

Tesco Property Finance 4 plc

£ 685,100,000 Secured 5.8006 per cent. Bonds due 13 October 2040

Issuer and Partnership Quarterly Report

Report Date	08-Oct-18
Loan Interest Payment Date	10-Oct-18
Calculation Date	08-Oct-18
Interest Payment Date	15-Oct-18

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 4 plc, The Tesco Navona Limited Partnership, Tesco Navona (Nominee 1) Limited, Tesco Navona (Nominee 2) Limited and Tesco Navona (GP) Limited.

1. Partnership Rent Account

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	148,672.61	CR
27-Sep-18	Rent	9,038,182.32	CR
10-Oct-18	To Partnership Transaction Account	9,186,854.93	DR
	Closing Balance	<u>-</u>	CR

2. Partnership VAT Account

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	2,071,912.87	CR
10-Jul-18	SAVILLS (UK) LIMITED	4,152.29	CR
13-Jul-18	SAVILLS (UK) LIMITED	6,408.21	CR
27-Jul-18	SAVILLS (UK) LIMITED	3,829.13	CR
30-Jul-18	HMRC	1,991,286.92	DR
03-Aug-18	SAVILLS (UK) LIMITED	3,621.41	CR
20-Aug-18	SAVILLS (UK) LIMITED	8,517.67	CR
24-Aug-18	SAVILLS (UK) LIMITED	2,834.59	CR
03-Sep-18	SAVILLS (UK) LIMITED	2,020.86	CR
07-Sep-18	SAVILLS (UK) LIMITED	5,426.00	CR
21-Sep-18	SAVILLS (UK) LIMITED	9,525.42	CR
26-Sep-18	HMRC	1,616.88	DR
27-Sep-18	TESCO STORES	1,944,623.96	CR
28-Sep-18	SAVILLS (UK) LIMITED	1,201.28	CR
05-Oct-18	SAVILLS (UK) LIMITED	15,817.64	CR
10-Oct-18	Transfer to Partnership account	90,000.00	DR
	Closing Balance	<u>1,996,987.53</u>	

3. Partnership Transaction Account

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	500,000.00	CR
09-Jul-18	Credit Interest	1,312.87	CR
08-Oct-18	Credit Interest	2,684.74	Cr
10-Oct-18	Transfer from Rent	9,186,854.93	CR
10-Oct-18	Transfer from VAT	90,000.00	CR
10-Oct-18	Trustee Fee	1,500.00	DR
10-Oct-18	Ongoing Fee	40,550.00	DR
10-Oct-18	Expenses	31,284.92	DR
10-Oct-18	Partnership Debt Principal	497,909.04	CR
10-Oct-18	Partnership Debt	10,303,223.35	DR
10-Oct-18	Yardley Rent Account	1,002,987.88	CR
10-Oct-18	Property Pool Manager Fee	54,538.12	DR
10-Oct-18	Partnership distribution account	350,653.07	DR
	Closing Balance	<u>500,000.00</u>	CR

4. Yardley Reserve Account

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	286,600.00	CR
	Closing Balance	<u>286,600.00</u>	CR

5. General Partner Corporation Tax Reserve Account

Opening Balance		310,121.34 CR	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance	<u>310,121.34</u>	CR

6. General Partner VAT Transaction Account

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

Expense Reserve Ledger - Max GBP 500,000.00

Opening Balance		500,000.00 CR	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance	500,000.00	CR

7. Partnership Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Oct-18	Partnership Available Funds		
	a Rental Income		9,186,854.93
	b Funds from Yardley Accounts		1,002,987.88
	c Funds from Issuer under Partnership Swaps		10,016,573.00
	d From Partnership VAT Account		90,000.00
	e From Partnership Disposal Proceeds Account		-
	f From Partnership Insurance Proceeds Account		-
	g Interest received by the Partnership Accounts and Rent Account		3,997.61
	h Eligible Investment Earnings by Partnership		-
	i Advance under Committed Subordinated Loan Agreement		-
	j Advance from Drawdown of Yardley Reserve Loan		-
	k Net proceeds of a CPO Disposal or a Mortgage Property		-
	l From 3rd anniversary of Closing, funds from Yardley Reserve Loan Ledger		-
	m Net proceeds of a disposal of a Mortgage Property		-
	n Any other sums standing to the credit of the Partnership Transaction Ac		-
	Partnership Pre-Enforcement Priority of Payments		
	a Partnership Security Trustee Fees	1,500.00	
	b Issuer Security Trustee Fee, Bond Trustee, operating expenses of the Issuer (Ongoing Partnership Facility Fee)	34,800.00 30,394.03	
	c Partnership Operating Expenses excluding GP UK Tax	890.89	
	d Partnership Operator Fee	-	
	d Property Advisor Fee (Annual 30K)	-	
	d Nominees Corporate Services Provider Fee	-	
	d Nominees Holdco Corporate Services Provider Fee	-	
	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	-	
	d 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 indexed annually)	-	
	f Partnership Debt Interest	9,725,821.35	
	f Partnership Swap payment	9,518,663.96	
	g Partnership Debt Principal	577,402.00	
	h Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Property Pool Manager Fee	54,538.12	
	j Partnership Swap Termination Amount	-	
	k Partnership Expenses Ledger payment	-	
	l Alteration Adjustment Rent	-	
	m Substitution Adjustment Rent	-	
	n Credited to Subordinated Loan Reserve Ledger	-	
	o Payments to the Subordinated Loan Facility Provider	-	
	p Partnership Distribution Account	350,653.07	
		-	
	Totals	20,300,413.42	20,300,413.42

8. Issuer Transaction Account

Opening Balance		35,270.30	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
01-Aug-18	Credit Interest	10.45	CR
03-Sep-18	Credit Interest	12.52	CR
01-Oct-18	Credit Interest	10.83	CR
08-Oct-18	Issuer Swap	497,909.04	CR
15-Oct-18	Partnership Swap	497,909.04	DR
15-Oct-18	Partnership Debt	10,303,223.35	CR
15-Oct-18	Ongoing Fee (minus issuer profit portion)	39,800.00	CR
15-Oct-18	Expenses	39,800.00	DR
15-Oct-18	Notes	10,303,223.65	DR
15-Oct-18	Issuer Profit	750.00	CR
	Closing Balance	36,053.80	CR

9. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
15-Oct-18			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		9,518,663.96
	b Amounts due to Issuer in respect of Partnership Loan		10,343,773.35
	c Any amount due to Issuer under Issuer Swap Agreement		10,016,573.00
	d Interest Received by Issuer on Transaction Account		-
	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	32,100.00	
	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	9,725,821.36	
	d Bond Principal	577,402.00	
	d Issuer Swap Provider	9,518,663.96	
	d Partnership Swap payment	10,016,573.00	
	e Issuer Profit	750.00	
	f Swap Subordinated Amounts	-	
	g Issuer Partnership Swap Termination Amount	-	
	h Issuer Transaction Account	-	
	Totals	29,879,010.32	29,879,010.31

10. Yardley Rent Account

Opening Balance		0.00 CR	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
10-Jul-18	SAVILLS (UK) LIMITED	20,761.46	CR
13-Jul-18	SAVILLS (UK) LIMITED	32,041.05	CR
27-Jul-18	SAVILLS (UK) LIMITED	603.00	CR
27-Jul-18	SAVILLS (UK) LIMITED	19,145.67	CR
03-Aug-18	SAVILLS (UK) LIMITED	18,777.05	CR
20-Aug-18	SAVILLS (UK) LIMITED	42,588.35	CR
24-Aug-18	SAVILLS (UK) LIMITED	14,172.94	CR
03-Sep-18	SAVILLS (UK) LIMITED	10,104.35	CR
07-Sep-18	SAVILLS (UK) LIMITED	27,130.02	CR
21-Sep-18	SAVILLS (UK) LIMITED	47,627.09	CR
27-Sep-18	Tesco Stores	684,942.32	CR
28-Sep-18	SAVILLS (UK) LIMITED	6,006.38	CR
05-Oct-18	SAVILLS (UK) LIMITED	79,088.20	CR
10-Oct-18	To Partnership Transaction Account	1,002,987.88	DR
	Closing Balance	0.00	CR

9. Bond Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
Moody's	Ba1
Standard and Poor's	BB+
Fitch	BB+
Offered Date	09 February 2011
Expected Maturity	13 October 2040
Issue Amount	£685,100,000
ISIN code	XS0588909878
Interest Rate	5.8006%
Current Factor	0.978947483579040
Next Factor	0.978104683987739

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