



**Tesco Property Finance 3 plc**

**£ 958,450,000 Secured 5.744 per cent. Bonds due 13 April 2040**

**Issuer and Partnership Quarterly Report for the period covering April 2013 to July 2013**

**IPD 12**

Report Date	09-Jul-13
Loan Interest Payment Date	10-Jul-13
Calculation Date	08-Jul-13
Interest Payment Date	15-Jul-13

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 3 plc, The Tesco Passaic Limited Partnership, Tesco Passaic (Nominee 1) Limited, Tesco Passaic (Nominee 2) Limited and Tesco Passaic (GP) Limited.

**1. Partnership Rent Account 70295444**

Opening Balance		0.03 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jul-10	Initial Deposit on Closing Date	5,000.00	Cr
20-Jun-13	Rent	13,694,529.62	Cr
10-Jul-13	To Partnership Transaction Account	13,694,529.62	Dr
Closing Balance		5,000.03	Cr

**2. Partnership VAT Account 70295460**

Opening Balance		2,656,615.13 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Apr-13	VAT Payment	2,653,729.94	Dr
20-Jun-13	VAT Funding	2,738,905.96	Cr
Closing Balance		2,741,791.15	Cr

**3. Partnership Transaction Account 70295452**

Opening Balance		192,277.14 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
08-Apr-13	Credit Interest	1,630.43	Cr
10-Jul-13	Transfer from Rent	13,694,529.62	Cr
10-Jul-13	Trustee Fee	1,500.00	Dr
10-Jul-13	Ongoing Fee	36,153.84	Dr
10-Jul-13	Expenses	27,168.63	Dr
10-Jul-13	Partnership Swap payment	1,027,559.10	Cr
10-Jul-13	Partnership Debt	14,456,591.72	Dr
10-Jul-13	Spen Hill	0.00	Dr
10-Jul-13	Transfer to General	0.00	Dr
Closing Balance		394,582.10	Cr

**4. General Partner Corporation Tax Reserve Account 70295487**

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

**5. General Partner VAT Transaction Account 70298993**

Opening Balance		164,207.30 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
08-Jul-13	Credit Interest	61.41	Cr
Closing Balance		164,268.71 Cr	

**Expense Reserve Ledger - Max GBP 500,000.00**

Date		10-Apr-13	
		94,582.10	Cr
Balance		94,582.10	

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Apr-13	<b>Partnership Available Funds</b>		
	a Rental Income		13,694,529.62
	b Funds from Issuer under Partnership Swaps		14,456,632.00
	c From Partnership VAT Account		-
	d From Partnership Disposal Proceeds Account		-
	e From Partnership Insurance Proceeds Account		-
	f Interest received by the Partnership Accounts and Rent Account		1,630.43
	g Eligible Investment Earnings by Partnership		-
	h Advance under Committed Subordinated Loan Agreement		-
	i Net proceeds of a CPO Disposal or a Mortgage Property		-
	j Net proceeds of a disposal of a Mortgage Property		-
	k Any other sums standing to the credit of the Partnership Transaction Ac		192,277.14
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	30,403.84	
	c Partnership Operating Expenses excluding GP UK Tax	-	
	d Partnership Operator Fee	4,500.00	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	4,500.00	
	d Nominees Holdco Corporate Services Provider Fee	13,668.63	
	d PL Propco Corporate Services Provider Fees	4,500.00	
	d Nominees Side Letter payments	-	
	d Nominees Holdco Side Letter payments	-	
	d Account Bank Fee	-	
	d Cash Manager Fee	-	
	Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	5,000.00	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250)	6,250.00	
	f Partnership Debt Interest	13,657,105.72	
	f Partnership Swap payment	13,429,072.90	
	g Partnership Debt Principal	799,486.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	300,000.00	
	k Partnership Expenses Ledger payment	88,332.10	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>28,345,069.19</b>	<b>28,345,069.19</b>

### 7. Issuer Transaction Account 70295495

Opening Balance		27,656.48 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
08-Jul-13	Credit Interest	307.71	Cr
15-Jul-13	Issuer Profit	0.00	Cr
15-Jul-13	Swaps Receipts	1,027,559.10	Cr
15-Jul-13	Partnership Debt	14,456,591.72	Cr
15-Jul-13	Swap Pays	1,027,559.10	Dr
15-Jul-13	Ongoing Fee	36,153.84	Cr
15-Jul-13	HSBC Fee	7,700.00	Dr
15-Jul-13	SFM	7,021.76	Dr
15-Jul-13	Moodys €24,000.00	20,682.08	Dr
15-Jul-13	Notes	14,456,591.73	Dr
Closing Balance		28,714.18	Cr

### 8. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
15-Apr-13	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		13,429,072.90
	b Amounts due to Issuer in respect of Partnership Loan		14,492,745.56
	c Any amount due to Issuer under Issuer Swap Agreement		14,456,632.00
	d Interest Received by Issuer on Transaction Account		307.71
	e 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	27,703.84	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	-	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	13,657,105.73	
	d Bond Principal	799,486.00	
	d Issuer Swap Provider	13,429,072.90	
	d Partnership Swap payment	14,456,632.00	
	e Issuer Profit	750.00	
	f Swap Subordinated Amounts	-	
	g Issuer Partnership Swap Termination Amount	-	
	h Issuer Transaction Account	307.70	
	<b>Totals</b>	<b>42,378,758.17</b>	<b>42,378,758.17</b>

## 9. Bond Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
Moody's	A3
Standard and Poor's	A-
Fitch	A-
Offered Date	07 July 2010
Expected Maturity	13 April 2040
Issue Amount	£958,450,000
ISIN code	XS0512401976
Interest Rate	5.744% p.a.
Current Factor	0.992281215504199
Next Factor	0.991447070791382

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