

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

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20/03/2022

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 2 2022

Date of Report 15-Jun-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	6,149,015
Principal GIC Sub-Account	77,314,027
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	83,463,041

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	99
Transaction Account Total	99

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	473,965,576
Capital Account - Addison Social Housing LLP	0
Total	473,965,576

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?

HBOS SOCIAL HOUSING COVERED BONDS LLP
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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	565,824,653
B = Unapplied Principal Receipts	77,314,027
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	5,530,527

Total: A+B+C+D+E-X **637,608,153**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	68.53%
Maximum Level of Issuance	77.22%
Current Level of Issuance	60.56%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	825,659,788
Number of Loan Agreements in the Portfolio	19
Average Loan Balance	43,455,778

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	94,050,832	11.4%	2	5
East Midlands	109,298,319	13.2%	3	12
London	30,470,278	3.7%	1	1
North East	0	0.0%	0	0
North West	125,612,987	15.2%	5	21
South East	279,832,422	33.9%	2	5
South West	153,516,322	18.6%	5	10
Wales	32,878,627	4.0%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	825,659,788	100.0%	19	57

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	4	420,646,453
30 bps - <40 bps	4	128,431,577
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,043,555
60 bps - <80 bps	2	38,294,661
80 bps - <100 bps	1	18,045,608
100 bps - <120 bps	5	129,935,842
120 bps - <140 bps	0	0
140 bps +	2	45,262,093
Total	19	825,659,788
Weighted average (bps)		55.97

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	3	61,998,141
500 units - <1,000 units	4	184,949,188
1,000 units - <2,000 units	5	70,193,582
2,000 units - <3,000 units	2	75,513,833
3,000 units - <4,000 units	2	72,199,543
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	2	341,745,241
10,000 units - <15,000 units	1	19,060,260
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	19	825,659,788
Weighted average (units)		3,729

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	5	136,702,312
5 years - <10 years	4	74,150,583
10 years - <15 years	5	395,942,766
15 years - <20 years	5	218,864,128
20 years - <25 years	0	0
Total	19	825,659,788
Weighted average (years)		11.3

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	14,092,405
2016 - 2018	4	190,667,906
2018 - present	14	620,899,477
Total	19	825,659,788
Weighted average (date)		Feb-2020

Rank	Balance	Percentage
1	265,740,017	32.19%
2	76,005,224	9.21%
3	71,646,329	8.68%
4	70,514,219	8.54%
5	64,375,160	7.80%
6	45,043,555	5.46%
7	34,188,187	4.14%
8	32,878,627	3.98%
9	30,470,278	3.69%
10	20,617,798	2.50%

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	0	0
135% - <140%	0	0	0
140% +	0	0	0
Total	5	0	14
			19

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	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	5	0	12
Total	5	0	14
			19

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	11,073,906
115% - <120%	0	0	71,646,329
120% - <125%	0	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	157,134,584	0	585,804,969
Total	157,134,584	0	668,525,204
			825,659,788

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.