

Private Residential Mortgages (RF) Limited

(Incorporated with limited liability in South Africa under registration number 2005/044471/06)

**Issue 5 of Series 2: Tranche 12 – ZAR992 000 000 Class A12G Notes
Under its ZAR20 000 000 000 Residential Mortgage Backed Securities
Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described in this Pricing Supplement.

This Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum issued by Private Residential Mortgages (RF) Limited dated 6 December 2012 and the amended and restated Applicable Series Supplement in respect of Series 2, dated 6 December 2012. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum or the Applicable Series Supplement, the provisions of this Pricing Supplement shall prevail.

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "Glossary of Definitions". References in this Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "Terms and Conditions of the Notes". References to any Condition in this Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Pricing Supplement contains all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in this Pricing Supplement, the Programme Memorandum and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

DESCRIPTION OF THE NOTES

1. Issuer	Private Residential Mortgages (RF) Limited
2. Security SPV	Private Residential Mortgages Security SPV Series 2 (Proprietary) Limited
3. Security Status	Secured
4. Issue number	5
5. Series number	2
6. Tranche number	12
7. Class	A12G
8. Prepayment Note	No

9. Super Senior Note	No
10. Aggregate Principal Amount	ZAR992 000 000
11. Interest Payment Basis	Floating Rate
12. Issue Date(s)	18 December 2012
13. Minimum Denomination per Note	ZAR1 000 000
14. Issue Price(s)	100%
15. Applicable Business Day Convention, if different to that specified in the Terms and Conditions	Following Business Day
16. Trade type	Price
17. Interest Payment Dates	15 th day of March, June, September and December in each year, or if such a day is not a Business Day, the immediately following Business Day
18. Interest Commencement Date(s)	18 December 2012
19. Scheduled Maturity Date	15 June 2014
20. Step-Up Date	15 June 2014
21. Final Redemption Date	15 December 2035
22. Use of Proceeds	The net proceeds of the issue of this Tranche of Class A12G Notes will be used to redeem the Class A3B and A2B Notes.
23. Pre-Funding Amount	ZAR0
24. Pre-Funding Period	N/A
25. Specified Currency	ZAR
26. Set out the relevant description of any additional/other Terms and Conditions relating to the Notes	N/A

FLOATING RATE NOTES

27. Interest Payment Date(s)	15 th day of March, June, September and December in each year, or if such a day is not a Business Day, the immediately following Business Day
28. Interest Period(s)	15 March to 14 June, 15 June to 14 September, 15 September to 14 December and 15 December to

	14 March, both dates inclusive
29. Manner in which the Interest Rate is to be determined	Screen Rate Determination
30. Margin/Spread for the Interest Rate	99 basis points to be added to relevant Reference Rate
31. Margin/Spread for the Step-Up Rate	134 basis points to be added to relevant Reference Rate
32. If Screen Determination	
(a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	3 month JIBAR
(b) Rate Determination Date(s)	The first Business Day of each Interest Period
(c) Relevant Screen page and Reference Code	Reuters Screen SAFEY page under caption "Yield" as at approximately 11h00, Johannesburg time, on the relevant Rate Determination Date, rounded to the third decimal point
33. If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions	The arithmetic mean of the offered quotation, for the Reference Rate(s) which appears or appear, as the case may be, on the Rate Screen Page as at 12h00, Johannesburg time, on the Rate Determination Date in question, plus the Margin, all as determined by Investec
34. If different from the Administrator, agent responsible for calculating amount of principal and interest	N/A
35. Any other terms relating to the particular method of calculating interest	N/A

OTHER NOTES

36. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description any additional Terms and Conditions relating to such Notes	N/A
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GENERAL

37. Additional selling restrictions	N/A
38. International Securities Numbering (ISIN)	ZAG000102062



39. Stock Code	PR2A1G
40. Financial Exchange	Interest Rate Market of the JSE
41. Dealer(s)	Investec
42. Method of distribution	Dutch Auction with no feedback
43. Rating assigned to this Tranche of Notes (if any)	A1/Aaa.za (sf) (expected ratings)
44. Rating Agency	Moody's Investors Service
45. Governing Law	South Africa
46. Last Day to Register	Before 17h00 on 9 March, 9 June, 9 September and 9 December
47. Books Closed Period	From (and including) 10 March to but excluding 15 March. From (and including) 10 June to but excluding 15 June. From (and including) 10 September to but excluding 15 September. From (and including) 10 December to but excluding 15 December.
48. Calculation Agent, if not Investec	Investec
49. Specified Office of the Calculation Agent	Investec Bank Limited 100 Grayston Drive, Sandown, Sandton, 2196
50. Transfer Agent, if not Investec	Investec
51. Specified Office of the Transfer Agent	Investec Bank Limited 100 Grayston Drive, Sandown, Sandton, 2196
52. Stabilisation Manager, if any	N/A
53. Programme Limit	ZAR20 000 000 000
54. Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche	ZAR2 331 730 000 excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
55. Aggregate Principal Amount of the Class A, B, C and D Notes to be issued simultaneously with this Tranche	ZAR1 130 350 000
56. Required Weighted Average LTV Ratio (as at 31 October 2012)	75.62%
57. Required Second Home Ratio	7.5%

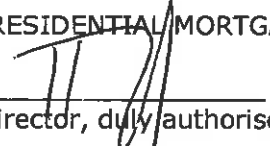
58. Required Weighted Average Yield (as at 31 October 2012)	Prime less 1.4%
59. Required Self-Employed Ratio	20%
60. Required Jumbo Loan Ratio	4.5%
61. Required Non-Performing Ratio	7%
62. Required CAV Ratio	0%
63. Required Non-Owner Occupied Ratio	20%
64. Reserve Fund Required Amount	ZAR230 228 320
65. Other provisions	N/A

REPORT OF THE INDEPENDENT AUDITORS – SEE APPENDIX "A"


POOL DATA — SEE APPENDIX "B"

Application is hereby made to list this Tranche of the Notes, as from 18 December 2012, pursuant to the Private Residential Mortgages (RF) Limited Residential Mortgage Backed Securities Programme.

PRIVATE RESIDENTIAL MORTGAGES (RF) LIMITED (Issuer)

By: 
Director, duly authorised


Date: 12 DECEMBER 2012

By: 
Director, duly authorised

Date: 12/12/12

APPENDIX "A"

REPORT OF THE INDEPENDENT AUDITOR OF THE ISSUER

A handwritten signature in black ink, consisting of a stylized 'A' with a horizontal stroke at the bottom right.



KPMG Services Proprietary Limited
KPMG Crescent
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Private Bag 9, Parkview, 2122, South Africa

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Docex 472 Johannesburg
Internet <http://www.kpmg.co.za/>

The Directors
Investec Private Bank (a division of Investec Bank
Limited) as servicer for Private Residential Mortgages
(Proprietary) Limited - Series 2
100 Grayston Drive
Sandown
Sandton
2196

10 December 2012

Limited assurance report of the independent auditors of Private Residential Mortgages (Proprietary) Ltd (the "Issuer") to the Registrar of Banks, regarding compliance by the Issuer relating to the issue of R1 130 350 000 residential mortgage backed securities with the relevant provisions of the Securitisation Scheme Regulations issued by the Registrar of Banks, as required by paragraphs 15(1)(a)(ii) and 16(2)(a)(vii) of the Securitisation Scheme Regulations (Government Notice 2, Government Gazette 30628 of 1 January 2008).

Introduction

We have completed our limited assurance engagement to report in terms of paragraphs 15(1)(a)(ii) and 16(2)(a)(vii) of the Securitisation Scheme Regulations (Government Notice 2, Government Gazette 30628 of 1 January 2008), issued by the Registrar of Banks, on whether the issue of R1 130 350 000 residential mortgage backed securities of Private Residential Mortgages (Pty) Ltd – (Issue 5 of Series 2), complies, in all material respects, with the provisions of the relevant Securitisation Scheme Regulations.

Responsibility of the issuer

The Issuer is responsible for the preparation of, and disclosures in, the amended and restated Programme Memorandum to be issued on or before 18 December 2012 (the "Programme Memorandum"), which supersedes and replaces the previous Programme Memorandum dated 13 November 2006, the amended and restated Series Supplement to be issued on or before 18 December 2012 (the "Series Supplement"), which supersedes and replaces the previous Series Supplement dated 13 November 2007 and the applicable Pricing Supplements to be issued on or before 18 December 2012 (collectively the "Placement Documents"), as required by the relevant Securitisation Scheme Regulations and for making available to the assurance provider all relevant documentation pursuant to the transaction.

KPMG Services Proprietary Limited is a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

KPMG Services Proprietary Limited is not a Registered Auditor in terms of the Auditing Profession Act, 26 of 2005 and does not provide audit services as defined in Section 1 of this Act.

Registration number 1999/012876/07

Policy Board:
Chief Executive: R.M. Kgosana

Executive Directors: DC Duffield, A. Hari, A.M. Mokgatudi, D van Heerden

Other Directors: L.P. Fourie, N. Fubu, T. Gubb, TH. Hoole, A. Jaffer, M. Letsitsi, E. Mgondo, A. Masemola, JS. McIntosh, T. Rossouw, CAT. Smith, S. Swerman (Chairman of the Board), A. Thunström

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of the directors' names is available for inspection.

Responsibility of the assurance provider

Our responsibility is to report on whether the issue of R1 130 350 000 of residential mortgage backed securities of Private Residential Mortgages (Pty) Ltd – (Issue 5 of Series 2) (as described in the Placement Documents) complies, in all respects, with the provisions of the relevant Securitisation Scheme Regulations. Our assurance engagement was performed in accordance with the International Standard on Assurance Engagements, ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. This standard requires us to comply with ethical requirements and to plan and perform our assurance engagement to obtain limited assurance, expressed below, regarding the subject matter of the engagement.

Summary of work performed

Our assurance engagement was limited to an examination of the applicable Placement Documents and other documentation made available to us by the Issuer, for evidence of compliance with the relevant provisions of the Securitisation Scheme Regulations affecting the transaction. We made enquiries of the Directors and Management of the Issuer, as we considered necessary for the purposes of our engagement.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is provided than in a reasonable assurance engagement.

We believe our evidence is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our work performed, nothing has come to our attention which causes us to believe that the issue of the R1 130 350 000 residential mortgage backed securities of Private Residential Mortgages (Pty) Ltd – (Issue 5 of Series 2), as described in the Placement Documents (as amended), is not in compliance with all the relevant provisions of the Securitisation Scheme Regulations.

KPMG Inc.



Gavin De Lange
Chartered Accountant (SA)
Registered Auditor
Director



APPENDIX "B"

POOL DATA (AS AT 31 OCTOBER 2012)**

General statistics

	Combined Pool
Number of loans	3,797
Total portfolio amount (ZAR)	3,360,140,387
Min loan value (ZAR)	
Maximum loan value (ZAR)	4,170,962
as % of total portfolio	0.12%
Average loan value (ZAR)	884,946
as % of total portfolio	0.03%
Min current LTV (CLTV)	0.00%
Max CLTV	119.10%
WA CLTV	67.85%
Min Obligation to value	0.00%
Max Obligation to value	119.10%
WA Obligation to value	75.40%
WA margin on the portfolio	-1.59%
WA seasoning (in months)	69.39

Portfolio distribution

Aggregated amounts and percentages of the total portfolio relate to the current balances of the loans/ portfolio

Current principal amount outstanding on the loans

ZAR '000

	Aggregated amount (ZAR)	% of portfolio
0-500	256,887,809	7.6%
500-1000	832,319,786	24.8%
1000-1500	863,366,766	25.7%
1500-2000	729,471,641	21.7%
2000-2500	459,678,247	13.7%
2500-3000	151,615,203	4.5%
3000-35000	35,928,096	1.1%
3500-4000	22,613,850	0.7%
4000-5000	8,258,990	0.2%
>5000	0	0.0%
Total	3,360,140,387	100.0%

Current loan to values

	Aggregated amount (ZAR)	% of portfolio
0-10%	18,597,946	0.6%
10%-20%	65,820,589	2.0%
20%-30%	142,861,027	4.3%
30%-40%	210,766,160	6.3%
40%-50%	279,175,441	8.3%
50%-60%	379,561,752	11.3%
60%-70%	497,713,612	14.8%
70%-80%	568,683,340	16.9%
80%-90%	641,564,845	19.1%
90%-100%	539,071,550	16.0%
100%-105%	8,101,237	0.2%
105%-110%	1,628,061	0.0%
110%-115%	4,689,203	0.1%
>115%	1,905,625	0.1%
Total	3,360,140,387	100.0%

Obligation to values

	Aggregated amount (ZAR)	% of portfolio
0-10%	1,023,691	0.0%
10%-20%	13,032,401	0.5%
20%-30%	23,502,847	1.3%
30%-40%	76,688,186	3.6%
40%-50%	83,021,292	5.7%
50%-60%	98,606,450	8.6%
60%-70%	131,756,594	12.6%
70%-80%	167,414,911	19.1%
80%-90%	149,880,844	24.7%
90%-100%	86,828,067	22.4%
100%-105%	35,088,203	1.0%
105%-110%	2,175,818	0.1%
110%-115%	4,689,203	0.1%
>115%	1,905,625	0.06%
Total	3,360,140,387	100.0%

Employment status

	Aggregated amount (ZAR)	% of portfolio
Employed or full loan is guaranteed	2,849,220,137	84.8%
Self employed	487,519,615	14.5%
Unemployed	15,738,713	0.5%
Pensioner	7,661,921	0.2%
Total	3,360,140,387	100.0%

Geographic concentrations

	Aggregated amount (ZAR)	% of portfolio
Eastern Cape	65,248,192	1.9%
Free State	21,888,893	0.7%
Gauteng	2,069,423,026	61.6%
KwaZulu Natal	349,039,160	10.4%
Limpopo	10,597,416	0.3%
Mpumalanga	30,823,273	0.9%
North West	35,786,520	1.1%
Northern Cape	1,701,422	0.1%
Western Cape	775,632,484	23.1%
Total	3,360,140,387	100.0%

Loan purpose

	Aggregated amount (ZAR)	% of portfolio
Purchase	2,434,471,895	72.5%
Remortgage	855,292,748	25.5%
Renovation - additions	7,848,646	0.2%
Equity release	62,527,098	1.9%
Total	3,360,140,387	100.0%

Property Type

	Aggregated amount (ZAR)	% of portfolio
Residential (House)	2,703,519,616	80.5%
Residential (Flat/Apartment)	656,620,771	19.5%
Total	3,360,140,387	100.0%

Occupancy Type

	Aggregated amount (ZAR)	% of portfolio
Owner occupied	2,857,110,411	85.0%
Partially owner occupied	3,091,922	0.1%
Non owner occupied	483,868,923	14.4%
Holiday/second home	16,069,131	0.5%
Total	3,360,140,387	100.0%

*****Comprises the historical pool data in respect of Private Mortgages 2 (Proprietary) Limited and the Issuer***