

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 31/12/22

HIGHLIGHTS

Properties 90.92% let at 31 December 2022.

Valuations as of 31 December 2022 were £2,887M

LMCTV Ratio 45.8%

Recent activity regarding the mortgaged properties

- 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.
- On 9th December 2022, WallStreetDocs renewed a lease in respect of 4,540 sq. ft on part level 3 in 40 Bank Street. The lease renewed from 8th November 2022 with expiry 7th November 2027 and the option to break 3 years after the lease start date.
- On 20th December 2022, Begbies signed a new lease in respect of 10,140 sq. ft on part level 31 in 40 Bank Street. The lease is commencing on 1st April 2023 with expiry 31st December 2029 and no break option.
- On 20th December 2022, Doctors of the World signed a new lease in respect of 1,820 sq. ft on part level 6 in One Canada Square. The lease commenced on 20th December 2022 with expiry 19th December 2025. This is a charity lease.
- On 31st December 2022, ABSA, Saxo Bank and Freedom Pay signed a new lease in respect of 4,177 sq. ft, 9,748 sq. ft and 4,381 sq. ft on level 26 in 40 Bank Street. The leases commenced on 1st January 2023 with expiry on 31st December 2029 and no break option.
- On 31st December 2022, Brookfield signed a new lease in respect of 13,105 sq. ft on level 26 in One Canada Square. This signing means that Brookfield now leases the whole of level 26. The lease commenced on 15th November 2022 with expiry on 31st December 2032 and no break option.

Rental Income

The rental income figures for the properties below are based on rents billed for Q4 2022.

Property Portfolio Summary

Address	Whole Building NIA	Area Securitised NIA	Area Let NIA	Actual Quarterly Rental Income	Estimated Annualised after rent free ⁽¹⁾⁽³⁾	Market Value ⁽²⁾
33 Canada Square	562,745 sq ft	562,745 sq ft	562,745 sq ft	£5.1 m	£20.5 m	£295.0 m
One Canada Square	1,197,069 sq ft	1,197,069 sq ft	895,692 sq ft	£10.0 m	£58.6 m	£860.0 m
20 Bank Street	546,538 sq ft	546,538 sq ft	546,538 sq ft	£6.7 m	£26.2 m	£435.0 m
40 Bank Street	609,088 sq ft	609,088 sq ft	537,276 sq ft	£5.7 m	£31.2 m	£377.0 m
10 Cabot Sq/5 North Colonnade	643,284 sq ft	643,284 sq ft	643,284 sq ft	£6.4 m	£26.7 m	£500.0 m
20 Cabot Sq/10 South Colonnade	555,779 sq ft	555,779 sq ft	555,779 sq ft	£5.5 m	£23.4 m	£420.0 m
Subtotal	4,114,503 sq ft	4,114,503 sq ft	3,741,314 sq ft	£39.5 m	£186.7 m	£2,887 m

(1) Area let as at 31st December 2022.

(2) MV based on valuation of the properties at 31st December 2022.

(3) Estimated annual rental income based on annualised rent as 31st December 2022 after expiry of rent-free periods and including potential rental income on unlet space, where applicable using market rate at £55/sqft.

(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.

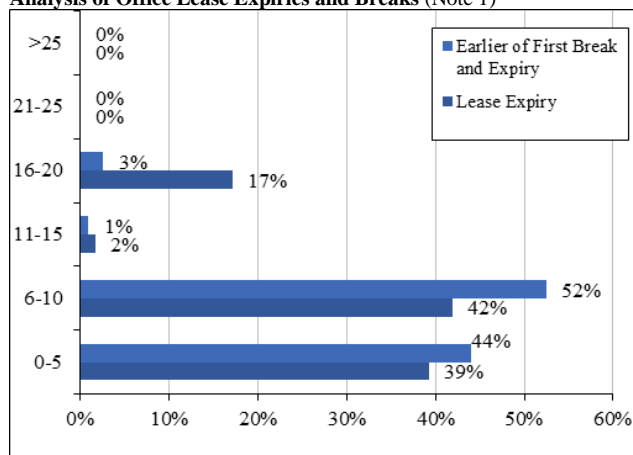
Occupancy

At 31st December 2022 the securitised property portfolio was 90.92% let.

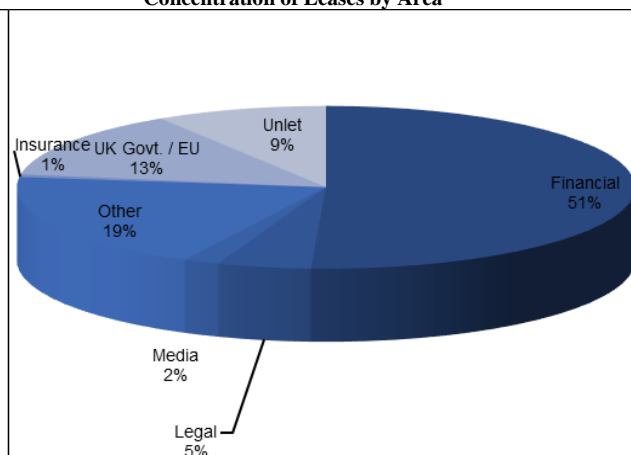
Rent Reviews

No outstanding rent reviews

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 7.95 years. The weighted average lease term reflecting all break options was 6.01 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
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

	Q4 2022 Actuals
Gross Rental	£39.5 m
Interest on collateral accounts and other releases	£0.0 m
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B3 Defeasance	(£0.3 m)
C2 Defeasance	(£1.2 m)
Senior Expenses ⁽¹⁾	(£0.9 m)
	£37.1 m
Gross Debt	£1,348.2 m
Cash Reserves	(£27.0 m)
Net Debt	£1,321.2 m

Quarter 4 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	£793.3m	(£11.8 m)	(£5.6 m)		3.27 x	2.13 x	26.5%
- A1	£171.3 m	(£2.9 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.0 m)					
AA	£190.2 m	(£3.0 m)	(£1.7 m)		2.60 x	1.67 x	33.1%
- B	£112.3 m	(£1.9 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
A	£239.7 m	(£3.7 m)			2.08 x	1.43 x	41.4%
- C2	£239.7 m	(£3.7 m)					
BBB	£125.0 m	(£2.2 m)			1.86x	1.32 x	45.8%
- D2	£125.0 m	(£2.2 m)					
	£1,348.2 m	(£20.8 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	£9.6 m	£0.3 m	£9.9 m
C2 Defeasance Ledger	£15.3 m	£1.2 m	£16.5 m
Subtotal Coverage Reserves	£24.9 m	£1.5 m	£26.5 m
Cash Collateral	£0.6 m	(£0.1 m)	£0.5 m
Total Reserves	£25.5 m	£1.4 m	£27.0 m

Notes:

- Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- Total outstanding debt at 23rd January 2023 interest payable date.
- Interest paid on 23rd January 2023 comprises bond interest of £17.7m and payments under interest rate swaps of £3m.
- Amortisation paid on 23rd January 2023
- Opening balance is as at 24th October 2022, closing balance is at 23rd January 2023.