

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

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**HBOS SOCIAL HOUSING COVERED BONDS LLP**  
**QUARTERLY REPORT - QUARTER 4 2023**

**Date of Report** 15-Dec-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	15,216,386
Principal GIC Sub-Account	239,040,155
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
<b>GIC Account Total</b>	<b>254,256,541</b>

**Transaction Accounts**

Transaction Principal Account	0
Transaction Revenue Account	91
<b>Transaction Account Total</b>	<b>91</b>

**Investments**

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

**Capital Contribution Balance**

Capital Account - Bank of Scotland	559,545,138
Capital Account - Addison Social Housing LLP	0
<b>Total</b>	<b>559,545,138</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	467,169,571
B = Unapplied Principal Receipts	239,040,155
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	3,692,608

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**Total: A+B+C+D+E-X** **702,517,118**

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Principal Amount Outstanding	500,000,000
Asset Coverage Test	<b>PASS</b>
Asset Percentage	56.57%
Maximum Level of Issuance	85.07%
Current Level of Issuance	60.55%

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**Portfolio Characteristics**

Total of the aggregate Current Balance of Loans in the Portfolio	825,825,651
Number of Loan Agreements in the Portfolio	16
Average Loan Balance	51,614,103

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	112,017,919	13.6%	3	7
East Midlands	69,349,610	8.4%	1	5
London	157,933,390	19.1%	2	2
North East	0	0.0%	0	0
North West	50,138,552	6.1%	4	8
South East	266,621,251	32.3%	1	1
South West	137,878,423	16.7%	4	7
Wales	31,886,506	3.9%	1	3
West Midlands	0	0.0%	0	0
Yorkshire & The Humber	0	0.0%	0	0
<b>Totals</b>	<b>825,825,651</b>	<b>100.0%</b>	<b>16</b>	<b>33</b>

**Margin**

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	0	0
25 bps - <30 bps	2	80,884,546
30 bps - <40 bps	6	470,559,264
40 bps - <50 bps	0	0
50 bps - <60 bps	1	45,127,081
60 bps - <80 bps	2	36,102,411
80 bps - <100 bps	2	25,720,224
100 bps - <120 bps	3	167,432,125
120 bps - <140 bps	0	0
140 bps +	0	0
<b>Total</b>	<b>16</b>	<b>825,825,651</b>
<b>Weighted average (bps)</b>		<b>52.65</b>

**Property Numbers**

Property Numbers	No. Facilities	Balance
0 units - <500 units	1	5,617,506
500 units - <1,000 units	3	33,313,631
1,000 units - <2,000 units	5	259,191,082
2,000 units - <3,000 units	2	60,311,533
3,000 units - <4,000 units	1	30,484,905
4,000 units - <5,000 units	0	0
5,000 units - <10,000 units	3	418,035,864
10,000 units - <15,000 units	1	18,871,130
15,000 units - <20,000 units	0	0
20,000 units +	0	0
<b>Total</b>	<b>16</b>	<b>825,825,651</b>
<b>Weighted average (units)</b>		<b>4,566</b>

**HBOS SOCIAL HOUSING COVERED BONDS LLP**  
**QUARTERLY REPORT - QUARTER 4 2023**

**Portfolio Characteristics (cont)**

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	6	163,195,336
5 years - <10 years	1	266,621,251
10 years - <15 years	4	177,565,460
15 years - <20 years	5	218,443,604
20 years - <25 years	0	0
<b>Total</b>	<b>16</b>	<b>825,825,651</b>
<b>Weighted average (years)</b>		<b>10.9</b>

Last Valuation	No. Facilities	Balance
2012 - 2014	0	0
2014 - 2016	0	0
2016 - 2018	0	0
2018 - present	16	825,825,651
<b>Total</b>	<b>16</b>	<b>825,825,651</b>
<b>Weighted average (date)</b>		<b>May-2022</b>

Rank	Balance	Percentage
1	266,621,251	32.29%
2	127,448,485	15.43%
3	83,151,906	10.07%
4	69,349,610	8.40%
5	68,262,706	8.27%
6	45,127,081	5.46%
7	31,886,506	3.86%
8	30,484,905	3.69%
9	18,871,130	2.29%
10	18,467,819	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	3
120% - <125%	0	0	5
125% - <130%	1	0	0
130% - <135%	0	0	0
135% - <140%	0	0	1
140% +	0	0	0
<b>Total</b>	<b>4</b>	<b>0</b>	<b>12</b>
			<b>16</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	1
120% - <125%	0	0	1
125% - <130%	0	0	0
130% - <135%	1	0	0
135% - <140%	0	0	1
140% +	3	0	9
<b>Total</b>	<b>4</b>	<b>0</b>	<b>12</b>
			<b>16</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	127,448,485
120% - <125%	0	0	69,349,610
125% - <130%	0	0	0
130% - <135%	18,467,819	0	0
135% - <140%	0	0	266,621,251
140% +	85,918,875	0	258,019,611
<b>Total</b>	<b>104,386,694</b>	<b>0</b>	<b>721,438,957</b>
			<b>825,825,651</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.