

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

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

Date of Report 15-Dec-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	7,387,170
Principal GIC Sub-Account	106,168,923
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	113,556,092

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	101
Transaction Account Total	101

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?

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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	573,964,275
B = Unapplied Principal Receipts	106,168,923
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	7,620,992

Total: A+B+C+D+E-X **672,512,205**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	68.53%
Maximum Level of Issuance	80.30%
Current Level of Issuance	59.70%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	837,537,246
Number of Loan Agreements in the Portfolio	19
Average Loan Balance	44,080,908

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	94,109,151	11.2%	2	5
East Midlands	105,434,499	12.6%	3	12
London	70,696,662	8.4%	2	2
North East	0	0.0%	0	0
North West	112,691,930	13.5%	5	17
South East	280,176,669	33.5%	2	5
South West	141,548,435	16.9%	4	7
Wales	32,879,902	3.9%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	837,537,246	100.0%	19	51

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	4	419,929,696
30 bps - <40 bps	4	128,466,562
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,076,835
60 bps - <80 bps	2	37,294,589
80 bps - <100 bps	2	20,057,760
100 bps - <120 bps	4	146,120,924
120 bps - <140 bps	1	8,033,145
140 bps +	1	32,557,735
Total	19	837,537,246
Weighted average (bps)		55.60

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	2	50,972,835
500 units - <1,000 units	4	182,655,303
1,000 units - <2,000 units	5	55,729,646
2,000 units - <3,000 units	2	75,551,988
3,000 units - <4,000 units	2	71,238,497
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	382,321,989
10,000 units - <15,000 units	1	19,066,987
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	19	837,537,246
Weighted average (units)		3,894

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	5	137,571,110
5 years - <10 years	5	363,707,239
10 years - <15 years	5	188,605,867
15 years - <20 years	4	147,653,030
20 years - <25 years	0	0
Total	19	837,537,246
Weighted average (years)		10.4

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	14,092,405
2016 - 2018	5	228,760,284
2018 - present	13	594,684,557
Total	19	837,537,246
Weighted average (date)		Jan-2020

Rank	Balance	Percentage
1	266,084,264	31.77%
2	76,016,217	9.08%
3	70,911,937	8.47%
4	70,585,178	8.43%
5	64,419,062	7.69%
6	45,076,835	5.38%
7	40,221,508	4.80%
8	32,879,902	3.93%
9	32,557,735	3.89%
10	30,475,154	3.64%

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	0
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	0
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	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	0
115% - <120%	0	0	70,911,937
120% - <125%	0	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	143,639,429	0	622,985,879
Total	143,639,429	0	693,897,817
			837,537,246

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.