

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 1 2010

Date of Report 15-Mar-2010

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	2,914,588,239
B = Unapplied Principal Receipts	0
C = Unapplied Cash Capital Contributions	223,131,574
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	69,737,945

Total: A+B+C+D+E-X **3,067,981,868**

Principal Amount Outstanding	2,400,000,000
Asset Coverage Test	PASS
Asset Percentage	86.00%
Maximum Level of Issuance	90.53%
Current Level of Issuance	70.82%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	3,389,056,092
Number of Loan Agreements in the Portfolio	73
Average Loan Balance	46,425,426

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	244,461,351	7.2%	4	22
East Midlands	318,775,897	9.4%	4	51
London	693,760,721	20.5%	16	84
North East	15,496,859	0.5%	1	7
North West	263,545,247	7.8%	11	65
South East	979,510,336	28.9%	13	112
South West	401,579,421	11.8%	12	79
Wales	41,194,274	1.2%	2	20
West Midlands	380,565,089	11.2%	8	46
Yorkshire & The Humber	50,166,897	1.5%	2	12
Totals	3,389,056,092	100.0%	73	498

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GIC Sub Accounts

Revenue GIC Sub-Account	29,601,549
Principal GIC Sub-Account	356,600,691
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	386,202,240

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	61
Transaction Account Total	61

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	1,324,760,424
Capital Account - Addison Social Housing LLP	0
Total	1,324,760,424

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?

NO

LLP Event of Default?

NO