

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 30/09/22

HIGHLIGHTS

Properties 91.88% let at 30 September 2022.

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

LMCTV Ratio 42.4%

Recent activity regarding the mortgaged properties

- On the 25th August 2022, Citibank N.A. (London Branch) signed a new lease in respect of 94,174 sq ft on levels 5, 6, 7, 9 & 10 in 40 Bank Street. The lease is commencing on 27th March 2023 for L5, 15th May 23 for L6, 24th April 2023 for L7, 6th March 2023 for L9 and 27th March 2023 for L10. Term commencement date may be deferred to a maximum of 2 months depending on the practical completion date. The lease expiry is 31st December 2026 (subject to deferral).
- On the 30th September 2022, Sunny Investment Management Ltd signed a new lease in respect of 5,719 sq ft on part of L10 in One Canada Square. The lease is commencing on 1st October 2022 with expiry 30th September 2027. Sunny Investment Management Ltd have the option to break on 30th September 2025.
- On the 21st October 2022, Delta Capita Ltd signed a new lease in respect of 19,113 sq ft on L2 in 40 Bank Street. The lease is commencing on 23rd September 2022 with expiry on 22nd September 2032.
- On the 21st October 2022, Objectway Limited signed a new lease in respect of 5,814 sq ft on part of L28 in One Canada Square. The lease will commence on completion of the Landlord works targeted for no later than 31st March 2023 with expiry 5 years from the Term Commencement date.

Rental Income

The rental income figures for the properties below are based on rents billed for Q3 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	950,273 sq ft	£10.0 m	£55.5 m	£932.0 m
20 Bank Street	546,500 sq ft	546,538 sq ft	546,538 sq ft	£6.4 m	£25.8 m	£495.0 m
40 Bank Street	607,400 sq ft	607,400 sq ft	547,863 sq ft	£3.7 m	£31.4 m	£390.0 m
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	639,000 sq ft	£6.4 m	£25.0 m	£511.0 m
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	555,779 sq ft	£5.7 m	£22.1 m	£471.5 m
Subtotal	4,153,800 sq ft	4,138,383 sq ft	3,802,198 sq ft	£37.4 m	£180.0 m	£3,136.5 m

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

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

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

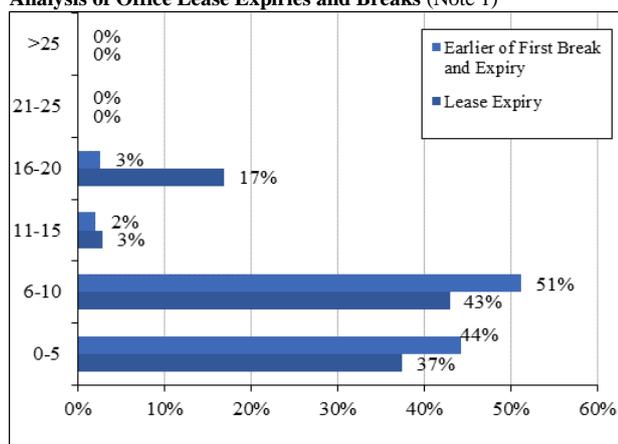
Occupancy

At 30th September 2022 the securitised property portfolio was 91.88% let.

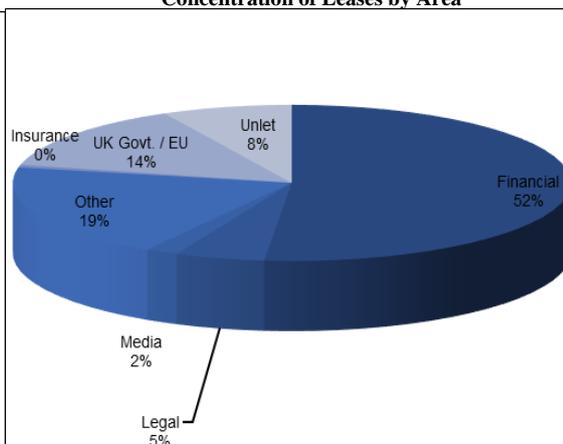
Rent Reviews

	Area	Passing Rent
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 8.29 years. The weighted average lease term reflecting all break options was 6.23 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

	Q3 2022 Actuals
Gross Rental	£37.4 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£37.4 m
B3 Defeasance	(£0.3 m)
C2 Defeasance	(£1.2 m)
Senior Expenses ⁽¹⁾	(£0.9 m)
	£35.0 m
Gross Debt	£1,355.5 m
Cash Reserves	(£25.5 m)
Net Debt	£1,330.0 m

Quarter 3 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	£798.9m	(£12.0 m)	(£5.6 m)		3.05 x	1.99 x	24.7%
- A1	£176.9 m	(£2.9 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.1 m)					
AA	£192.0 m	(£3.1 m)	(£1.7 m)		2.42 x	1.56 x	30.8%
- B	£114.1 m	(£2.0 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
A	£239.7 m	(£3.9 m)			1.93 x	1.33 x	38.4%
- C2	£239.7 m	(£3.9 m)					
BBB	£125.0 m	(£2.3 m)			1.72x	1.23 x	42.4%
- D2	£125.0 m	(£2.3 m)					
	£1,355.5 m	(£21.2 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	£9.3 m	£0.3 m	£9.6 m
C2 Defeasance Ledger	£14.1 m	£1.2 m	£15.3 m
Subtotal Coverage Reserves	£23.4 m	£1.5 m	£24.9 m
Cash Collateral	£0.7 m	(£0.1 m)	£0.6 m
Total Reserves	£24.2 m	£1.4 m	£25.5 m

Notes:

- Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- Total outstanding debt at 24th October 2022 interest payable date.
- Interest paid on 24th October 2022 comprises bond interest of £15.9m and payments under interest rate swaps of £5.26m.
- Amortisation paid on 24th October July 2022
- Opening balance is as at 22nd July 2022, closing balance is at 24th October 2022.
- Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.