



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 October 2016 - January 2017

IPD 26

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 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

Opening Balance		5,000.00	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
22-Dec-16	Rent	14,367,881.87	CR
10-Jan-17	To Partnership Transaction Account	14,367,881.87	DR
Closing Balance		5,000.00	CR

2. Partnership VAT Account

Opening Balance		3,540,981.73	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
31-Oct-16	VAT Payment	2,873,186.55	DR
22-Dec-16	VAT Funding	2,873,576.42	CR
10-Jan-17	Transfer to Partnership Transaction Account	447,242.96	DR
Closing Balance		3,094,128.64	CR

3. Partnership Transaction Account

Opening Balance		6,592.75	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Nov-16	Return of State Street Invoice	9,370.25	CR
15-Nov-16	Return of State Street Invoice	9,976.25	CR
10-Jan-17	Transfer from Partnership VAT Account	447,242.96	CR
10-Jan-17	Transfer to Partnership Distribution Account	143,752.89	DR
10-Jan-17	Transfer from Rent	14,367,881.87	CR
10-Jan-17	Trustee Fee	1,500.00	DR
10-Jan-17	Ongoing Fee	67,331.86	DR
10-Jan-17	Expenses	26,908.10	DR
10-Jan-17	Partnership Swap receipt	355,020.72	CR
10-Jan-17	Partnership Debt	14,456,591.93	DR
Closing Balance		500,000.02	CR

4. General Partner Corporation Tax Reserve Account

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

5. General Partner VAT Transaction Account

	Opening Balance	165,009.43	CR
DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
07-Oct-16	Credit Interest	18.99	CR
	Closing Balance	165,028.42	CR

Expense Reserve Ledger - Max GBP 500,000.00

DATE	ENTRY DETAILS		
10-Jan-17	Ledger Receipts to date	6,592.73	CR
		493,407.27	CR
	Balance	500,000.00	CR

6. Partnership Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
10-Jan-17	Partnership Available Funds		
	a Rental Income		14,367,881.87
	b Funds from Issuer under Partnership Swaps		14,456,632.00
	c From Partnership VAT Account		-
	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		466,589.46
	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)	55,295.04	
	c Partnership Operating Expenses excluding GP UK Tax	25,052.50	
	d Partnership Operator Fee	1,855.60	
	d Property Advisor Fee (Annual 25 K Jan)	-	
	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 Issuer Account Bank, PPA CM, CSP Fee (Ongoing Partnership Facility Fee)	11,286.82	
	d Headlease payment	-	
	e Partnership Expenses Ledger payment (max £6,250)	7,326.45	
	f Partnership Debt Interest	13,480,477.93	
	f Partnership Swap payment	14,101,611.28	
	g Partnership Debt Principal	976,114.00	
	g Issuer Partnership Swap Termination Amount (Ongoing Partnership Facility Fee)	750.00	
	i Property Pool Manager Fee	-	
	j Partnership Swap Termination Amount	-	
	k Partnership Expenses Ledger payment	486,080.82	
	l Alteration Adjustment Rent	-	
	m Committed Subordinated Loan payment	-	
	n Partnership Distribution Account	143,752.89	
	Totals	29,291,103.33	29,291,103.33

7. Issuer Transaction Account

DATE	ENTRY DETAILS	AMOUNT (£)	CR/DR
	Opening Balance	40,825.65	CR
13-Jan-17	Issuer Swaps Receipts	355,020.72	CR
13-Jan-17	Partnership Debt	14,456,591.93	CR
13-Jan-17	Partnership Swap Pays	355,020.72	DR
13-Jan-17	Ongoing Fee	67,331.86	CR
13-Jan-17	HSBC Fee	7,700.00	DR
13-Jan-17	Notes	14,456,591.93	DR
13-Jan-17	Issuer Operating Expenses	58,881.86	DR
	Closing Balance	41,575.65	CR

8. Issuer Pre-Enforcement Priority of Payments

Date		Funds Paid Out of account (£)	Funds Received into account (£)
13-Jan-17			
	Issuer Available Funds		
	a Funds due to Issuer under Partnership Swap Agreement		14,101,611.28
	b Amounts due to Issuer in respect of Partnership Loan		14,523,923.79
	c Any amount due to Issuer under Issuer Swap Agreement		14,456,632.00
	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	52,595.04	
	c Issuer/Issuer Holdco Corporate Services Provider Fee	6,286.82	
	c Paying Agent Fee	500.00	
	c Account Bank Fee	750.00	
	c Cash Manager Fee	3,750.00	
	d Bond Interest	13,480,477.93	
	d Bond Principal	976,114.00	
	d Issuer Swap Provider	14,101,611.28	
	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	-	
	Totals	43,082,167.07	43,082,167.07

9. Bond Information

Listing Irish Stock Exchange

Original Rating

Moody's	Ba1
Standard and Poor's	BB+
Fitch	BB+

Offered Date	07 July 2010
Expected Maturity	13 April 2040

Issue Amount	£958,450,000
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ISIN code	XS0512401976
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Interest Rate	5.744% p.a.
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Current Factor	0.980452021493035
Next Factor	0.979448009807501

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