

## SMHL SECURITISATION FUND 2012 -2

Monthly Investment Report as at 11 February 2019



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**Bloomberg Screen:** **SMHL <MTGE>**

### Summary

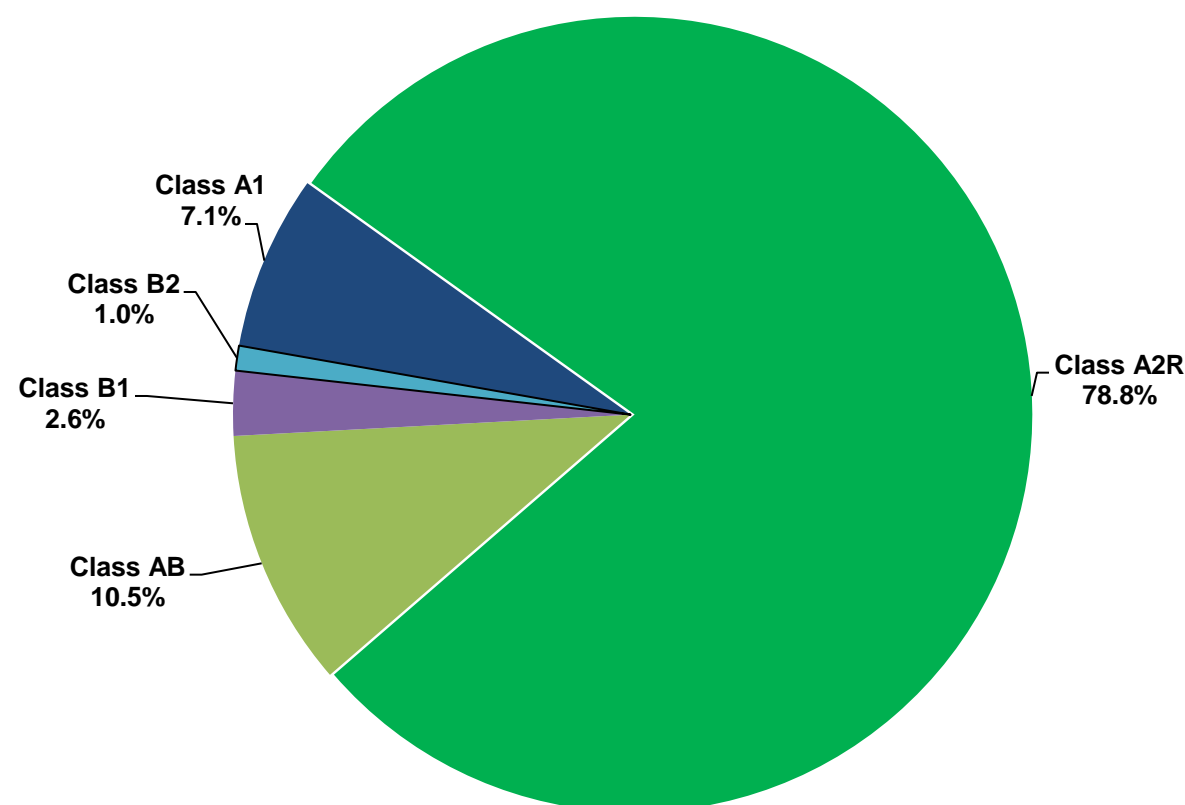
Fund: SMHL Securitisation Fund 2012 -2  
 Cut-Off Date: 4 February 2019  
 Payment Date: 11 February 2019  
 Issuer: Perpetual Limited as trustee for SMHL Securitisation Fund 2012-2  
 Joint Lead Managers: National Australia Bank Limited (ABN 12 004 044 937)  
 Westpac Banking Corporation (ABN 33 007 457 141)  
 Credit Suisse AG, Sydney Branch (ABN 17 061 700 712)  
 Macquarie Bank Limited (ABN 46 008 583 542)  
 Macquarie Bank Limited (ABN 46 008 583 542)  
 Arranger: ME Portfolio Management Limited (ABN 79 005 964 134)  
 Trust Manager: Perpetual Trustee Company Limited (ABN 42 000 001 007)  
 Security Trustee: PT Limited as nominee for Perpetual Trustee Limited as trustee for the SMHL Origination Fund No.3  
 Liquidity Facility Provider: PT Limited as nominee for Perpetual Trustee Limited as trustee for the SMHL Origination Fund No.3  
 Payment Facility Provider: PT Limited as nominee for Perpetual Trustee Limited as trustee for the SMHL Origination Fund No.3  
 Redraw Facility Provider: PT Limited as nominee for Perpetual Trustee Limited as trustee for the SMHL Origination Fund No.3  
 Interest Rate Swap Provider: Westpac Banking Corporation (ABN 33 007 457 141)  
 Issue Date: 25 September 2012  
 Legal Final Maturity Date: 9 July 2043

### Security Classes

Class Name :	A1	A2R	AB	B1	B2
ISIN:	AU3FN0016598	AU3FN0038196	AU3FN0016606	AU3FN0016614	AU3FN0016622
Rating Agency:	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P	S&P
Rating:	AAA(sf) / AAAsf	AAA(sf) / AAAsf	AAA(sf) / AAAsf	AA-(sf) / NR	AA-(sf) / NR
Currency:	AUD	AUD	AUD	AUD	AUD
Original Balance at Issue:	664,000,000.00	80,000,000.00	41,600,000.00	10,400,000.00	4,000,000.00
Base Rate:	BBSW1 M	BBSW1 M	BBSW1 M	BBSW1 M	BBSW1 M
Margin above base rate:	1.35%	0.93%	3.00%	Undisclosed	Undisclosed
Expected Average Life to call:	2.4yr	2.0yr	5.21yr	5.21yr	5.21yr
Distribution Frequency:	Monthly	Monthly	Monthly	Monthly	Monthly
Coupon Type:	Floating	Floating	Floating	Floating	Floating
Principal payment type:	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through

### Bond Factors as at 11 February 2019

Fund:	0.12359882
Class A1	0.00738932
Class A2R	1.00000000
Class AB	0.24950981
Class B1	0.24950981
Class B2	0.24950981



## Portfolio Structure

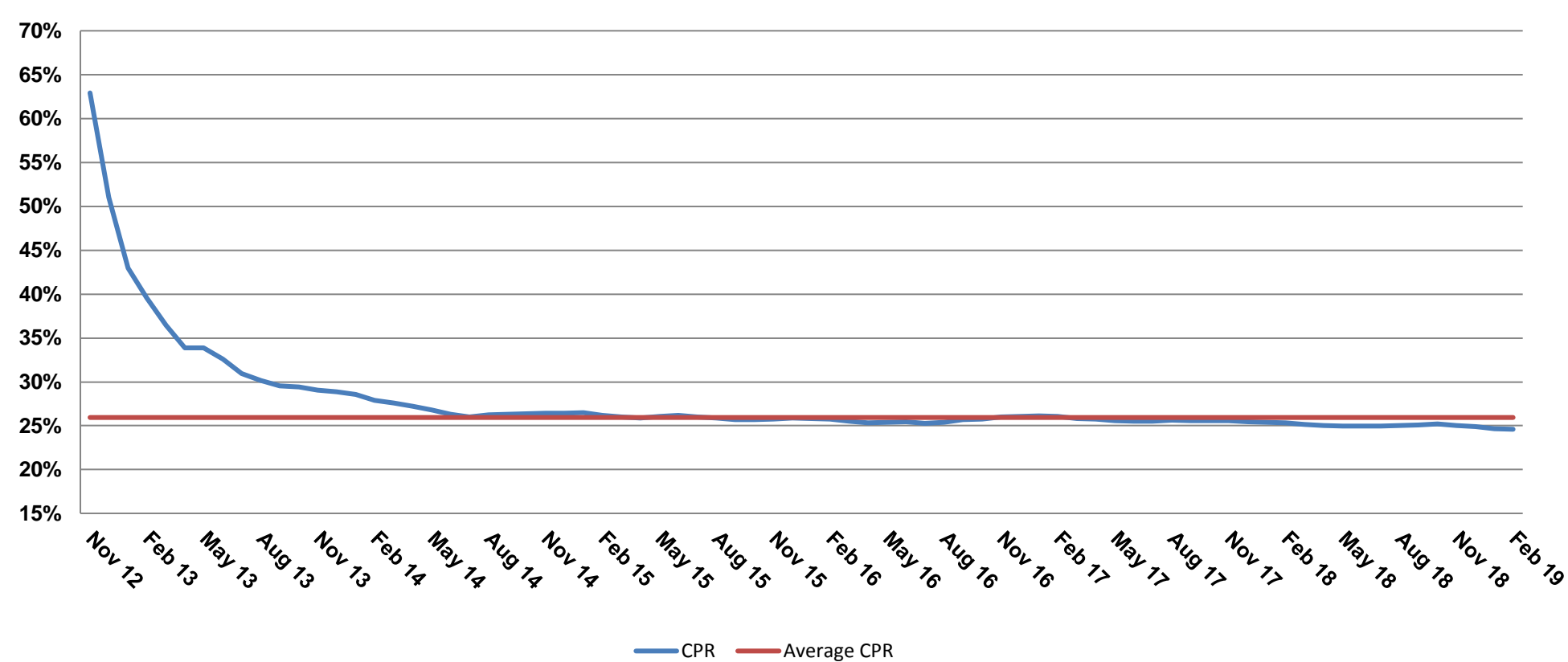
	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				9 January 2019 11 February 2019	9 January 2019 11 February 2019
Class A1	7,225,006.88	2,318,499	4,906,507.97	21,937	3.358%
Class A2R	80,000,000.00	-	80,000,000.00	undisclosed	undisclosed
Class AB	10,663,038.86	283,431	10,379,608.17	48,283	5.008%
Class B1	2,665,759.71	70,858	2,594,902.04	undisclosed	Undisclosed
Class B2	1,025,292.20	27,253	998,039.25	undisclosed	Undisclosed
<b>Total Portfolio</b>	<b>101,579,098</b>	<b>2,700,040</b>	<b>98,879,057</b>	<b>70,220</b>	

## Pool Details

Number of Loans	2,490
Average Loan Size	39,710
Maximum Loan Size	987,519
Weighted Average LVR	39%
Maximum LVR	180%
WA Seeding (months)	157
WA Term to Maturity (years)	14
Full Documentation Loans	100%
WA Interest Rate	5.09%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	2 January 2019 to 4 February 2019	3 December 2018 to 4 February 2019	25 Sep 2012 to 4 February 2019
<b>Repayment Analysis</b>			
Balance @ Determination Date	101,579,098	104,483,580	800,000,000
Substitutions	-	-	-
Bond uplift / Redemptions	-	-	-
Scheduled Repayments	(580,039)	(1,756,646)	(78,801,992)
Prepayments	(4,321,727)	(10,747,667)	(882,749,362)
Redraw Advances	2,201,726	6,899,791	260,430,411
Topup Advances	-	-	-
<b>Closing Balance</b>	<b>98,879,057</b>	<b>98,879,057</b>	<b>98,879,057</b>
CPR	22.47%	14.10%	24.61%
SMM	2.10%	1.26%	2.33%



## Current Position

Geographical Location			
VIC	- Metro	21,998,302	22%
	- Non Metro	4,026,363	4%
NSW	- Metro	14,879,846	15%
	- Non Metro	7,761,081	8%
QLD	- Metro	8,570,306	9%
	- Non Metro	7,217,857	7%
SA	- Metro	6,210,208	6%
	- Non Metro	205,120	0%
WA	- Metro	13,451,345	14%
	- Non Metro	615,487	1%
TAS	- Metro	3,054,132	3%
	- Non Metro	1,926,692	2%
NT	- Metro	1,383,209	1%
	- Non Metro	-	0%
ACT	- Metro	7,579,111	8%
	- Non Metro	-	0%

**TOTAL 98,879,057 100%**

Loan Purpose <sup>1</sup>		
Refinance	32,641,183	33%
Renovation	2,266,296	2%
Purchase	43,306,896	44%
Construction	6,603,580	7%
Other	14,061,103	14%

**TOTAL 98,879,057 100%**

Loan Term		
<=5 yrs	-	0%
>5 & <=10yrs	192,778	0%
>10 & <=15yrs	719,501	1%
>15 & <=20yrs	4,326,258	4%
>20 & <=25yrs	41,351,964	42%
>25yrs	52,288,556	53%

**TOTAL 98,879,057 100%**

Owner/Investment split <sup>1</sup>		
Owner Occupied	68,992,368	70%
Investment	29,886,689	30%

**TOTAL 98,879,057 100%**

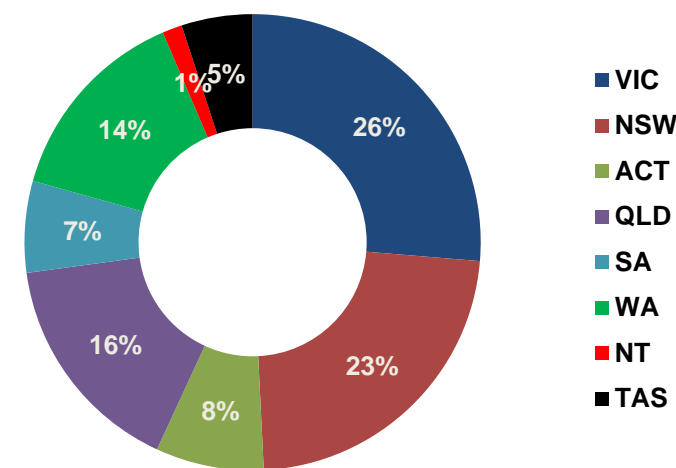
Interest Rate Exposure		
> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	2,895,818	3%
> 5.00% & <= 6.00%	67,486,336	68%
<= 5.00%	28,496,903	29%

**TOTAL 98,879,057 100%**

Loan to Value Ratio		
>95%	116,885	0%
>90% & <= 95%	202,281	0%
>85% & <= 90%	109,732	0%
>80% & <= 85%	305,757	0%
>75% & <= 80%	2,980,216	3%
>70% & <= 75%	2,707,850	3%
>65% & <= 70%	6,469,159	7%
>60% & <= 65%	5,728,469	6%
>55% & <= 60%	5,679,145	6%
>50% & <= 55%	6,187,888	6%
>45% & <= 50%	5,227,264	5%
>40% & <= 45%	7,503,080	8%
>35% & <= 40%	9,338,744	9%
>30% & <= 35%	9,836,023	10%
>25% & <= 30%	7,315,178	7%
<=25%	29,171,387	30%

**TOTAL 98,879,057 100%**

## Geographical Location



## Loan Security<sup>2</sup>

House	77,822,962	79%
Land	3,045,520	3%
Apartment	1,225,643	1%
Unit	15,020,101	15%
Townhouse	1,535,129	2%
Other	229,703	0%

**TOTAL 98,879,057 100%**

## Interest Option

Variable	98,879,057	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

**TOTAL 98,879,057 100%**

## Mortgage Insurance

Genworth Financial	96,224,887	97%
HLIC Govt	2,654,170	3%
Uninsured	-	0%
QBE	-	0%

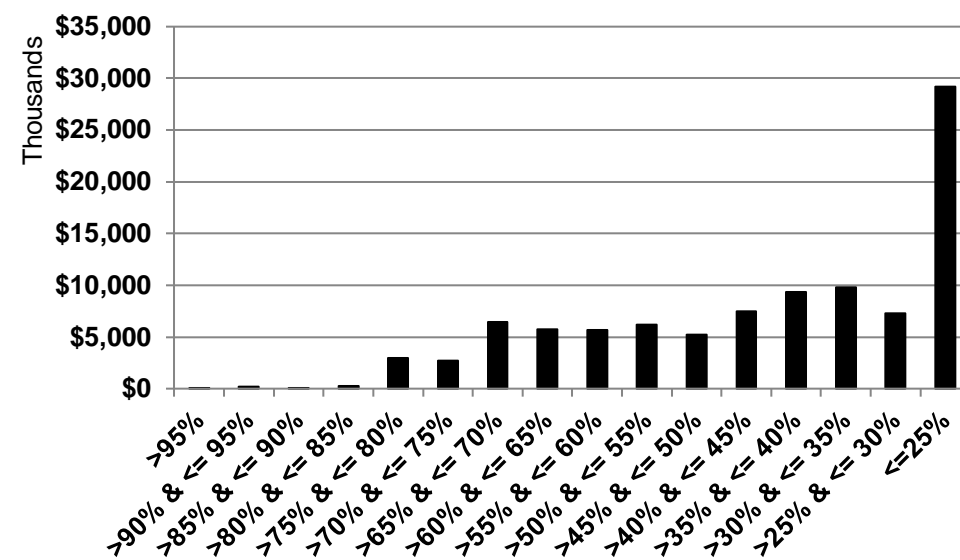
**TOTAL 98,879,057 100%**

## Loan Size

>\$250,000	16,290,334	16%
>\$200,000 & <\$250,000	8,397,865	8%
>\$150,000 & <\$200,000	10,740,181	11%
>\$100,000 & <\$150,000	16,781,607	17%
>\$50,000 & <\$100,000	27,813,434	29%
<= \$50,000	18,855,636	19%

**TOTAL 98,879,057 100%**

## Loan to Value Ratio



1 - Due to a recent review of the classification of investor lending, the Bank has now agreed a definition of investor lending which will be applied across all areas of the Bank to undertake reporting, monitoring and analysis. The Bank has decided to move away from the historic "loan security" classification to a "loan purpose" classification. This classification is based upon each customer's advice to the Bank as to the purpose of the loan, and takes account that customers are unlikely to choose "investment" as an option when it is not the case, given the higher pricing attached to investment loans.

2 - The Bank has also decided to move away from the "Primary Security" classification to a new methodology of determining the main security by using the highest valued security property. This change will drive alignment across the investor reported data and RBA reporting requirements.

This change is effective from 1 March 2016. Feel free to contact Investor Reporting team to discuss the matter.

## Arrears

	4 February 2019	2 January 2019	3 December 2018
<b>30-59 days</b>			
Number of loans	7	3	5
Outstanding Balance (\$)	354,054	305,981	428,523
% of Pool Outstanding Balance	0.36%	0.30%	0.42%
<b>60-89 days</b>			
Number of loans	1	1	2
Outstanding Balance (\$)	58,822	58,918	107,172
% of Pool Outstanding Balance	0.06%	0.06%	0.10%
<b>90+ days</b>			
Number of loans	35	36	38
Outstanding Balance (\$)	259,695	308,075	313,299
% of Pool Outstanding Balance	0.26%	0.30%	0.31%
<b>TOTAL Delinquencies</b>			
Number of loans	43	40	45
Outstanding Balance (\$)	672,571	672,974	848,994
% of Pool Outstanding Balance	0.68%	0.66%	0.83%
<b>Pool Information</b>			
Number of loans	2,490	2,512	2,534
Outstanding Balance (\$ m)	99	102	103

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## Foreclosure & Mortgage Insurance claims since inception

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	1	260,276
Proceeds of sale	1	214,336
Loss on sale of property	1	137,274
Claims submitted to Insurer	1	137,274
Claims paid by Insurer	1	136,414
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	1	890
Claims Denied by Insurers	0	0

Any insured housing loan held by the fund is insured under one of the following:

- \* master policy with the Commonwealth of Australia dated July 4th, 1994;
- \* master policy with GE Mortgage Insurance Pty Limited (formerly Housing Loans Insurance Corporation Pty Limited (ACN 071 466 334) dated 12 Dec, 1997;
- \* master policy with GE Capital Mortgage Insurance Corporation (Australia) Pty Limited (ACN 081 488 440) and GE Mortgage Insurance Pty Limited (ACN 071 466 334) which is effective from October 25, 1999.

For further details on the above mortgage Insurance policies reference should be made to the Offering circular and the Transaction Documents. Please note that limitations and exclusions apply with the mortgage Insurance policies, including timely payment cover\* for a limited period.

## Facilities & Reserve

### Liquidity Facility

Opening Balance	914,212
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	24,300
Closing Outstanding Balance	<u>889,912</u>

### Payment Funding Facility

150,000

Neither Members Equity Bank Limited nor any associate of Members Equity Bank Limited (including ME Portfolio Management Limited) in any way stands behind the capital value and/or the performance of the Bonds or the assets of SMHL Securitisation Fund 2012-2. Members Equity Bank Limited does not stand behind the obligations of ME Portfolio Management Limited. The Bonds do not represent deposits or other liabilities of Members Equity Bank Limited or associates of Members Equity Bank Limited including ME Portfolio Management Limited. Members Equity Bank Limited does not guarantee the payment of interest or the repayment of principal due on the Bonds or the performance of the assets of SMHL Securitisation Fund 2012-2 (except to the limited extent provided in the transaction documents). The holding of the Bonds is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

