



## Tesco Property Finance 4 plc

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

Issuer and Partnership Quarterly Report for the period covering October 2016 to January 2017

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

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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

Opening Balance		5,000.00	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
22-Dec-16	Rent	8,699,274.29	Cr
10-Jan-17	To Partnership Transaction Account	8,699,274.29	Dr
	Closing Balance	<u>5,000.00</u>	Cr

### 2. Partnership VAT Account

Opening Balance		2,127,857.77	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Oct-16	SAVILLS (UK) LIMITED	1,191.33	Cr
21-Oct-16	SAVILLS (UK) LIMITED	900.00	Cr
28-Oct-16	SAVILLS (UK) LIMITED	1,062.05	Cr
31-Oct-16	HMRC	1,848,237.12	Dr
11-Nov-16	SAVILLS (UK) LIMITED	9,918.13	Cr
18-Nov-16	SAVILLS (UK) LIMITED	5,226.53	Cr
25-Nov-16	SAVILLS (UK) LIMITED	233.17	Cr
30-Nov-16	SAVILLS (UK) LIMITED	667.10	Cr
30-Nov-16	SAVILLS (UK) LIMITED	2,568.88	Cr
09-Dec-16	SAVILLS (UK) LIMITED	3,102.77	Cr
16-Dec-16	SAVILLS (UK) LIMITED	1,931.08	Cr
21-Dec-16	HMRC	14,672.24	Dr
21-Dec-16	Tesco Stores	1,871,710.17	Cr
23-Dec-16	SAVILLS (UK) LIMITED	10,138.80	Cr
30-Dec-16	SAVILLS (UK) LIMITED	17,018.10	Cr
	Closing Balance	<u>2,190,616.52</u>	Cr

### 3. Partnership Transaction Account

Opening Balance		383,956.87	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jan-17	Credit Interest	-	Cr
10-Jan-17	Transfer from Rent	8,699,274.29	Cr
10-Jan-17	Trustee Fee	1,500.00	Dr
10-Jan-17	Ongoing Fee	45,932.44	Dr
10-Jan-17	Expenses	26,936.86	Dr
10-Jan-17	Partnership Swap payment	854,815.63	Cr
10-Jan-17	Partnership Debt	10,277,164.11	Dr
10-Jan-17	Yardley Rent Account	959,657.96	Cr
10-Jan-17	Property Pool Manager Fee	100,464.70	Dr
	Closing Balance	<u>445,706.64</u>	Cr

### 4. Yardley Reserve Account

Opening Balance		262,152.93	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance	<u>262,152.93</u>	Cr

**5. General Partner Corporation Tax Reserve Account**

	Opening Balance	310,121.34	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance	310,121.34	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	383,956.87	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
10-Jan-17	Partnership Expenses Ledger Payment	7,347.49	Cr
10-Jan-17	Partnership Expenses Ledger Payment	76,071.73	Cr
	Closing Balance	467,376.09	Cr

**7. Partnership Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-17	<b>Partnership Available Funds</b>		
	a Rental Income		8,699,274.29
	b Funds from Yardley Accounts		959,657.96
	c Funds from Issuer under Partnership Swaps		10,016,573.00
	d From Partnership VAT Account		-
	e From Partnership Disposal Proceeds Account		-
	f From Partnership Insurance Proceeds Account		-
	g Interest received by the Partnership Accounts and Rent Account		-
	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		-
	<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)	34,200.00	
	c Partnership Operating Expenses excluding GP UK Tax	22,047.25	
	d Partnership Operator Fee	2,694.81	
	d Property Advisor Fee (Annual 30K)	-	
	d Nominees Corporate Services Provider Fee	2,194.80	
	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 Yardley Cash Manager Fee	-	
	d Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	10,982.44	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250 indexed annually)	7,347.49	
	f Partnership Debt Interest	9,780,804.11	
	f Partnership Swap payment	9,161,757.37	
	g Partnership Debt Principal	496,360.00	
	h Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Property Pool Manager Fee	100,464.70	
	j Partnership Swap Termination Amount	-	
	k Partnership Expenses Ledger payment	76,071.73	
	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	-	
	<b>Totals</b>	<b>19,697,174.70</b>	<b>19,675,505.25</b>

### 8. Issuer Transaction Account

Opening Balance		30,573.06	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
13-Jan-17	Issuer Swap	854,815.63	Cr
13-Jan-17	Partnership Swap	854,815.63	Dr
13-Jan-17	Partnership Debt	10,277,164.11	Cr
13-Jan-17	Ongoing Fee (minus issuer profit portion)	45,182.44	Cr
13-Jan-17	Expenses	45,182.44	Dr
13-Jan-17	Notes	10,277,164.11	Dr
13-Jan-17	Issuer Profit	750.00	Cr
	Closing Balance	31,323.06	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jan-17	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		9,161,757.37
	b Amounts due to Issuer in respect of Partnership Loan		10,323,096.55
	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		-
	<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	31,500.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	5,982.44	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	9,780,804.11	
	d Bond Principal	496,360.00	
	d Issuer Swap Provider	9,161,757.37	
	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	-	
	<b>Totals</b>	<b>29,501,426.92</b>	<b>29,501,426.92</b>

### 10. Yardley Rent Account

Opening Balance		0.00	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Oct-16	SAVILLS (UK) LIMITED	5,956.67	Cr
21-Oct-16	SAVILLS (UK) LIMITED	4,500.00	Cr
28-Oct-16	SAVILLS (UK) LIMITED	5,310.22	Cr
11-Nov-16	SAVILLS (UK) LIMITED	49,590.71	Cr
18-Nov-16	SAVILLS (UK) LIMITED	26,132.67	Cr
25-Nov-16	SAVILLS (UK) LIMITED	1,165.83	Cr
30-Nov-16	SAVILLS (UK) LIMITED	3,335.50	Cr
30-Nov-16	SAVILLS (UK) LIMITED	12,844.38	Cr
09-Dec-16	SAVILLS (UK) LIMITED	15,513.90	Cr
16-Dec-16	SAVILLS (UK) LIMITED	9,655.41	Cr
21-Dec-16	Tesco Stores	659,260.10	Cr
23-Dec-16	SAVILLS (UK) LIMITED	50,694.00	Cr
30-Dec-16	SAVILLS (UK) LIMITED	85,090.52	Cr
09-Jan-17	SAVILLS (UK) LIMITED	30,608.05	CR
10-Jan-17	To Partnership Transaction Account	959,657.96	Dr
	Closing Balance	0.00	Cr

## 9. Bond Information

Listing Irish Stock Exchange

Original Rating

Moody's	A3
Standard and Poor's	A-
Fitch	A-sf

Offered Date	09 February 2011
Expected Maturity	13 October 2040

Issue Amount	£685,100,000
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ISIN code	XS0588909878
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Interest Rate	5.8006%
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Current Factor	0.984481742811268
Next Factor	0.983757235440082

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