

HBOS Social Housing Covered Bonds LLP
Quarterly Investor Report - 15 March 2022

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20/03/2022

**HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 1 2022**

Date of Report 15-Mar-2022

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	6,166,274
Principal GIC Sub-Account	140,046,431
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	146,212,705

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	98
Transaction Account Total	98

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	464,976,020
Capital Account - Addison Social Housing LLP	0
Total	464,976,020

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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QUARTERLY REPORT - QUARTER 1 2022

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	569,869,356
B = Unapplied Principal Receipts	140,046,431
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	9,050,578

Total: A+B+C+D+E-X **700,865,209**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	68.53%
Maximum Level of Issuance	84.28%
Current Level of Issuance	60.13%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	840,592,072
Number of Loan Agreements in the Portfolio	21
Average Loan Balance	40,028,194

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	96,533,991	11.6%	2	5
East Midlands	109,077,553	13.1%	3	12
London	33,438,092	4.0%	2	3
North East	0	0.0%	0	0
North West	127,451,181	15.3%	5	21
South East	279,800,840	33.6%	2	6
South West	152,082,385	18.3%	5	10
Wales	33,177,838	4.0%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	831,561,880	100.0%	20	60

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	5	431,875,918
30 bps - <40 bps	3	118,432,753
40 bps - <50 bps	1	2,972,689
50 bps - <60 bps	1	45,027,721
60 bps - <80 bps	2	38,286,303
80 bps - <100 bps	3	86,019,758
100 bps - <120 bps	3	63,894,414
120 bps - <140 bps	0	0
140 bps +	2	45,052,326
Total	20	831,561,880
Weighted average (bps)		55.45

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	4	65,248,151
500 units - <1,000 units	4	182,221,143
1,000 units - <2,000 units	5	71,366,207
2,000 units - <3,000 units	2	75,493,124
3,000 units - <4,000 units	2	72,350,332
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	2	344,213,861
10,000 units - <15,000 units	1	20,669,062
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	20	831,561,880
Weighted average (units)		3,752

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	6	151,114,768
5 years - <10 years	4	62,811,680
10 years - <15 years	3	317,790,095
15 years - <20 years	6	266,667,499
20 years - <25 years	1	33,177,838
Total	20	831,561,880
Weighted average (years)		11.4

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	14,089,275
2016 - 2018	5	190,590,339
2018 - present	14	626,882,266
Total	20	831,561,880
Weighted average (date)		Feb-2020

Rank	Balance	Percentage
1	265,711,565	31.95%
2	78,502,296	9.44%
3	71,632,525	8.61%
4	67,498,773	8.12%
5	64,529,432	7.76%
6	45,027,721	5.41%
7	33,986,396	4.09%
8	33,177,838	3.99%
9	30,465,403	3.66%
10	21,613,127	2.60%

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%	4	0	2
110% - <115%	1	0	4
115% - <120%	0	0	4
120% - <125%	0	0	2
125% - <130%	0	0	1
130% - <135%	0	1	0
135% - <140%	0	0	0
140% +	0	0	0
Total	5	1	14
			20

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	0	1
115% - <120%	0	0	1
120% - <125%	0	1	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	5	0	12
Total	5	1	14
			20

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	0	11,065,929
115% - <120%	0	0	71,632,525
120% - <125%	0	2,972,689	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	158,252,574	0	587,638,163
Total	158,252,574	2,972,689	670,336,617
			831,561,880

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.