

HBOS SOCIAL HOUSING COVERED BONDS LLP
QUARTERLY REPORT - QUARTER 4 2017

Date of Report 15-Dec-2017

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

GIC Sub Accounts

Revenue GIC Sub-Account	16,019,300
Principal GIC Sub-Account	227,326,881
Reserve GIC Sub-Account	0
Liquidation GIC Sub-Account	0
GIC Account Total	243,346,181

Transaction Accounts

Transaction Principal Account	0
Transaction Revenue Account	81
Transaction Account Total	81

Investments

Substitution Assets Balance	0
Authorised Investments Balance	0
Total	0

Capital Contribution Balance

Capital Account - Bank of Scotland	694,812,252
Capital Account - Addison Social Housing LLP	0
Total	

Credit Ratings

694812252.2

	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?

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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	1,361,853,181
B = Unapplied Principal Receipts	227,326,881
C = Unapplied Cash Capital Contributions	0
D = Substitution Assets	0
E = Sale Proceeds	0
X = Outstanding Weighted Average Margin	22,693,328

Total: A+B+C+D+E-X **1,566,486,735**

Principal Amount Outstanding	1,200,000,000
Asset Coverage Test	PASS
Asset Percentage	81.87%
Maximum Level of Issuance	94.17%
Current Level of Issuance	72.14%

Portfolio Characteristics

Total of the aggregate Current Balance of Loans in the Portfolio	1,663,433,714
Number of Loan Agreements in the Portfolio	48
Average Loan Balance	34,654,869

Region	Aggregate Current Balance	% of Total	Number of Loan Agreements	Number of Loan Accounts
East	138,410,838	8.3%	4	11
East Midlands	336,172,498	20.2%	6	47
London	264,421,143	15.9%	8	35
North East	0	0.0%	0	0
North West	189,468,261	11.4%	7	41
South East	274,038,249	16.5%	4	31
South West	265,035,979	15.9%	10	44
Wales	92,964,758	5.6%	5	35
West Midlands	100,781,614	6.1%	3	16
Yorkshire & The Humber	2,140,374	0.1%	1	1
Totals	1,663,433,714	100.0%	48	261

Margin

Weighted Average Margin	No. Facilities	Balance
20 bps - <25 bps	4	288,489,102
25 bps - <30 bps	10	549,959,625
30 bps - <40 bps	6	128,234,345
40 bps - <50 bps	7	86,959,089
50 bps - <60 bps	1	84,533,247
60 bps - <80 bps	1	11,134,699
80 bps - <100 bps	4	161,686,221
100 bps - <120 bps	3	95,891,819
120 bps - <140 bps	2	57,820,401
140 bps +	10	198,725,165
Total	48	1,663,433,714
Weighted average (bps)		62.48

Property Numbers

Property Numbers	No. Facilities	Balance
0 units - <500 units	15	233,152,631
500 units - <1,000 units	8	352,439,744
1,000 units - <2,000 units	7	189,058,093
2,000 units - <3,000 units	6	222,959,990
3,000 units - <4,000 units	4	189,074,772
4,000 units - <5,000 units	2	129,935,702
5,000 units - <10,000 units	4	307,646,077
10,000 units - <15,000 units	2	39,166,705
15,000 units - <20,000 units	0	0
20,000 units +	0	0
Total	48	1,663,433,714
Weighted average (units)		3,046

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Portfolio Characteristics (cont)

Remaining Maturity	No. Facilities	Balance
0 years - <5 years	11	326,000,297
5 years - <10 years	8	205,250,322
10 years - <15 years	5	105,983,745
15 years - <20 years	11	462,915,778
20 years - <25 years	13	563,283,571
25 years - <30 years	0	0
30 years +	0	0
Total	48	1,663,433,714
Weighted average (years)		14.0

Last Valuation	No. Facilities	Balance
2006 - 2008	0	0
2008 - 2010	1	26,481,775
2010 - 2012	8	273,167,874
2012 - 2014	11	242,792,060
2014 - 2016	21	901,436,286
Total	48	1,663,433,714
Weighted average (date)		Feb-2015

Rank	Balance	Percentage
1	138,596,270	8.33%
2	125,158,717	7.52%
3	110,051,477	6.62%
4	92,004,403	5.53%
5	87,740,455	5.27%
6	86,877,773	5.22%
7	84,533,247	5.08%
8	75,526,787	4.54%
9	70,519,676	4.24%
10	70,121,277	4.22%

Asset Cover Analysis at Calculation Date

Asset Cover - Covenant No. of Facilities	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	2
105% - <110%	4	0	5
110% - <115%	2	1	12
115% - <120%	3	1	3
120% - <125%	0	2	7
125% - <130%	0	4	1
130% - <135%	0	1	0
135% - <140%	0	0	0
140% +	0	0	0
Total	9	9	30
			48

Asset Cover - Actual No. of Facilities	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	5
105% - <110%	0	0	3
110% - <115%	0	0	0
115% - <120%	0	0	1
120% - <125%	1	0	0
125% - <130%	1	0	1
130% - <135%	0	0	0
135% - <140%	0	2	3
140% +	7	7	17
Total	9	9	30
			48

Drawn Balance by Actual Asset Cover	Basis I	Basis II - LSVT	Basis II - Mixed- funded
100% - <105%	0	0	203,099,522
105% - <110%	0	0	113,074,401
110% - <115%	0	0	0
115% - <120%	0	0	50,280,312
120% - <125%	47,807,575	0	0
125% - <130%	21,509,248	0	84,533,247
130% - <135%	0	0	0
135% - <140%	0	13,606,180	80,202,905
140% +	237,236,477	74,496,056	737,587,790
Total	306,553,301	88,102,237	1,268,778,176
			1,663,433,714

Basis I = Existing Usage Valuation (EUV), which provides a valuation of the housing stock based on current occupancy levels.
 Basis II LSVT = Market Valuation subject to Tenancies (MVT), which provides a valuation of the housing stock based on full occupancy levels.
 Basis II - Mixed-funded = Housing stock is valued on Basis I and Basis II - LSVT, as above.