

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 31/12/21

HIGHLIGHTS

Properties 89.08% let at 31 December 2021.

Valuations as of 31 December 2021 were £3,112M

LMCTV Ratio 43.5%

Recent activity regarding the mortgaged properties

- Subsequent to the period end, on the 6th January 2022 Citigroup signed a new lease in respect of 94,457 sq ft on L8 (Option floor), L12, L13, L14 & L15 on 40 Bank Street. The lease is commencing on March 2022 (Floors 12, 13 and 15), April 2022 (Floor 14) and December 2022 (Floor 8) with expiry on 30 September 2025 (all floors)
- On 22 December 2021 a Rent Review Memorandum was agreed with Citigroup for an uplift of £250,000 to the yearly rent payable pursuant to the lease in 33 Canada Square (DS6) as at the rent review date of 1 January 2020.
- On 17 December 2021 BBVA exchanged an agreement for a lease renewal on 28,993 sq ft for 10 years, with a 5 year break starting on 1st January 2022 in One Canada Square.
- On 11 October 2021 an agreement for lease was concluded with Brookfield Asset Management for 8,524 sq ft on L26, One Canada Square. The lease is for a 11 year term.

Rental Income

The rental income figures for the properties below are based on rents billed for Q4 2021.

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	562,745 sq ft	562,745 sq ft	£5.1 m	£20.5 m	£337.0 m
One Canada Square	1,236,200 sq ft	1,220,700 sq ft	851,176 sq ft	£8.2 m	£53.9 m	£920.0 m
20 Bank Street	546,500 sq ft	546,538 sq ft	546,538 sq ft	£6.6 m	£26.2 m	£510.0 m
40 Bank Street	607,400 sq ft	607,400 sq ft	527,266 sq ft	£5.3 m	£27.9 m	£369.0 m
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	636,858 sq ft	£6.5 m	£25.3 m	£509.0 m
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	562,000 sq ft	£5.3 m	£22.2 m	£467.0 m
Subtotal	4,153,800 sq ft	4,138,383 sq ft	3,686,550 sq ft	£36.9 m	£176.1 m	£3,112.0 m

(1) Area let as at 31st December 2021.

(2) MV based on valuation of the properties at 31st December 2021.

(3) Estimated annual rental income based on annualised rent as 31st December 2021 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.

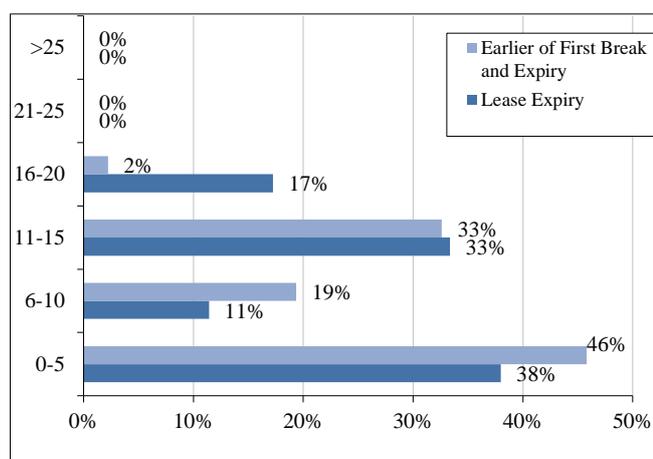
Occupancy

At 31st December 2021 the securitised property portfolio was 89.08% let.

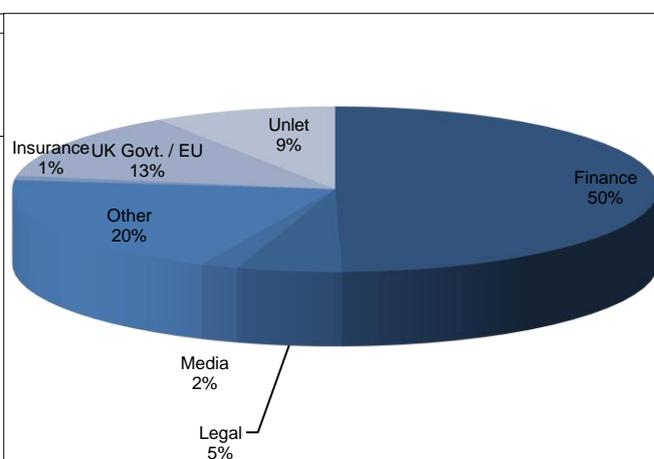
Rent Reviews

	Area	Passing Rent
Outstanding Rent Reviews	2,384 sq ft	£119,200

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 8.62 years. The weighted average lease term reflecting all break options was 6.65 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

Citigroup
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 2021 Actuals
Gross Rental	£36.9 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£36.9 m
B3 Defeasance	(£0.6 m)
C2 Defeasance	(£0.2 m)
Senior Expenses ⁽¹⁾	(£1.0 m)
	£35.1 m
Gross Debt	£1,377.5 m
Cash Reserves	(£22.4 m)
Net Debt	£1,355.2 m

Quarter 4 2021 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	Interest	Principal	Reserve Release	Interest Cover Ratio	Debt Service Cover Ratio	LMCTV
AAA	£815.7 m	(£12.3 m)	(£5.6 m)		2.93 x	1.97 x	25.5%
- A1	£193.7 m	(£3.2 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.1 m)					
AA	£197.1 m	(£3.2 m)	(£1.7 m)		2.33 x	1.54 x	31.8%
- B	£119.2 m	(£2.1 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
A	£239.7 m	(£3.9 m)			1.86 x	1.32 x	39.5%
- C2	£239.7 m	(£3.9 m)					
BBB	£125.0 m	(£2.3 m)			1.66 x	1.22 x	43.5%
- D2	£125.0 m	(£2.3 m)					
	£1,377.5 m	(£21.6 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	£8.4 m	£0.3 m	£8.7 m
C2 Defeasance Ledger	£11.7 m	£0.6 m	£12.4 m
Subtotal Coverage Reserves	£20.1 m	£0.9 m	£21.1 m
Cash Collateral	£1.9 m	(£0.6 m)	£1.3 m
Total Reserves	£22.1 m	£0.3 m	£22.4 m

Notes:

- (1) Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- (2) Total outstanding debt at 22nd January 2022 interest payable date.
- (3) Interest paid on 22nd January 2022 comprises bond interest of £13.49m and payments under interest rate swaps of £7.99m.
- (4) Amortisation paid on 22nd January 2022.
- (5) Opening balance is as at 22nd October 2021, closing balance is at 22nd January 2022.
- (6) Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.