

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 30/09/20

HIGHLIGHTS

Properties 92.5% let at 30 September 2020.

Valuations as at 30 June 2020 were £3,290M

LMCTV Ratio 42.3%

Recent activity regarding the mortgaged properties

- On the 18th August 2020 Metlife's lease in respect of 12,899 sq ft on part L34, One Canada Square, renewed. The lease is for a 1-year term commencing April 2021.
- On the 16th September 2020 First Abu Dhabi Bank PJSC exercised their option to determine their lease in respect of 11,267 sq ft on part L28, One Canada Square, on the 25th March 2021.

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The rental income figures for the properties below are based on rents billed for Q3 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	£394.0
One Canada Square	1,236,200 sq ft	1,220,700 sq ft	1,093,277 sq ft	£9.2 m	£50.8 m	£925.0
20 Bank Street	546,500 sq ft	546,500 sq ft	546,500 sq ft	£6.6 m	£26.2 m	£533.0
40 Bank Street	607,400 sq ft	607,400 sq ft	424,370 sq ft	£4.1 m	£26.9 m	£420.0
10 Cabot Sq/5 North Colonnade	639,000 sq ft	639,000 sq ft	639,000 sq ft	£6.1 m	£24.7 m	£539.0
20 Cabot Sq/10 South Colonnade	562,000 sq ft	562,000 sq ft	562,000 sq ft	£5.1 m	£21.1 m	£479.0
Subtotal	4,153,800 sq ft	4,138,300 sq ft	3,827,847 sq ft	£36.1 m	£170.0 m	£3,290.0

(1) Area let as at 30th September 2020.

(2) MV based on valuation of the properties at 30th June 2020.

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

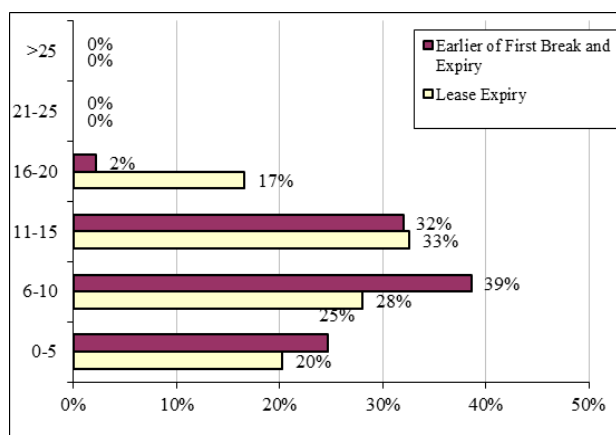
Occupancy

At 30th September 2020 the securitised property portfolio was 92.5% let.

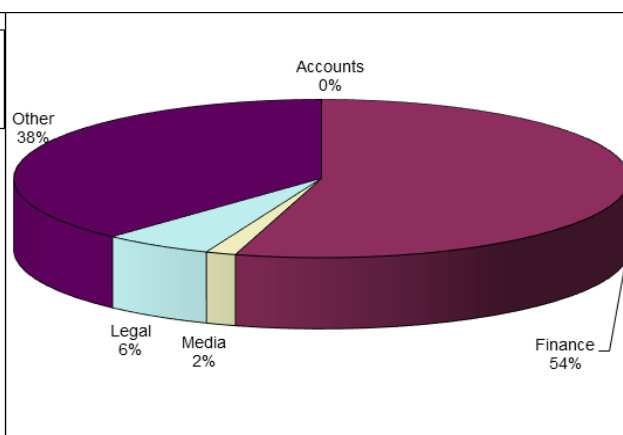
Rent Reviews

	Area	Passing Rent
Outstanding Rent Reviews	567,389 sq ft	£20,158,902

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 9.1 years. The weighted average lease term reflecting all break options was 7.2 years.

Major Tenants:

33 Canada Square

Citigroup

One Canada Square

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

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

	Q3 2020 Actuals
Gross Rental	£36.1 m
Interest on collateral accounts and other releases	£0.0 m
Gross Rental	£36.1 m
B3 Defeasance	(£0.6 m)
C2 Defeasance	(£0.2 m)
Senior Expenses ⁽¹⁾	(£1.0 m)
	£34.3 m
Gross Debt	£1,414.2 m
Cash Reserves	(£21.0m)
Net Debt	£1,393.2 m

Quarter 3 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	£221.7 m	(£3.9 m)	(£5.6 m)				
- A3	£400.0 m	(£6.0 m)					
- A7	£222.0 m	(£3.0 m)					
	£849.3 m	(£12.8 m)			2.74 x	1.86 x	25.0%
AA							
- B	£127.9 m	(£2.3 m)	(£1.7 m)				
- B3	£77.9 m	(£1.1 m)					
	£207.5 m	(£3.4 m)			2.17 x	1.46 x	31.3%
A							
- C2	£239.7 m	(£3.7 m)			1.76 x	1.26 x	38.5%
BBB							
- D2	£125.0 m	(£2.2 m)			1.59 x	1.17 x	42.3%
	£1,414.2 m	(£22.1 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	£6.8 m	£0.3 m	£7.2 m
C2 Defeasance Ledger	£9.0 m	£0.5 m	£9.5 m
Subtotal Coverage Reserves	£15.8 m	£0.8 m	£16.6 m
Cash Collateral	£1.6 m	£2.7 m	£4.3 m
Total Reserves	£17.4 m	£3.5 m	£21.0 m

Notes:

- Senior Expenses principally include the DS6 facility fees and the liquidity facility fee.
- Total outstanding debt at 22nd October 2020 interest payable date.
- Interest paid on 22nd October 2020 comprises bond interest of £13.9m and payments under interest rate swaps of £8.1m.
- Amortisation paid on 22nd October 2020
- Opening balance is as at 23rd July 2020, closing balance is at 22nd October 2020.
- Opening balance on Cash Collateral account corrected to reflect additions to the account in earlier periods in respect of lease surrenders.