

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

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**HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 3 2023**

Date of Report 15-Sep-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	11,906,751
Principal GIC Sub-Account	237,623,680
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	249,530,432

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	62,433
Transaction Account Total	62,433

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	555,744,561
Capital Account - Addison Social Housing LLP	0
Total	555,744,561

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	466,047,747
B = Unapplied Principal Receipts	237,623,680
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	3,997,810

Total: A+B+C+D+E-X **699,673,617**

Principal Amount Outstanding	500,000,000
Asset Coverage Test	PASS
Asset Percentage	56.57%
Maximum Level of Issuance	84.93%
Current Level of Issuance	60.69%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	823,842,578
Number of Loan Agreements in the Portfolio	16
Average Loan Balance	51,490,161

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	108,199,066	13.1%	3	7
East Midlands	69,357,486	8.4%	1	5
London	158,277,918	19.2%	2	6
North East	0	0.0%	0	0
North West	50,336,974	6.1%	4	8
South East	266,677,336	32.4%	1	1
South West	139,104,709	16.9%	4	7
Wales	31,889,088	3.9%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
Totals	823,842,578	100.0%	16	37

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	2	81,091,697
30 bps - <40 bps	6	466,822,774
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,127,024
60 bps - <80 bps	2	37,311,037
80 bps - <100 bps	2	25,714,392
100 bps - <120 bps	3	167,775,655
120 bps - <140 bps	0	0
140 bps +	0	0
Total	16	823,842,578
Weighted average (bps)		52.76

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	1	31,889,088
500 units - <1,000 units	4	101,794,279
1,000 units - <2,000 units	3	99,861,821
2,000 units - <3,000 units	2	60,307,040
3,000 units - <4,000 units	2	37,311,037
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	473,806,954
10,000 units - <15,000 units	1	18,872,359
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	16	823,842,578
Weighted average (units)		4,366

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	4	77,662,672
5 years - <10 years	1	266,677,336
10 years - <15 years	5	246,394,627
15 years - <20 years	6	233,107,943
20 years - <25 years	0	0
Total	16	823,842,578
Weighted average (years)		12.5

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	0	0
2016 - 2018	0	0
2018 - present	16	823,842,578
Total	16	823,842,578
Weighted average (date)		Feb-2022

Rank	Balance	Percentage
1	266,677,336	32.37%
2	127,788,138	15.51%
3	79,341,480	9.63%
4	69,357,486	8.42%
5	68,284,069	8.29%
6	45,127,024	5.48%
7	31,889,088	3.87%
8	30,489,780	3.70%
9	18,872,359	2.29%
10	18,467,513	2.24%

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%	1	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
Total	4	0	12
			16

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	1
130% - <135%	1	0	0
135% - <140%	0	0	1
140% +	3	0	9
Total	4	0	12
			16

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	69,357,486
125% - <130%	0	0	127,788,138
130% - <135%	18,467,513	0	0
135% - <140%	0	0	266,677,336
140% +	87,142,148	0	254,409,957
Total	105,609,661	0	718,232,917
			823,842,578

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.