



Tesco Property Finance 2 plc

£ 564,500,000 Secured 6.0517 per cent. Bonds due 13 October 2039

Issuer and Partnership Quarterly Report for the period covering July 2017 to October 2017

IPD 32

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

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 2 plc,
The Tesco Atrato Limited Partnership,

1. Partnership Rent Account

Opening Balance		5,000.14	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
16-Aug-17	Rent	19,310.04	Cr
20-Sep-17	Rent	3,862.01	Cr
27-Sep-17	Rent	9,432,062.14	Cr
10-Oct-17	To Partnership Transaction Account	9,455,234.19	Dr
Closing Balance		<u>5,000.14</u>	Cr

2. Partnership VAT Account

Opening Balance		1,999,567.32	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
31-Jul-17	VAT Payment	1,784,362.52	Dr
26-Sep-17	VAT Payment	3,862.07	Dr
27-Sep-17	Funding	1,886,412.42	Cr
10-Oct-17	Transfer to the Partnership Account	211,342.73	Dr
Closing Balance		<u>1,886,412.42</u>	Cr

3. Partnership Transaction Account

Opening Balance		292,799.72	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Aug-17	KPP Credit	870.03	Cr
10-Oct-17	Transfer from VAT Account	211,342.73	Cr
10-Oct-17	Transfer from Rent	9,455,234.19	Cr
10-Oct-17	Trustee Fee	1,500.00	Dr
10-Oct-17	Ongoing Fee	28,235.48	Dr
10-Oct-17	Expenses	12,797.48	Dr
10-Oct-17	Partnership Swap payment	994,206.35	Cr
10-Oct-17	Partnership Debt	10,258,559.01	Dr
10-Oct-17	Property Pool Manager Fee	254,986.69	Dr
Closing Balance		<u>398,374.36</u>	Cr

4. General Partner Corporation Tax Reserve Account

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

5. Partnership Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Oct-17	Partnership Available Funds		
	a Rental Income		9,455,234.19
	b Funds from Issuer under Partnership Swaps		10,258,582.98
	c From Partnership VAT Account		211,342.73
	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		870.03
	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)	15,600.00	
	c Partnership Operating Expenses excluding GP UK Tax	8,782.65	
	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	3,157.20	
	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)	11,885.48	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment	-	
	f Partnership Debt Interest	7,562,757.01	
	f Partnership Swap payment	9,264,376.63	
	g Partnership Debt Principal	2,695,802.00	
	g Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	254,986.69	
	k Partnership Expenses Ledger payment	105,574.64	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	Totals	19,926,029.93	19,926,029.93

Expense Reserve Ledger - Max GBP 500,000.00

	Opening Balance	292,799.72	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Expense ledger top-up	105,574.64	CR
	Closing Balance	398,374.36	Cr

6. Issuer Transaction Account

Opening Balance		79,950.96	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
10-Jul-17	Swaps Receipts	994,206.35	Cr
13-Jul-17	Partnership Debt	10,258,559.01	Cr
13-Jul-17	Swap Pays	994,206.35	Dr
13-Jul-17	Ongoing Fee	27,485.48	Cr
13-Jul-17	HSBC Fee	7,700.00	Dr
13-Jul-17	Issuer Operating Expenses	12,900.00	Dr
13-Oct-17	Issuer Profit (paid as part of Ongoing Fee)	750.00	Cr
13-Jul-17	Notes	10,258,559.00	Dr
13-Jul-17	Issuer/Issuer Holdco Corporate Services Provider Fee	6,885.48	Dr
Closing Balance		80,700.97	Cr

7. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Oct-17			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		9,264,376.63
	b Amounts due to Issuer in respect of Partnership Loan		10,286,794.49
	c Any amount due to Issuer under Issuer Swap Agreement		10,258,582.98
	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	12,900.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	6,885.48	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	7,562,757.00	
	d Bond Principal	2,695,802.00	
	d Issuer Swap Provider	9,264,376.63	
	d Partnership Swap payment	10,258,582.98	
	e Issuer Profit	750.00	
	f Swap Subordinated Amounts	-	
	g Issuer Partnership Swap Termination Amount	-	
	h Issuer Transaction Account	-	
	Totals	29,809,754.09	29,809,754.10

8. Note Information

Listing Irish Stock Exchange

Original Rating

Moody's	A3
Standard and Poor's	A-
Fitch	A-
Offered Date	23-Sep-09
Expected Maturity	13-Oct-39
Issue Amount	£564,500,000
ISIN code	XS0347919028
Interest Rate	6.0517%
Current Factor	0.885520869796280
Next Factor	0.880745312666076

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