

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 4 2010

Date of Report 15-Dec-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	2,914,816,856
B = Unapplied Principal Receipts	0
C = Unapplied Cash Capital Contributions	463,404,751
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	64,692,890

Total: A+B+C+D+E-X **3,313,528,717**

Principal Amount Outstanding	2,400,000,000
Asset Coverage Test	PASS
Asset Percentage	86.00%
Maximum Level of Issuance	97.76%
Current Level of Issuance	70.81%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	3,389,321,926
Number of Loan Agreements in the Portfolio	72
Average Loan Balance	47,073,916

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	256,820,625	7.6%	4	23
East Midlands	339,996,345	10.0%	4	59
London	705,096,201	20.8%	16	84
North East	17,197,722	0.5%	1	10
North West	241,939,787	7.1%	11	63
South East	967,431,660	28.5%	13	138
South West	383,240,411	11.3%	11	66
Wales	48,944,109	1.4%	2	17
West Midlands	378,476,128	11.2%	8	45
Yorkshire & The Humber	50,178,939	1.5%	2	13
Totals	3,389,321,926	100.0%	72	518

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GIC Sub Accounts

Revenue GIC Sub-Account	29,646,589
Principal GIC Sub-Account	535,871,143
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	565,517,731

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	64
Transaction Account Total	64

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	1,514,930,930
Capital Account - Addison Social Housing LLP	0
Total	1,514,930,930

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