

SMHL SERIES SECURITISATION FUND 2018-2

Monthly Investment Report as at 26 October 2022



SMHL®

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Bloomberg Screen: SMHL <MTGE>

Summary

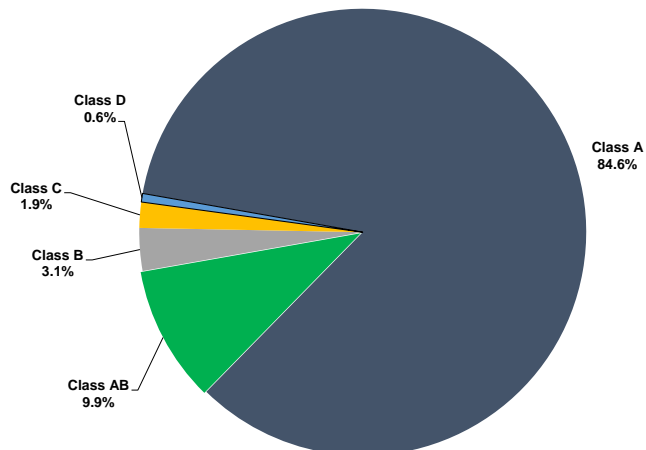
Fund: SMHL Series Securitisation Fund 2018-2
Cut-Off Date: 17 October 2022
Payment Date: 26 October 2022
Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Commonwealth Bank of Australia (ABN 48 123 123 124)
Macquarie Bank Limited (ABN 46 008 583 542)
National Australia Bank Limited (ABN 12 004 044 937)
Arranger: National Australia Bank Limited (ABN 12 004 044 937)
Trust Manager: Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
Security Trustee: Perpetual Trustee Company Limited (ABN 42 000 001 007)
Liquidity Facility Provider: Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
Redraw Facility Provider: Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
Interest Rate Swap Provider: National Australia Bank Limited (ABN 12 004 044 937)
Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
Issue Date: 16 August 2018
Legal Final Maturity Date: September 2050

Security Classes

Class Name :	A	AB	B	C	D	E
ISIN:	AU3FN0043808	AU3FN0043816	AU3FN0043824	AU3FN0043832	AU3FN0043840	AU3FN0043857
Rating Agency:	S&P / Moody's	S&P	S&P	S&P	S&P	
Rating:	AAA(sf) / Aaa(sf)	AAA(sf)	AA(sf)	A(sf)	BBB(sf)	NR
Currency:	AUD	AUD	AUD	AUD	AUD	AUD
Original Balance at Issue:	1,150,000,000.00	60,000,000.00	18,750,000.00	11,250,000.00	3,750,000.00	6,250,000.00
Base Rate:	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW
Margin above base rate:	1.11%	1.70%	1.80%	2.45%	3.25%	5.75%
Expected Average Life to call:	2.7 years	4.8 years	4.8 years	4.8 years	4.8 years	4.8 years
Distribution Frequency:	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Coupon Type:	Floating	Floating	Floating	Floating	Floating	Floating
Principal payment type:	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through

Bond Factors as at 26 October 2022

Fund: 0.18853004
Class A: 0.17151372
Class AB: 0.38421774
Class B: 0.38421774
Class C: 0.38421774
Class D: 0.38421774
Class E: 0.38421774



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				26 September 2022 26 October 2022	28 March 2022 26 October 2022
Class A	206,865,711.96	9,624,932	197,240,780.33	629,540.54	3.703%
Class AB	24,178,005.30	1,124,941	23,053,064.66	85,303.98	4.293%
Class B	7,555,626.66	351,544	7,204,082.70	27,278.50	4.393%
Class C	4,533,375.99	210,926	4,322,449.62	18,789.04	5.043%
Class D	1,511,125.33	70,309	1,440,816.54	7,256.63	5.843%
Class E	2,518,542.22	117,181	2,401,360.90	17,269.47	8.343%
Total Portfolio	247,162,387	11,499,833	235,662,555	785,438	

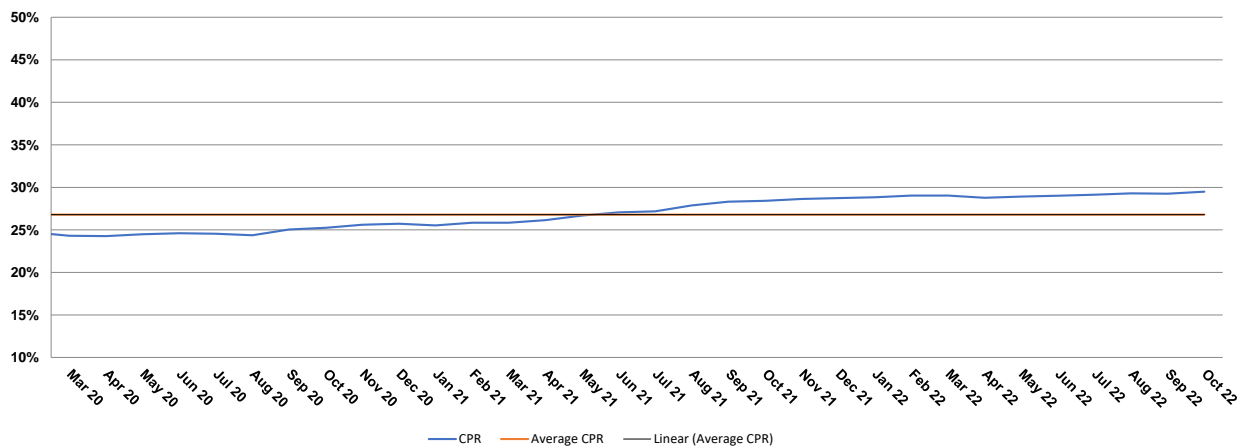
European CRR invested amount (as per Article 405) \$ 21,719,506 9.22%

Pool Details

Number of Loans	2,754
Average Loan Size	85,571
Maximum Loan Size	767,375
Weighted Average LVR	45.66%
Maximum LVR	101.11%
WA Seeding (months)	145
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	5.61%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	13 September 2022 to 17 October 2022	15 July 2022 to 17 October 2022	16 August 2018 to 17 October 2022
Repayment Analysis			
Balance @ Determination Date	247,162,387	265,664,538	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,135,905)	(3,415,885)	(122,765,237)
Prepayments	(11,712,826)	(30,839,314)	(1,078,205,640)
Redraw Advances	1,348,898	4,253,216	186,633,431
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	235,662,555	235,662,555	235,662,555
CPR	40.34%	34.67%	29.49%
SMM	4.21%	3.49%	2.87%



Current Position

Geographical Location			
VIC	- Metro	52,550,014	22%
	- Non Metro	13,605,892	6%
NSW	- Metro	23,591,661	10%
	- Non Metro	21,893,982	9%
QLD	- Metro	21,671,867	9%
	- Non Metro	13,287,459	6%
SA	- Metro	10,948,641	5%
	- Non Metro	207,935	0%
WA	- Metro	37,542,776	16%
	- Non Metro	1,689,334	1%
TAS	- Metro	6,165,250	3%
	- Non Metro	5,228,355	2%
NT	- Metro	4,258,576	2%
	- Non Metro	478,834	0%
ACT	- Metro	22,541,979	10%
	- Non Metro	-	0%

TOTAL		235,662,555	100%
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Loan Purpose ¹			
Refinance		65,179,630	28%
ReDecation		-	0%
Purchase		79,961,462	34%
Construction		7,885,589	3%
Equity Release		82,635,874	35%

TOTAL		235,662,555	100%
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Loan Term			
<=5 yrs		24,655	0%
>5 & <=10yrs		5,053,921	2%
>10 & <=15yrs		6,364,751	3%
>15 & <=20yrs		24,012,202	10%
>20 & <=25yrs		44,742,841	19%
>25yrs		155,513,495	66%

TOTAL		235,662,555	100%
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Owner/Investment split ¹			
Owner Occupied		189,810,387	81%
Investment		45,852,168	19%

TOTAL		235,662,555	100%
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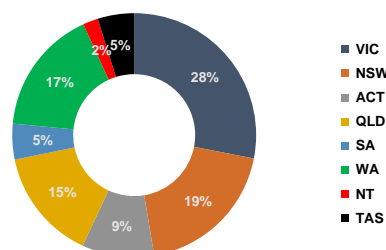
Interest Rate Exposure			
> 8.00%		-	0%
> 7.00% & <= 8.00%		20,361,380	9%
> 6.00% & <= 7.00%		83,363,065	35%
> 5.00% & <= 6.00%		61,648,226	26%
<= 5.00%		70,289,884	30%

TOTAL		235,662,555	100%
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Loan to Value Ratio			
>95%		556,132	0%
>90% & <= 95%		217,129	0%
>85% & <= 90%		774,260	0%
>80% & <= 85%		5,690,326	2%
>75% & <= 80%		6,191,224	3%
>70% & <= 75%		9,697,823	4%
>65% & <= 70%		18,290,679	8%
>60% & <= 65%		17,694,812	8%
>55% & <= 60%		21,770,639	9%
>50% & <= 55%		21,662,921	9%
>45% & <= 50%		17,254,375	7%
>40% & <= 45%		23,471,346	10%
>35% & <= 40%		23,655,836	10%
>30% & <= 35%		15,602,498	7%
>25% & <= 30%		13,589,305	6%
<=25%		39,543,249	17%

TOTAL		235,662,555	100%
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Geographical Location



Loan Security ²

House	204,251,721	86%
Land	228,243	0%
Apartment	5,716,315	2%
Unit	20,102,789	9%
Townhouse	3,538,905	2%
Other	1,824,582	1%

TOTAL	235,662,555	100%
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Interest Option

Variable	205,459,150	87%
Fixed <3 years	30,203,405	13%
Fixed >3 years	-	0%

TOTAL	235,662,555	100%
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Mortgage Insurance

Genworth Financial	100,186,751	43%
HLIC Govt	3,803	0%
Uninsured	135,472,001	57%

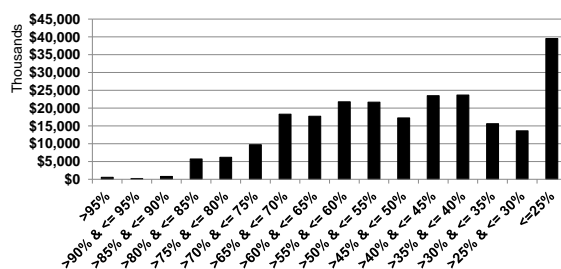
TOTAL	235,662,555	100%
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Loan Size

>\$250,000	74,904,884	31%
>\$200,000 & <\$250,000	34,842,968	15%
>\$150,000 & <\$200,000	39,314,391	17%
>\$100,000 & <\$150,000	39,044,233	17%
>\$50,000 & <\$100,000	31,372,068	13%
<= \$50,000	16,184,011	7%

TOTAL	235,662,555	100%
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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

	17 October 2022	13 September 2022	17 August 2022
30-59 days			
Number of loans	6	6	11
Outstanding Balance (\$)	1,043,810	837,549	2,176,412
% of Pool Outstanding Balance	0.44%	0.34%	0.85%
60-89 days			
Number of loans	5	3	7
Outstanding Balance (\$)	892,631	528,824	922,866
% of Pool Outstanding Balance	0.38%	0.21%	0.36%
90+ days			
Number of loans	21	20	16
Outstanding Balance (\$)	3,007,983	2,982,364	2,505,133
% of Pool Outstanding Balance	1.28%	1.21%	0.98%
TOTAL Delinquencies			
Number of loans	32	29	34
Outstanding Balance (\$)	4,944,424	4,348,737	5,604,411
% of Pool Outstanding Balance	2.10%	1.76%	2.20%
Pool Information			
Number of loans	2,754	2,841	2,900
Outstanding Balance (\$ m)	236	247	255

Repayment Holiday COVID-19

	17 October 2022	13 September 2022	17 August 2022
Number of loans	0	0	0
Outstanding Balance (\$)	0	0	0
% of Pool Outstanding Balance	0.00%	0.00%	0.00%

Foreclosure & Mortgage Insurance claims since Inception

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	3	1,362,931
Proceeds of sale	3	797,519
Loss on sale of property	2	14,128
Claims submitted to Insurer	3	242,072
Claims paid by Insurer	3	240,019
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	3	119,170
Claims Reduced/Denied by Insurers	3	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	2,441,801	
Liquidity facility drawn during the current month	-	
Repayment of Liquidity Draw for the previous periods		
Outstanding liquidity draws		
Reduction in Facility	(115,254)	
Closing Outstanding Balance	2,326,546	-

Redraw Funding Facility

Opening Balance	-	
Drawn amount	-	
Closing balance	-	

Notional Swaps

Notional Swaps Value	35,000,000
% of fixed rate home loans	115.9%

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 2018-2. 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 2018-2 (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.

Current Position - SMHL SERIES SECURITISATION FUND 2018-2 CRD

Geographical Location

VIC	- Metro	5,590,878	26%
	- Non Metro	1,639,548	8%
NSW	- Metro	3,235,504	15%
	- Non Metro	1,587,045	7%
QLD	- Metro	1,075,890	5%
	- Non Metro	1,495,333	7%
SA	- Metro	883,472	4%
	- Non Metro	77,017	0%
WA	- Metro	3,295,205	15%
	- Non Metro	-	0%
TAS	- Metro	1,052,664	5%
	- Non Metro	554,399	3%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,232,553	6%
	- Non Metro	-	0%

TOTAL 21,719,506 100%

Loan Purpose ¹

Refinance	6,338,260	29%
Renovation	-	0%
Purchase	6,922,221	32%
Construction	1,739,717	8%
Equity Release	6,719,308	31%

TOTAL 21,719,506 100%

Loan Term

<=5 yrs	33,094	0%
>5 & <=10yrs	384,443	2%
>10 & <=15yrs	1,449,355	7%
>15 & <=20yrs	2,005,419	9%
>20 & <=25yrs	4,247,935	20%
>25yrs	13,599,262	62%

TOTAL 21,719,506 100%

Owner/Investment split ¹

Owner Occupied	16,885,188	78%
Investment	4,834,318	22%

TOTAL 21,719,506 100%

Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	1,263,830	6%
> 6.00% & <= 7.00%	5,459,958	25%
> 5.00% & <= 6.00%	5,000,499	23%
<= 5.00%	9,995,219	46%

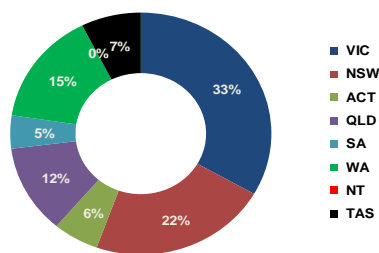
TOTAL 21,719,506 100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	348,434	2%
>65% & <= 70%	1,072,651	5%
>60% & <= 65%	3,015,231	14%
>55% & <= 60%	1,346,041	6%
>50% & <= 55%	3,618,401	17%
>45% & <= 50%	2,431,419	11%
>40% & <= 45%	1,348,331	6%
>35% & <= 40%	1,829,380	8%
>30% & <= 35%	1,342,609	6%
>25% & <= 30%	1,565,508	7%
<=25%	3,801,502	18%

TOTAL 21,719,506 100%

Geographical Location



Loan Security ²

House	18,746,487	86%
Land	-	0%
Apartment	433,639	2%
Unit	2,087,774	10%
Townhouse	62,181	0%
Other	389,425	2%

TOTAL 21,719,506 100%

Interest Option

Variable	13,645,633	63%
Fixed <3 years	7,459,753	34%
Fixed >3 years	614,121	3%

TOTAL 21,719,506 100%

Mortgage Insurance

Genworth Financial	8,353,313	38%
HLIC Govt	-	0%
Uninsured	13,366,178	62%
QBE	16	0%

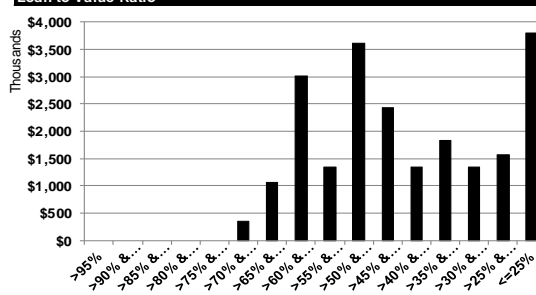
TOTAL 21,719,506 100%

Loan Size

>\$250,000	8,956,902	41%
>\$200,000 & <\$250,000	1,301,847	6%
>\$150,000 & <\$200,000	3,964,800	18%
>\$100,000 & <\$150,000	3,805,078	18%
>\$50,000 & <\$100,000	2,487,017	11%
<= \$50,000	1,203,862	6%

TOTAL 21,719,506 100%

Loan to Value Ratio



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