



PRECINCT FUNDING 2 (RF) LIMITED

Investor Report Date	31-Aug-2021	Determination Date:	31-Jul-2021	Interest Payment Date	20-Aug-2021
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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:	Friday, 30 April 2021 Saturday, 31 July 2021
Rating agency:	Moody's

LIABILITIES

Note Class	Class A1	Class A2	Class A3	Class B	Class C	Class D
	PRE2A1	PRE2A2	PRE2A3	PRE2B1	PRE2C1	PRE2D1
Bond code	ZAG000143157	ZAG000143140	ZAG000143165	ZAG000143173	ZAG000143181	ZAG000143199
ISIN Code	ZAR	ZAR	ZAR	ZAR	ZAR	ZAR
Currency	19.44%	18.06%	48.61%	6.48%	4.63%	2.78%
Initial Tranching	2037/02/20	2037/02/20	2037/02/20	2037/02/20	2037/02/20	2037/02/20
Legal Final Maturity	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20
Scheduled Maturity / Step Up call Date	4.90	4.90	4.90	4.90	4.90	4.90
Original term	0.56	0.56	0.56	0.56	0.56	0.56
Years to maturity	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20	2022/02/20
Step Up call Date	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
Rating [Original // Current]	20.10%	20.10%	20.10%	14.09%	9.79%	7.22%
Credit Enhancement %	210 000 000	195 000 000	525 000 000	70 000 000	50 000 000	30 000 000
Initial Notes Aggregate Principal Outstanding Balance	210 000 000	195 000 000	182 832 841	-	-	-
Redemptions per Note	Nil	Nil	Nil	Nil	Nil	Nil
Loss On Tranche	-	-	342 167 159	70 000 000	50 000 000	30 000 000
Principal Outstanding Balance End of Period	0.00%	0.00%	69.52%	14.22%	10.16%	6.10%
Current Tranching	Floating Rate	Floating Rate	Floating Rate	Floating Rate	Floating Rate	Floating Rate
Type of notes	3m Jibar	3m Jibar	3m Jibar	3m Jibar	3m Jibar	3m Jibar
Reference Rate	1.05%	1.45%	1.80%	2.50%	2.60%	2.70%
Interest Margin (BPS)	3.68%	3.68%	3.68%	3.68%	3.68%	3.68%
Current 3m Jibar Rate	4.73%	5.13%	5.48%	6.18%	6.28%	6.38%
Total Rate	1.420%	1.960%	2.430%	3.380%	3.510%	3.650%
Step up rate (BPS)	92	92	92	92	92	92
Interest Days	-	-	4 721 907	1 089 507	790 822	482 055
Interest Payment	Nil	Nil	Nil	Nil	Nil	Nil
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	3 747 446

Liquidity Reserve	Opening Balance	Build-Up	Redemption / Unwind	Closing Balance	Required Level
	37 910 054	-	(3 458 353)	34 451 701	34 451 701

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	30 935 638
Written off loans	-
Drawings on the liquidity reserve	3 458 353
Potential Redemption Amount	34 393 991

Principal Deficiency	
Total Notes Outstanding	576 167 159
Class A1	-
Class A2	-
Class A3	342 167 159
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	508 869 962
All loan Agreements	508 869 962
Defaulted Loans Agreements	-
Total Reserves	78 415 456
Liquidity Reserve	34 451 701
Arrears Reserve	-
Redraw Reserve	3 032 704
Permitted Investments	40 931 051
Principal Deficiency	-

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

Source of Funds available for Payments	81 873 809
Revenue	
Yield on Commercial Mortgage Assets	8 868 865
Payments from Interest Rate Hedge Provider	-
Reinvestment Income - From GIC Provider	1 126 548
	9 995 413
Principal	
Scheduled Amortisation	16 959 782
Unscheduled Prepayments	13 975 856
Principal Recoveries from Defaulted Assets	-
	30 935 638
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	37 910 054
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	3 032 704
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	40 942 758

Combined Revenue & Principle Ledger Application of Funds	(81 873 808)
Senior Fees and Expenses	(162 967)
Liquidity Facility Interest & Fees	-
Swap Payments	(231 032.20)
Interest on A Notes	(4 721 907)
Interest on B, C and D Notes	(2 362 384)
Liquidity Provider / Liquidity Reserve Fund	(34 451 701)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(3 032 704)
Further Advances	-
Principal on redeeming notes	(34 393 991)
Derivative termination Amounts	-
Additional Issuer Expenses	(918 417)
Interest and Principal on Sub Loan	(1 598 706)
Dividends on Preference shares	-
Permitted Investments	-

Credit Enhancement							
Credit Enhancement available	Yes						
Available to each noteholder	Yes						
Provider	Nedbank Ltd						
Credit rating of provider	Ba2/NP						
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		576 167 159	576 167 159	234 000 000	164 000 000	114 000 000	84 000 000
% of notes outstanding		41%	28%	20%	49%	70%	100%
Credit enhancement committed and not drawn	None						

SWAP Information	
SWAP Provider	Nedbank
Moody's Rating of Provider	Ba2/NP
Counterparty Rating Trigger	Ba3/P3
Type of Swap	Basis (Prime for Jibar)
Notional Balance	365 033 695
Margin	3.142%
<u>SWAP Calculation:</u>	
Interest Paid	-3 718 377
Interest Received	3 542 000
Rate Paid	-3.86%
Rate Received	3.68%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	8 868 865	1.54%
Interest received on Cash Reserves	1 126 548	0.20%
Swap	-	0.00%
Senior Expenses	(162 967)	-0.03%
Note Interest	(7 084 290)	-1.23%
Net excess spread after Senior Expenses	2 748 155	0.48%

Repayment Statistics	
Mortgage repayment level for the period	6.08%
Annualised repayment profile	24.12%

ASSETS

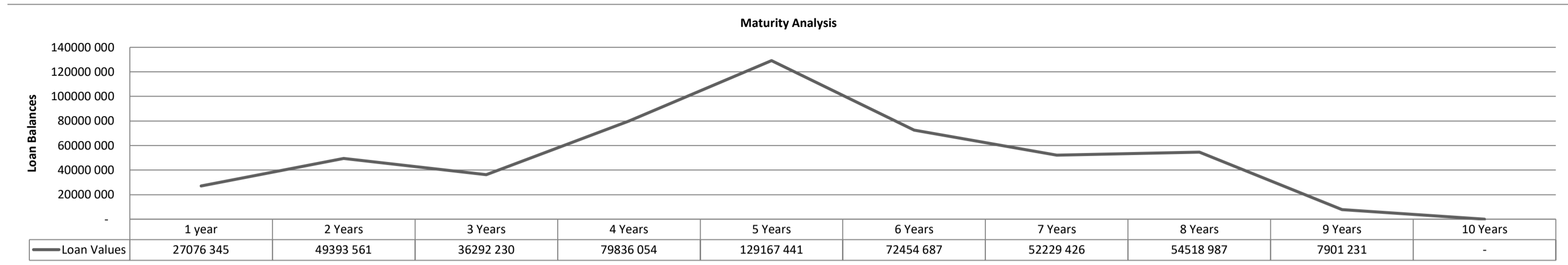
PORTFOLIO INFORMATION

Type of underlying assets:	Commercial Mortgage Loans
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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	539 781 449							
Weighted Average			38%	37%	1.8	-0.29%	6.71%	54
Average	6 582 701	1.2%	34%	32%	2.7	-0.26%	6.74%	50
Max	17 354 764	3.22%	76%	74%	49.9	2.81%	9.81%	101
Min	121 800	0.0%	0%	0%	0.0	-1.00%	6.00%	1
# loans	82							
# Properties	104							
# Borrowers	76							

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	508 869 962							
Weighted Average			37%	37%	1.9	-0.30%	6.70%	51
Average	6 608 701	1.3%	32%	32%	2.8	-0.26%	6.74%	48
Max	17 357 949	3.41%	74%	72%	49.5	2.81%	9.81%	98
Min	16 572	0.0%	0%	0%	0.0	-1.00%	6.00%	1
# loans	77							
# Properties	93							
# Borrowers	72							



Reconciliation of the movement during the period		Current	Amount	Limit	Available
Total Pool at Beginning of Period	Apr 2021	539 781 449			
Payments					
Scheduled repayments		(25 828 647)			
Unscheduled repayments		(13 975 856)			
Settlements		-			
Foreclosure Proceeds		-			
Total Collections		(39 804 503)			
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		8 868 865			
Fees Charged		24 150			
Insurance Charged		-			
Total Charges		8 893 015			
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	Jul 2021	508 869 962			

Accounts in Arrears:				
Arrears Status	Number of Loans	% of Loans	Outstanding Balance	% of Balance
Current	-	100.00%	508 869 962	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%	508 869 962	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	17 357 949	3.41%	1.6	53%
2	16 870 402	3.32%	1.0	59%
3	16 084 683	3.16%	1.5	41%
4	15 724 982	3.09%	1.6	41%
5	15 511 163	3.05%	3.6	29%
6	14 757 395	2.90%	1.6	34%
7	14 361 800	2.82%	1.6	53%
8	13 563 685	2.67%	1.5	39%
9	13 457 465	2.64%	2.2	35%
10	12 108 090	2.38%	2.0	18%
11	11 353 752	2.23%	1.8	39%
12	11 271 512	2.22%	1.6	55%
13	10 885 049	2.14%	1.6	34%
14	10 246 210	2.01%	1.4	55%
15	10 140 465	1.99%	1.3	29%
16	9 637 508	1.89%	2.4	22%
17	9 435 774	1.85%	1.0	34%
18	9 354 510	1.84%	1.5	35%
19	9 138 298	1.80%	1.2	50%
20	8 751 699	1.72%	1.3	32%

Region	OMV	%
KwaZulu Natal	354 040 000	20%
Western Cape	519 570 000	29%
Gauteng	743 311 000	41%
Other	175 420 000	10%
	1 792 341 000	100%

Property Type	Name	Type	OMV	%
1	Office	A1	474 051 000	26%
2	Industrial	I1	281 990 000	16%
3	Warehouse	I2	282 380 000	16%
4	Retail	M1	521 720 000	29%
5	Other	M2	232 200 000	13%
			1 792 341 000	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				Yes
Liquidity Provider				No
Permitted Investments				No
GIC Provider				
Portfolio Covenants	Required level	Current Level		
WDSR	1.00	1.94	No	
WACLTV	60%	37%	No	
WA Interest Rate	1.00%	0.30%	No	
Single Loan	5.00%	3.41%	No	
Bullet Loans > 50%	50%	30%	No	
Herfindahl Index	75%	55%	Yes	
Property Regional Covenant				
- Gauteng	60%	41%	No	
- Western Cape	40%	29%	No	
- KZN	30%	20%	No	
- Other Regions	15%	10%	No	
Property Usage Covenant				
- Office	40%	26%	No	
- Shopping Malls and Retail	40%	29%	No	
- Warehouse	30%	16%	No	
- Industrial	30%	16%	No	
- Other Property	20%	13%	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

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