

# Thekwini RMBS ABCP Conduit

## **The Thekwini Warehousing Conduit (Pty) Limited**

The Thekwini Conduit is a South-African residential mortgage warehousing programme that may issue up to ZAR15bn of ZAR-denominated securities. The Thekwini Conduit is a multi-seller programme that warehouses eligible pools of residential mortgage loans originated by South African Home Loans (Proprietary) Limited (“SAHL”), a lender specialising in home loans in South Africa, and eligible pools of residential mortgage-backed securities (“RMBS”).

Asset purchases are funded through the issuance of short- and long-term securities and a subordinated credit enhancement facility provided by SAHL as follows:

- Non-liquidity notes: consisting of senior, mezzanine or junior short-term notes with a maximum tenor of 364 days.
- Liquidity notes: used to provide alternative liquidity to the structure. These consist of senior short-term extendible or callable notes.
- Long-term notes: consisting of mezzanine and junior notes with a maturity that is defined as the earlier of: i) 10 years from the issue date and ii) 364 days from the occurrence of a wind-down event.

The main characteristics of the notes that may be issued are summarised in the table above.

CE is calculated quarterly on a dynamic basis and can vary depending on the credit quality of the underlying portfolio of assets.

Liquidity is provided through several 364-day revolving liquidity facilities sized to cover the interest on the short-term notes, outstanding principal on the non-liquidity notes plus estimated costs and expenses. SBSA acts as liquidity facility provider.

All six conduits are monitored by Fitch’s performance analytics team and, to date, continue to perform within expected parameters. Performance data and detailed new issue reports on each of the conduits are available at [www.fitchratings.com](http://www.fitchratings.com).

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### Description of the Notes Issued by The Thekwini Conduit

	Non-Liquidity Notes	Liquidity Notes	Long-Term Notes
Maturity Type	Short-Term	Short-Term	Long-Term
Rank in the Waterfall	Senior, Mezzanine or Junior	Senior	Mezzanine or Junior
Extendible/Callable	n.a. <sup>1</sup>	Extendible or Callable	Callable
Rating	F1+(zaf), F1(zaf), F2(zaf) Respectively	F1+(zaf)	A(zaf), BBB(zaf) Respectively
Type of Rate	Floating, Fixed or Mixed	Floating, Fixed or Zero Coupon	Floating, Fixed or Zero Coupon
Reference Index (Floating Rate)	JIBAR	JIBAR	JIBAR
Maximum Maturity	364 Days	364 Days	The earlier of i) 10 years and ii) 364 days after the occurrence of a wind-down event
Characteristics	n.a	<p>Extendible notes: tenor of up to 270 days, extendible up to 364 days. If the maturity is extended beyond the initial final maturity date, a step-up margin will apply to the margin of the notes.</p> <p>Callable notes: scheduled maturity of up to 270 days and a final maturity date of 364 days. If the issuer does not exercise its call option at the first scheduled maturity date, a step-up margin will apply to the margin of the notes.</p>	<p>The notes are redeemable at the option of the issuer i) on their scheduled maturity date or on any interest payment date thereafter or ii) prior to the scheduled maturity date, on any interest payment date occurring after the expiry of a non-call period.</p> <p>If the issuer does not exercise its call option by the scheduled maturity, a step-up margin will apply to the margin of the notes.</p>

<sup>1</sup> n.a: not applicable  
Source: The Thekwini Conduit

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Source: Fitch, South Africa ABCP Bulleting, 2005