



## **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 17 to July 17**

**IPD 27**

Report Date	06-Jul-17
Loan Interest Payment Date	10-Jul-17
Calculation Date	06-Jul-17
Interest Payment Date	13-Jul-17

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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**

Opening Balance		5,000.00	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
17-May-17	Tesco Store	20,486.44	CR
22-Jun-17	Tesco Store	14,844,958.63	CR
10-Jul-17	To Partnership Transaction Account	14,865,445.07	DR
Closing Balance		5,000.00	CR

**2. Partnership VAT Account**

Opening Balance		3,186,399.03	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
27-Apr-17	VAT Payment	2,873,017.15	DR
01-Jun-17	VAT Funding	4,097.28	CR
22-Jun-17	VAT Funding	2,968,991.73	CR
29-Jun-17	VAT Payment	4,097.29	DR
Closing Balance		3,282,373.60	CR

**3. Partnership Transaction Account**

Opening Balance		500,000.00	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
10-Jul-17	Transfer from Rent	14,865,445.07	CR
10-Jul-17	Trustee Fee	1,500.00	DR
10-Jul-17	Ongoing Fee	46,393.20	DR
10-Jul-17	Expenses	40,644.93	DR
10-Jul-17	Partnership Swap payment	100,569.80	DR
10-Jul-17	Partnership Debt	14,456,591.65	DR
10-Jul-17	Spenhill	219,745.49	DR
Closing Balance		500,000.00	CR

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

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

### 5. General Partner VAT Transaction Account

	Opening Balance	165,028.42	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance	165,028.42	CR

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

DATE	ENTRY DETAILS		
	Ledger Receipts to date	500,000.00	CR
	Balance	500,000.00	CR

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jul-17	<b>Partnership Available Funds</b>		
	a Rental Income		14,865,445.07
	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		-
	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		-
	<b>Partnership Pre-Enforcement Priority of Payments</b>		
	a Partnership Security Trustee Fees	1,500.00	
	Issuer Security Trustee Fee, Bond Trustee, operating expenses of the		
	b Issuer (Ongoing Partnership Facility Fee)	34,200.00	
	c Partnership Operating Expenses excluding GP UK Tax	37,326.30	
	d Partnership Operator Fee	857.63	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	-	
	d Nominees Holdco Corporate Services Provider Fee	2,461.00	
	d PL Propco Corporate Services Provider Fees	-	
	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		
	d Fee)	11,443.20	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250)	-	
	f Partnership Debt Interest	13,452,242.65	
	f Partnership Swap payment	14,557,201.80	
	g Partnership Debt Principal	1,004,349.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility		
	h Fee)	750.00	
	i Property Pool Manager Fee	219,745.49	
	j Partnership Swap Termination Amount	-	
	k Partnership Expenses Ledger payment	-	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	29,322,077.07	29,322,077.07

**7. Issuer Transaction Account**

Opening Balance		42,325.65	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
13-Jul-17	Issuer Swap Pays	100,569.80	DR
13-Jul-17	Partnership Debt	14,456,591.65	CR
13-Jul-17	Partnership Swap Receives	100,569.80	CR
13-Jul-17	Ongoing Fee	46,393.20	CR
13-Jul-17	PWC fee	31,500.00	DR
13-Jul-17	HSBC Fee	7,700.00	DR
13-Jul-17	Notes	14,456,591.65	DR
13-Jul-17	Issuer Operating Expenses	6,443.20	DR
	Closing Balance	43,075.65	CR

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jul-17			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		14,557,201.80
	b Amounts due to Issuer in respect of Partnership Loan		14,502,984.85
	c Any amount due to Issuer under Issuer Swap Agreement		14,456,632.00
	d Interest Received by Issuer on Transaction Account		-
	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	31,500.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	6,443.20	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	13,452,242.65	
	d Bond Principal	1,004,349.00	
	d Issuer Swap Provider	14,557,201.80	
	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	-	0.00
	<b>Totals</b>	43,516,818.65	43,516,818.65

## 9. Bond Information

Listing Irish Stock Exchange

Original Rating

Moody's	Ba1
Standard and Poor's	BB+
Fitch	BB+

Offered Date	07 July 2010
Expected Maturity	13 April 2040

Issue Amount	£958,450,000
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ISIN code	XS0512401976
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Interest Rate	5.744% p.a.
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Current Factor	0.976348636861599
Next Factor	0.975285700871198

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