

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 4 2009

Date of Report 15-Dec-2009

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

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	2,966,132,562
B = Unapplied Principal Receipts	0
C = Unapplied Cash Capital Contributions	128,153,201
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	72,037,922

Total: A+B+C+D+E-X **3,022,247,840**

Principal Amount Outstanding	2,900,000,000
Asset Coverage Test	PASS
Asset Percentage	86.00%
Maximum Level of Issuance	87.63%
Current Level of Issuance	84.08%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	3,448,991,351
Number of Loan Agreements in the Portfolio	75
Average Loan Balance	45,986,551

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	242,427,746	7.0%	4	26
East Midlands	237,753,468	6.9%	3	34
London	719,055,600	20.8%	16	83
North East	15,502,295	0.4%	1	7
North West	281,580,456	8.2%	13	66
South East	997,700,862	28.9%	13	105
South West	402,455,931	11.7%	12	76
Wales	41,195,906	1.2%	2	20
West Midlands	461,141,211	13.4%	9	66
Yorkshire & The Humber	50,177,876	1.5%	2	12
Totals	3,448,991,351	100.0%	75	495

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GIC Sub Accounts

Revenue GIC Sub-Account	28,993,314
Principal GIC Sub-Account	223,131,574
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	252,124,888

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	60
Transaction Account Total	60

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	755,064,939
Capital Account - Addison Social Housing LLP	0
Total	755,064,939

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?