



## 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 October 2012 to January 2013

### IPD 9

Report Date	10-Jan-13
Loan Interest Payment Date	10-Jan-13
Calculation Date	08-Jan-13
Interest Payment Date	14-Jan-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-Dec-12	Rent	13,268,649.69	Cr
10-Jan-13	To Partnership Transaction Account	13,268,649.69	Dr
Closing Balance		<u>5,000.03</u>	Cr

**2. Partnership VAT Account 70295460**

Opening Balance		2,656,615.13 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Oct-12	VAT Payment	2,653,729.97	Dr
20-Dec-12	VAT Funding	2,653,729.97	Cr
Closing Balance		<u>2,656,615.13</u>	Cr

**3. Partnership Transaction Account 70295452**

Opening Balance		702,147.23 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-13	Credit Interest	1,780.45	Cr
10-Jan-13	Transfer from Rent	13,268,649.69	Cr
10-Jan-13	Trustee Fee	1,500.00	Dr
10-Jan-13	Ongoing Fee	43,483.57	Dr
10-Jan-13	Expenses	80,471.85	Dr
10-Jan-13	Partnership Swap payment	1,444,947.22	Cr
10-Jan-13	Partnership Debt	14,456,591.68	Dr
10-Jan-13	Spent Hill	417,426.38	Dr
10-Jan-13	Transfer to General	0.00	
Closing Balance		<u>418,051.11</u>	Cr

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

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

### 5. General Partner VAT Transaction Account 70298993

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	80,712.72	Cr
07-Jan-13	Credit Interest	30.19	Cr
	Closing Balance	80,742.91	Cr

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

Date	AMOUNT (£)	CR/DR
14-Jan-13	418,051.11	Cr
	Balance	418,051.11

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
14-Jan-13	<b>Partnership Available Funds</b>		
	a Rental Income		13,268,649.69
	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		1,780.45
	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		702,147.23
	<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)	37,733.57	
	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	66,971.85	
	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	13,679,581.68	
	f Partnership Swap payment	13,011,684.78	
	g Partnership Debt Principal	777,010.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	417,426.38	
	k Partnership Expenses Ledger payment	411,801.11	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>28,429,209.37</b>	<b>28,429,209.37</b>

### 7. Issuer Transaction Account 70295495

Opening Balance		25,127.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-13	Credit Interest	308.24	Cr
14-Jan-13	Issuer Profit	750.00	Cr
14-Jan-13	Swaps Receipts	1,444,947.22	Cr
14-Jan-13	Partnership Debt	14,456,591.68	Cr
14-Jan-13	Swap Pays	1,444,947.22	Dr
14-Jan-13	Ongoing Fee	43,483.57	Cr
14-Jan-13	HSBC Fee	7,700.00	Dr
14-Jan-13	Moodys Fee	35,033.57	Dr
14-Jan-13	Issuer Fees	0.00	Dr
14-Jan-13	Notes	14,456,591.69	Dr
Closing Balance		26,935.23	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
14-Jan-13	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		13,011,684.78
	b Amounts due to Issuer in respect of Partnership Loan		14,500,075.25
	c Any amount due to Issuer under Issuer Swap Agreement		14,456,632.00
	d Interest Received by Issuer on Transaction Account		308.24
	e Eignible 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	35,033.57	
	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	13,679,581.69	
	d Bond Principal	777,010.00	
	d Issuer Swap Provider	13,011,684.78	
	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	308.23	
	<b>Totals</b>	41,968,700.26	41,968,700.27

## 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	0.990600948406281
Next Factor	0.993103551567635

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