



## Tesco Property Finance 1 plc

£ 430,650,000 Secured 7.6227 per cent. Bonds due 15 October 2039

Issuer and Partnership Quarterly Report for the period covering April 2016 - July 2016

IPD 28

Report Date	08-Jul-16
Loan Interest Payment Date	11-Jul-16
Calculation Date	08-Jul-16
Interest Payment Date	13-Jul-16

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 1 plc, The Tesco Blue Limited Partnership, The Teesport Limited Partnership, Tesco Blue (Nominee 1) Limited, Tesco Blue (Nominee 2) Limited, Tesco Blue (GP) Limited and Teesport (GP) Limited.

**1. Partnership Rent Account 69601986**

Opening Balance			
			0.00 Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
22-Jun-16	Rent Received	6,605,378.65	Cr
11-Jul-16	To Partnership Transaction Account	6,605,378.65	Dr
Closing Balance			0.00 Cr

**2. Partnership VAT Account 69601943**

Opening Balance			
			1,350,146.89 Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
27-Jan-16	HMRC	1,297,658.17	Dr
23-Mar-16	Rent	1,321,075.76	Cr
11-Jul-16	To Partnership Account	-	Dr
Closing Balance			1,373,564.48 Cr

**3. Partnership Transaction Account 69601935**

Opening Balance			
			521,370.71 Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-16	Credit Interest on Partnership Accounts	976.85	Cr
11-Jul-16	Credit from Partnership Rent Account	6,605,378.65	Cr
11-Jul-16	Partnership Swap	948,522.90	Cr
11-Jul-16	Security Trustee Fee	1,500.00	Dr
11-Jul-16	Expenses	18,384.10	Dr
11-Jul-16	Ongoing Fee	11,384.42	Dr
11-Jul-16	Partnership Debt	6,195,454.24	Dr
11-Jul-16	Loan Advance	-	Cr
11-Jul-16	Partnership Debt Principal	1,585,928.67	Dr
11-Jul-16	Property Pool Manager Fee	43,117.08	Dr
11-Jul-16	To Partnership Distribution Account	59,642.94	Dr
11-Jul-16	Interpartnership Loan Principal	366,783.05	Cr
Closing Balance			527,620.71 Cr

**4. General Partner Corporation Tax Reserve Account 69601978**

Opening Balance			
			0.00 Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
Closing Balance			0.00 Cr

**4A. Partnership Expenses Reserve Ledger - Max GBP 400,000.00**

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
11/07/2016	Ledger Receipts to date	400,000.00	
	Balance	400,000.00	Cr

**5. Partnership Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
11-Jul-16	<b>Partnership Available Funds</b>		
	a Rental Income		6,605,378.65
	b Principal from Teesport Partnership pursuant to Interpartnership Loan		366,783.05
	c Funds from Issuer under Partnership Swaps		7,414,677.67
	d Received from Issuer Holdco Teesport Gen Partner or Tessport JPUT		0.00
	e From Partnership VAT Account		
	f From Partnership Disposal Proceeds Account		
	g From Partnership Insurance Proceeds Account		
	h Interest received by the Partnership Accounts and Rent Account		976.85
	i Eligible Investment Earnings by Partnership		
	j Teesport Indirect Interest as notified by Teesport GP or Teesport JPUT		
	k Advance under Committed Subordinated Loan Agreement		
	l Net proceeds of a CPO Disposal or a Mortgage Property		
	m Net proceeds of a disposal of a Mortgage Property		
	n Any net proceeds of a disposal of the Teesport Indirect Interest		
	o Any other sums standing to the credit of the Partnership Transaction Ac		0.00
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee , Issuer Operating Fee, Issuer Profit (Ongoing Partnership Facility Fee)	7,303.98	
	c Partnership Operating Expenses	18,384.10	
	c Teesport JPUT Trustee Operating Expenses	0.00	
	d Partnership Operator Fee	0.00	
	d Property Advisor Fee	-	
	d Nominees Corporate Services Provider Fee	0.00	
	d Nominees Holdco Corporate Services Provider Fee	0.00	
	d Depot Propco Corporate Services Provider Fee	0.00	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	d Account Bank Fee	-	
	d Cash Manager Fee	-	
	d Account Bank, PPA CM, Issuer CSP Fee (Ongoing Partnership Facility Fee)	4,080.44	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment	6,250.00	
	f Partnership Debt Interest	6,195,454.24	
	f Partnership Swap payment	6,466,154.77	
	g Interpartnership Loan Advance	0.00	
	g Partnership Debt Principal	1,585,928.67	
	h Partnership Swap Termination Amount	-	
	i Property Pool Manager Fee	43,117.08	
	j Partnership Expenses Ledger payment	0.00	
	k Alteration Adjustment Rent	-	
	k Substitution Adjustment Rent	-	
	l Committed Subordinated Loan payment	-	
	m Remaining Partnership Loan Notes payment	-	
	n Partnership Distribution Account	59,642.94	
	<b>Totals</b>	<b>14,387,816.22</b>	<b>14,387,816.22</b>

**6. Teesport Rent Account 69601994**

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance		0.00 Cr
22-Jun-16	Rent Received	1,560,475.94	Cr
11-Jul-16	Transfer to Transaction Account.	1,560,475.94	Dr
	Closing Balance		0.00 Cr

7. Teesport VAT Account 69602019			
Opening Balance		315,284.46 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Apr-16	VAT Payment	308,133.98	Dr
22-Jun-16	VAT Funding	312,095.19	Cr
Closing Balance		319,245.67 Cr	

8. Teesport Transaction Account 69602000			
Opening Balance		100,000.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Apr-16	Credit Interest	291.04	Cr
11-Jul-16	Credit from Teesport Partnership Rent Account	1,560,475.94	Cr
11-Jul-16	Transfer from VAT	-	Cr
11-Jul-16	Swaps	225,529.47	Cr
11-Jul-16	Security Trustee Fee	1,646.02	Dr
11-Jul-16	Expenses	21,942.76	Dr
11-Jul-16	Loan Interest and Principal	1,396,198.23	Dr
11-Jul-16	Teesport Partnership Distribution	0.00	Dr
11-Jul-16	Interpartnership Loan Principal	366,783.05	Dr
Closing Balance		99,726.39 Cr	

9. Teesport General Partner Corporation Tax Reserve Account 69602035			
Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
Closing Balance		0.00 Cr	

9A. Teesport Partnership Expenses Reserve Ledger - Max GBP 100,000.00			
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
11/07/2016	Ledger Receipts to date	100,000.00	
		-	
Balance		100,000.00 Cr	

10. Development Reserve Account 69602043			
Opening Balance		0.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
Closing Balance		0.00 Cr	

## 11. Teesport Partnership Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
11-Jul-16	<b>Teesport Partnership Available Funds</b>		
	a Rental Income		1,560,475.94
	b Advance from Partnership to the Teesport Partnership per Interpart Loan		0.00
	c Funds from Issuer under Teesport Partnership Swaps		1,762,981.28
	d From Teesport Partnership VAT Account		-
	e From Teesport Partnership Disposal Proceeds Account		-
	f From Teesport Partnership Insurance Proceeds Account		-
	g Interest received by the Teesport Partnership Accounts and Rent Account		-
	h Eligible Investment Earnings by Teesport Partnership		291.04
	i Advance under Committed Subordinated Loan Agreement		-
	j Net proceeds of a CPO Disposal or a Mortgage Property		-
	k Net proceeds of a disposal of Teesport Distribution Centre		-
	l Any other sums standing to the credit of the Teesport Partnership		
	Transaction Ac		273.61
	<b>Teesport Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	-	
	b Issuer Security Trustee Fee, Bond Trustee Fee Issuer Operating Fee, Issuer Profit (Ongoing Teesport Partnership Facility Fee)	1,646.02	
	c Teesport Partnership Operating Expenses	21,023.20	
	d Teesport Partnership Operator Fee	0.00	
	d Property Advisor Fee	-	
	d Nominees Corporate Services Provider Fee	-	
	d Nominees Holdco Corporate Services Provider Fee	-	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	d Account Bank Fee	-	
	d Cash Manager Fee	-	
	d Issuer/Issuer Holdco CSP Fee, Paying Agent Account Bank, Cash Manager (Ongoing Teesport Partnership Facility Fee)	919.56	
	d Teesport Distribution Centre Ground Rent payment	-	
	e Teesport Partnership Loan Interest	1,396,198.23	
	e Teesport Partnership Swap payment	1,537,451.81	
	f Teesport Partnership Loan Principal	0.00	
	f Interpartnership Loan Principal	366,783.05	
	g Teesport Partnership Swap Termination Amount	-	
	h Property Pool Manager Fee	-	
	i Teesport Partnership Expenses Ledger payment	0.00	
	j Alteration Adjustment Rent	-	
	j Substitution Adjustment Rent	-	
	k Committed Subordinated Loan payment	-	
	l Teesport Partnership Distribution Account	0.00	
	<b>Totals</b>	<b>3,324,021.87</b>	<b>3,324,021.87</b>

**12. Issuer Transaction Account 69601927**

12. Issuer Transaction Account 69601927			
Opening Balance		226,188.17 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Apr-16	Credit interest	160.74	Cr
13-Jul-16	Swap	-	Dr
13-Jul-16	Loan and Debt Payments	9,177,581.14	Cr
13-Jul-16	Ongoing Fees	7,700.00	Cr
13-Jul-16	Fees of the Issuer	7,700.00	Dr
13-Jul-16	Bond Payments	9,177,580.64	Dr
13-Jul-16	Issuer Profit	6,250.00	Cr
Closing Balance		232,599.41	Cr

**13. Issuer Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jul-16			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		6,466,154.77
	b Amounts due to Issuer in respect of Partnership Debt		7,781,382.91
	b Ongoing Partnership Facility Fee		11,384.42
	c Funds Due to Issuer under Teesport Partnership Swap Agreement		1,537,451.81
	d All amounts payable to Issuer in respect of Teesport Partnership Loan		1,396,198.23
	d Ongoing Teesport Partnership Facility Fee		2,565.58
	e Any amount due to Issuer under Issuer Swap Agreement		9,177,658.95
	f Interest Received by Issuer on Transaction Account		160.24
	g Eligible Investment Earnings		
	<b>Issuer Pre-Enforcement Priority of Payments</b>		
	a Bond Trustee Fee	1,200.00	
	a Issuer Security Trustee Fee	1,500.00	
	b Issuer Operating Expenses (Reserved)	0.00	
	b Issuer Profit	6,250.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	0.00	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	7,591,652.64	
	d Bond Principal	1,585,928.00	
	d Issuer Swap Provider	8,003,606.57	
	d Partnership Swap payment	7,414,677.67	
	d Teesport Partnership Swap payment	1,762,981.28	
	e Issuer Swap Subordinated Amounts	-	
	f Issuer Partnership Swap Termination Amount	-	
	f Issuer Teesport Partnership Swap Termination Amount	-	
	g Issuer Transaction Account	160.74	
	<b>Totals</b>	26,372,956.90	26,372,956.90

## 14. Note Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
Moody's	A3
Standard and Poor's	A-
Fitch	A-
Offered Date	25-Jun-09
Expected Maturity	13-Apr-39
Issue Amount	£430,650,000
ISIN code	XS0425412227
Interest Rate	7.6227%
Current Factor	0.925045384883316
Next Factor	0.921362747010333

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