

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

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**HBOS SOCIAL HOUSING COVERED BONDS LLP  
QUARTERLY REPORT - QUARTER 2 2023**

**Date of Report** 15-Jun-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	10,597,276
Principal GIC Sub-Account	177,608,505
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
<b>GIC Account Total</b>	<b>188,205,781</b>

**Transaction Accounts**

Transaction Principal Account	0
Transaction Revenue Account	30,925
<b>Transaction Account Total</b>	<b>30,925</b>

**Investments**

Substitution Assets Balance	0
Authorised Investments Balance	0
<b>Total</b>	<b>0</b>

**Capital Contribution Balance**

Capital Account - Bank of Scotland	484,482,226
Capital Account - Addison Social Housing LLP	0
<b>Total</b>	<b>484,482,226</b>

**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	459,149,924
B = Unapplied Principal Receipts	177,608,505
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	4,306,366

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**Total: A+B+C+D+E-X** **632,452,064**


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Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	56.57%
Maximum Level of Issuance	77.92%
Current Level of Issuance	61.60%

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**Portfolio Characteristics**

Total of the aggregate Current Balance of Loans in the Portfolio	811,649,150
Number of Loan Agreements in the Portfolio	17
Average Loan Balance	47,744,068

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	108,090,012	13.3%	3	8
East Midlands	70,826,601	8.7%	1	5
London	85,892,357	10.6%	2	3
North East	0	0.0%	0	0
North West	109,577,604	13.5%	5	15
South East	266,357,710	32.8%	1	1
South West	139,028,046	17.1%	4	7
Wales	31,876,820	3.9%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
<b>Totals</b>	<b>811,649,150</b>	<b>100.0%</b>	<b>17</b>	<b>42</b>

**Margin**

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	3	349,116,199
30 bps - <40 bps	5	199,992,519
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,104,053
60 bps - <80 bps	2	37,296,411
80 bps - <100 bps	2	25,681,586
100 bps - <120 bps	4	154,458,383
120 bps - <140 bps	0	0
140 bps +	0	0
<b>Total</b>	<b>17</b>	<b>811,649,150</b>
<b>Weighted average (bps)</b>		<b>50.23</b>

**Property Numbers**

Property Numbers	No. Facilities	Balance
0 units - <500 units	1	31,876,820
500 units - <1,000 units	4	101,915,582
1,000 units - <2,000 units	3	101,307,958
2,000 units - <3,000 units	3	119,322,110
3,000 units - <4,000 units	2	37,296,411
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	401,066,396
10,000 units - <15,000 units	1	18,863,874
15,000 units - <20,000 units	0	0
20,000 units +	0	0
<b>Total</b>	<b>17</b>	<b>811,649,150</b>
<b>Weighted average (units)</b>		<b>4,130</b>

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**QUARTERLY REPORT - QUARTER 2 2023**

**Portfolio Characteristics (cont)**

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	6	155,126,770
5 years - <10 years	2	298,234,530
10 years - <15 years	6	244,984,252
15 years - <20 years	3	113,303,598
20 years - <25 years	0	0
<b>Total</b>	<b>17</b>	<b>811,649,150</b>
<b>Weighted average (years)</b>		<b>10.3</b>

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	0	0
2016 - 2018	0	0
2018 - present	17	811,649,150
<b>Total</b>	<b>17</b>	<b>811,649,150</b>
<b>Weighted average (date)</b>		<b>Dec-2021</b>

Rank	Balance	Percentage
1	266,357,710	32.82%
2	79,291,482	9.77%
3	70,826,601	8.73%
4	68,238,863	8.41%
5	59,069,816	7.28%
6	55,417,204	6.83%
7	45,104,053	5.56%
8	31,876,820	3.93%
9	30,475,154	3.75%
10	18,863,874	2.32%

**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	0
105% - <110%	2	0	3
110% - <115%	2	0	0
115% - <120%	0	0	4
120% - <125%	0	0	4
125% - <130%	1	0	0
130% - <135%	0	0	0
135% - <140%	0	0	1
140% +	0	0	0
<b>Total</b>	<b>5</b>	<b>0</b>	<b>12</b>
			<b>17</b>

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	0
120% - <125%	0	0	1
125% - <130%	0	0	0
130% - <135%	1	0	0
135% - <140%	0	0	0
140% +	4	0	11
<b>Total</b>	<b>5</b>	<b>0</b>	<b>12</b>
			<b>17</b>

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	0
120% - <125%	0	0	70,826,601
125% - <130%	0	0	0
130% - <135%	18,450,059	0	0
135% - <140%	0	0	0
140% +	146,161,234	0	576,211,257
<b>Total</b>	<b>164,611,293</b>	<b>0</b>	<b>647,037,858</b>
			<b>811,649,150</b>

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.