



PRECINCT FUNDING 1 (RF) LIMITED

Investor Report Date **31-Oct-2015** Determination Date: **30-Sep-2015** Interest Payment Date **27-Oct-2015**

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	227 886 571	-	-	-	-
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	-	322 113 429	600 000 000	300 000 000	100 000 000	125 000 000
Current Tranching	0.00%	22.26%	41.46%	20.73%	6.91%	8.64%
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 October 2015)	6.308%	6.308%	6.308%	6.308%	6.308%	6.308%
Total Rate	7.358%	7.558%	7.648%	7.848%	8.708%	8.908%
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	-	8 747 396	11 554 192	5 928 329	2 192 877	2 804 110
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	7 224 507

Liquidity Reserve				
	Opening Balance	Redemption / Unwind	Closing Balance	Required Level
	124 356 864	(13 430 654)	110 926 211	110 926 211

Redraw Reserve				
	Opening Balance	Redemption / Unwind	Closing Balance	Target Level
	356 622 751	71 853 590	284 769 162	625 000 000
			-	
			284 769 162	

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

Principal Redemption Calculation	
Principal Collections	130 439 859
Written off loans	-
Balance on PDL Ledger	-
Potential Redemption Amount	130 439 859

Principal Deficiency	
Total Notes Outstanding	1 859 660 151
Class A1	-
Class A2	459 660 151
Class A3	600 000 000
Class B	300 000 000
Class C	100 000 000
Class D	125 000 000
Subloans	275 000 000
Redemption of Notes	(137 546 722)
Performing Loan Agreements	1 333 343 236
All loan Agreements	1 333 343 236
Defaulted Loans Agreements	-
Total Reserves	581 606 069
Liquidity Reserve	110 926 211
Arrears Reserve	-
Redraw Reserve	284 769 162
Permitted Investments	185 910 697
Principal Deficiency	-

Principal Deficiency Ledger Reconciliation	
Defaulted Loans	-
Arrears Reserve Provision	-
Revenue Reserves applied in Note Redemption	-
	-
Source of Funds available for Payments	
	654 210 618
Revenue	
Yield on Commercial Mortgage Assets	30 390 495
Payments from Interest Rate Hedge Provider	750 959
Reinvestment Income - From GIC Provider	12 281 932
	43 423 386
Principal	
Scheduled Amortisation	47 868 380
Unscheduled Prepayments	82 571 479
Principal Recoveries from Defaulted Assets	-
	130 439 859
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	124 356 864
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	355 990 509
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	480 347 373
Combined Revenue & Principle Ledger Application of Funds	
	(654 210 618)
Senior Fees and Expenses	(570 789)
Liquidity Facility Interest & Fees	-
Swap Payments	-
Interest on A Notes	(20 301 587)
Interest on B, C and D Notes	(10 925 315)
Liquidity Provider / Liquidity Reserve Fund	(110 926 211)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(284 769 162)
Further Advances	(71 853 590)
Principal on redeeming notes	(137 546 722)
Derivative termination Amounts	-
Additional Issuer Expenses	-
Interest and Principal on Sub Loan	(17 317 242)
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	1 702 485 163
Margin	3.375%
SWAP Calculation:	
Interest Paid	25 376 994.20
Interest Received	26 422 310.39
Rate Paid	5.875%
Rate Received	6.12%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	30 390 495	1.63%
Interest received on Cash Reserves	12 281 932	0.66%
Swap	750 959	0.04%
Senior Expenses	570 789	0.00%
Note Interest	(31 226 902)	-1.68%
Net excess spread after Senior Expenses	12 767 273	0.66%

Repayment Statistics	
Mortgage repayment level for the period	9.78%
Annualised repayment profile	38.81%

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						
# Counterparts / Borrowers	152						

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate
Total	1 333 805 994						
Weighted Average			53.1%	44.6%	1.6	-0.55%	8.95%
Average	10 339 581	0.8%	49.1%	37.0%	1.4	-0.54%	8.96%
Max	46 181 479	3.46%	83.8%	79.6%	8.3	0.50%	10.00%
Min	0	0.0%	11.3%	0.0%	0.2	-1.75%	7.75%
# loans	156						
# Properties	167						
# Borrowers	129						

Reconciliation of the movement during the period		Current	Number ⁽²⁾	Amount	Limit	Available
Total Pool at Beginning of Period	Jun 2015	1 391 263 446	181			
Payments						
Scheduled repayments		(78 258 875)	156			
Unscheduled repayments		(85 010 670)	6			
Settlements		-	-			
Foreclosure Proceeds		-	-			
Total Collections		(163 269 545)	162			
Disbursements						
Acquisitions		-	-			
Redraws or Prepayments		-	-			
Re-advances of Repayments		-	-	625 000 000	25%	284 769 162
Further Advances		71 853 590	8			
Total Disbursements		71 853 590	8			
Interest and Fees						
Interest Charged		30 390 495	156			
Fees Charged		666 058	14			
Insurance Charged		-	-			
Total Charges		31 056 553	170			
Other Non Cash Movements						
Non eligible loans removed		-	-			
Substitutions: Loans transferred in		28 970 143	-	500 000 000	20%	51 349 754
Substitutions: Loans transferred out		(26 530 951)	-			
Repurchased loans/Originator buy backs		-	-	250 000 000	10%	250 000 000
Other movement		-	-			
Total Other Cash Movements		2 439 192	-			
Total Pool at End of Period	Sep 2015	1 333 343 236	156			

Accounts in Arrears:				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Current	-	100.00%	1 333 343 236	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	156	100.00%	1 333 343 236	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	46181479.45	3.46%	2.1	63.87%
2	34610214.18	2.59%	0.8	65.76%
3	29221897	2.19%	1.3	73.15%
4	27652267.84	2.07%	0.6	50.55%
5	26927227.41	2.02%	1.2	62.48%
6	26892198.81	2.02%	1.6	37.88%
7	26499784.27	1.99%	1.4	48.01%
8	26248222.88	1.97%	1.7	37.50%
9	25323942.33	1.90%	1.2	79.64%
10	24411494.1	1.83%	1.7	36.35%
11	23802104.79	1.78%	1.8	60.26%
12	23018550.81	1.73%	1.5	51.15%
13	22461193.44	1.68%	1.2	77.45%
14	20172922.27	1.51%	1.1	37.64%
15	19945754.58	1.50%	0.5	39.74%
16	19578996.22	1.47%	1.9	48.95%
17	19488576.48	1.46%	3.5	26.81%
18	19253177.13	1.44%	1.3	41.76%
19	16931826.35	1.27%	1.5	41.50%
20	16649994.06	1.25%	0.5	54.98%

Region	OMV	%
KwaZulu Natal	661 000 000	18%
Western Cape	915 756 000	24%
Gauteng	1 715 717 000	46%
Other	448 950 000	12%
	3 741 423 000	100%

Property Town	OMV	%
Durban	494 900 000	13.2%
Cape Town	703 806 000	18.8%
Johannesburg	1 504 080 000	40.2%
Worcester	39 500 000	1.1%
Port Elizabeth	197 700 000	5.3%
George	10 450 000	0.3%
Pretoria	201 837 000	5.4%
Dolphin Coast	38 700 000	1.0%
Mqanduli	30 800 000	0.8%
Pietermaritzburg	35 700 000	1.0%
Richards Bay	30 300 000	0.8%
Umtata	9 300 000	0.2%
Butterworth	33 000 000	0.9%
Douglas	15 900 000	0.4%
Queenstown	14 100 000	0.4%
Bloemfontein	87 800 000	2.3%
East London	13 350 000	0.4%
Ethekwini	61 400 000	1.6%
Paarl	29 400 000	0.8%
Middelburg	70 000 000	1.9%
Vredenburg	46 100 000	1.2%
Stellenbosch	63 500 000	1.7%
Vaal Triangle	9 800 000	0.3%
	3 741 423 000	100%

Property Type	Name	Type	OMV	%
1	Office	A1	1 038 887 000	28%
2	Industrial	I1	591 050 000	16%
3	Warehouse	I2	871 730 000	23%
4	Retail	M1	862 456 000	23%
5	Other	M2	377 300 000	10%
			3 741 423 000	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
DSCR	1.50	1.55
WACLTV	55.00%	44.6%
WA Interest Rate	1.00%	0.65%
Herfindahl index	75.00%	85.00%
Single Loan	3.75%	3.46%
Principal Balances > 75%	15.00%	5.26%
Gauteng	55%	46%
Western Cape	35%	24%
KZN	20%	18%
Other Property	15%	10%
Office CBD	35%	28%
Industrial	20%	16%
Shopping Malls and Retail	25%	23%
Warehouse	25%	23%

Portfolio Changes

	Utilisation	Limit	Available Amount
Redraws / Re-advances /			
Further Loans	340 230 838	625 000 000	284 769 162
Substitutions	448 650 246	500 000 000	51 349 754
Repurchases	0	250 000 000	250 000 000

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