 17,546                 | 11.43             | 2,331,957,405            | 11.96             |
| 760 - 779           | 20,702                 | 13.49             | 2,665,340,522            | 13.66             |
| 780 - 799           | 22,013                 | 14.34             | 2,711,783,634            | 13.90             |
| 800 or greater      | 42,428                 | 27.66             | 4,569,473,596            | 23.43             |
| <b>Total</b>        | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

<sup>(1)</sup> A Bureau Score is an automated synthetic index of the future credit risk of Bank Clients based on a statistical model of the behaviour of clients in the credit bureau. The algorithm (scoring model) which generates the Bureau Score is built by analyzing a large sample population of geographically diverse consumers with accounts across a wide variety of credit products, retrieved from the credit bureau.



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## Cover Pool Rate Type Distribution

| <u>Rate Type</u> | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|------------------|------------------------|-------------------|--------------------------|-------------------|
| Fixed            | 108,519                | 70.72             | 13,229,121,213           | 67.82             |
| Variable         | 44,940                 | 29.28             | 6,276,802,425            | 32.18             |
| <b>Total</b>     | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

## Cover Pool Occupancy Type Distribution

| <u>Occupancy Code</u> | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|-----------------------|------------------------|-------------------|--------------------------|-------------------|
| Not Owner Occupied    | 10,352                 | 6.75              | 1,544,174,561            | 7.92              |
| Owner Occupied        | 143,107                | 93.25             | 17,961,749,077           | 92.08             |
| <b>Total</b>          | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

## Cover Pool Mortgage Rate Distribution

| <u>Mortgage Rate (%)</u> | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|--------------------------|------------------------|-------------------|--------------------------|-------------------|
| 3.4999 and Below         | 45,354                 | 29.55             | 6,326,018,295            | 32.43             |
| 3.5000 - 3.9999          | 6,336                  | 4.13              | 1,025,092,301            | 5.26              |
| 4.0000 - 4.4999          | 8,157                  | 5.32              | 1,174,730,803            | 6.02              |
| 4.5000 - 4.9999          | 15,282                 | 9.96              | 2,316,756,930            | 11.88             |
| 5.0000 - 5.4999          | 53,743                 | 35.03             | 6,477,357,974            | 33.21             |
| 5.5000 - 5.9999          | 21,034                 | 13.71             | 1,931,714,477            | 9.90              |
| 6.0000 - 6.4999          | 3,116                  | 2.03              | 218,487,379              | 1.12              |
| 6.5000 - 6.9999          | 328                    | 0.21              | 27,817,577               | 0.14              |
| 7.0000 - 7.4999          | 82                     | 0.05              | 5,994,332                | 0.03              |
| 7.5000 - 7.9999          | 21                     | 0.01              | 1,717,067                | 0.01              |
| 8.0000 - 8.4999          | 1                      | 0.00              | 73,603                   | 0.00              |
| 8.5000 - Up              | 5                      | 0.00              | 162,901                  | 0.00              |
| <b>Total</b>             | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

## Cover Pool Remaining Term Distribution

| <u>Remaining Term</u> | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|-----------------------|------------------------|-------------------|--------------------------|-------------------|
| Less than 36.00       | 109,097                | 71.09             | 13,346,002,767           | 68.42             |
| 36.00 - 41.99         | 12,478                 | 8.13              | 1,585,202,086            | 8.13              |
| 42.00 - 47.99         | 11,458                 | 7.47              | 1,641,301,549            | 8.41              |
| 48.00 - 53.99         | 10,186                 | 6.64              | 1,396,100,562            | 7.16              |
| 54.00 - 59.99         | 7,796                  | 5.08              | 1,248,626,923            | 6.40              |
| 60.00 - 65.99         | 401                    | 0.26              | 41,932,534               | 0.21              |
| 66.00 - 71.99         | 410                    | 0.27              | 52,553,913               | 0.27              |
| 72.00 and up          | 1,633                  | 1.06              | 194,203,305              | 1.00              |
| <b>Total</b>          | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

## Cover Pool Property Distribution

| <u>Property Type</u>    | <u>Number of Loans</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|-------------------------|------------------------|-------------------|--------------------------|-------------------|
| Apartment (Condominium) | 14,028                 | 9.14              | 1,759,057,513            | 9.02              |
| Detached                | 120,344                | 78.42             | 15,236,919,658           | 78.11             |
| Duplex                  | 3,011                  | 1.96              | 383,579,260              | 1.97              |
| Fourplex                | 656                    | 0.43              | 112,801,697              | 0.58              |
| Other                   | 462                    | 0.30              | 54,815,108               | 0.28              |
| Row (Townhouse)         | 7,402                  | 4.82              | 993,714,230              | 5.09              |
| Semi-detached           | 6,810                  | 4.44              | 861,337,777              | 4.42              |
| Triplex                 | 746                    | 0.49              | 103,698,395              | 0.53              |
| <b>Total</b>            | <b>153,459</b>         | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |



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## Cover Pool LTV - Authorized<sup>(1)</sup> Distribution

| <u>Current LTV (%)</u> | <u>Number of Properties</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|------------------------|-----------------------------|-------------------|--------------------------|-------------------|
| 20.00 and Below        | 6,609                       | 4.99              | 199,191,159              | 1.02              |
| 20.01 - 25.00          | 2,485                       | 1.88              | 144,479,422              | 0.74              |
| 25.01 - 30.00          | 2,800                       | 2.11              | 196,347,928              | 1.01              |
| 30.01 - 35.00          | 3,181                       | 2.40              | 268,340,034              | 1.38              |
| 35.01 - 40.00          | 3,641                       | 2.75              | 349,995,300              | 1.79              |
| 40.01 - 45.00          | 3,836                       | 2.90              | 421,899,168              | 2.16              |
| 45.01 - 50.00          | 4,737                       | 3.58              | 567,294,271              | 2.91              |
| 50.01 - 55.00          | 4,788                       | 3.62              | 660,463,785              | 3.39              |
| 55.01 - 60.00          | 6,592                       | 4.98              | 975,841,800              | 5.00              |
| 60.01 - 65.00          | 10,249                      | 7.74              | 1,765,011,283            | 9.05              |
| 65.01 - 70.00          | 13,407                      | 10.13             | 2,484,365,428            | 12.74             |
| 70.01 - 75.00          | 35,062                      | 26.47             | 5,181,814,803            | 26.57             |
| 75.01 - 80.00          | 35,026                      | 26.45             | 6,290,879,259            | 32.24             |
| <b>Total</b>           | <b>132,413</b>              | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

<sup>(1)</sup> The LTV of RBC's Homeline product is calculated at a plan level, taking into account all the mortgage loan segments and the line of credit, based on the approved credit limit of the plan and the appraised value of the property.

## Cover Pool LTV - Drawn<sup>(1)</sup> Distribution

| <u>Current LTV (%)</u> | <u>Number of Properties</u> | <u>Percentage</u> | <u>Principal Balance</u> | <u>Percentage</u> |
|------------------------|-----------------------------|-------------------|--------------------------|-------------------|
| 20.00 and Below        | 9,820                       | 7.42              | 343,808,961              | 1.76              |
| 20.01 - 25.00          | 4,206                       | 3.18              | 274,761,432              | 1.41              |
| 25.01 - 30.00          | 4,742                       | 3.58              | 370,891,360              | 1.90              |
| 30.01 - 35.00          | 5,377                       | 4.06              | 495,036,992              | 2.54              |
| 35.01 - 40.00          | 6,092                       | 4.60              | 640,002,477              | 3.28              |
| 40.01 - 45.00          | 6,714                       | 5.07              | 790,364,487              | 4.05              |
| 45.01 - 50.00          | 7,578                       | 5.72              | 1,007,618,174            | 5.17              |
| 50.01 - 55.00          | 8,258                       | 6.24              | 1,192,612,043            | 6.11              |
| 55.01 - 60.00          | 9,842                       | 7.43              | 1,523,723,500            | 7.81              |
| 60.01 - 65.00          | 13,023                      | 9.84              | 2,247,506,750            | 11.52             |
| 65.01 - 70.00          | 18,183                      | 13.73             | 3,308,317,781            | 16.96             |
| 70.01 - 75.00          | 18,438                      | 13.92             | 3,401,554,474            | 17.44             |
| 75.01 - 80.00          | 20,140                      | 15.21             | 3,909,725,207            | 20.05             |
| <b>Total</b>           | <b>132,413</b>              | <b>100.00</b>     | <b>19,505,923,638</b>    | <b>100.00</b>     |

<sup>(1)</sup> LTV - Drawn represents the LTV based on the actual amount borrowed by a client against a property and the appraised value of the property. With respect to RBC's Homeline product, the LTV - Drawn is calculated at a plan level, taking into account all mortgage loan segments and the line of credit.