

HBOS Social Housing Covered Bonds LLP
Quarterly Investor Report - 15 March 2021

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22/03/2021

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 1 2021

Date of Report 15-Mar-2021

Current Counterparties

Group Guarantors	HBOS plc
Servicer	Bank of Scotland plc
Cash Manager	Bank of Scotland plc
Covered Bond Swap Provider	Bank of Scotland plc
Interest Rate Swap Provider	Bank of Scotland plc
Account Bank Provider	Bank of Scotland plc

GIC Sub Accounts

Revenue GIC Sub-Account	7,211,947
Principal GIC Sub-Account	48,547,227
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	55,759,174

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	94
Transaction Account Total	94

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	412,590,411
Capital Account - Addison Social Housing LLP	0
Total	412,590,411

Credit Ratings

	Short Term		Long Term	
	Moody's	S&P	Moody's	S&P
Bank of Scotland plc	P-1	A-1	A1	A+

HBOS Event of Default?

LLP Event of Default?

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Asset Coverage Test *

* The full definition of the Asset Coverage Test is documented within the Offering Circular

A = Net Current Balance of Loans in the Portfolio x Asset Percentage	663,350,986
B = Unapplied Principal Receipts	29,348,645
C = Unapplied Cash Capital Contributions	19,198,582
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	10,948,029

Total: A+B+C+D+E-X **700,950,184**

Principal Amount Outstanding	500,000,000	
Asset Coverage Test	<table border="1"><tr><td>PASS</td></tr></table>	PASS
PASS		
Asset Percentage	68.53%	
Maximum Level of Issuance	72.41%	
Current Level of Issuance	51.65%	

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	967,971,671
Number of Loan Agreements in the Portfolio	26
Average Loan Balance	37,229,680

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	113,037,494	11.7%	3	6
East Midlands	115,439,372	11.9%	3	12
London	82,342,799	8.5%	4	9
North East	0	0.0%	0	0
North West	154,786,695	16.0%	6	29
South East	282,709,131	29.2%	2	17
South West	117,962,211	12.2%	4	17
Wales	33,987,326	3.5%	1	3
West Midlands	66,087,638	6.8%	2	9
Yorkshire & The Humber	1,619,005	0.2%	1	1
Totals	967,971,671	100.0%	26	103

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	2	280,616,248
25 bps - <30 bps	6	222,158,613
30 bps - <40 bps	2	83,222,475
40 bps - <50 bps	1	18,004,627
50 bps - <60 bps	0	0
60 bps - <80 bps	2	39,289,768
80 bps - <100 bps	3	77,736,582
100 bps - <120 bps	4	94,172,041
120 bps - <140 bps	1	10,008,499
140 bps +	5	142,762,816
Total	26	967,971,671
Weighted average (bps)		65.48

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	5	66,927,786
500 units - <1,000 units	6	243,004,474
1,000 units - <2,000 units	7	169,543,157
2,000 units - <3,000 units	2	32,084,407
3,000 units - <4,000 units	2	78,922,024
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	355,640,632
10,000 units - <15,000 units	1	21,849,190
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	26	967,971,671
Weighted average (units)		3,480

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	8	131,282,015
5 years - <10 years	5	124,762,400
10 years - <15 years	4	346,634,052
15 years - <20 years	6	294,448,196
20 years - <25 years	3	70,845,008
Total	26	967,971,671
Weighted average (years)		12.5

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	17,101,374
2016 - 2018	12	581,707,213
2018 - present	13	369,163,083
Total	26	967,971,671
Weighted average (date)		Feb-2019

Rank	Balance	Percentage
1	265,607,757	27.44%
2	80,024,376	8.27%
3	76,225,915	7.87%
4	73,129,679	7.55%
5	70,097,659	7.24%
6	66,087,638	6.83%
7	40,552,393	4.19%
8	38,670,797	4.00%
9	35,345,763	3.65%
10	33,987,326	3.51%

Asset Cover Analysis at Calculation Date

Asset Cover - Covenant No. of Facilities	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	1
105% - <110%	3	0	2
110% - <115%	1	0	7
115% - <120%	0	0	3
120% - <125%	0	1	5
125% - <130%	0	1	1
130% - <135%	0	1	0
135% - <140%	0	0	0
140% +	0	0	0
Total	4	3	19
			26

Asset Cover - Actual No. of Facilities	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	0
105% - <110%	0	0	0
110% - <115%	0	1	2
115% - <120%	0	0	0
120% - <125%	0	0	2
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	4	2	15
Total	4	3	19
			26

Drawn Balance by Actual Asset Cover	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	0
105% - <110%	0	0	0
110% - <115%	0	3,198,100	84,192,420
115% - <120%	0	0	0
120% - <125%	0	0	66,087,638
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	139,587,686	2,293,997	672,611,830
Total	139,587,686	5,492,096	822,891,888
			967,971,671

Basis I = Existing Usage Valuation (EUV), which provides a valuation of the housing stock based on current occupancy levels.

Basis II LSVT = Market Valuation subject to Tenancies (MVT), which provides a valuation of the housing stock based on full occupancy levels.

Basis II - Mixed-funded = Housing stock is valued on Basis I and Basis II - LSVT, as above.