

## 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 April to July 2017

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 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
27-Sep-17	Rent	8,699,274.29	CR
10-Oct-17	To Partnership Transaction Account	8,699,274.29	DR
Closing Balance		<u>5,000.00</u>	CR

### 2. Partnership VAT Account

Opening Balance		2,259,758.93	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Jul-17	SAVILLS (UK) LIMITED	116.67	CR
21-Jul-17	SAVILLS (UK) LIMITED	450.00	CR
28-Jul-17	SAVILLS (UK) LIMITED	898.72	CR
31-Jul-17	HMRC	1,887,956.97	DR
04-Aug-17	SAVILLS (UK) LIMITED	1,117.46	CR
04-Aug-17	SAVILLS (UK) LIMITED	4,204.90	CR
10-Aug-17	SAVILLS (UK) LIMITED	2,490.21	CR
18-Aug-17	SAVILLS (UK) LIMITED	665.97	CR
25-Aug-17	SAVILLS (UK) LIMITED	598.33	CR
11-Sep-17	SAVILLS (UK) LIMITED	1,622.27	CR
18-Sep-17	SAVILLS (UK) LIMITED	10,260.50	CR
22-Sep-17	SAVILLS (UK) LIMITED	8,030.21	CR
27-Sep-17	TESCO STORES	1,871,710.17	CR
29-Sep-17	SAVILLS (UK) LIMITED	4,052.23	CR
06-Oct-17	SAVILLS (UK) LIMITED	19,878.01	CR
13-Oct-17	TRANSFER TO PARTNERSHIP TRANSACTION ACCOUNT	371,801.96	DR
Closing Balance		<u>1,926,095.65</u>	CR

### 3. Partnership Transaction Account

Opening Balance		500,000.01	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Aug-17	KPP CURRENT	870.03	CR
10-Oct-17	Transfer from Rent	8,699,274.29	CR
00-Jan-00	Transfer from Partnership VAT Account	371,801.96	CR
10-Oct-17	Trustee Fee	1,500.00	DR
10-Oct-17	Ongoing Fee	15,268.74	DR
10-Oct-17	Expenses	72,639.22	DR
10-Oct-17	Partnership Swap payment	854,815.63	CR
10-Oct-17	Partnership Debt	10,303,223.26	DR
10-Oct-17	Yardley Rent Account	943,615.70	CR
10-Oct-17	Property Pool Manager Fee	477,746.38	DR
10-Oct-17	Partnership distribution account	0.00	DR
Closing Balance		<u>500,000.01</u>	CR

### 4. Yardley Reserve Account

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

### 5. General Partner Corporation Tax Reserve Account

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

### 6. General Partner VAT Transaction Account

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

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

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	500,000.00	CR
	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-17	<b>Partnership Available Funds</b>		
	a Rental Income		8,699,274.29
	b Funds from Yardley Accounts		943,615.70
	c Funds from Issuer under Partnership Swaps		10,016,573.00
	d From Partnership VAT Account		371,801.96
	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		870.03
	<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)	2,700.00	
	c Partnership Operating Expenses excluding GP UK Tax	69,356.39	
	d Partnership Operator Fee	857.63	
	d Property Advisor Fee (Annual 30K)	-	
	d Nominees Corporate Services Provider Fee	2,425.20	
	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)	11,818.74	
d	Headlease payment	-	
e	Partnership Expenses Ledger payment (max £6,250 indexed annually)	-	
f	Partnership Debt Interest	9,758,134.26	
f	Partnership Swap payment	9,161,757.37	
g	Partnership Debt Principal	545,089.00	
h	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
i	Property Pool Manager Fee	477,746.38	
j	Partnership Swap Termination Amount	-	
k	Partnership Expenses Ledger payment	0.00	
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>20,032,134.98</b>	<b>20,032,134.98</b>

### 8. Issuer Transaction Account

Opening Balance		32,216.34	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
06-Oct-17	Issuer Swap	854,815.63	CR
13-Oct-17	Partnership Swap	854,815.63	DR
13-Oct-17	Partnership Debt	10,303,223.26	CR
13-Oct-17	Ongoing Fee (minus issuer profit portion)	14,518.74	CR
13-Oct-17	Expenses	14,518.74	DR
13-Oct-17	Notes	10,303,223.26	DR
13-Oct-17	Issuer Profit	750.00	CR
Closing Balance		32,966.34	CR

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Oct-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		10,318,492.00
	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	-	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	6,818.74	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	9,758,134.26	
	d Bond Principal	545,089.00	
	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>29,496,822.37</b>	<b>29,496,822.37</b>

### 10. Yardley Rent Account

Opening Balance		0.00 CR	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
14-Jul-17	SAVILLS (UK) LIMITED	583.33	CR
21-Jul-17	SAVILLS (UK) LIMITED	2,250.00	CR
28-Jul-17	SAVILLS (UK) LIMITED	4,493.57	CR
04-Aug-17	SAVILLS (UK) LIMITED	5,587.27	CR
04-Aug-17	SAVILLS (UK) LIMITED	21,024.54	CR
10-Aug-17	SAVILLS (UK) LIMITED	23,204.23	CR
18-Aug-17	SAVILLS (UK) LIMITED	3,329.83	CR
25-Aug-17	SAVILLS (UK) LIMITED	2,991.67	CR
11-Sep-17	SAVILLS (UK) LIMITED	8,111.33	CR
18-Sep-17	SAVILLS (UK) LIMITED	51,302.50	CR
22-Sep-17	SAVILLS (UK) LIMITED	40,151.07	CR
27-Sep-17	Tesco Stores	659,260.10	CR
29-Sep-17	SAVILLS (UK) LIMITED	20,261.17	CR
06-Oct-17	SAVILLS (UK) LIMITED	101,065.09	CR
12-Oct-17	To Partnership Transaction Account	943,615.70	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	0.982984183330901
Next Factor	0.982199921179390

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