Precinct Funding

NEDBANK

PRECINCT FUNDING 2 (RF) LIMITED

Investor Report Date	**29-Feb-2020**	**Determination Date:**	**31-Jan-2020**	**Interest Payment Date**	**20-Feb-2020**

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:	2017/03/31	
Originator:	Nedbank CIB Property Finance	
Servicer:	Nedbank CIB Property Finance	
Administrator:	Nedbank CIB Specialised Funding Support	
Maximum programme size:	R 3 000 000 000	
Reporting period:	Thursday, 31 October 2019	Friday, 31 January 2020
Rating agency:	Moody's	

LIABILITIES

Note Class	**Class A1**	**Class A2**	**Class A3**	**Class B**	**Class C**	**Class D**
Bond code	PRE2A1	PRE2A2	PRE2A3	PRE2B1	PRE2C1	PRE2D1
ISIN Code	ZAG000143157	ZAG000143140	ZAG000143165	ZAG000143173	ZAG000143181	ZAG000143199
Currency	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
Initial Tranching	19.44%	18.06%	48.61%	6.48%	4.63%	2.78%
Legal Final Maturity	2037/02/20	2037/02/20	2037/02/20	2037/02/20	2037/02/20	2037/02/20
Scheduled Maturity / Step Up call Date	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20
Original term	4.90	4.90	4.90	4.90	4.90	4.90
Years to maturity	2.06	2.06	2.06	2.06	2.06	2.06
Step Up call Date	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20
Rating [Original // Current]	A2/Aaa.za // Baa1/Aaa.za	A2/Aaa.za // Baa1/Aaa.za	A2/Aaa.za // Baa1/Aaa.za	Ba1/A1.za // Ba1/Aa2.za	B1/Ba1.za // B1/Baa2.za	B2/Ba3.za //B2/Ba1.za
Credit Enhancement %	20.10%	20.10%	20.10%	14.09%	9.79%	7.22%
Initial Notes Aggregate Principal Outstanding Balance	210 000 000	195 000 000	525 000 000	70 000 000	50 000 000	30 000 000
Redemptions per Note	210 000 000	92 175 382	-	-	-	-
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	-	102 824 618	525 000 000	70 000 000	50 000 000	30 000 000
Current Tranching	0.00%	13.22%	67.50%	9.00%	6.43%	3.86%
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%	1.45%	1.80%	2.50%	2.60%	2.70%
Current 3m Jibar Rate	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
Total Rate	7.85%	8.25%	8.60%	9.30%	9.40%	9.50%
Step up rate (BPS)	1.420%	1.960%	2.430%	3.380%	3.510%	3.650%
Interest Days	92	92	92	92	92	92
Interest Payment	-	2 138 189	11 380 274	1 640 877	1 184 658	718 356
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	84 000 000
Redemptions this period	-
Loss taken against the Sub Loans	-
Principal Outstanding Balance End of Period	84 000 000
Unpaid Interest	1 822 289

Liquidity Reserve	Opening Balance	Build-Up	Redemption / Unwind	Closing Balance	Required Level
	59 199 902	-	(4 752 179)	54 447 723	54 447 723

Redraw Reserve	Opening Balance	Further Advances	Deposit	Closing Balance	Target Level
	3 032 704	-	-	3 032 704	275 000 000

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

Principal Redemption Calculation	
Principal Collections	29 839 592
Written off loans	-
Drawings on the liquidity reserve	4 752 179
Potential Redemption Amount	34 591 770

Principal Deficiency		
Total Notes Outstanding		861 824 618
Class A1	-	
Class A2	102 824 618	
Class A3	525 000 000	
Class B	70 000 000	
Class C	50 000 000	
Class D	30 000 000	
Subloans	84 000 000	
Redemption of Notes	-	
Performing Loan Agreements		773 773 667
All loan Agreements	773 773 667	
Defaulted Loans Agreements	-	
Total Reserves		113 550 833
Liquidity Reserve	59 199 902	
Arrears Reserve	-	
Redraw Reserve	3 032 704	
Permitted Investments	51 318 227	
Principal Deficiency		-

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

Source of Funds available for Payments	113 602 469
Revenue	
Yield on Commercial Mortgage Assets	19 130 215
Payments from Interest Rate Hedge Provider	51 636
Reinvestment Income - From GIC Provider	2 348 420
	21 530 272
Principal	
Scheduled Amortisation	26 617 808
Unscheduled Prepayments	3 221 784
Principal Recoveries from Defaulted Assets	-
	29 839 592
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	59 199 902
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	3 032 704
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	62 232 606

Combined Revenue & Principle Ledger Application of Funds	(113 602 470)
Senior Fees and Expenses	(1 064 063)
Liquidity Facility Interest & Fees	-
Swap Payments	(26 252.78)
Interest on A Notes	(13 518 463)
Interest on B, C and D Notes	(3 543 890)
Liquidity Provider / Liquidity Reserve Fund	(54 447 723)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(3 032 704)
Further Advances	-
Principal on redeeming notes	(34 591 770)
Derivative termination Amounts	-
Additional Issuer Expenses	(134 889)
Interest and Principal on Sub Loan	(3 242 714)
Dividends on Preference shares	-
Permitted Investments	-

Credit Enhancement							
Credit Enhancement available	Yes						
Available to each noteholder	Yes						
Provider	Nedbank Ltd						
Credit rating of provider	Baa3/P3						
Details of credit enhancement	Subordinated notes						
Credit enhancement limit	None						
Current value of credit enhancement		Class A1	Class A2	Class A3	Class B	Class C	Class D
	Value	861 824 618	759 000 000	234 000 000	164 000 000	114 000 000	84 000 000
	% of notes outstanding	27%	19%	15%	49%	70%	100%
Credit enhancement commited and not drawn	None						

SWAP Information	
SWAP Provider	Nedbank
Moody's Rating of Provider	Baa3/P3
Counterparty Rating Trigger	Ba3/P3
Type of Swap	Basis (Prime for Jibar)
Notional Balance	515 771 956
Margin	3.142%
SWAP Calculation:	
Interest Paid	-9 410 510
Interest Received	9 462 146
Rate Paid	-6.61%
Rate Received	6.80%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	19 130 215	2.22%
Interest received on Cash Reserves	2 348 420	0.27%
Swap	51 636	0.01%
Senior Expenses	(1 064 063)	-0.12%
Note Interest	(17 062 353)	-1.98%
Net excess spread after Senior Expenses	3 403 856	0.39%

Repayment Statistics	
Mortgage repayment level for the period	3.86%
Annualised repayment profile	15.30%

ASSETS

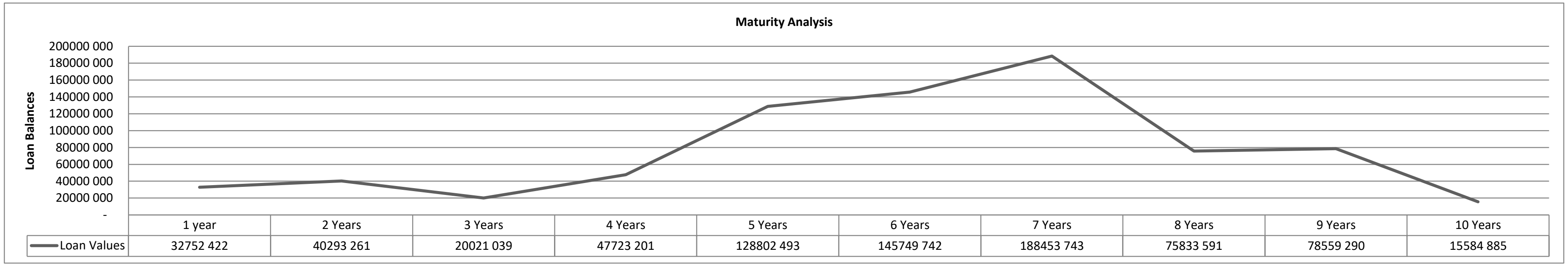
PORTFOLIO INFORMATION

Type of underlying assets:	Commercial Mortgage Loans

Balances - At Closing		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	**2 547 324 500**							
Weighted Average			0%	55%	2.2	-0.34%	10.16%	85
Average	16 982 163	0.7%	0%	49%	2.0	-0.34%	10.16%	83
Max	108 015 445	4.2%	0%	80%	17.6	2.54%	13.04%	130
Min	670 757	0.0%	0%	5%	0.4	-1.75%	8.75%	14
# loans	150							
# Properties	223							
# Borrowers	127							

Balances - At Previous Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	**803 575 768**							
Weighted Average			40%	39%	1.6	-0.31%	9.69%	68
Average	7 604 296	0.9%	36%	35%	1.9	-0.27%	9.73%	62
Max	20 776 231	2.59%	69%	68%	13.5	1.63%	11.63%	105
Min	135 067	0.0%	0%	0%	0.0	-1.50%	8.50%	4
# loans	101							
# Properties	134							
# Borrowers	88							

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	**773 773 667**							
Weighted Average			39%	38%	1.7	-0.56%	9.44%	66
Average	7 315 173	0.9%	35%	33%	1.9	-0.52%	9.48%	59
Max	20 501 235	2.65%	68%	68%	15.1	1.63%	11.63%	102
Min	38 744	0.0%	0%	0%	0.0	-1.75%	8.25%	1
# loans	101							
# Properties	134							
# Borrowers	88							



Reconciliation of the movement during the period		**Current**	**Amount**	**Limit**	**Available**
Total Pool at Beginning of Period	Oct 2019	803 575 768			
Payments					
Scheduled repayments		(45 748 023)			
Unscheduled repayments		(3 221 784)			
Settlements		-			
Foreclosure Proceeds		-			
Total Collections		(48 969 807)			
Disbursements					
Acquisitions		-			
Redraws or Prepayments		-			
Re-advances of Repayments		-	275 000 000	25%	92 362 130
Further Advances		-			
Total Disbursements		-			
Interest and Fees					
Interest Charged		19 130 215			
Fees Charged		37 490			
Insurance Charged		-			
Total Charges		19 167 705			
Other Non Cash Movements					
Non eligible loans removed		-			
Substitutions: Loans transferred in		-			
Substitutions: Loans transferred out		-			
Repurchased loans/Originator buy backs		-	110 000 000	10%	110 000 000
Other movement		-			
Total Other Cash Movements		-			
Total Pool at End of Period	Jan 2020	773 773 667			

Accounts in Arrears:

Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Current	-	100.00%	773 773 667	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%**	**773 773 667**	**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	28 874 928	3.73%	2.5	21%
2	26 159 219	3.38%	1.3	44%
3	22 297 151	2.88%	2.2	46%
4	20 501 235	2.65%	2.1	54%
5	20 225 751	2.61%	1.7	26%
6	18 604 903	2.40%	2.3	35%
7	18 337 774	2.37%	0.9	66%
8	17 900 371	2.31%	1.5	39%
9	17 885 601	2.31%	1.0	50%
10	17 468 698	2.26%	1.6	50%
11	15 029 203	1.94%	1.3	45%
12	14 353 353	1.85%	1.6	55%
13	12 902 986	1.67%	1.5	45%
14	12 183 186	1.57%	4.8	14%
15	11 808 310	1.53%	1.2	29%
16	11 544 647	1.49%	1.1	25%
17	11 499 398	1.49%	1.0	68%
18	11 388 192	1.47%	1.0	63%
19	11 102 550	1.43%	2.1	24%
20	10 963 358	1.42%	1.4	52%

Region	OMV	%
KwaZulu Natal	586 800 000	23%
Western Cape	746 450 000	29%
Gauteng	894 466 000	34%
Other	370 650 000	14%
	2 598 366 000	100%

Property Type	Name	Type	OMV	%
1	Office	A1	675 430 000	26%
2	Industrial	I1	287 806 000	11%
3	Warehouse	I2	500 730 000	19%
4	Retail	M1	767 400 000	30%
5	Other	M2	367 000 000	14%
			2 598 366 000	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			
Portfolio Covenants	**Required level**	**Current Level**	
WDSCR	1.00	1.72	No
WACLTV	60%	38%	No
WA Interest Rate	1.00%	0.56%	No
Single Loan	5.00%	3.73%	No
Bullet Loans > 50%	50%	24%	No
Herfindahl Index	75%	76%	No
Property Regional Covenant			
- Gauteng	60%	34%	No
- Western Cape	40%	29%	No
- KZN	30%	23%	No
- Other Regions	15%	14%	No
Property Useage Covenant			
- Office	40%	26%	No
- Shopping Malls and Retail	40%	30%	No
- Warehouse	30%	11%	No
- Industrial	30%	19%	No
- Other Property	20%	14%	No

Portfolio Changes			
	Utilisation	Limit	Available Amount
Redraws / Re-advances	182 637 870	275 000 000	92 362 130
Repurchases	-	110 000 000	110 000 000

Contact Details:

Servicer	Arranger	Rating Agency
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