

**SANLAM HOME LOANS 103 (PROPRIETARY) LIMITED**

(Private company incorporated in the Republic of South Africa under number 2005/023298/07)

**Investor report**
**31 December 2009**
**Salient information**
**Asset class** Residential mortgage backed home loans

**Transaction parties**

<b>Programme manager</b>	Absa Capital (A division of Absa Bank Ltd)	<b>Liquidity facility provider</b>	Sanlam Capital Markets Ltd
<b>Servicer</b>	Sanlam Home Loans (Pty) Ltd	<b>Redraw facility provider</b>	Sanlam Capital Markets Ltd
<b>Rating agency</b>	Fitch Ratings		
<b>Swap counterparty</b>	Absa Capital (A division of Absa Bank Ltd)		

**Notes in Issue**

Issue date		01 Nov 2005						
Interest payment dates		22nd day of Jan, Apr, Jul and Oct						
Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A2	ZAR 400,000,000	AAA (zaf)	ZAG000027046	SHLA2	+32 bps	01 Nov 2005	22 Oct 2010	22 Oct 2032
A3	ZAR 100,000,000	AAA (zaf)	ZAG000027053	SHLA3	+33 bps	01 Nov 2005	22 Oct 2010	22 Oct 2032
B2	ZAR 29,000,000	AA (zaf)	ZAG000027079	SHLB2	+42 bps	01 Nov 2005	22 Oct 2010	22 Oct 2032
Issue date		03 May 2006						
Interest payment dates		22nd day of Jan, Apr, Jul and Oct						
Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A5	ZAR 355,000,000	AAA (zaf)	ZAG000030149	SHLA5	+29 bps	03 May 2006	22 Oct 2010	22 Oct 2032
A6	ZAR 176,000,000	AAA (zaf)	ZAG000030164	SHLA6	+34 bps	03 May 2006	22 Oct 2012	22 Oct 2034
B4	ZAR 36,000,000	AA (zaf)	ZAG000030115	SHLB4	+42 bps	03 May 2006	22 Oct 2010	22 Oct 2032
B5	ZAR 12,000,000	AA (zaf)	ZAG000030131	SHLB5	+46 bps	03 May 2006	22 Oct 2012	22 Oct 2034
Issue Date		01 Nov 2006						
Interest payment dates		22nd day of Jan, Apr, Jul and Oct						
Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A8	ZAR 295,000,000	AAA (zaf)	ZAG000034497	SHLA8	+38 bps	01 Nov 2006	22 Oct 2010	22 Oct 2032
A9	ZAR 319,000,000	AAA (zaf)	ZAG000034505	SHLA9	+41 bps	01 Nov 2006	22 Oct 2012	22 Oct 2034
B7	ZAR 75,000,000	AA (zaf)	ZAG000034521	SHLB7	+44 bps	01 Nov 2006	22 Oct 2010	22 Oct 2032
B8	ZAR 48,000,000	AA (zaf)	ZAG000034562	SHLB8	+48 bps	01 Nov 2006	22 Oct 2012	22 Oct 2034
Issue Date		01 Aug 2007						
Interest payment dates		22nd day of Jan, Apr, Jul and Oct						
Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A10	ZAR 356,000,000	AAA (zaf)	ZAG000042425	SHLA10	+38 bps	01 Aug 2007	22 Jan 2010	22 Oct 2032
A11	ZAR 535,000,000	AAA (zaf)	ZAG000042433	SHLA11	+46 bps	01 Aug 2007	22 Oct 2012	22 Oct 2034
A12	ZAR 45,000,000	AAA (zaf)	ZAG000042672	SHLA12	10.325% <sup>N1</sup>	01 Aug 2007	22 Oct 2012	22 Oct 2034
C2	ZAR 54,000,000	A (zaf)	ZAG000042458	SHLC2	+85 bps	01 Aug 2007	22 Oct 2010	22 Oct 2032
C3	ZAR 35,000,000	A (zaf)	ZAG000042466	SHLC3	+85 bps	01 Aug 2007	22 Oct 2012	22 Oct 2034
D2	ZAR 23,000,000	BBB (zaf)	ZAG000042482	SHLD2	+175 bps	01 Aug 2007	22 Oct 2010	22 Oct 2032
D3	ZAR 17,000,000	BBB (zaf)	ZAG000042490	SHLD3	+175 bps	01 Aug 2007	22 Oct 2012	22 Oct 2034
Issue Date		22 Oct 2009						
Interest payment dates		22nd day of Jan, Apr, Jul and Oct						
Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A2U	ZAR 620,000,000	AAA (zaf)	ZAG000072232	SHLA2U	Unlisted	22 Oct 2009	22 Apr 2010	22 Oct 2032
B2U	ZAR 70,000,000	AA (zaf)	ZAG000072273	SHLB2U	Unlisted	22 Oct 2009	22 Apr 2010	22 Oct 2032
C2U	ZAR 10,000,000	A (zaf)	ZAG000072240	SHLC2U	Unlisted	22 Oct 2009	22 Apr 2010	22 Oct 2032
D2U	ZAR 180,000,000	BBB (zaf)	ZAG000072257	SHLD2U	Unlisted	22 Oct 2009	22 Apr 2010	22 Oct 2032

N1 Fixed rate (floating issue margin swapped equivalent)

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**Notes Redeemed**

<b>Redemption date</b>	22 Aug 2007
<b>Interest payment dates</b>	22nd day of Jan, Apr, Jul and Oct

Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
E1	ZAR 21,000,000	N/A	ZAG000027087	SHLE1	+350 bps	01 Nov 2005	22 Oct 2008	22 Oct 2030
E2	ZAR 29,000,000	N/A	ZAG000027095	SHLE2	+350 bps	01 Nov 2005	22 Oct 2010	22 Oct 2032
E3	ZAR 19,000,000	N/A	ZAG000030156	SHLE3	+350 bps	03 May 2006	22 Oct 2008	22 Oct 2030
E4	ZAR 21,000,000	N/A	ZAG000030172	SHLE4	+350 bps	03 May 2006	22 Oct 2010	22 Oct 2032
E5	ZAR 11,000,000	N/A	ZAG000030107	SHLE5	+350 bps	03 May 2006	22 Oct 2012	22 Oct 2034
E6	ZAR 8,000,000	N/A	ZAG000034539	SHLE6	+350 bps	01 Nov 2006	22 Oct 2008	22 Oct 2030
E7	ZAR 18,000,000	N/A	ZAG000034547	SHLE7	+350 bps	01 Nov 2006	22 Oct 2010	22 Oct 2032
E8	ZAR 16,000,000	N/A	ZAG000034554	SHLE8	+350 bps	01 Nov 2006	22 Oct 2012	22 Oct 2034

<b>Redemption date</b>	22 Oct 2008
<b>Interest payment dates</b>	22nd day of Jan, Apr, Jul and Oct

Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A1	ZAR 370,000,000	AAA (zaf)	ZAG000027038	SHLA1	+25 bps	01 Nov 2005	22 Oct 2008	22 Oct 2030
A4	ZAR 309,000,000	AAA (zaf)	ZAG000030123	SHLA4	+23 bps	03 May 2006	22 Oct 2008	22 Oct 2030
A7	ZAR 142,000,000	AAA (zaf)	ZAG000034489	SHLA7	+28 bps	01 Nov 2006	22 Oct 2008	22 Oct 2030
B1	ZAR 21,000,000	AA (zaf)	ZAG000027061	SHLB1	+38 bps	01 Nov 2005	22 Oct 2008	22 Oct 2030
B3	ZAR 30,000,000	AA (zaf)	ZAG000030180	SHLB3	+38 bps	03 May 2006	22 Oct 2008	22 Oct 2030
B6	ZAR 50,000,000	AA (zaf)	ZAG000034513	SHLB6	+40 bps	01 Nov 2006	22 Oct 2008	22 Oct 2030
C1	ZAR 33,000,000	A (zaf)	ZAG000042441	SHLC1	+85 bps	01 Aug 2007	22 Oct 2008	22 Oct 2030
D1	ZAR 15,000,000	BBB (zaf)	ZAG000042474	SHLD1	+175 bps	01 Aug 2007	22 Oct 2008	22 Oct 2030

<b>Redemption date</b>	22 Oct 2009
<b>Interest payment dates</b>	22nd day of Jan, Apr, Jul and Oct

Class	Amount	Rating	ISIN number	BESA stock code	Issue margin	Issue date	Scheduled maturity	Legal maturity
A13	ZAR 445,000,000	AAA (zaf)	ZAG000060450	SHLA13	+100 bps	22 Oct 2008	22 Oct 2009	22 Oct 2031
A15	ZAR 79,000,000	AAA (zaf)	ZAG000060468	SHLA15	12.33% N1	22 Oct 2008	22 Oct 2009	22 Oct 2031
B9	ZAR 34,000,000	AA (zaf)	ZAG000060476	SHLB9	+165 bps	22 Oct 2008	22 Oct 2009	22 Oct 2031
C4	ZAR 22,000,000	A (zaf)	ZAG000060484	SHLC4	+215 bps	22 Oct 2008	22 Oct 2009	22 Oct 2031
A1U	ZAR 295,000,000	AAA (zaf)	ZAG000060500	SHLA1U	Unlisted	22 Oct 2008	22 Oct 2009	22 Oct 2031
C1U	ZAR 45,000,000	A (zaf)	ZAG000060526	SHLC1U	Unlisted	22 Oct 2008	22 Oct 2009	22 Oct 2031
D1U	ZAR 50,000,000	BBB (zaf)	ZAG000060534	SHLD1U	Unlisted	22 Oct 2008	22 Oct 2009	22 Oct 2031

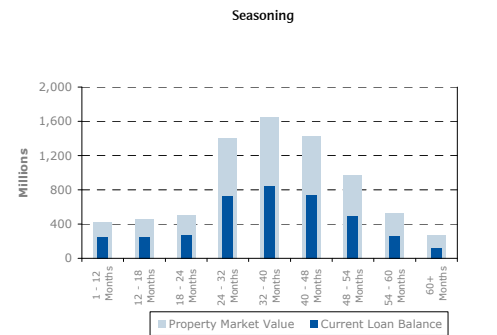
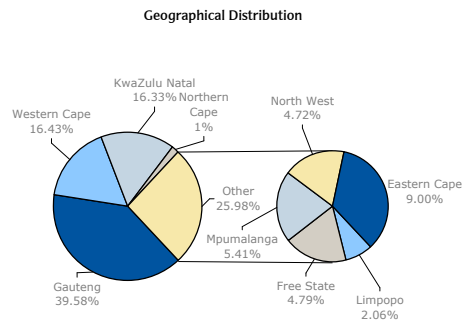
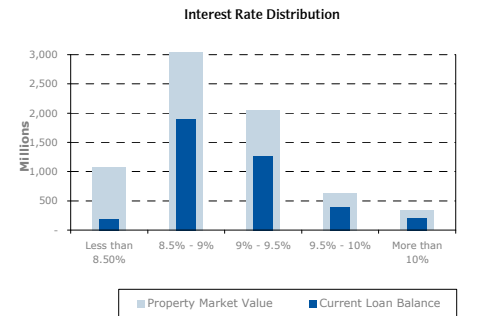
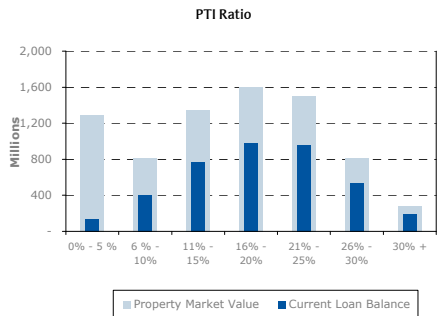
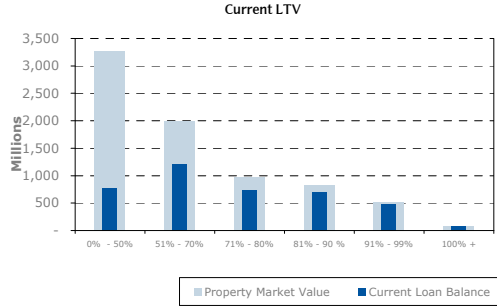
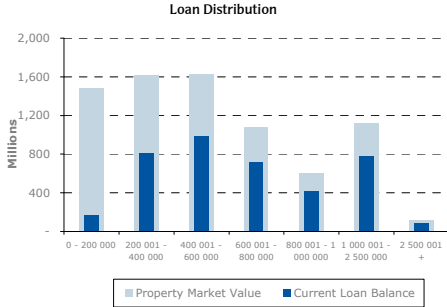
**Collateral Performance**

		<u>Trigger events</u>	<u>Trigger breached</u>
Current loan balance	R 3,953,027,856	Arrears reserve trigger event (>3months arrears exceed 0.75%)	No
Current property market valuation	R 7,638,985,022	Interest margin trigger event	No
Weighted average seasoning (months)	36.54	Early amortisation event	No
Weighted average index LTV	65.27%	Weighted average current LTV	No
Weighted average interest rate	9.02% <sup>N2</sup>	Servicer event of default	No
		Portfolio covenant	No
<b>Portfolio characteristics</b>		<b>Portfolio covenants</b>	
Weighted average original LTV	72.04%	Required Weighted average original LTV	73.32%
Weighted average current LTV	68.01%	Required Weighted average current LTV	69.60%
Weighted average PTI ratio	18.36%	Required Weighted average PTI ratio	19.84%
Highest single borrower balance	R 4,387,506	Highest Single borrower balance limit	R 9,882,570
Gauteng province percentage	39.58%	Required Gauteng province percentage	50.00%
Other province percentage	16.43%	Required Other province percentage	25.00%
Non owner occupied	4.17%	Required Non owner occupied percentage	5.24%
Self employed borrowers	26.43%	Required Self employed limit	27.95%

N2 Interest rate at Prime less 1.48%

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**Portfolio data**



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**Portfolio data (continued)**

**Arrears Distribution as at 31 December 2009**

	Current Loan Balance	%	Number of Loans	%
Performing Loans	3,629,023,276	91.80%	8,501	94.41%
1 Month	179,741,366	4.55%	284	3.15%
2 Months	75,735,230	1.92%	111	1.23%
3 Months	43,520,665	1.10%	70	0.78%
>= 4 Months	25,007,320	0.63%	38	0.42%
	<b>3,953,027,856</b>		<b>9,004</b>	

**Commentary**

Sanlam Home Loans 103 is performing in line with expectations from an arrears perspective and no trigger has been breached to date. As at 31 December 2009, a total of 223 loans were repurchased at Fair Value. The Book Value of the loans amounted to R 150.8m, which represents 3.8% of the original portfolio, and the related Fair Value impairment amounted to R 23.1m. All repurchases were done in accordance with Regulatory Requirements and Transaction Documents.

**Contact details**

Consultant:	Data Analyst:	Product Controller:	Product Accountant:
Debt Capital Markets	Nicholas Govender	Walter Green	Nombali Makanya
Nico Pieters	Tel: 011 895 7631	Tel: 011 895 6769	Tel: 011 895 6179
Tel: 011 895 7037	E-mail:	E-mail:	E-mail:
E-mail:	nicholas.govender@absacapital.com	walter.green@absacapital.com	nombali.makanya@absacapital.com
nico.pieters@absacapital.com			

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