

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 3 2009

Date of Report 15-Sep-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	2,995,831,505
B = Unapplied Principal Receipts	0
C = Unapplied Cash Capital Contributions	75,798,881
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	73,991,214

Total: A+B+C+D+E-X **2,997,639,171**

Principal Amount Outstanding	2,900,000,000
Asset Coverage Test	PASS
Asset Percentage	86.00%
Maximum Level of Issuance	86.05%
Current Level of Issuance	83.25%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	3,483,525,006
Number of Loan Agreements in the Portfolio	76
Average Loan Balance	45,835,855

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	238,491,258	6.8%	4	23
East Midlands	233,720,396	6.7%	3	34
London	714,387,131	20.5%	16	77
North East	15,504,170	0.4%	1	7
North West	266,448,856	7.6%	13	63
South East	1,067,633,440	30.6%	14	105
South West	400,796,295	11.5%	12	76
Wales	40,548,328	1.2%	2	19
West Midlands	455,817,662	13.1%	9	65
Yorkshire & The Humber	50,177,470	1.4%	2	12
Totals	3,483,525,006	100.0%	76	481

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GIC Sub Accounts

Revenue GIC Sub-Account	30,721,579
Principal GIC Sub-Account	52,354,320
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	83,075,899

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	59
Transaction Account Total	59

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	693,958,931
Capital Account - Addison Social Housing LLP	0
Total	693,958,931

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?