



PRECINCT FUNDING 1 (RF) LIMITED

Investor Report Date 30-Apr-2016

Determination Date: 31-Mar-2016

Interest Payment Date 28-Apr-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	314 277 218	-	-	-	-
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	-	235 722 782	600 000 000	300 000 000	100 000 000	125 000 000
Current Tranching	0.00%	10.59%	26.97%	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	7.30%	7.30%	7.30%	7.30%	7.30%	7.30%
Total Rate	8.35%	8.55%	8.64%	8.84%	9.70%	9.90%
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	-	4 698 543	12 095 605	6 199 036	2 283 112	2 916 904
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	7 282 739.07

Liquidity Reserve	Opening Balance	Redemption / Unwind	Closing Balance	Required Level
	101 297 940	(6 047 345)	95 250 595	95 250 595

Redraw Reserve	Opening Balance	Redemption / Unwind	Closing Balance	Target Level
	261 493 906	74 189 773	187 304 133	625 000 000
			187 304 133	

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

Principal Redemption Calculation	
Principal Collections	120 770 721
Written off loans	-
Balance on PDL Ledger	-
Potential Redemption Amount	120 770 721

Principal Deficiency	
Total Notes Outstanding	1 635 722 782
Class A1	-
Class A2	235 722 782
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	126 818 066
Performing Loan Agreements	1 234 343 567
All loan Agreements	1 234 343 567
Defaulted Loans Agreements	-
Total Reserves	448 844 011
Liquidity Reserve	95 250 595
Arrears Reserve	-
Redraw Reserve	187 304 133
Permitted Investments	166 289 283
Principal Deficiency	-

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

Source of Funds available for Payments	523 033 784
Revenue	
Yield on Commercial Mortgage Assets	29 461 302
Payments from Interest Rate Hedge Provider	-
Reinvestment Income - From GIC Provider	10 009 915
	39 471 217
Principal	
Scheduled Amortisation	49 572 807
Unscheduled Prepayments	71 197 914
Principal Recoveries from Defaulted Assets	-
	120 770 721
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	101 297 940
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	261 493 906
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	362 791 846

Combined Revenue & Principle Ledger Application of Funds	(523 033 784)
Senior Fees and Expenses	(571 236)
Liquidity Facility Interest & Fees	-
Swap Payments	(1 243 653)
Interest on A Notes	(16 794 148)
Interest on B, C and D Notes	(11 399 052)
Liquidity Provider / Liquidity Reserve Fund	(95 250 595)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(187 304 133)
Further Advances	(74 189 773)
Principal on redeeming notes	(126 818 066)
Derivative termination Amounts	-
Additional Issuer Expenses	(47 969)
Interest and Principal on Sub Loan	(9 415 158)
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	1 553 821 447
Margin	3.375%
<u>SWAP Calculation:</u>	
Interest Paid	-26 776 813.43
Interest Received	25 509 065.41
Rate Paid	7.13%
Rate Received	6.66%

Excess Spread Calculation

	Amount	% of Outstanding Notes
Interest received on Mortgages	29 461 302	1.80%
Interest received on Cash Reserves	10 009 915	0.61%
Swap	-	0.00%
Senior Expenses	571 236	0.03%
Note Interest	(28 193 200)	-1.72%
Net excess spread after Senior Expenses	11 849 253	0.72%

Repayment Statistics

Mortgage repayment level for the period	9.78%
Annualised repayment profile	38.82%

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	1 234 343 666						
Weighted Average			53.1%	43.1%	1.8	-0.55%	9.95%
Average	8 120 682	0.7%	49.1%	32.5%	2.0	-0.54%	9.96%
Max	45 713 869	3.70%	83.8%	75.7%	17.6	0.50%	11.00%
Min	90 341	0.0%	11.3%	0.6%	0.0	-1.75%	8.75%
# loans	152						
# Properties	164						
# Borrowers	124						

Reconciliation of the movement during the period		Current	Number ⁽²⁾	Amount	Limit	Available
Total Pool at Beginning of Period		Dec 2015	1 280 368 201	181		
Payments						
Scheduled repayments		(79 034 108)	152			
Unscheduled repayments		(71 197 914)	6			
Settlements		-	-			
Foreclosure Proceeds		-	-			
Total Collections		(150 232 023)	158			
Disbursements						
Acquisitions		-	-			
Redraws or Prepayments		-	-			
Re-advances of Repayments		-	-	625 000 000	25%	187 304 133
Further Advances		74 189 773	8			
Total Disbursements		74 189 773	8			
Interest and Fees						
Interest Charged		29 461 302	152			
Fees Charged		556 314	14			
Insurance Charged		-	-			
Total Charges		30 017 616	166			
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 2016	1 234 343 567	152		

Accounts in Arrears:					
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance	
Current	-	100.00%	1 234 343 567	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	152	100.00%	1 234 343 567	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 of 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	45 713 869	3.70%	2.4	46.33%
2	44 472 242	3.60%	1.7	62.47%
3	34 643 483	2.81%	1.9	65.82%
4	32 610 880	2.64%	1.0	36.72%
5	29 246 159	2.37%	1.0	73.21%
6	28 071 670	2.27%	1.0	59.73%
7	27 034 286	2.19%	1.2	48.10%
8	25 688 711	2.08%	1.5	31.10%
9	25 622 541	2.08%	1.1	46.42%
10	25 453 041	2.06%	1.0	59.06%
11	25 024 903	2.03%	1.4	35.75%
12	24 645 846	2.00%	8.8	40.14%
13	24 533 739	1.99%	1.0	75.72%
14	23 821 786	1.93%	1.3	60.31%
15	22 037 865	1.79%	0.9	71.09%
16	22 028 589	1.78%	1.2	48.95%
17	22 018 082	1.78%	2.9	61.02%
18	21 052 224	1.71%	1.0	64.18%
19	20 785 288	1.68%	1.1	48.51%
20	19 642 753	1.59%	1.2	40.09%

Region	OMV	%
KwaZulu Natal	646 400 566	17%
Western Cape	884 836 000	24%
Gauteng	1 812 675 000	48%
Other	404 890 000	11%
	3 748 801 566	100%

Property Town	OMV	%
Durban	481 293 998	12.8%
Cape Town	677 786 000	18.1%
Johannesburg	1 575 775 000	42.0%
Worcester	39 500 000	1.1%
Port Elizabeth	191 100 000	5.1%
Butterworth	33 000 000	0.9%
Pretoria	227 100 000	6.1%
Dolphin Coast	38 700 000	1.0%
Pietermaritzburg	34 706 568	0.9%
Richards Bay	30 300 000	0.8%
Umtata	9 900 000	0.3%
George	11 350 000	0.3%
Douglas	14 400 000	0.4%
Queenstown	13 890 000	0.4%
Bloemfontein	38 500 000	1.0%
Ethekwini	61 400 000	1.6%
Paarl	31 500 000	0.8%
Mqanduli	34 100 000	0.9%
Middelburg	70 000 000	1.9%
Vredenburg	49 000 000	1.3%
Stellenbosch	75 700 000	2.0%
Vaal Triangle	9 800 000	0.3%
	3 748 801 566	100%

Property Type	Name	Type	OMV	%
1	Office	A1	1 097 448 713	29%
2	Industrial	I1	600 936 568	16%
3	Warehouse	I2	802 835 285	21%
4	Retail	M1	858 481 000	23%
5	Other	M2	389 100 000	10%
			3 748 801 566	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	1.83
WACLTV	55.00%	43.1%
WA Interest Rate	1.00%	0.55%
Herfindahl index	75%	76%
Single Loan	3.75%	3.70%
Principal Balances > 75%	15.00%	1.93%
Gauteng	55%	48%
Western Cape	35%	24%
KZN	20%	17%
Other Regions	15%	11%
Office CBD	35%	29%
Industrial	20%	16%
Shopping Malls and Retail	25%	23%
Warehouse	25%	21%
Other Property	15%	10%

Portfolio Changes	Utilisation	Limit	Available Amount
	Redraws / Re-advances	437 695 867	625 000 000
Substitutions	448 650 246	500 000 000	51 349 754
Repurchases	0	250 000 000	250 000 000

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