



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 18 to July 18

IPD 32

| | |
|----------------------------|-----------|
| Report Date | 06-Jun-18 |
| Loan Interest Payment Date | 10-Jul-18 |
| Calculation Date | 06-Jun-18 |
| Interest Payment Date | 13-Jul-18 |

Contents of the Report:

- 1 Partnership Rent Account**
- 2 Partnership VAT Account**
- 3 Partnership Transaction Account**
- 4 General Partner Corporation Tax Reserve Account**
- 5 General Partner VAT Transaction Account**
- 6 Partnership Pre-Enforcement Priority of Payments**
- 7 Issuer Transaction Account**
- 8 Issuer Pre-Enforcement Priority of Payments**
- 9 Bond Information**

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 |
| 21-Jun-18 | Tesco Store | 15,381,456.77 | CR |
| 10-Jul-18 | Partnership Transaction Ac. | 15,381,456.77 | DR |
| Closing Balance | | <u>5,000.00</u> | CR |

2. Partnership VAT Account

| Opening Balance | | 3,147,288.45 | CR |
|-----------------|---------------|---------------------|-------|
| DATE | ENTRY DETAILS | AMOUNT (£) | CR/DR |
| 27-Apr-18 | VAT Funding | 2,959,226.45 | DR |
| 21-Jun-18 | VAT Funding | 3,076,291.36 | CR |
| Closing Balance | | <u>3,264,353.36</u> | CR |

3. Partnership Transaction Account

| Opening Balance | | 499,970.75 | CR |
|-----------------|---------------------------------------|-------------------|-------|
| DATE | ENTRY DETAILS | AMOUNT (£) | CR/DR |
| 06-Jul-18 | Credit Interest | 2,007.00 | CR |
| 10-Jul-18 | Transfer from Partnership VAT Account | - | CR |
| 10-Jul-18 | Transfer from Rent | 15,381,456.77 | CR |
| 10-Jul-18 | Trustee Fee | 1,500.00 | DR |
| 10-Jul-18 | Ongoing Fee | 8,450.00 | DR |
| 10-Jul-18 | Expenses | 20,151.09 | DR |
| 10-Jul-18 | Partnership Swap payment | 626,668.38 | DR |
| 10-Jul-18 | Partnership Debt | 14,456,591.26 | DR |
| 10-Jul-18 | Spenhill | 207,897.74 | DR |
| 10-Jul-18 | Partnership Distribution Ac. | 62,176.05 | DR |
| Closing Balance | | <u>500,000.00</u> | 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 | | 165,135.59 | CR |
|-----------------|-----------------|-------------------|-------|
| DATE | ENTRY DETAILS | AMOUNT (£) | CR/DR |
| 09-Jul-18 | Credit Interest | 61.75 | CR |
| Closing Balance | | <u>165,197.34</u> | CR |

Expense Reserve Ledger - Max GBP 500,000.00

| DATE | ENTRY DETAILS | | |
|------|-------------------------|-------------------|----|
| | Ledger Receipts to date | 500,000.00 | CR |
| | Balance | <u>500,000.00</u> | CR |

7. Issuer Transaction Account

| Opening Balance | | 45,353.82 | CR |
|-----------------|-----------------------------|---------------|-------|
| DATE | ENTRY DETAILS | AMOUNT (£) | CR/DR |
| 06-Jul-18 | Credit Interest | 17.12 | CR |
| 13-Jul-18 | Issuer Swap Pays | 626,668.38 | DR |
| 13-Jul-18 | Partnership Debt | 14,456,591.26 | CR |
| 13-Jul-18 | Partnership Swap Receives | 626,668.38 | CR |
| 13-Jul-18 | Ongoing Fee | 8,450.00 | CR |
| 13-Jul-18 | Operating Expenses Invoices | - | DR |
| 13-Jul-18 | HSBC Fee | 7,700.00 | DR |
| 13-Jul-18 | Notes | 14,456,591.27 | DR |
| 13-Jul-18 | Issuer Operating Expenses | - | DR |
| Closing Balance | | 46,120.93 | CR |

8. Issuer Pre-Enforcement Priority of Payments

| Date | | Funds Paid Out of account (£) | Funds Received into account (£) |
|-----------|--------------------------------------------------------|-------------------------------|---------------------------------|
| 13-Jul-18 | | | |
| | Issuer Available Funds | | |
| | a Funds due to Issuer under Partnership Swap Agreement | | 15,083,300.38 |
| | b Amounts due to Issuer in respect of Partnership Loan | | 14,465,041.26 |
| | c Any amount due to Issuer under Issuer Swap Agreement | | 14,456,632.00 |
| | d Interest Received by Issuer on Transaction Account | | 17.12 |
| | e Eligible Investment Earnings | | - |
| | Issuer Pre-Enforcement Priority of Payments | | |
| | a Bond Trustee Fee | 1,200.00 | |
| | a Issuer Security Trustee Fee | 1,500.00 | |
| | b Issuer Operating Expenses | - | |
| | 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 | 13,393,298.27 | |
| | d Bond Principal | 1,063,293.00 | |
| | d Issuer Swap Provider | 15,083,300.38 | |
| | 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 | |
| | Totals | 44,004,973.65 | 44,004,990.76 |

9. Bond Information

| | |
|------------------------|----------------------|
| Listing | Irish Stock Exchange |
| <u>Original Rating</u> | |
| 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 |
| ISIN code | XS0512401976 |
| Interest Rate | 5.744% p.a. |
| Current Factor | 0.973113817100526 |
| Next Factor | 0.972004429026031 |

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