

Freestone Finance Company

Quarterly Administration Report



Reporting Date	31-Dec-09
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General	
Name of Transaction	Freestone Finance Company (Pty) Ltd - Series 2
Name of Administrator	Rand Merchant Bank
Issuer	Freestone Finance Company (Pty) Ltd
Security SPV	Freestone Security SPV Series 2 (Pty) Ltd
Fixing Date JIBAR	28/09/2009
3 Month JIBAR	7.021%
Begin of Interest Accrual Date	28/09/2009
End of Interest Accrual Date	28/12/2009
Interest Days	91

Contact Information

Reporting Entity	Rand Merchant Bank	
Contact Person	Veena Morar	Damian Botoulas
Address	14th Floor, 1 Merchant Place Cnr Fredman Drive & Rivonia Road Sandton 2146	8th Floor, 1 Merchant Place Cnr Fredman Drive & Rivonia Road Sandton 2146
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Email	veena.morar@rmb.co.za	damian.botoulas@rmb.co.za

Series Property Portfolio	Day 1 level	Report Date Level	Lock-Box Trigger Level	Default Level	Trigger Level hit?
Portfolio LTV	33%	34%	40%	45%	No
Portfolio ICR	2.14	2.71	1.6	1.55	No
Vacancy Rate Ratio	2.37%	5.0%	10%	20%	No
Number of Tenants	613	523	150	100	No
Portfolio Capex (R'000)		16,076			No
Maintenance Expenditure (R'000)		2,752			No
Series Geographic Covenants breached?		Annexure A =	No		
Series Property Sub-Types breached?		Annexure A =	No		

Series Property Portfolio	1st Quarter - June '09 R'000	2nd Quarter - Sept '09 R'000	3rd Quarter - Dec '09 R'000	4th Quarter - March '10 R'000	Cumulative R'000
Portfolio Capex	1,651	2,793	11,632	0	16,076
Maintenance Expenditure	908	522	1,322	0	2,752

Notes

Principal	Original Principal - R'm	Current Principal - R'm	Legal Maturity
Class A1 Notes	650	650	27 March 2015
Total Notes	650	650	

Interest	Margin over JIBAR	Interest Payment - R'm
Class A1 Notes	55bps	12.27
Total Notes		12.27

Liquidity Facility	Available Amount - R'm	Drawn Amount - R'm	Interest Amount - R'm
Liquidity Facility	260	0	0

Reserve Fund	Day 1 level - R'm	Report Date Level	Top-Up Amount
Cash Reserve Required Amount	1	1	0

Borrower Property Portfolio	Day 1 level	Report Date Level	Lock-Box Trigger Level	Default Level	Trigger Level hit?
Portfolio LTV	12%	18%	45%	50%	No
Portfolio ICR	6.58	5.7	2.2	2	No
Vacancy Rate Ratio		8.6%	15%	20%	No
Number of Tenants	1,514	1,372	300	120	No
Admin Expenses Cap	0	4.92%	N/A	Not exceed 9% of aggregate rentals & interest receipts	No

Property Distributions
Emira Securitization

261,391 Area Let
4.96% Vacancy %

		Portfolio Make Up					
		Open Market		Measures		Tenants	
TOTAL		1,917,408,000	% 100.0%	Lettable 275,033	% 100.0%	523	% 100.0%
	Free State						
	Southern Sentrum	97,400,000	5.1%	21,377.70	7.8%	38	7.3%
	Gauteng						
	1059 Schoeman Street	48,700,000	2.5%	6,047.00	2.2%	8	1.5%
	267 West	83,300,000	4.3%	9,798.66	3.6%	13	2.5%
	Bank Forum	67,400,000	3.5%	7,466.08	2.7%	31	5.9%
	Barracuda	25,600,000	1.3%	6,698.00	2.4%	4	0.8%
	Boskruijn Shopping Centre	95,100,000	5.0%	6,752.00	2.5%	48	9.2%
	Bradenham Hall	40,600,000	2.1%	4,569.40	1.7%	9	1.7%
	Brooklyn Office Park	37,000,000	1.9%	5,364.21	2.0%	25	4.8%
	Deloitte	42,100,000	2.2%	4,094.30	1.5%	1	0.2%
	Faerie Glen	126,100,000	6.6%	10,324.25	3.8%	9	1.7%
	Gift Acres	84,800,000	4.4%	8,981.86	3.3%	28	5.4%
	Industrial Village Jet Park	36,700,000	1.9%	11,612.72	4.2%	14	2.7%
	Industrial Village Kya	50,400,000	2.6%	16,659.09	6.1%	21	4.0%
	Lynnridge Mews	16,000,000	0.8%	3,533.25	1.3%	11	2.1%
	Menlyn	103,700,000	5.4%	9,852.13	3.6%	23	4.4%
	Mitek South Africa	28,500,000	1.5%	6,604.34	2.4%	1	0.2%
	Rentworks	38,200,000	2.0%	3,027.32	1.1%	2	0.4%
	The Gables	24,000,000	1.3%	2,851.00	1.0%	2	0.4%
	Tuinhof	74,500,000	3.9%	9,042.33	3.3%	16	3.1%
	Kwazulu-Natal						
	100 on Armstrong	28,500,000	1.5%	2,871.00	1.0%	13	2.5%
	Arjo Wiggins - Mahogany	31,308,000	1.6%	6,906.65	2.5%	1	0.2%
	East Coast Radio House	53,700,000	2.8%	6,804.05	2.5%	8	1.5%
	Gateview	24,800,000	1.3%	2,726.78	1.0%	8	1.5%
	Greenfields	29,600,000	1.5%	9,398.00	3.4%	22	4.2%
	Momentum House	49,000,000	2.6%	6,249.00	2.3%	11	2.1%
	Morgan Creek	15,800,000	0.8%	4,644.00	1.7%	1	0.2%
	Nimas House	16,000,000	0.8%	1,371.90	0.5%	3	0.6%
	Strathmore Park	32,200,000	1.7%	3,726.96	1.4%	18	3.4%
	Westway	27,700,000	1.4%	2,277.08	0.8%	4	0.8%
	Western Cape						
	Boundary Terraces	114,500,000	6.0%	8,211.37	3.0%	11	2.1%
	Epping Warehouse (WGA)	66,000,000	3.4%	25,076.00	9.1%	4	0.8%
	Freeway Park	38,000,000	2.0%	7,935.09	2.9%	40	7.6%
	Goodyear Tycon	14,500,000	0.8%	5,870.23	2.1%	1	0.2%
	Market Square	112,800,000	5.9%	13,366.04	4.9%	56	10.7%
	Newlands Terraces	68,200,000	3.6%	4,250.70	1.5%	3	0.6%
	Wesbank House	74,700,000	3.9%	8,692.60	3.2%	15	2.9%