PRECINCT FUNDING 2 (RF) LIMITED

Investor Report Date	**30-Nov-2018**	**Determination Date:**	**31-Oct-2018**	**Interest Payment Date**	**20-Nov-2018**

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:	31 July 2018	31 October 2018
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	1937/01/20	1937/01/20	1937/01/20	1937/01/20	1937/01/20	1937/01/20
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	3.31	3.31	3.31	3.31	3.31	3.31
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	-	-	-	-	-	-
Loss On Tranche	Nil	Nil	Nil	Nil	Nil	Nil
Principal Outstanding Balance End of Period	210 000 000	195 000 000	525 000 000	70 000 000	50 000 000	30 000 000
Current Tranching	19.44%	18.06%	48.61%	6.48%	4.63%	2.78%
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	7.02%	7.02%	7.02%	7.02%	7.02%	7.02%
Total Rate	8.07%	8.47%	8.82%	9.52%	9.62%	9.72%
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	4 269 985	4 161 588	11 667 427	1 679 164	1 212 005	734 765
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	4 493 999

Liquidity Reserve	Opening Balance	Build-Up	Redemption / Unwind	Closing Balance	Required Level
	75 600 000	-	-	75 600 000	75 600 000

Redraw Reserve	Opening Balance	Further Advances	Deposit	Closing Balance	Target Level
	94 456 421	(70 830 821)	-	23 625 601	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	30 348 140
Written off loans	-
Balance on PDL Ledger	-
Potential Redemption Amount	30 348 140

Principal Deficiency	
Total Notes Outstanding	1 164 000 000
Class A1	210 000 000
Class A2	195 000 000
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	1 037 353 455
All loan Agreements	1 037 353 455
Defaulted Loans Agreements	-
Total Reserves	158 110 520
Liquidity Reserve	75 600 000
Arrears Reserve	-
Redraw Reserve	23 625 601
Permitted Investments	58 884 919
Principal Deficiency	-

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

Source of Funds available for Payments	229 280 940
Revenue	
Yield on Commercial Mortgage Assets	24 663 363
Payments from Interest Rate Hedge Provider	339 600
Reinvestment Income - From GIC Provider	3 873 416
	28 876 379
Principal	
Scheduled Amortisation	33 166 813
Unscheduled Prepayments	- 2 818 673
Principal Recoveries from Defaulted Assets	-
	30 348 140
Releases from Reserve Funds	
Drawings on Liquidity Reserve Fund	75 600 000
Drawings on Arrears Reserve Fund	-
Drawings on Redraw Reserve Fund	94 456 421
Drawings on Warehouse Reserve Fund	-
Drawing on Permitted Investments	-
	170 056 421

Combined Revenue & Principle Ledger Application of Funds	(229 280 940)
Senior Fees and Expenses	(431 002)
Liquidity Facility Interest & Fees	-
Swap Payments	(32 332)
Interest on A Notes	(20 099 001)
Interest on B, C and D Notes	(3 625 934)
Liquidity Provider / Liquidity Reserve Fund	(75 600 000)
Build Up/Replenishment of Arrears Reserve Fund	-
Build Up/Replenishment of Redraw Reserve	(23 625 601)
Further Advances	(70 830 821)
Principal on redeeming notes	(30 348 140)
Derivative termination Amounts	-
Additional Issuer Expenses	(81 674)
Interest and Principal on Sub Loan	(4 606 436)
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	954 000 000	759 000 000	234 000 000	164 000 000	114 000 000	84 000 000
	% of notes outstanding	20%	17%	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	810 462 177
Margin	3.142%
SWAP Calculation:	
Interest Paid	-14 647 642
Interest Received	14 987 242
Rate Paid	-6.86%
Rate Received	7.02%

Excess Spread Calculation	Amount	% of Outstanding Notes
Interest received on Mortgages	24 663 363	2.12%
Interest received on Cash Reserves	3 873 416	0.33%
Swap	339 600	0.03%
Senior Expenses	(431 002)	-0.04%
Note Interest	(23 724 935)	-2.04%
Net excess spread after Senior Expenses	4 720 442	0.41%

Repayment Statistics	
Mortgage repayment level for the period	2.93%
Annualised repayment profile	11.61%

ASSETS

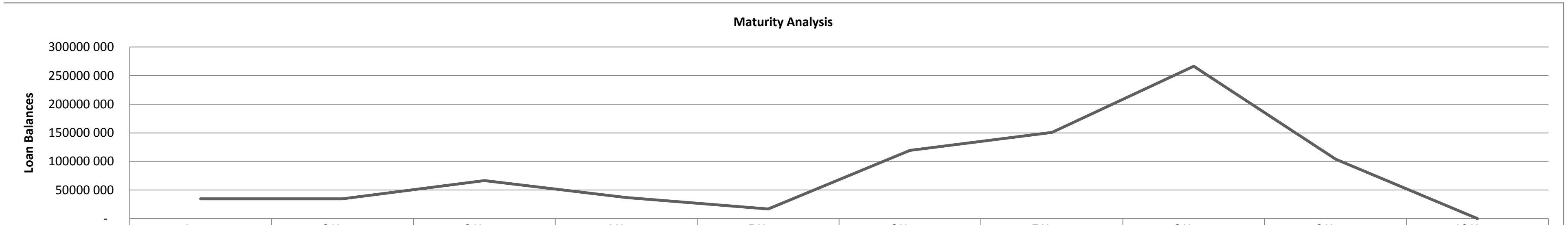
PORTFOLIO INFORMATION

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	**996 419 322**							
Weighted Average			44%	46%	2.5	-0.34%	9.66%	60
Average	9 865 538	1.0%	42%	42%	1.6	-0.32%	9.68%	65
Max	37 217 438	3.74%	77%	88%	5.7	1.63%	11.63%	112
Min	377 603	0.0%	4%	0%	0.0	-1.65%	8.35%	-3
# loans	101							
# Properties	144							
# Borrowers	84							

Balances - At Reporting Date		Concentration	OLTV	CLTV	DSCR	Margin to Prime	Current Rate	Time to maturity
Total	**1 037 353 455**							
Weighted Average			46%	44%	12.9	-0.34%	9.66%	52
Average	8 211 980	0.8%	42%	40%	10.8	-0.30%	9.70%	66
Max	21 588 167	2.08%	88%	77%	948.8	1.63%	11.63%	105
Min	267 655	0.0%	0%	4%	0.0	-1.65%	8.35%	0
# loans	101							
# Properties	144							
# Borrowers	88							



	1 year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
Loan Values	34581 625	34572 579	66573 394	36712 990	16897 906	119318 245	150659 452	266337 631	103756 125	-

Reconciliation of the movement during the period		**Current**	**Amount**	**Limit**	**Available**
Total Pool at Beginning of Period	Jul 2018	996 419 322			
Payments					
Scheduled repayments		(57 830 176)			
Unscheduled repayments		(10 801 408)			
Settlements		-			
Foreclosure Proceeds		-			
Total Collections		(68 631 584)			
Disbursements					
Acquisitions		-			
Redraws or Prepayments		-			
Re-advances of Repayments		-	275 000 000	25%	112 955 027
Further Advances		70 830 821			
Total Disbursements		70 830 821			
Interest and Fees					
Interest Charged		24 663 363			
Fees Charged		451 453			
Insurance Charged		-			
Total Charges		25 114 816			
Other Non Cash Movements					
Non eligible loans removed		-			
Substitutions: Loans transferred in		148 511 720			
Substitutions: Loans transferred out		(134 891 639)			
Repurchased loans/Originator buy backs		-	110 000 000	10%	110 000 000
Other movement		-			
Total Other Cash Movements		13 620 081			
Total Pool at End of Period	Oct 2018	1 037 353 455			

Accounts in Arrears:				
Arrears Status	**Number of Loans**	**% of Loans**	**Outstanding Balance**	**% of Balance**
Current	-	100.00%	1 037 353 455	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%**	**1 037 353 455**	**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	29 716 559	2.86%	1.2	52%
2	22 849 149	2.20%	1.6	32%
3	22 290 463	2.15%	2.1	48%
4	22 241 807	2.14%	1.9	26%
5	21 588 167	2.08%	1.7	61%
6	21 457 187	2.07%	0.9	77%
7	20 261 266	1.95%	2.1	42%
8	19 770 692	1.91%	0.9	75%
9	19 749 732	1.90%	1.0	55%
10	19 508 263	1.88%	1.4	45%
11	17 337 382	1.67%	1.1	50%
12	16 596 527	1.60%	1.1	19%
13	16 403 262	1.58%	3.2	13%
14	16 319 725	1.57%	1.2	49%
15	14 923 272	1.44%	1.2	52%
16	14 342 065	1.38%	1.2	65%
17	14 291 245	1.38%	1.4	42%
18	14 155 987	1.36%	1.4	33%
19	13 468 357	1.30%	1.1	39%
20	12 894 258	1.24%	0.5	29%

Region	OMV	%
KwaZulu Natal	676 400 000	23%
Western Cape	837 740 000	29%
Gauteng	976 721 265	33%
Other	428 600 000	15%
	2 919 461 265	100%

Property Type	Name	Type	OMV	%
1	Office	A1	694 320 000	24%
2	Industrial	I1	411 456 000	14%
3	Warehouse	I2	568 520 000	19%
4	Retail	M1	796 065 265	27%
5	Other	M2	449 100 000	15%
			2 919 461 265	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	12.94	No
WACLTV	60%	44%	No
WA Interest Rate	1.00%	0.34%	No
Single Loan	5.00%	2.86%	No
Bullet Loans > 50%	50%	21%	No
Herfindahl Index	75%	88%	No
Property Regional Covenant			
- Gauteng	60%	33%	No
- Western Cape	40%	29%	No
- KZN	30%	23%	No
- Other Regions	15%	15%	No
Property Useage Covenant			
- Office	40%	24%	No
- Shopping Malls and Retail	40%	27%	No
- Warehouse	30%	14%	No
- Industrial	30%	19%	No
- Other Property	20%	15%	No

Portfolio Changes			
	Utilisation	Limit	Available Amount
Redraws / Re-advances	162 044 973	275 000 000	112 955 027
Repurchases	-	110 000 000	110 000 000

Contact Details:		
Servicer	**Arranger**	**Rating Agency**
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