



PRECINCT FUNDING 1 (RF) LIMITED

Investor Report Date 31-Oct-2016

Determination Date: 30-Sep-2016

Interest Payment Date 27-Oct-2016

Asset Class: Commercial Mortgage Backed Securitisation

LIABILITIES

Note Class	Class A1	Class A2	Class A3	Class B	Class C	Class D
ISIN Code	ZAG000104191	ZAG000104209	ZAG000104217	ZAG000104225	ZAG000104233	ZAG000104241
Initial Tranching	24.72%	24.72%	26.97%	13.48%	4.49%	5.62%
Legal Final Maturity	2028/01/27	2028/01/27	2028/01/27	2028/01/27	2028/01/27	2028/01/27
Step Up call Date	2018/01/27	2018/01/27	2018/01/27	2018/01/27	2018/01/27	2018/01/27
Rating [Original // Current]	A1/Aaa.za // A1/Aaa.za	A1/Aaa.za // A1/Aaa.za	A1/Aaa.za // A1/Aaa.za	A3/Aa2.za // A3/Aa2.za	Baa3/A2.za // Baa3/A2.za	Ba3/Baa2.za // Ba3/Baa2.za
Credit Enhancement %	32.00%	32.00%	32.00%	20.00%	16.00%	11.00%
Initial Notes Aggregate Principal Outstanding Balance	550 000 000	550 000 000	600 000 000	300 000 000	100 000 000	125 000 000
Redemptions per Note	550 000 000	550 000 000	37 760 188	-	-	-
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	-	-	562 239 812	300 000 000	100 000 000	125 000 000
Current Tranching	0.00%	0.00%	25.27%	13.48%	4.49%	5.62%
Reference Rate	3m Jibar	3m Jibar	3m Jibar	3m Jibar	3m Jibar	3m Jibar
Interest Margin (BPS)	1.05%	1.25%	1.34%	1.54%	2.40%	2.60%
Current 3m Jibar Rate (27 July 2016)	7.35%	7.35%	7.35%	7.35%	7.35%	7.35%
Total Rate	8.40%	8.60%	8.69%	8.89%	9.75%	9.95%
Step up rate (BPS)	1.420%	1.690%	1.810%	2.080%	3.240%	3.510%
Interest Days	92	92	92	92	92	92
Interest Payment	-	-	12 315 054	6 722 301	2 457 534	3 134 932
Cumulative Interest Shortfall	Nil	Nil	Nil	Nil	Nil	Nil
Unpaid Interest (Accrued in Period)	Nil	Nil	Nil	Nil	Nil	Nil

Subordinated loans	Sub loan
Initial Notes Aggregate Principal Outstanding Balance	275 000 000
Redemptions this period	-
Loss taken against the Sub Loans	-
Principal Outstanding Balance End of Period	275 000 000
Unpaid Interest	10 431 120

Liquidity Reserve				
	Opening Balance	Redemption / Unwind	Closing Balance	Required Level
	86 373 330	(10 266 543)	76 106 787	76 106 787

Redraw Reserve				
	Opening Balance	Redemption / Unwind	Closing Balance	Target Level
	171 603 887	29 740 931	141 862 956	625 000 000
			-	
			141 862 956	

Arrears Reserve					
	Arrears Reserve Required Amount	Current amount	Unprovided due to Shortage of Funds	Annualised Default Rate	Breach
	-	-	-		N

Principal Redemption Calculation	
Principal Collections	99 224 899
Written off loans	-
Balance on PDL Ledger	-
Potential Redemption Amount	99 224 899

Principal Deficiency	
Total Notes Outstanding	1 362 239 812
Class A1	-
Class A2	-
Class A3	562 239 812
Class B	300 000 000
Class C	100 000 000
Class D	125 000 000
Subloans	275 000 000
Redemption of Notes	109 491 442
Performing Loan Agreements	1 043 777 535
All loan Agreements	1 043 777 535
Defaulted Loans Agreements	-
Total Reserves	362 814 375
Liquidity Reserve	76 106 787
Arrears Reserve	-
Redraw Reserve	141 862 956
Permitted Investments	144 844 633
Principal Deficiency	-

Principal Deficiency Ledger Reconciliation	
Defaulted Loans	-
Arrears Reserve Provision	-
Revenue Reserves applied in Note Redemption	-
	-

Source of Funds available for Payments	393 330 726
Revenue	
Yield on Commercial Mortgage Assets	26 340 910
Payments from Interest Rate Hedge Provider	775 420
Reinvestment Income - From GIC Provider	9 012 280
	36 128 610
Principal	
Scheduled Amortisation	54 903 393
Unscheduled Prepayments	44 321 506
Principal Recoveries from Defaulted Assets	-
	99 224 899
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	86 373 330
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	171 603 887
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	257 977 217

Combined Revenue & Principle Ledger Application of Funds	(393 330 726)
Senior Fees and Expenses	(385 635)
Liquidity Facility Interest & Fees	-
Swap Payments	-
Interest on A Notes	(12 315 054)
Interest on B, C and D Notes	(12 314 767)
Liquidity Provider / Liquidity Reserve Fund	(76 106 787)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(141 862 956)
Further Advances	(29 740 931)
Principal on redeeming notes	(109 491 442)
Derivative termination Amounts	-
Additional Issuer Expenses	(109 357)
Interest and Principal on Sub Loan	(11 003 797)
Dividends on Preference shares	-
Permitted Investments	-

SWAP Information	
SWAP Provider	Nedbank
Moody's Rating of Provider	A3/P2
Counterparty Rating Trigger	A3/P2
Type of Swap	Basis (Prime for Jibar)
Notional Balance	1 282 357 204
Margin	3.375%
SWAP Calculation:	
Interest Paid	-24 554 964
Interest Received	25 330 384
Rate Paid	7.13%
Rate Received	7.35%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	26 340 910	1.93%
Interest received on Cash Reserves	9 012 280	0.66%
Swap	775 420	0.06%
Senior Expenses	(385 635)	-0.03%
Note Interest	(24 629 822)	-1.81%
Net excess spread after Senior Expenses	11 113 154	0.82%

Repayment Statistics	
Mortgage repayment level for the period	9.51%
Annualised repayment profile	37.72%

ASSETS

PORTFOLIO INFORMATION

Balances - At Closing		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate
Total	2 503 647 330						
Weighted Average			62.3%	53.1%	2.0	-0.65%	7.85%
Average	14 902 663	0.7%	58.2%	49.1%	1.8	-0.56%	7.94%
Max	85 093 731	3.4%	103.8%	83.8%	7.3	0.50%	9.00%
Min	3 833 890	0.2%	12.2%	11.3%	1.0	-1.85%	6.65%
# loans	168						
# Properties	218						
# Borrowers	152						

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate
Total	1 043 777 634						
Weighted Average			53.1%	40.2%	1.7	-0.55%	9.95%
Average	9 319 443	0.9%	49.1%	29.9%	1.9	-0.53%	9.97%
Max	36 408 766	3.49%	83.8%	74.0%	11.3	0.50%	11.00%
Min	842	0.0%	11.3%	0.0%	0.4	-1.75%	8.75%
# loans	137						
# Properties	133						
# Borrowers	112						

Reconciliation of the movement during the period		Current	Amount	Limit	Available
Total Pool at Beginning of Period	Jun 2016	1 112 902 266			
Payments					
Scheduled repayments		(81 244 303)			
Unscheduled repayments		(44 321 506)			
Settlements		-			
Foreclosure Proceeds		-			
Total Collections		(125 565 809)			
Disbursements					
Acquisitions		-			
Redraws or Prepayments		-			
Re-advances of Repayments		-	625 000 000	25%	141 862 956
Further Advances		29 740 931			
Total Disbursements		29 740 931			
Interest and Fees					
Interest Charged		26 340 910			
Fees Charged		359 237			
Insurance Charged		-			
Total Charges		26 700 147			
Other Non Cash Movements					
Non eligible loans removed		-			
Substitutions: Loans transferred in		-	500 000 000	20%	51 349 754
Substitutions: Loans transferred out		-			
Repurchased loans/Originator buy backs		-	250 000 000	10%	250 000 000
Other movement		-			
Total Other Cash Movements		-			
Total Pool at End of Period	Sep 2016	1 043 777 535			

Accounts in Arrears:				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Current	-	100.00%	1 043 777 535	100.00%
1-30 days delinquent	-	0.00%	-	0.00%
31-60 days delinquent	-	0.00%	-	0.00%
61-90 days delinquent	-	0.00%	-	0.00%
91-120 days delinquent	-	0.00%	-	0.00%
121 plus	-	0.00%	-	0.00%
Total	-	100.00%	1 043 777 535	100.00%

Analysis of Defaulted Loans				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Opening	-	0.00%	-	0.00%
New	-	0.00%	-	0.00%
Recovered	-	0.00%	-	0.00%
Moved to Legal	-	0.00%	-	0.00%
Closing	-	0.00%	-	0.00%

Legal				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Opening	-	0.00%	-	0.00%
New entries	-	0.00%	-	0.00%
Recovered	-	0.00%	-	0.00%
Foreclosed	-	0.00%	-	0.00%
Closing	-	0.00%	-	0.00%
Net Movement	-	0.00%	-	0.00%
Recovered % of legal defaults	-	0.00%	-	0.00%

Defaults / Foreclosures / Losses / Recoveries:	Number	Rand Value
Defaults at the end the period	-	-
Cumulative Defaults since closing	-	-
Foreclosures at the end of the period	-	-
Cumulative foreclosures since closing	-	-
Losses at the end of the period	-	-
Cumulative Losses since closing	-	-
Recoveries at the end of the period	-	-
Cumulative Recoveries since closing	-	-

Largest Exposures		Concentration	DSCR	CLTV
1	36 408 766	3.49%	1.9	52.55%
2	34 636 953	3.32%	1.2	52.09%
3	33 625 190	3.22%	1.4	34.38%
4	29 844 512	2.86%	1.1	33.01%
5	29 231 719	2.80%	1.8	73.08%
6	26 834 946	2.57%	0.9	48.61%
7	25 552 825	2.45%	1.2	45.46%
8	24 731 155	2.37%	1.2	41.15%
9	24 632 904	2.36%	2.2	38.49%
10	24 435 532	2.34%	1.6	27.00%
11	24 048 512	2.30%	0.9	68.51%
12	23 941 001	2.29%	1.0	55.55%
13	23 825 922	2.28%	1.7	56.86%
14	23 489 848	2.25%	1.6	30.08%
15	22 012 055	2.11%	1.3	61.03%
16	21 594 692	2.07%	1.0	64.65%
17	21 011 909	2.01%	1.2	46.69%
18	20 496 715	1.96%	1.0	74.02%
19	19 478 584	1.87%	5.9	23.90%
20	18 474 307	1.77%	1.2	58.65%

Region	OMV	%
KwaZulu Natal	587 900 566	17%
Western Cape	918 976 000	26%
Gauteng	1 717 860 000	49%
Other	251 000 000	7%
	3 475 736 566	100%

Property Town	OMV	%
Durban	437 293 998	12.6%
Cape Town	677 286 000	19.5%
Johannesburg	1 479 070 000	42.6%
Worcester	48 300 000	1.4%
Port Elizabeth	134 400 000	3.9%
Pretoria	228 300 000	6.6%
Dolphin Coast	38 700 000	1.1%
Pietermaritzburg	9 706 568	0.3%
Richards Bay	38 200 000	1.1%
Bloemfontein	38 500 000	1.1%
Ethekwini	64 000 000	1.8%
Paarl	44 540 000	1.3%
George	11 350 000	0.3%
Middelburg	78 100 000	2.2%
Vredenburg	52 800 000	1.5%
Stellenbosch	84 700 000	2.4%
Vaal Triangle	10 490 000	0.3%
	3 475 736 566	100.0%

Property Type	Name	Type	OMV	%
1	Office	A1	1 014 188 713	29%
2	Industrial	I1	605 786 568	17%
3	Warehouse	I2	716 995 285	21%
4	Retail	M1	598 256 000	17%
5	Other	M2	540 510 000	16%
			3 475 736 566	100%

TRIGGERS AND PORTFOLIO COVENANTS

Interest Deferral Triggers		Breached
Class B Interest Deferral Event		No
Class D Interest Deferral Event		No
Class C Interest Deferral Event		No
Counterparty Required Rating		
Swap Provider		No
Account Bank		No
Servicer		No
Liquidity Provider		No
Permitted Investments		No
GIC Provider		No
Portfolio Covenants	Required level	Current Level
WDSCR	1.50	1.65
WACLTV	55.00%	40.2%
WA Interest Rate	1.00%	0.55%
Herfindahl index	75%	76%
Single Loan	3.75%	3.49%
Principal Balances > 75%	15.00%	0.00%
Gauteng	55%	49%
Western Cape	35%	26%
KZN	20%	17%
Other Regions	15%	7%
Office CBD	35%	29%
Industrial	20%	17%
Shopping Malls and Retail	25%	17%
Warehouse	25%	21%
Other Property	15%	16%

Portfolio Changes	Utilisation	Limit	Available Amount
Redraws / Re-advances	483 137 044	625 000 000	141 862 956
Substitutions	448 650 246	500 000 000	51 349 754
Repurchases	0	250 000 000	250 000 000

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