

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

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21/06/2021

**HBOS SOCIAL HOUSING COVERED BONDS LLP**  
**QUARTERLY REPORT - QUARTER 2 2021**

**Date of Report** 15-Jun-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	6,277,188
Principal GIC Sub-Account	140,784,065
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
<b>GIC Account Total</b>	<b>147,061,253</b>

**Transaction Accounts**

Transaction Principal Account	0
Transaction Revenue Account	95
<b>Transaction Account Total</b>	<b>95</b>

**Investments**

Substitution Assets Balance	0
Authorised Investments Balance	0
<b>Total</b>	<b>0</b>

**Capital Contribution Balance**

Capital Account - Bank of Scotland	419,640,543
Capital Account - Addison Social Housing LLP	0
<b>Total</b>	<b>419,640,543</b>

**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	571,637,455
B = Unapplied Principal Receipts	140,784,065
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	10,469,767

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**Total: A+B+C+D+E-X** **701,951,753**


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Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	68.53%
Maximum Level of Issuance	84.15%
Current Level of Issuance	59.94%

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**Portfolio Characteristics**

Total of the aggregate Current Balance of Loans in the Portfolio	834,141,917
Number of Loan Agreements in the Portfolio	20
Average Loan Balance	41,707,096

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	96,542,320	11.6%	2	5
East Midlands	115,132,666	13.8%	3	12
London	33,669,520	4.0%	2	3
North East	0	0.0%	0	0
North West	154,103,004	18.5%	6	27
South East	282,708,821	33.9%	2	15
South West	118,289,643	14.2%	4	13
Wales	33,695,943	4.0%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
<b>Totals</b>	<b>834,141,917</b>	<b>100.0%</b>	<b>20</b>	<b>78</b>

**Margin**

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	1	265,604,269
25 bps - <30 bps	6	222,293,337
30 bps - <40 bps	2	81,728,729
40 bps - <50 bps	1	18,012,834
50 bps - <60 bps	0	0
60 bps - <80 bps	2	39,297,787
80 bps - <100 bps	3	71,682,798
100 bps - <120 bps	3	88,921,933
120 bps - <140 bps	0	0
140 bps +	2	46,600,229
<b>Total</b>	<b>20</b>	<b>834,141,917</b>
<b>Weighted average (bps)</b>		<b>54.36</b>

**Property Numbers**

Property Numbers	No. Facilities	Balance
0 units - <500 units	5	66,647,988
500 units - <1,000 units	4	195,499,693
1,000 units - <2,000 units	5	103,349,554
2,000 units - <3,000 units	1	30,470,278
3,000 units - <4,000 units	2	73,371,098
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	2	344,133,755
10,000 units - <15,000 units	1	20,669,549
15,000 units - <20,000 units	0	0
20,000 units +	0	0
<b>Total</b>	<b>20</b>	<b>834,141,917</b>
<b>Weighted average (units)</b>		<b>3,703</b>

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**QUARTERLY REPORT - QUARTER 2 2021**

**Portfolio Characteristics (cont)**

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	6	113,393,370
5 years - <10 years	3	30,039,585
10 years - <15 years	3	342,197,090
15 years - <20 years	6	294,146,380
20 years - <25 years	2	54,365,492
<b>Total</b>	<b>20</b>	<b>834,141,917</b>
<b>Weighted average (years)</b>		<b>12.9</b>

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	17,104,552
2016 - 2018	6	212,233,039
2018 - present	13	604,804,325
<b>Total</b>	<b>20</b>	<b>834,141,917</b>
<b>Weighted average (date)</b>		<b>Feb-2020</b>

Rank	Balance	Percentage
1	265,604,269	31.84%
2	78,529,487	9.41%
3	77,727,702	9.32%
4	73,133,197	8.77%
5	64,543,589	7.74%
6	46,122,543	5.53%
7	35,535,346	4.26%
8	33,695,943	4.04%
9	30,470,278	3.65%
10	20,669,549	2.48%

**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	4
115% - <120%	0	0	3
120% - <125%	0	0	3
125% - <130%	0	1	1
130% - <135%	0	1	0
135% - <140%	0	0	0
140% +	0	0	0
<b>Total</b>	<b>4</b>	<b>2</b>	<b>14</b>
			<b>20</b>

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	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	4	1	12
<b>Total</b>	<b>4</b>	<b>2</b>	<b>14</b>
			<b>20</b>

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	3,199,242	84,198,080
115% - <120%	0	0	0
120% - <125%	0	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	139,610,841	675,087	606,458,667
<b>Total</b>	<b>139,610,841</b>	<b>3,874,329</b>	<b>690,656,747</b>
			<b>834,141,917</b>

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.