

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 30/06/22

HIGHLIGHTS

Properties 87.57% let at 30 June 2022.

Valuations as of 30 June 2022 were £3,136.5M

LMCTV Ratio 42.7%

Recent activity regarding the mortgaged properties

- On the 18th July 2022, Fisher Investments Europe Limited signed a new lease in respect of 27,912 sq ft on L20 in One Canada Square. The lease is commencing on 1st May 2023 with expiry on 30th June 2030.
- On the 11th July 2022, China Unicorn (Europe) Operations Limited signed a new lease in respect of 7,937 sq ft on part of L19 in 40 Bank Street. The lease commenced on 14th June 2022 with expiry on 31st December 2029.
- On the 11th July 2022, Datatonic Ltd signed a new lease in respect of 15,705 sq ft on part of L45 in One Canada Square. The lease is commencing on 1st September 2022 with expiry on 31st August 2027.
- On the 14th June 2022, MDU Services Limited intended to serve notice to exercise its break option to determine the lease of L33 in One Canada Square on 30th June 2024. A reversionary lease of part of L32 on the same terms as the existing lease would be entered into extending the lease term by 5 years on the same terms as the existing lease. The Part Floor 32 Lease would be varied to remove MDU's break option in respect of the Part 32 Floor Lease and to settle the June 2024 rent review.

Rental Income

The rental income figures for the properties below are based on rents billed for Q2 2022.

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	£20.2 m	£337.0 m
One Canada Square	1,236,200 sq ft	1,220,700 sq ft	905,186 sq ft	£9.0 m	£53.3 m	£932.0 m
20 Bank Street	546,500 sq ft	546,538 sq ft	546,538 sq ft	£6.6 m	£25.8 m	£495.0 m
40 Bank Street	607,400 sq ft	607,400 sq ft	414,562 sq ft	£4.9 m	£26.9 m	£390.0 m
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	639,000 sq ft	£6.5 m	£25.0 m	£511.0 m
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	555,840 sq ft	£5.5 m	£22.1 m	£471.5 m
Subtotal	4,153,800 sq ft	4,138,383 sq ft	3,623,871 sq ft	£37.5 m	£173.3 m	£3,136.5 m

(1) Area let as at 30th June 2022.

(2) MV based on valuation of the properties at 30th June 2022.

(3) Estimated annual rental income based on annualised rent as 30th June 2022 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.

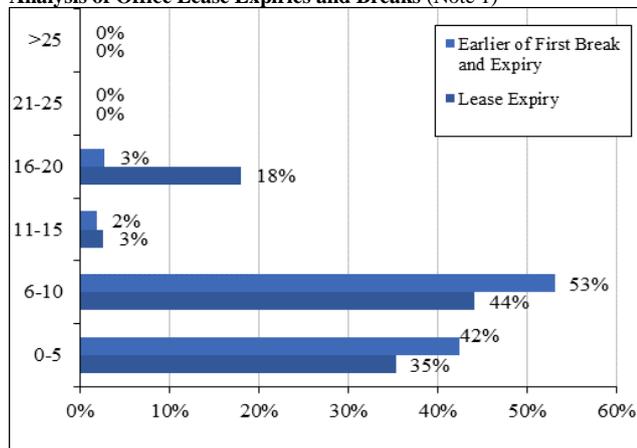
Occupancy

At 30th June 2022 the securitised property portfolio was 87.57% let.

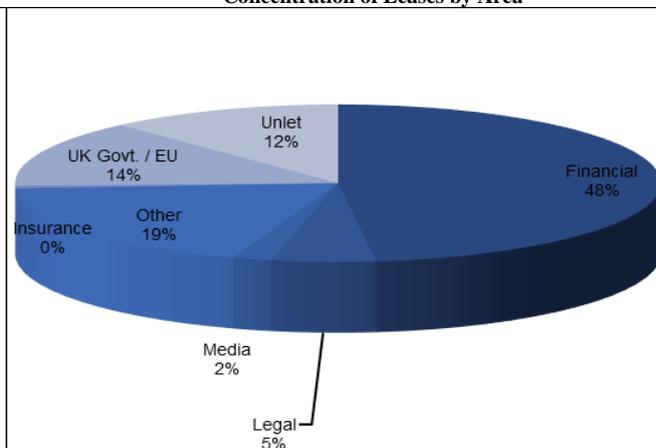
Rent Reviews

	<u>Area</u>	<u>Passing Rent</u>
Outstanding Rent Reviews	7,402 sq ft	£397,954

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 8.41 years. The weighted average lease term reflecting all break options was 6.30 years.

Major Tenants:

33 Canada Square

Citigroup

One Canada Square

The Office Group
Moody's Investor Services
BBVA
Fisher Investments Europe Limited

20 Bank Street

Morgan Stanley UK Group

40 Bank Street

Citigroup
Skadden Arps
Allen & Overy
Herbert Smith

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

	Q2 2022 Actuals
Gross Rental	£37.5 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£37.5 m
B3 Defeasance	(£0.3 m)
C2 Defeasance	(£1.1 m)
Senior Expenses ⁽¹⁾	(£0.9 m)
	£35.2 m
Gross Debt	£1,362.9 m
Cash Reserves	(£24.1 m)
Net Debt	£1,338.8 m

Quarter 2 2022 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	£804.5 m	(£11.9 m)	(£5.6 m)		3.09 x	2.02 x	24.9%
- A1	£182.5 m	(£3.0 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£2.9 m)					
AA	£193.7 m	(£3.0 m)	(£1.7 m)		2.46 x	1.58 x	31.1%
- B	£115. m	(£2.0 m)	(£1.7 m)				
- B3	£77.9 m	(£1.0 m)					
A	£239.7 m	(£3.6 m)			1.98 x	1.36 x	38.7%
- C2	£239.7 m	(£3.6 m)					
BBB	£125.0 m	(£2.1 m)			1.77x	1.26 x	42.7%
- D2	£125.0 m	(£2.1 m)					
	£1,362.9 m	(£20.7 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	£9.0 m	£0.3 m	£9.3 m
C2 Defeasance Ledger	£13.0 m	£1.1 m	£14.1 m
Subtotal Coverage Reserves	£22.0 m	£1.4 m	£23.4 m
Cash Collateral	£0.8 m	(£0.1 m)	£0.7 m
Total Reserves	£22.8 m	£1.3 m	£24.1 m

Notes:

- (1) Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- (2) Total outstanding debt at 22nd July 2022 interest payable date.
- (3) Interest paid on 22nd July 2022 comprises bond interest of £14.55m and payments under interest rate swaps of £6.12m.
- (4) Amortisation paid on 22nd July 2022
- (5) Opening balance is as at 22nd April 2022, closing balance is at 22nd July 2022.
- (6) Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.