

Canary Wharf Finance II plc

Issued June 2000/June 2001/February 2002/October 2002/May 2005/April 2007

Class A1 6.455% Fixed Rate First Mortgage Debentures due 2033

Class A3 5.952% Fixed Rate First Mortgage Debentures due 2037

Class A7 Floating Rate First Mortgage Debentures due 2037

Class B 6.800% Fixed Rate First Mortgage Debentures due 2033

Class B3 Floating Rate First Mortgage Debentures due 2037

Class C2 Floating Rate First Mortgage Debentures due 2037

Class D2 Floating Rate First Mortgage Debentures due 2037

QUARTERLY UPDATE

Canary Wharf Group updates information on the securitisation quarterly.

The enclosed statistics are as at 31/12/20

HIGHLIGHTS

Properties 92.4% let at 31 December 2020.

Valuations as at 31 December 2020 were £3,234M

LMCTV Ratio 42.9%

Recent activity regarding the mortgaged properties

- On the 15th September 2020, an agreement for a lease was concluded with Fisher Investments in respect of 11,931 sq ft part L19, One Canada Square. This is for an 8.5-year lease commencing December 2021. This is in addition to their existing lease over 42,283 sq ft on L18 and the remainder of L19.
- On the 5th November 2020, an agreement for a lease was concluded with the registered charity, International Hydropower Association, in respect of 2,376 sq ft part L06, One Canada Square. This is a 3-year lease commencing December 2020.
- On the 14th October 2020, Euler Hermes SA (NV) lease terminated in respect of 49,105 sq ft on L35 and part L36, One Canada Square, and a new agreement for a lease was concluded in respect of 22,109 sq ft on L36, One Canada Square. This is for a 10-year lease commencing October 2020.
- On the 1st October 2020, an agreement for a lease was concluded with Bellway Homes Limited in respect of 2,386 sq ft part L10, One Canada Square. This is for a 5-year lease commencing October 2020. Bellway have relocated from L36, One Canada Square, where they occupied 1,342 sq ft.

Canary Wharf Finance II plc

The rental income figures for the properties below are based on rents billed for Q4 2020.

Property Portfolio Summary

Address	Whole Building NIA	Area Securitised NIA	Area Securitised Let NIA	Actual Quarterly Rental Income	Estimated Annualised after rent free ⁽¹⁾⁽³⁾	Market Value ⁽²⁾
33 Canada Square	562,700 sq ft	562,700 sq ft	562,700 sq ft	£5.1 m	£20.3 m	£383.0
One Canada Square	1,236,200 sq ft	1,220,700 sq ft	1,072,794 sq ft	£10.7 m	£48.3 m	£920.0
20 Bank Street	546,500 sq ft	546,500 sq ft	546,500 sq ft	£6.6 m	£26.2 m	£522.0
40 Bank Street	607,400 sq ft	607,400 sq ft	442,314 sq ft	£4.3 m	£26.6 m	£400.0
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	639,000 sq ft	£6.1 m	£24.7 m	£530.0
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	562,000 sq ft	£5.1 m	£21.0 m	£478.5
Subtotal	4,153,800 sq ft	4,138,300 sq ft	3,825,308 sq ft	£37.8 m	£167.1 m	£3,233.5

(1) Area let as at 31st December 2020.

(2) MV based on valuation of the properties at 31st December 2020.

(3) Estimated annual rental income based on annualised rent as 31st December 2020 after expiry of rent-free periods and including potential rental income on unlet space, where applicable.

(4) The office rent on 10 Cabot Sq and 20 Cabot Sq is subject to annual RPI increases over the remaining term until the expiry of the lease in June 2032.

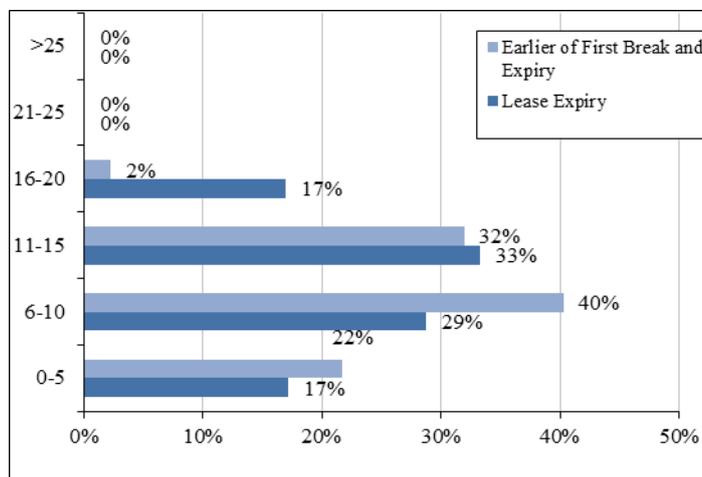
Occupancy

At 31st December 2020 the securitised property portfolio was 92.4% let.

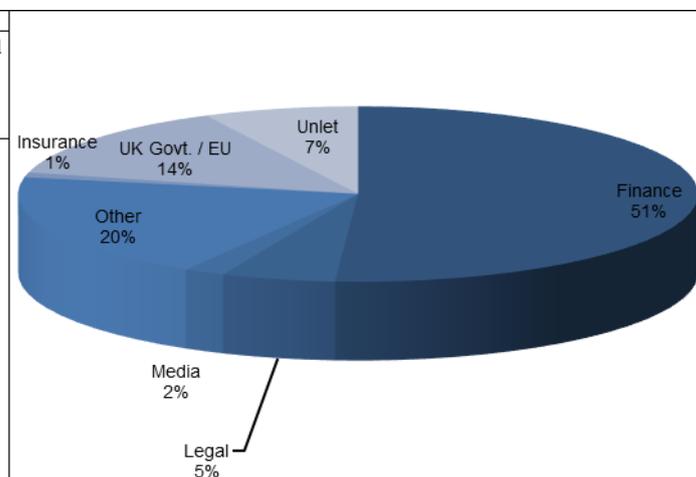
Rent Reviews

	Area	Passing Rent
Outstanding Rent Reviews	647,272 sq ft	£23,370,008

Analysis of Office Lease Expiries and Breaks (Note 1)



Concentration of Leases by Area



(1) The weighted average unexpired lease term of the securitised office portfolio (by sq ft) was 8.9 years. The weighted average lease term reflecting all break options was 7.08 years.

Major Tenants:

33 Canada Square

Citigroup

One Canada Square

Bank of New York Mellon
The Office Group
Moody's Investor Services
BBVA

20 Bank Street

Morgan Stanley UK Group

40 Bank Street

Skadden Arps
Allen & Overy
Herbert Smith
Australia and New Zealand Bank

5 North Colonnade

Barclays Bank Plc

10 South Colonnade

The Secretary of State for Communities
and Local Government

Canary Wharf Finance II plc

Financial Considerations

	Q4 2020 Actuals
Gross Rental	£37.8 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£37.8 m
B3 Defeasance	(£0.6 m)
C2 Defeasance	(£0.2 m)
Senior Expenses ⁽¹⁾	(£1.0 m)
	£36.0 m
Gross Debt	£1,406.9 m
Cash Reserves	(£21.3 m)
Net Debt	£1,385.6 m

Quarter 4 2020 Actuals

The Interest Cover and Debt Service Cover ratios have been calculated based on total interest costs, including payments to interest swap providers for the quarter.

Class	Amount post repayments ⁽²⁾	Interest ⁽³⁾	Principal ⁽⁴⁾	Reserve Release	Interest Cover Ratio	Debt Service Cover Ratio	LMCTV
AAA							
- A1	£216.1 m	(£3.6 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.0 m)					
	£849.3 m	(£12.5 m)			2.92 x	1.98 x	25.3%
AA							
- B	£126.2 m	(£2.3 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
	£207.5 m	(£3.4 m)			2.31 x	1.54 x	31.6%
A							
- C2	£239.7 m	(£3.7 m)			1.87 x	1.33 x	39.0%
BBB							
- D2	£125.0 m	(£2.2 m)			1.68 x	1.23 x	42.9%
	£1,406.9	(£21.8 m)	(£7.3 m)				

Reserve	Opening Balance ⁽⁵⁾	Period Movement	Closing Balance ⁽⁵⁾
Void Costs Ledger	£0.0 m	£0.0 m	£0.0 m
Cash Ledger	£0.0 m	£0.0 m	£0.0 m
B3 Defeasance Ledger	£7.2 m	£0.3 m	£7.5 m
C2 Defeasance Ledger	£9.5 m	£0.5 m	£10.0 m
Subtotal Coverage Reserves	£16.6 m	£0.8 m	£17.5 m
Cash Collateral	£4.3 m	(£0.6 m)	£3.8 m
Total Reserves	£21.0 m	£0.3 m	£21.3 m

Notes:

- Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- Total outstanding debt at 8th January 2021 interest payable date.
- Interest paid on 8th January 2021 comprises bond interest of £13.7m and payments under interest rate swaps of £8.1m.
- Amortisation paid on 8th January 2021
- Opening balance is as at 22nd October 2020, closing balance is at 22nd January 2021.
- Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.