



Deer Funding UK PLC
Commercial Mortgage Backed Extendable Floating Rate Notes due 2019

April 2018

Statement to Noteholders

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Distribution Date	16-Apr-18	U.S. Bank Global Corporate Trust Services Website	www.usbank.com/abs

General Information

Distirbution Date:	16-Apr-18
Prior Distirbution Date:	16-Feb-18
Next Distribution Date:	n.a.
Distribution Count:	5
Closing Date:	30-Mar-17
Final Maturity Date (if not extended):	16-May-19
Interest Determination Date:	15-Feb-18
Intra-Loan Interest Payment Date:	13-Apr-18
Index:	3 Month LIBOR
Currency:	GBP

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Contacts

Purpose	Counterparty	Fitch			Moody's			Standard and Poors		
		Long-Term	Short-Term	Rating Trigger	Long-Term	Short-Term	Rating Trigger	Long-Term	Short-Term	Rating Trigger
Issuer	Deer Funding UK PLC									
Cash Manager and Operating Bank	Elavon Financial Services DAC	AA-	F1+	BBB-	A1	P-1	Baa2	AA-	A-1+	BBB-
Account Bank	ING Luxembourg S.A.									
Agent Bank and Principal Paying Agent	Elavon Financial Services DAC									
Note Trustee	U.S. Bank Trustees Limited									
Issuer Security Trustee	U.S. Bank Trustees Limited									
Issuer Corporate Service Provider	Intertrust Management Limited									
Seller	Morgan Stanley Principal Funding, Inc.									
Originator	Morgan Stanley Bank, N.A.									
Facility Agent	Situs International Limited									
Security Agent	Situs International Limited									
Listing Agent	Arthur Cox Listing Services									
Listing Authority and Stock Exchange	Irish Stock Exchange plc									
Registrar	Elavon Financial Services DAC									

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Notes Distribution Report

Class Name	ISIN / Common Code	Original Principal Balance	Beginning Principal Balance	Total Principal Distribution	Ending Principal Balance	Total Interest Distribution
Notes	XS1578099464 / 157809946	110,544,000.00	110,544,000.00	110,544,000.00	0.00	517,309.30

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Note Principal Reconciliation

Class Name	ISIN / Common Code	Original Principal Balance	Beginning Principal Balance	Total Principal Distribution	Ending Principal Balance
		Factor	Factor	Factor	Factor
Notes	XS1578099464 / 157809946	110,544,000.00	110,544,000.00	110,544,000.00	0.00
		1.000000	1.000000	1.000000	0.000000

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Note Interest Reconciliation

Class	ISIN / Common Code	Accrual Method	Days	Beginning Principal Balance	Rate of Interest	Total Interest Accrued	Default Interest	Total Interest Payments
Notes	XS1578099464 / 157809946	Act/365	57	110,544,000.00	2.99663%	517,309.30	0.00	517,309.30

LIBOR (current period) 0.54663%

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Loan Details

Loan Name	Beginning Principal Balance	Principal Repayment	Ending Principal Balance	Margin	Interest Rate	Accrual Days	Method	Accrued Interest	Interest Paid
Loan	5,818,272.50	5,818,272.50	0.00	2.45%	2.99663%	57	Act/365	27,227.59	27,227.59

LIBOR (current period) 0.54663%

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Cash Reconciliation Detail

Available Collections	Distributions
Revenue Receipts	Amounts Distributed by the Issuer
Interest payments	Note Trustee fees
544,536.89	0.00
Default Interest	Issuer Security Trustee fees
0.00	0.00
Exit Fees	Third Party Fees
0.00	0.00
Break Costs	Issuer Corporate Services Provider Fees
0.00	0.00
Any costs, expenses, commissions and other sums paid by the Borrowers	Directors and Advisors of the Issuer Fees
0.00	0.00
Interest Income	Operating Bank Fees
0.00	0.00
	Cash Manager Fees
	0.00
	Agents Fees
	0.00
Total Revenue Receipts	Issuer Profit
544,536.89	0.00
	Facility Agent Fees
	0.00
Principal Receipts	Issuer Distributions
Loan Enforcement proceeds	
0.00	0.00
Mandatory Prepayments	
0.00	
Voluntary Repayments or Prepayments	
0.00	
Repurchase / Indemnity proceeds	
0.00	
Restructuring proceeds	
116,362,272.50	
Total Principal Receipts	
116,362,272.50	
	Distributions to Noteholders
	Interest Distribution ¹
	517,309.30
	Principal Distribution
	110,544,000.00
	Distributions to Noteholders
	111,061,309.30
	Other Distributions
	Interest Payment on Loan ¹
	27,227.59
	Principal Payment on Loan
	5,818,272.50
	Accrued Interest Payments
	0.00
	Amounts due to the Seller as Stripped Interest Payments
	0.00
	Other Distributions
	5,845,500.09
Total Collections	Total Distributions
116,906,809.39	116,906,809.39

¹Includes any Exit Fees and Default Interest

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Pre-Enforcement Revenue Priority of Payments

Revenue Receipts	<u><u>544,536.89</u></u>
(a) towards satisfaction on a pro rata and pari passu basis of amounts due and payable, of the fees or other remuneration to;	
Note Trustee	0.00
Issuer Security Trustee	0.00
(b) towards satisfaction on a pro rata and pari passu basis of amounts which are payable by the Issuer to third parties	0.00
(c) towards satisfaction on a pro rata and pari passu basis of respective amounts due and payable;	
Issuer Corporate Services Provider	0.00
Directors and Advisors of the Issuer	0.00
Operating bank	0.00
Cash Manager	0.00
Facility Agents	0.00
Agents	0.00
(d) to pay the Issuer's Profit;	0.00
(e) in or towards satisfaction of any Exit Fees;	
(i) in the Notes Relevant Proportion, due or overdue in respect of the Notes	0.00
(ii) in the Loan Relevant Proportion, due or overdue in respect of the Loan advanced by the Retention Holder	0.00
(f) towards satisfaction on a pro rata and pari passu basis of amounts due to;	
(i) in or towards satisfaction of interest due or overdue on the Notes;	517,309.30
(ii) in or towards satisfaction of interest due or overdue on the Loan;	27,227.59
(iii) Accrued Interest Payments to the Seller (only on the first Distribution Date falling in May 2017)	0.00
(g) in or towards satisfaction of Default Interest due or overdue on the Notes; and	
(i) in the Notes Relevant Proportion, due or overdue in respect of the Notes	0.00
(ii) in the Loan Relevant Proportion, due or overdue in respect of the Loan	0.00
(h) the surplus (if any) to the Seller as Stripped Interest Payments in accordance with the Loan Sale Agreement.	0.00
Total Distributions	<u><u>544,536.89</u></u>

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Pre-Enforcement Principal Priority of Payments

Principal Receipts	<u><u>116,362,272.50</u></u>
(a) In or towards satisfaction of all principal due or overdue;	
(i) in the Notes Relevant Proportion, in or towards satisfaction of all principal due or overdue in respect of the Notes until the Notes have been repaid in full	110,544,000.00
(ii) in the Loan Relevant Proportion, in or towards satisfaction of all principal due or overdue in respect of the Loan until the Loan has been repaid in full	5,818,272.50
(b) the surplus (if any) to the Seller as Stripped Interest Payments in accordance with the Loan Sale Agreement.	0.00
Total Distributions	<u><u>116,362,272.50</u></u>

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Post-Enforcement Priority of Payments

All Available Receipts	0.00
(a) towards satisfaction on a pro rata and pari passu basis of amounts due to;	
Note Trustee fees	0.00
Issuer Security Trustee fees	0.00
(b) towards satisfaction on a pro rata and pari passu basis of amounts due to third parties	0.00
(c) towards satisfaction on a pro rata and pari passu basis of amounts due to;	
Issuer Corporate Services Provider	0.00
Directors and advisors of the Issuer	0.00
Operating bank	0.00
Cash Manager	0.00
Facility Agent	0.00
Agents	0.00
(d) in or towards satisfaction of any Exit Fees due or overdue in respect of the Notes;	
(i) in the Notes Relevant Proportion, due or overdue in respect of the Notes	0.00
(ii) in the Loan Relevant Proportion, due or overdue in respect of the Loan advanced by the Retention Holder	0.00
(e) in or towards satisfaction on a pro rata and pari passu basis;	
(i) interest due and overdue on the Notes	0.00
(ii) interest due and overdue on the Loan	0.00
(f) in or towards satisfaction on a pro rata and pari passu basis;	0.00
(i) in the Notes Relevant Proportion, in or towards satisfaction of all principal due or overdue in respect of the Notes	
(ii) in the Loan Relevant Proportion, in or towards satisfaction of all principal due or overdue in respect of the Loan	
(g) surplus (if any) to the Seller as Stripped Interest Payments in accordance with the Loan Sale Agreement.	0.00
	0.00

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Underlying Loan Level Detail

Facility	Defaulted	Property Type	Ending Principal Balance	Loan Interest Rate	Principal Payment	Interest Payment	Prepayment Amount	Prepayment Date
Term A	No	Office	0	2.99663%	-	544,537	116,362,272.50	13-Apr-18

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Triggers

Note Event of Default :	Triggered? (Yes/No)
<p>(i) either, in respect of the Notes, the Issuer defaults:</p> <p style="margin-left: 20px;">(A) for a period of three days in the payment of the principal when and as it becomes due and payable in accordance with these Conditions; or</p> <p style="margin-left: 20px;">(B) for a period of five days in the payment of any interest (including any Exit Fees or Default Interest) when due on a Distribution Date or any date on which the Notes are required to be redeemed in accordance with these Conditions; or</p>	<p>No</p> <p>No</p>
<p>(ii) the Issuer defaults in the performance or observance of any other obligation binding upon it under the Notes, the Note Trust Deed, the Issuer Security Documents or the other Issuer Transaction Documents to which it is party and, in any such case (except where the Note Trustee certifies that, in its opinion, such default is incapable of remedy when no notice will be required), such default continues for a period of 14 days (or such longer period as the Note Trustee may permit) following the service by the Note Trustee on the Issuer of notice requiring the same to be remedied; or</p>	<p>No</p>
<p>(iii) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in Condition 10(a)(iv) below, ceases or, consequent upon a resolution of the board of directors of the Issuer, threatens to cease to carry on business or (in the opinion of the Note Trustee based upon any financial advice which the Note Trustee may require) a substantial part of its business or the Issuer is or is deemed unable to pay its debts as and when they fall due; or</p>	<p>No</p>
<p>(iv) an order is made or an effective resolution is passed for the winding-up of the Issuer except a winding-up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders; or</p>	<p>No</p>
<p>(v) proceedings shall be initiated against the Issuer under any applicable liquidation, insolvency, examinership, composition, reorganisation or other similar laws (including, but not limited to, presentation of a petition for an administration order, the filing of documents with the court for the appointment of an administrator or the service of a notice to appoint an administrator) and such proceedings are not being disputed in good faith with a reasonable prospect of success, or an administration order shall be granted or the appointment of an administrator takes effect or an administrative receiver or other receiver, liquidator, examiner or other similar official shall be appointed (or formal notice is given of an intention of appoint an administrator) in relation to the Issuer or any part of its undertaking, property or assets, or an encumbrancer shall take possession of all or any part of the undertaking, property or assets of the Issuer, or a distress, execution, diligence or other process shall be levied or enforced upon or sued against all or any part of the undertaking, property or assets of the Issuer and such appointment, possession or process is not discharged or does not otherwise cease to apply within 15 days, or the Issuer (or the shareholders of the Issuer) initiates or consents to judicial proceedings relating to itself under applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of or a composition or similar arrangement with its creditors generally or takes steps with a view to obtaining a moratorium in respect of any of the indebtedness of the Issuer</p>	<p>No</p>

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