

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

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20/03/2022

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 3 2022

Date of Report 15-Sep-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	7,046,906
Principal GIC Sub-Account	93,962,765
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	101,009,671

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	100
Transaction Account Total	100

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	438,973,171
Capital Account - Addison Social Housing LLP	0
Total	438,973,171

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
QUARTERLY REPORT - QUARTER 3 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	581,974,474
B = Unapplied Principal Receipts	93,962,765
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	5,221,971

Total: A+B+C+D+E-X **670,715,267**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	68.53%
Maximum Level of Issuance	78.98%
Current Level of Issuance	58.88%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	849,225,848
Number of Loan Agreements in the Portfolio	20
Average Loan Balance	42,461,292

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	94,086,195	11.1%	2	5
East Midlands	105,224,533	12.4%	3	12
London	70,641,610	8.3%	2	2
North East	0	0.0%	0	0
North West	112,866,273	13.3%	5	17
South East	279,952,788	33.0%	2	5
South West	153,573,137	18.1%	5	10
Wales	32,881,312	3.9%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	849,225,848	100.0%	20	54

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	4	419,858,932
30 bps - <40 bps	4	128,463,071
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,060,317
60 bps - <80 bps	2	38,304,412
80 bps - <100 bps	1	18,064,080
100 bps - <120 bps	5	148,005,609
120 bps - <140 bps	1	8,033,145
140 bps +	2	43,436,281
Total	20	849,225,848
Weighted average (bps)		57.58

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	3	62,024,843
500 units - <1,000 units	4	182,410,922
1,000 units - <2,000 units	5	55,918,183
2,000 units - <3,000 units	2	75,540,346
3,000 units - <4,000 units	2	72,224,884
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	382,042,630
10,000 units - <15,000 units	1	19,064,040
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	20	849,225,848
Weighted average (units)		3,849

**HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 3 2022**

Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	6	167,405,220
5 years - <10 years	3	39,982,317
10 years - <15 years	5	383,518,883
15 years - <20 years	6	258,319,428
20 years - <25 years	0	0
Total	20	849,225,848
Weighted average (years)		11.0

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	14,093,854
2016 - 2018	5	228,634,547
2018 - present	14	606,497,448
Total	20	849,225,848
Weighted average (date)		Jan-2020

Rank	Balance	Percentage
1	265,858,934	31.31%
2	76,022,115	8.95%
3	70,907,318	8.35%
4	70,544,946	8.31%
5	64,400,501	7.58%
6	45,060,317	5.31%
7	40,161,581	4.73%
8	32,881,312	3.87%
9	32,356,830	3.81%
10	30,480,029	3.59%

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	3
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	15
			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	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	5	0	13
Total	5	0	15
			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	11,079,452
115% - <120%	0	0	70,907,318
120% - <125%	0	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	144,601,409	0	622,637,670
Total	144,601,409	0	704,624,439
			849,225,848

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.