



PRECINCT FUNDING 1 (RF) LIMITED

Investor Report Date: 30-Apr-2017 Determination Date: 31-Mar-2017 Interest Payment Date: 28-Apr-2017

Main objective of the programme: To source funding in the Debt Capital markets via the issuance of Floating Rate Notes backed by Commercial Assets.

PROGRAMME INFORMATION

Transaction type:	Commercial Asset Backed Securitisation
Single issue programme:	Yes
Revolving / static securitisation:	Static
Inception date:	2013/03/27
Originator:	Nedbank CIB Property Finance
Servicer:	Nedbank CIB Property Finance
Administrator:	Nedbank CIB Specialised Funding Support
Maximum programme size:	R 2 500 000 000
Reporting period:	1 January 2017 to 31 March 2017
Rating agency:	Moody's

LIABILITIES

Note Class	Class A1	Class A2	Class A3	Class B	Class C	Class D
	PRE1A1	PRE1A2	PRE1A3	PRE1B1	PRE1C1	PRE1D1
Bond code	ZAG000104191	ZAG000104209	ZAG000104217	ZAG000104225	ZAG000104233	ZAG000104241
ISIN Code	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
Currency	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
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
Scheduled Maturity / Step Up call Date	2018/01/27	2018/01/27	2018/01/27	2018/01/27	2018/01/27	2018/01/27
Original term	4.84	4.84	4.84	4.84	4.84	4.84
Years to maturity			0.83	0.83	0.83	0.83
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	132 320 049	50 455 264	16 818 421	21 023 027
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	-	-	467 679 951	249 544 736	83 181 579	103 976 973
Current Tranching	0.00%	0.00%	51.71%	27.59%	9.20%	11.50%
Type of notes	Floating Rate	Floating Rate	Floating Rate	Floating Rate	Floating Rate	Floating Rate
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	7.37%	7.37%	7.37%	7.37%	7.37%	7.37%
Total Rate	8.42%	8.62%	8.71%	8.91%	9.77%	9.97%
Step up rate (BPS)	1.420%	1.690%	1.810%	2.080%	3.240%	3.510%
Interest Days	91	91	91	91	91	91
Interest Payment	-	-	10 152 332	5 541 513	2 025 522	2 583 748
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	8 543 519

Liquidity Reserve	Opening Balance	Redemption / Unwind	Closing Balance	Required Level
	68 442 386	(5 135 559)	63 306 827	63 306 827

Redraw Reserve	Opening Balance	Redemption / Unwind	Closing Balance	Target Level
	138 396 267	-	138 396 267	625 000 000
			-	
			138 396 267	

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

Principal Redemption Calculation	
Principal Collections	128 805 853
Written off loans	-
Balance on PDL Ledger	-
Potential Redemption Amount	128 805 853

Principal Deficiency	
Total Notes Outstanding	1 179 383 239
Class A1	-
Class A2	-
Class A3	467 679 951
Class B	249 544 736
Class C	83 181 579
Class D	103 976 973
Subloans	275 000 000
Redemption of Notes	133 941 412
Performing Loan Agreements	853 351 957
All loan Agreements	853 351 957
Defaulted Loans Agreements	-
Total Reserves	364 733 609
Liquidity Reserve	63 306 827
Arrears Reserve	-
Redraw Reserve	138 396 267
Permitted Investments	163 030 516
Principal Deficiency	-

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

Source of Funds available for Payments		365 459 155
Revenue		
Yield on Commercial Mortgage Assets	21 981 365	
Payments from Interest Rate Hedge Provider	725 545	
Reinvestment Income - From GIC Provider	7 107 739	
	29 814 649	
Principal		
Scheduled Amortisation	24 410 898	
Unscheduled Prepayments	104 394 955	
Principal Recoveries from Defaulted Assets	-	
	128 805 853	
Releases from Reserve Funds		
Drawings on Liquidity Reserve Fund	68 442 386	
Drawings on Arrears Reserve Fund	-	
Drawings on Redraw Reserve Fund	138 396 267	
Drawings on Warehouse Reserve Fund	-	
Drawing on Permitted Investments	-	
	206 838 653	

Combined Revenue & Principle Ledger Application of Funds		(365 459 155)
Senior Fees and Expenses	(200 048)	
Liquidity Facility Interest & Fees	-	
Swap Payments	-	
Interest on A Notes	(10 152 332)	
Interest on B, C and D Notes	(10 150 783)	
Liquidity Provider / Liquidity Reserve Fund	(63 306 827)	
Build Up/Replenishment of Arrears Reserve Fund	-	
Build Up/Replenishment of Redraw Reserve	(138 396 267)	
Further Advances	-	
Principal on redeeming notes	(133 941 412)	
Derivative termination Amounts	-	
Additional Issuer Expenses	(145 211)	
Interest and Principal on Sub Loan	(9 166 275)	
Dividends on Preference shares	-	
Permitted Investments	-	

Credit Enhancement		Class A3	Class B	Class C	Class D
Credit Enhancement available	Yes				
Available to each noteholder	Yes				
Provider	Nedbank Ltd				
Credit rating of provider	A3/P2				
Details of credit enhancement	Subordinated notes				
Credit enhancement limit	None				
Current value of credit enhancement					
	Value	711 703 288	462 158 552	378 976 973	275 000 000
	% of notes outstanding	60%	39%	32%	23%
Credit enhancement committed and not drawn	None				

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	1 202 542 977
Margin	3.375%
SWAP Calculation:	
Interest Paid	-21 361 611
Interest Received	22 087 156
Rate Paid	7.13%
Rate Received	7.37%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	21 981 365	1.86%
Interest received on Cash Reserves	7 107 739	0.60%
Swap	725 545	0.06%
Senior Expenses	(200 048)	-0.02%
Note Interest	(20 303 115)	-1.72%
Net excess spread after Senior Expenses	9 311 485	0.79%

Repayment Statistics	
Mortgage repayment level for the period	15.09%
Annualised repayment profile	59.88%

ASSETS

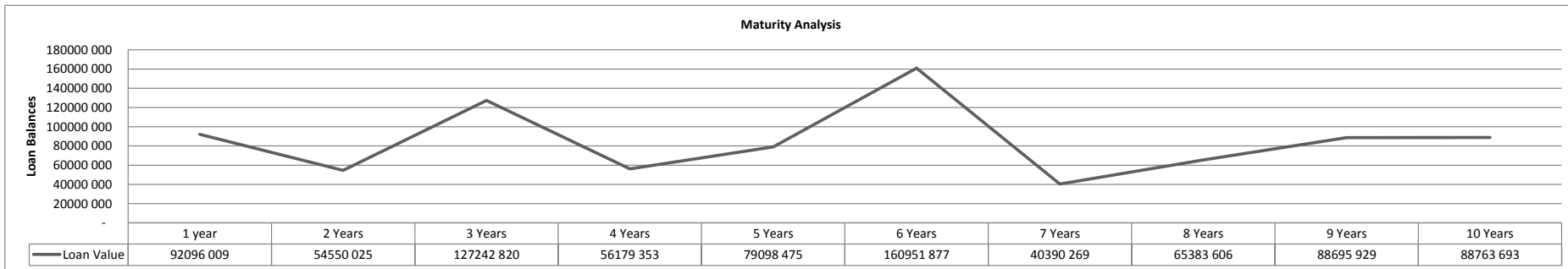
PORTFOLIO INFORMATION

Type of underlying assets: Commercial Mortgage Loans

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 Previous Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate
Total	981 935 425						
Weighted Average			53.1%	39.8%	1.7	-0.51%	9.99%
Average	9 263 543	0.9%	49.1%	29.0%	1.8	-0.55%	9.95%
Max	37 252 290	3.79%	83.8%	73.1%	9.8	0.50%	11.00%
Min	-	0.0%	11.3%	0.0%	0.0	-1.75%	8.75%
# loans	129						
# Properties	140						
# Borrowers	106						

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	853 351 957							
Weighted Average			39.8%	38.7%	2.0	-0.56%	9.94%	53
Average	7 293 607	0.9%	29.0%	27.8%	2.1	-0.50%	10.00%	49
Max	34 322 843	4.02%	73.1%	71.8%	16.9	0.50%	11.00%	112
Min	880	0.0%	0.0%	0.0%	0.0	-1.75%	8.75%	0
# loans	117							
# Properties	124							
# Borrowers	98							



Reconciliation of the movement during the period		Current	Amount	Limit	Available
Total Pool at Beginning of Period	Dec 2016	981 935 425			
Payments					
Scheduled repayments		(46 392 263)			
Unscheduled repayments		(104 394 955)			
Settlements		-			
Foreclosure Proceeds		-			
Total Collections		(150 787 218)			
Disbursements					
Acquisitions		-			
Redraws or Prepayments		-			
Re-advances of Repayments		-	625 000 000	25%	138 396 267
Further Advances		-			
Total Disbursements		-			
Interest and Fees					
Interest Charged		21 981 365			
Fees Charged		222 385			
Insurance Charged		-			
Total Charges		22 203 750			
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	Mar 2017	853 351 957			

Accounts in Arrears:				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Current	-	100.00%	853 351 957	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%	853 351 957	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	Loan Amount	Concentration	DSCR	CLTV
1	34 322 843	4.02%	5.2	51.61%
2	32 286 444	3.78%	1.5	30.84%
3	29 239 197	3.43%	0.8	59.43%
4	26 931 418	3.16%	1.0	28.44%
5	25 532 549	2.99%	0.9	46.25%
6	24 632 904	2.89%	2.2	38.49%
7	23 825 922	2.79%	4.3	56.86%
8	23 791 436	2.79%	1.2	39.59%
9	23 444 095	2.75%	1.0	70.19%
10	23 115 815	2.71%	1.6	25.54%
11	22 352 183	2.62%	1.0	51.86%
12	22 018 082	2.58%	1.8	45.80%
13	21 124 150	2.48%	1.0	63.25%
14	19 962 832	2.34%	0.9	71.83%
15	19 936 617	2.34%	1.2	44.30%
16	19 633 812	2.30%	10.2	21.58%
17	18 119 452	2.12%	1.2	57.52%
18	17 381 075	2.04%	1.5	43.45%
19	16 728 149	1.96%	1.2	34.14%
20	16 723 070	1.96%	1.4	37.75%

Region	OMV	%
KwaZulu Natal	420 295 281	14%
Western Cape	855 706 000	28%
Gauteng	1 668 085 000	55%
Other	113 400 000	4%
	3 057 486 281	100%

Property Type	Name	Type	OMV	%
1	Office	A1	980 208 713	32%
2	Industrial	I1	590 206 568	19%
3	Warehouse	I2	529 090 000	17%
4	Retail	M1	620 981 000	20%
5	Other	M2	337 000 000	11%
			3 057 486 281	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	2.02
WACLTV		55.00%	38.7%
WA Interest Rate		1.00%	0.56%
Single Loan		3.75%	4.02%
Principal Balances > 75%		15.00%	0.00%
Gauteng		55%	55%
Western Cape		35%	28%
KZN		20%	14%
Other Regions		15%	4%
Office CBD		35%	32%
Industrial		20%	19%
Shopping Malls and Retail		25%	20%
Warehouse		25%	17%
Other Property		15%	11%

Portfolio Changes			
	Utilisation	Limit	Available Amount
Redraws / Re-advances	486 603 733	625 000 000	138 396 267
Substitutions	448 650 246	500 000 000	51 349 754
Repurchases	0	250 000 000	250 000 000

Contact Details:

Servicer

Richard Sang
 Head: Balance Sheet Management
 NCIB: Property Finance
 Tel: (031) 364 2598
[E-mail: RichardSa@Nedbank.co.za](mailto:RichardSa@Nedbank.co.za)

Arranger

Denzil Bagley
 Principal
 Nedbank CIB: DCM Origination
 Tel: (011) 294 3431
[E-mail: DenzilB@Nedbankcapital.co.za](mailto:DenzilB@Nedbankcapital.co.za)

Rating Agency

Andrea Daniels
 Commercial Mortgage-Backed Securities
 Moody's Investors Service
 Tel: +44 (0)207 772 1471
[E-mail: andrea.daniels@moodys.com](mailto:andrea.daniels@moodys.com)

Administrator

Lizette van Dyk
 Deal Manager
 Nedbank CIB: Specialised Funding Support
 Tel: (011) 294 6090
[E-mail: LizetteVD@nedbank.co.za](mailto:LizetteVD@nedbank.co.za)

Securitisation Issuer Owner Trust

John Doidge
 Chairman
 TMF Corporate Services
 Tel: (021) 673 3240
[E-mail: John.Doidge@tmf-group.com](mailto:John.Doidge@tmf-group.com)

Securitisation Security SPV Owner Trust

Louis Venter
 Director
 Maitland Group
 Tel: (011) 530 8418
[E-mail: louis.venter@maitlandgroup.com](mailto:louis.venter@maitlandgroup.com)