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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of

Securities Exchange Act of 1934

For the month of August 2002

- ① HOLMES FINANCING (No 3) PLC ✓
- ② HOLMES FUNDING LIMITED ✓
- ③ HOLMES TRUSTEES LIMITED ✓

(Translation of registrant's name into English)

Abbey House, Baker Street
London NW1 6XL, England
(Address of principal executive offices)

REC'D S.E.C.
SEP 23 2002
1086

PROCESSED

SEP 25 2002

THOMSON
FINANCIAL

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-FX.... Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No ...X....

CR

Holmes Financing No 3 plc

Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 09 August 2002 to 09 September 2002

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	267,441	17,497,635
Replenishment	12,511	835,227
Repurchased	(5,343)	(274,066)
Redemptions	(6,559)	(455,831)
Losses	(14)	(35)
Other Movements	0	(202,029)
Carried Forward	268,036	17,769,590

	Cumulative	
	Number	£000's
Brought Forward	118,191	6,399,214
Replenishment	338,585	22,834,715
Repurchased	(71,397)	(4,948,858)
Redemptions	(92,226)	(6,519,738)
Losses	(127)	(345)
Other Movements	0	0
Carried Forward	268,036	17,769,590

Annualised 1 Month CPR	74.44%	** (including redemptions and repurchases)
Annualised 3 Month CPR	70.42%	
Annualised 12 Month CPR	46.74%	

** The annualised CPRs are expressed as a percentage of the outstanding balance at the end of the period

Asset Profiling

Weighted Average Seasoning	40.48	*** (see below)
Weighted Average Loan size	£61,693.64	
Weighted Average LTV	78.06%	
Weighted Average Remaining Term	19.01	

Product Type Analysis

	£000's	%
Variable Rate	11,812,000	66.47%
Fixed Rate	6,418,312	30.48%
Tracker Rate	539,877	3.04%
Flexible Mortgages	0	0.00%
	17,769,990	100.00%

Holmes Financing No 3 plc

Periodic Report to Holmes Trustees Limited and Holmes Funding Limited For Period 01 August 2002 to 01 September 2002

All values are in thousands of pounds sterling unless otherwise stated
Mortgage Standard Variable Rate

Effective Date 01 December 2001
Rate 5.10%

Geographic Analysis

Region	Number	£000's	%
East Anglia	11,172	815,112	3.46%
East Midlands	15,529	800,316	4.50%
Greater London	53,391	4,152,888	23.37%
North West	13,704	822,098	3.50%
North	35,703	1,733,657	9.75%
South East	78,258	5,675,842	31.94%
South West	22,680	1,330,913	7.53%
Wales	15,534	708,948	3.93%
West Midlands	19,535	1,048,788	5.90%
Yorkshire and Humberside	20,413	936,644	5.27%
Unknown	2,031	138,032	0.78%
Total	288,036	17,789,980	100.00%

Origins LTV Bands

Range	Number	£000's	%
0.00 - 25.00	4,137	163,914	0.92%
25.01 - 50.00	27,622	1,383,838	7.70%
50.01 - 75.00	68,768	4,480,711	25.27%
75.01 - 80.00	14,805	1,009,453	5.68%
80.01 - 85.00	18,805	1,319,022	7.39%
85.01 - 90.00	41,033	2,547,989	14.33%
90.01 - 95.00	112,845	5,462,285	30.73%
Total	288,036	17,789,980	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	275,787	17,319,885	(2,695)	97.46%
1.00 - 1.99 months	6,531	298,234	2,517	1.58%
2.00 - 2.99 months	1,233	68,946	1,001	0.38%
3.00 - 3.99 months	584	32,841	881	0.18%
4.00 - 4.99 months	312	18,857	489	0.10%
5.00 - 5.99 months	218	11,817	413	0.07%
6.00 - 11.99 months	303	15,481	758	0.09%
12 months and over	28	1,127	106	0.01%
Properties in Possession	44	1,291	135	0.01%
Total	288,036	17,786,409	3,491	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.

Holmes Financing No 3 plc

Periodic Report re Holmes Trustees Limited and Holmes Funding Limited
For Period 01 August 2002 to 09 September 2002

All values are in thousands of pounds sterling unless otherwise stated

Share of Trust last Distribution Date (09 September 2002)

	£000's	%
Funding Share	70,505,840	89.12125%
Seller Share	7,264,160	40.87875%
	77,769,990	100.00000%

Minimum Seller Share	770,560	4.00%
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Cash Accumulation Ledger

	£000's
Brought Forward	412,655
Additional Amounts Accumulated	21
Payment of Notes	0
Carried Forward	412,676

Excess Spread

Quarter to 15/7/2002	0.5891%
Quarter to 15/4/2002	0.5414%
Quarter to 15/1/2002	0.5487%
Quarter to 16/10/2001	0.4621%

Reserve Funds

	First Reserve	Second Reserve
Balance as at 15/7/2002	£185,000,000.00	£30,059,959.55
Required Amount as at 15/7/2002	£185,000,000.00	£73,623,857.00
Percentage of Notes	1.75%	0.28%

Properties in Possession

Stock

	Current Period	
	Number	£000's
Brought Forward	39	1,456
Repossessed in Period	24	709
Sold in Period	(16)	(736)
Carried Forward	44	1,428

	Cumulative	
	Number	£000's
Repossessed to date	184	8,182
Sold to date	(140)	(6,766)
Carried Forward	44	1,428

Repossession Sales Information

Average time Possession to Sale	80 Days
Average arrears at time of Sale	£3,021.60

MIG Claim Status

	Number	£000's
MIG Claims made	87	656
MIG Claims outstanding	9	64

Average time claim to payment

	29
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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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOLMES FINANCING (No 3) PLC

Dated: 23rd September, 2002

By 
P J Lott (Authorised Signatory)