

HBOS Social Housing Covered Bonds LLP
Quarterly Investor Report - 15 March 2023

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**HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 1 2023**

Date of Report 15-Mar-2023

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	9,827,437
Principal GIC Sub-Account	121,397,708
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	131,225,145

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	102
Transaction Account Total	102

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	471,680,332
Capital Account - Addison Social Housing LLP	0
Total	471,680,332

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	483,739,056
B = Unapplied Principal Receipts	121,397,708
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	4,614,921

Total: A+B+C+D+E-X **600,521,842**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	56.57%
Maximum Level of Issuance	70.23%
Current Level of Issuance	58.47%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	855,115,884
Number of Loan Agreements in the Portfolio	20
Average Loan Balance	42,755,794

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	104,766,384	12.3%	3	7
East Midlands	106,104,982	12.4%	3	12
London	85,825,033	10.0%	2	3
North East	0	0.0%	0	0
North West	106,452,126	12.4%	5	16
South East	280,325,255	32.8%	2	5
South West	139,166,847	16.3%	4	7
Wales	32,475,258	3.8%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	855,115,884	100.0%	20	53

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	2	337,041,854
30 bps - <40 bps	7	223,077,026
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,088,033
60 bps - <80 bps	2	37,284,230
80 bps - <100 bps	2	16,535,101
100 bps - <120 bps	4	155,676,616
120 bps - <140 bps	1	8,021,797
140 bps +	1	32,391,227
Total	20	855,115,884
Weighted average (bps)		56.29

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	2	46,102,709
500 units - <1,000 units	4	179,987,127
1,000 units - <2,000 units	5	55,607,553
2,000 units - <3,000 units	3	90,683,362
3,000 units - <4,000 units	2	66,062,856
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	397,604,385
10,000 units - <15,000 units	1	19,067,893
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	20	855,115,884
Weighted average (units)		3,931

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QUARTERLY REPORT - QUARTER 1 2023**

Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	7	208,022,805
5 years - <10 years	4	320,822,310
10 years - <15 years	4	126,813,960
15 years - <20 years	5	199,456,809
20 years - <25 years	0	0
Total	20	855,115,884
Weighted average (years)		9.7

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	1	14,089,507
2016 - 2018	5	242,353,512
2018 - present	14	598,672,865
Total	20	855,115,884
Weighted average (date)		Jan-2020

Rank	Balance	Percentage
1	266,235,748	31.13%
2	76,009,007	8.89%
3	70,806,106	8.28%
4	68,192,093	7.97%
5	59,244,028	6.93%
6	55,359,630	6.47%
7	45,088,033	5.27%
8	32,475,258	3.80%
9	32,391,227	3.79%
10	30,465,403	3.56%

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	3
125% - <130%	0	0	0
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	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	14
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	0
115% - <120%	0	0	70,806,106
120% - <125%	0	0	0
125% - <130%	0	0	0
130% - <135%	0	0	0
135% - <140%	0	0	0
140% +	137,616,563	0	646,693,215
Total	137,616,563	0	717,499,321
			855,115,884

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.