

PART 5

BONDHOLDER REPORT

The Issuer will provide to the Financial Guarantors, the Bond Trustee and the Bondholders a report throughout the Project (semi-annually, until the last Practical Completion Date and then annually following the last Practical Completion Date) as detailed below:

OVERVIEW	
Report Issue Date	01/02/2016
Reporting Period	01/08/2015 – 28/02/2016
Project Company	Holyrood Student Accommodation plc
Bonds	£31,505,000 1.9713 per cent. Indexed-linked Guaranteed Secured Bonds due 28 August 2048 £31,505,000 5.533 per cent. Guaranteed Secured Bonds due 28 August 2048
Current Outstanding Amount	£63,010,000
Project Phase	Construction

RATINGS	S&P	Moody's
Wrapped rating	AA	A2
Outlook	Stable	Stable
Underlying rating	BBB	Baa3
Outlook	Stable	Stable
Most recent rating report	16 th June 2015	6 th August 2015

COMPLIANCE CERTIFICATION
<ul style="list-style-type: none"> • There is not: <ul style="list-style-type: none"> o Event of Default or Potential Event of Default o Trigger Event • All repeated representations & warranties are correct • ProjectCo, Issuer, HoldCo and IntermediateCo are compliant with all covenants • ProjectCo, Issuer, HoldCo and IntermediateCo are solvent. • No material litigation • No Disputes with the University

PROJECT COMPANY OWNERSHIP

- No changes of ownership have occurred since the inception of the project.

SUMMARY OF PROJECT PERFORMANCE

For the reporting period, provide commentary for relevant topics:

- Key performance indicators:
 1. Financial Position

The construction phase of the project is progressing within the funding envelope agreed at Financial Close and no shortfall in funding is anticipated. We do not anticipate the Project Company to be adversely affected by the consequences of the delay to the completion of the Phase 2 works. Any cost and revenue consequences for the Project Company will be borne by the construction contractor under their subcontract.
 2. Rooms Nominated

The Contractor has served an Availability Notice for final Phase 3 (204 rooms).
- Penalties & deductions –
 - "Suitable Alternative Equivalent Accommodation" were put in place for Phase 1 with all costs associated borne by the Building Contractor, with no impact on Project Co'.
 - Liquidated Damages now agreed for Phase 2 with all costs associated borne by Building Contractor, with no impact on Project Co'.
- Costs incurred to date on maintenance / lifecycle and relevant changes to maintenance schedule - None to date
- Changes to service providers - None
- Material new contracts - None
- Material insurance claims - None
- Variations effected –
 - Formal agreement was put in place for delay to Phase 1.
 - Formal agreement now in place for delay to Phase 2 along with early introduction of Block LM.
- Details of each Applicable Test pursuant to schedule Part 27 (Restrictive Covenant) of the Project Agreement – None relevant at this time in the project
- Any material actions taken / variations effected - Formal agreement put in place for delay to Phase 1, formal agreement put in place for delay to Phase 2 along with early introduction of Block LM. Partial renunciation of sub-lease in respect of Outreach centre completed.
- Any other material topics as relevant to the project - None

RESERVE ACCOUNTS	
Lifecycle Reserve Account	£0 Not yet applicable
Debt Service Reserve Account(s)	£0 Not yet applicable

FINANCIAL RATIOS					
Aug-Feb period	Components of Ratio	Ratio	Forecast at Financial Close	Trigger level	Default level
ADSCR – Historic	[Operating Cash] [Debt Service]	Data due post completion	Data due post completion	Data due post completion	Data due post completion
ADSCR – Forward-looking	[Operating Cash] [Debt Service]	Data due post completion	Data due post completion	Data due post completion	Data due post completion
BLCR	[PV of Operating Cash] [Cash balances excl reserve accounts] [Debt O/S]	Data due post completion	Data due post completion	Data due post completion	Data due post completion

FINANCIAL RATIOS					
Feb- Aug period	Components of Ratio	Ratio	Forecast at Financial Close	Trigger level	Default level
ADSCR – Historic	[Operating Cash] [Debt Service]	Data due post completion	Data due post completion	Data due post completion	Data due post completion
ADSCR – Forward-looking	[Operating Cash] [Debt Service]	Data due post completion	Data due post completion	Data due post completion	Data due post completion
BLCR	[PV of Operating Cash] [Cash balances excl reserve accounts] [Debt O/S]	Data due post completion	Data due post completion	Data due post completion	Data due post completion

FINANCIAL RATIOS					
Full year to August	Components of Ratio	Ratio	Forecast at Financial Close	Trigger level	Default level
Gross Rent Ratio	[Revenues] [Debt Service]	Data due post completion	Data due post completion	Data due post completion	Data due post completion

TRANSACTION PARTIES	
Issuer	Holyrood Student Accommodation plc
Construction Contractor	Balfour Beatty Construction Scottish & Southern Limited
FM Services Contractor	Engie (corporate rebranding of Cofely Workplace Limited)
Bond Trustee	BNY Mellon Corporate Trustee Services Limited
Security Trustee	BNY Mellon Corporate Trustee Services Limited
Account Bank	Barclays Bank plc
Principal Paying Agent	The Bank of New York Mellon, London Branch
Transaction Legal Advisers	Ashurst LLP

Signature:

Director