

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 2 2009

Date of Report 15-Jun-2009

Current Counterparties

Group Guarantor	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

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	3,051,763,887
B = Unapplied Principal Receipts	0
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	75,965,971

Total: A+B+C+D+E-X **2,975,797,916**

Principal Amount Outstanding	2,900,000,000
Asset Coverage Test	PASS
Asset Percentage	87.50%
Maximum Level of Issuance	85.32%
Current Level of Issuance	83.15%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	3,487,730,157
Number of Loan Agreements in the Portfolio	77
Average Loan Balance	45,295,197

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	236,343,443	6.8%	4	22
East Midlands	226,765,545	6.5%	3	42
London	710,856,181	20.4%	16	80
North East	15,513,272	0.4%	1	6
North West	276,416,197	7.9%	13	75
South East	1,061,640,975	30.4%	14	127
South West	398,985,241	11.4%	12	77
Wales	42,547,326	1.2%	3	20
West Midlands	468,459,762	13.4%	9	66
Yorkshire & The Humber	50,202,215	1.4%	2	13
Totals	3,487,730,157	100.0%	77	528

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GIC Sub Accounts

Revenue GIC Sub-Account	33,420,997
Principal GIC Sub-Account	75,798,881
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	109,219,878

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	194,303
Transaction Account Total	194,303

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	656,655,034
Capital Account - Addison Social Housing LLP	0
Total	656,655,034

Credit Ratings

	Short Term		Long Term	
	Moody's	S&P	Moody's	S&P
Bank of Scotland plc	P-1	A-1	Aa3	A+

HBOS Event of Default?

LLP Event of Default?