



## **Tesco Property Finance 3 plc**

**£ 958,450,000 Secured 5.744 per cent. Bonds due 13 April 2040**

**Issuer and Partnership Quarterly Report for the period covering July 2015 - October 2015**

**IPD 21**

Report Date	08-Oct-15
Loan Interest Payment Date	12-Oct-15
Calculation Date	08-Oct-15
Interest Payment Date	13-Oct-15

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Prepared by HSBC Bank plc acting as Cash Manager for and on behalf of Tesco Property Finance 3 plc, The Tesco Passaic Limited Partnership, Tesco Passaic (Nominee 1) Limited, Tesco Passaic (Nominee 2) Limited and Tesco Passaic (GP) Limited.

**1. Partnership Rent Account 70295444**

Opening Balance		5,000.00 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Jul-10	Initial Deposit on Closing Date	5,000.00	Cr
25-Sep-15	Rent	14,197,842.31	Cr
12-Oct-15	To Partnership Transaction Account	14,197,842.31	Dr
Closing Balance		<u>5,000.00</u>	Cr

**2. Partnership VAT Account 70295460**

Opening Balance		3,167,367.56 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
29-Jul-15	VAT Payment	2,762,627.13	Dr
25-Sep-15	VAT Funding	2,839,568.50	Cr
12-Oct-15	Partnership VAT	350,000.00	Dr
Closing Balance		<u>2,894,308.93</u>	Cr

**3. Partnership Transaction Account 70295452**

Opening Balance		378,849.63 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
06-Jul-15	Credit Interest	1,348.74	Cr
12-Oct-15	Transfer from Rent	14,197,842.31	Cr
12-Oct-15	Trustee Fee	1,500.00	Dr
12-Oct-15	Ongoing Fee	94,444.33	Dr
12-Oct-15	Expenses	83,986.00	Dr
12-Oct-15	Partnership Swap payment	534,002.71	Cr
12-Oct-15	Partnership Debt	14,456,591.96	Dr
12-Oct-15	Spenhill	440,421.47	Dr
12-Oct-15	Partnership VAT Account	350,000.00	Cr
Closing Balance		<u>385,099.63</u>	Cr

**4. General Partner Corporation Tax Reserve Account 70295487**

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

**5. General Partner VAT Transaction Account 70298993**

Opening Balance		164,761.47	Cr
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Oct-15	Credit Interest	62.29	CR
Closing Balance		164,823.76	Cr

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

DATE			
12/10/2015	Ledger Receipts to date	378,849.61	
		6,250.00	
	Balance	385,099.61	Cr

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

Date		Funds Paid Out of account (£)	Funds Received into account (£)
12-Oct-15	<b>Partnership Available Funds</b>		
	a Rental Income		14,197,842.31
	b Funds from Issuer under Partnership Swaps		14,456,632.00
	c From Partnership VAT Account		350,000.00
	d From Partnership Disposal Proceeds Account		-
	e From Partnership Insurance Proceeds Account		-
	f Interest received by the Partnership Accounts and Rent Account		1,348.74
	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		-
	<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	-	
	d Partnership Operator Fee	79,937.80	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	d Nominees Corporate Services Provider Fee	-	
	d Nominees Holdco Corporate Services Provider Fee	4,048.20	
	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	-	
	Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	90,994.33	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250)	6,250.00	
	f Partnership Debt Interest	13,547,641.96	
	f Partnership Swap payment	13,922,629.29	
	g Partnership Debt Principal	908,950.00	
	Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Partnership Swap Termination Amount	-	
	j Property Pool Manager Fee	440,421.47	
	k Partnership Expenses Ledger payment	0.00	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	-	
	<b>Totals</b>	<b>29,005,823.05</b>	<b>29,005,823.05</b>

**7. Issuer Transaction Account 70295495**

Opening Balance		36,418.96 Cr	
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Oct-15	Credit Interest	192.16	Cr
13-Oct-15	Swaps Receipts	534,002.71	Cr
13-Oct-15	Partnership Debt	14,456,591.96	Cr
13-Oct-15	Swap Pays	534,002.71	Dr
13-Oct-15	Ongoing Fee	94,444.33	Cr
13-Oct-15	HSBC Fee	7,700.00	Dr
13-Oct-15	Notes	14,456,591.96	Dr
13-Oct-15	Issuer Operating Expenses	85,994.33	Dr
	Closing Balance	37,361.12	Cr

**8. Issuer Pre-Enforcement Priority of Payments**

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Oct-15			
	<b>Issuer Available Funds</b>		
	a Funds due to Issuer under Partnership Swap Agreement		13,922,629.29
	b Amounts due to Issuer in respect of Partnership Loan		14,551,036.29
	c Any amount due to Issuer under Issuer Swap Agreement		14,456,632.00
	d Interest Received by Issuer on Transaction Account		192.16
	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	0.00	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	85,994.33	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	13,547,641.96	
	d Bond Principal	908,950.00	
	d Issuer Swap Provider	13,922,629.29	
	d Partnership Swap payment	14,456,632.00	
	e Issuer Profit	750.00	
	f Swap Subordinated Amounts	-	
	g Issuer Partnership Swap Termination Amount	-	
	h Issuer Transaction Account	192.16	
	<b>Totals</b>	42,930,489.74	42,930,489.74

## 9. Bond Information

Listing	Irish Stock Exchange
<u>Original Rating</u>	
Moody's	A3
Standard and Poor's	A-
Fitch	A-
Offered Date	07 July 2010
Expected Maturity	13 April 2040
Issue Amount	£958,450,000
ISIN code	XS0512401976
Interest Rate	5.744% p.a.
Current Factor	0.985262859825760
Next Factor	0.984327931556158

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