

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 July to October 2017

Report Date	06-Jan-18
Loan Interest Payment Date	10-Jan-18
Calculation Date	06-Jan-18
Interest Payment Date	15-Jan-18

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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
21-Dec-17	Rent	9,038,182.32	CR
10-Jan-18	To Partnership Transaction Account	9,038,182.32	DR
Closing Balance		<u>5,000.00</u>	CR

2. Partnership VAT Account

Opening Balance		1,926,095.65	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
20-Oct-17	SAVILLS (UK) LIMITED	991.07	CR
27-Oct-17	SAVILLS (UK) LIMITED	85.20	CR
31-Oct-17	HMRC	1,897,341.56	DR
03-Nov-17	SAVILLS (UK) LIMITED	9,889.64	CR
10-Nov-17	SAVILLS (UK) LIMITED	2,939.43	CR
17-Nov-17	SAVILLS (UK) LIMITED	3,107.92	CR
24-Nov-17	SAVILLS (UK) LIMITED	180.00	CR
08-Dec-17	SAVILLS (UK) LIMITED	6,182.50	CR
15-Dec-17	SAVILLS (UK) LIMITED	85.20	CR
20-Dec-17	HMRC	1,476.39	DR
21-Dec-17	TESCO STORES	1,944,623.96	CR
22-Dec-17	SAVILLS (UK) LIMITED	9,945.21	CR
05-Jan-18	SAVILLS (UK) LIMITED	17,856.90	CR
Closing Balance		<u>2,023,164.73</u>	CR

3. Partnership Transaction Account

Opening Balance		500,000.01	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
10-Jan-18	Transfer from Rent	9,038,182.32	CR
10-Jan-18	Transfer from Partnership VAT Account	-	CR
10-Jan-18	Trustee Fee	1,500.00	DR
10-Jan-18	Ongoing Fee	30,433.44	DR
10-Jan-18	Expenses	14,462.43	DR
10-Jan-18	Partnership Swap payment	497,909.04	CR
10-Jan-18	Partnership Debt	10,303,223.64	DR
10-Jan-18	Yardley Rent Account	930,504.79	CR
10-Jan-18	Property Pool Manager Fee	15,300.22	DR
10-Jan-18	Partnership distribution account	101,676.42	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

	Opening Balance		310,121.34 CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance		<u>310,121.34</u> 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		500,000.00 CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Closing Balance		500,000.00 CR

7. Partnership Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-18	Partnership Available Funds		
	a Rental Income		9,038,182.32
	b Funds from Yardley Accounts		930,504.79
	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		-
	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)	24,683.44	
	c Partnership Operating Expenses excluding GP UK Tax	13,441.95	
	d Partnership Operator Fee	1,020.48	
	d Property Advisor Fee (Annual 30K)	-	
	d Nominees Corporate Services Provider Fee	-	
	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)	5,000.00	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250 indexed annually)	-	
	f Partnership Debt Interest	9,750,229.64	
	f Partnership Swap payment	9,518,663.96	
	g Partnership Debt Principal	552,994.00	
	h Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Property Pool Manager Fee	15,300.22	
	j Partnership Swap Termination Amount	-	
	k Partnership Expenses Ledger payment	-	
	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	101,676.42	
	Totals	19,985,260.11	19,985,260.11

8. Issuer Transaction Account

Opening Balance		32,216.34	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
06-Jan-18	Issuer Swap	497,909.04	CR
15-Jan-18	Partnership Swap	497,909.04	DR
15-Jan-18	Partnership Debt	10,303,223.64	CR
15-Jan-18	Ongoing Fee (minus issuer profit portion)	29,683.44	CR
15-Jan-18	Expenses	29,683.44	DR
15-Jan-18	Notes	10,303,223.65	DR
15-Jan-18	Issuer Profit	750.00	CR
Closing Balance		32,966.33	CR

9. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
15-Jan-18			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		9,518,663.96
	b Amounts due to Issuer in respect of Partnership Loan		10,333,657.08
	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		-
	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	21,983.44	
	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	9,750,229.65	
	d Bond Principal	552,994.00	
	d Issuer Swap Provider	9,518,663.96	
	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	-	
	Totals	29,868,894.05	29,868,894.04

10. Yardley Rent Account

Opening Balance		0.00 CR	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
20-Oct-17	SAVILLS (UK) LIMITED	4,955.35	CR
27-Oct-17	SAVILLS (UK) LIMITED	426.00	CR
03-Nov-17	SAVILLS (UK) LIMITED	38,695.19	CR
10-Nov-17	SAVILLS (UK) LIMITED	14,697.17	CR
17-Nov-17	SAVILLS (UK) LIMITED	15,539.55	CR
24-Nov-17	SAVILLS (UK) LIMITED	900.00	CR
08-Dec-17	SAVILLS (UK) LIMITED	30,912.55	CR
15-Dec-17	SAVILLS (UK) LIMITED	426.00	CR
21-Dec-17	Tesco Stores	684,942.32	CR
22-Dec-17	SAVILLS (UK) LIMITED	49,726.09	CR
05-Jan-18	SAVILLS (UK) LIMITED	89,284.57	CR
10-Jan-18	To Partnership Transaction Account	930,504.79	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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