

SMHL SECURITISATION FUND 2012 -2

Monthly Investment Report as at 09 October 2018



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Bloomberg Screen: SMHL <MTGE>

Summary

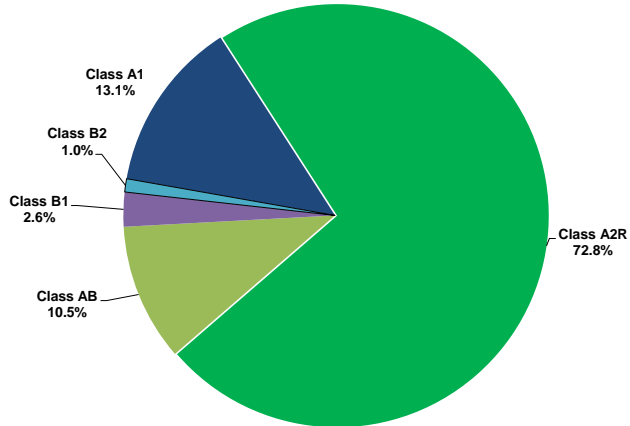
Fund: SMHL Securitisation Fund 2012 -2
 Cut-Off Date: 2 October 2018
 Payment Date: 09 October 2018
 Issuer: Perpetual Limited as trustee for SMHL Securitisation Fund 2012-2
 Joint Lead Managers: National Australia Bank Limited (ABN 12 004 044 937)
 Westpac Banking Corporation (ABN 33 007 457 141)
 Credit Suisse AG, Sydney Branch (ABN 17 061 700 712)
 Macquarie Bank Limited (ABN 46 008 583 542)
 Arranger: Macquarie Bank Limited (ABN 46 008 583 542)
 Trust Manager: ME Portfolio Management Limited (ABN 79 005 964 134)
 Security Trustee: Perpetual Trustee Company Limited (ABN 42 000 001 007)
 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 09 October 2018

Fund:	0.13273501
Class A1	0.01684132
Class A2R	1.00000000
Class AB	0.26795310
Class B1	0.26795310
Class B2	0.26795310



Portfolio Structure

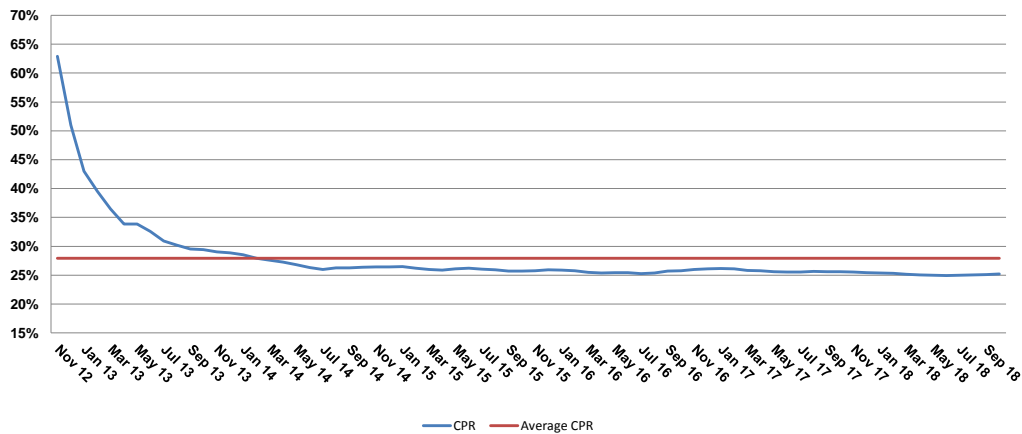
	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				10 September 2018 09 October 2018	10 September 2018 09 October 2018	
Class A1	14,423,084.32	3,240,450	11,182,634.39	36,556		3.190%
Class A2R	80,000,000.00	-	80,000,000.00	undisclosed		undisclosed
Class AB	11,542,985.82	396,137	11,146,848.92	44,388		4.840%
Class B1	2,885,746.45	99,034	2,786,712.23	undisclosed		Undisclosed
Class B2	1,109,902.48	38,090	1,071,812.40	undisclosed		Undisclosed
Total Portfolio	109,961,719	3,773,711	106,188,008	80,944		

Pool Details

Number of Loans	2,601
Average Loan Size	40,826
Maximum Loan Size	987,516
Weighted Average LVR	39%
Maximum LVR	95%
WA Seeding (months)	154
WA Term to Maturity (years)	15
Full Documentation Loans	100%
WA Interest Rate	5.11%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	3 September 2018 to 2 October 2018	1 August 2018 to 2 October 2018	25 Sep 2012 to 2 October 2018
Repayment Analysis			
Balance @ Determination Date	109,961,719	118,055,086	800,000,000
Substitutions	-	-	-
Bond uplift / Redemptions	-	-	-
Scheduled Repayments	(600,680)	(1,841,015)	(76,450,562)
Prepayments	(6,360,419)	(18,605,983)	(868,436,390)
Redraw Advances	3,187,388	8,579,920	251,074,960
Topup Advances	-	-	-
Closing Balance	106,188,008	106,188,008	106,188,008
CPR	29.76%	30.16%	25.18%
SMM	2.90%	2.95%	2.39%



Current Position

Geographical Location

VIC	- Metro	23,947,148	23%
	- Non Metro	4,976,510	5%
NSW	- Metro	15,876,862	15%
	- Non Metro	8,666,469	8%
QLD	- Metro	9,207,942	9%
	- Non Metro	7,681,869	7%
SA	- Metro	6,646,537	6%
	- Non Metro	202,471	0%
WA	- Metro	14,158,719	13%
	- Non Metro	503,241	0%
TAS	- Metro	2,813,397	3%
	- Non Metro	1,951,670	2%
NT	- Metro	1,411,744	1%
	- Non Metro	-	0%
ACT	- Metro	8,143,429	8%

TOTAL 106,188,008 100%

Loan Purpose ¹

Refinance	34,693,837	33%
Renovation	2,322,470	2%
Purchase	47,630,570	44%
Construction	6,972,635	7%
Other	14,568,496	14%

TOTAL 106,188,008 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	245,098	0%
>10 & <=15yrs	869,133	1%
>15 & <=20yrs	4,630,963	4%
>20 & <=25yrs	45,682,323	43%
>25yrs	54,760,491	52%

TOTAL 106,188,008 100%

Owner/Investment split ¹

Owner Occupied	74,212,482	70%
Investment	31,975,526	30%

TOTAL 106,188,008 100%

Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	2,888,340	3%
> 5.00% & <= 6.00%	74,246,017	70%
<= 5.00%	29,053,651	27%

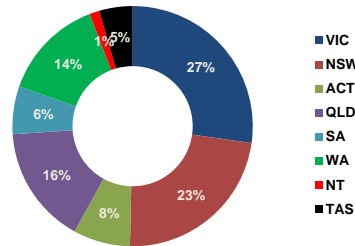
TOTAL 106,188,008 100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	204,121	0%
>85% & <= 90%	110,745	0%
>80% & <= 85%	329,111	0%
>75% & <= 80%	3,073,480	3%
>70% & <= 75%	3,864,074	4%
>65% & <= 70%	6,528,154	6%
>60% & <= 65%	5,058,769	5%
>55% & <= 60%	5,509,349	5%
>50% & <= 55%	7,277,017	7%
>45% & <= 50%	5,047,135	5%
>40% & <= 45%	10,871,693	10%
>35% & <= 40%	10,467,370	10%
>30% & <= 35%	9,305,435	9%
>25% & <= 30%	8,978,848	8%
<=25%	29,561,706	28%

TOTAL 106,188,008 100%

Geographical Location



Loan Security ²

House	84,445,549	80%
Land	3,172,216	3%
Apartment	1,290,325	1%
Unit	15,570,156	15%
Townhouse	1,471,890	1%
Other	237,873	0%

TOTAL 106,188,008 100%

Interest Option

Variable	106,188,008	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 106,188,008 100%

Mortgage Insurance

Genworth Financial	103,330,866	97%
HLIC Govt	2,857,142	3%
Uninsured	-	0%
QBE	-	0%

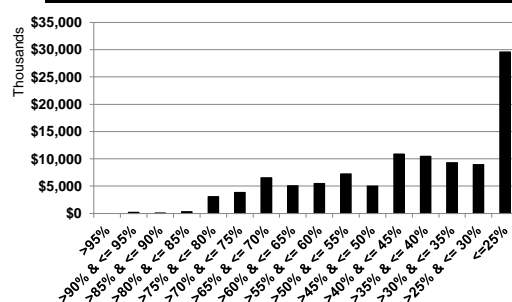
TOTAL 106,188,008 100%

Loan Size

>\$250,000	17,183,640	16%
>\$200,000 & <\$250,000	9,363,731	9%
>\$150,000 & <\$200,000	10,863,519	10%
>\$100,000 & <\$150,000	19,530,570	18%
>\$50,000 & <\$100,000	29,055,263	28%
<= \$50,000	20,191,285	19%

TOTAL 106,188,008 100%

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

	2 October 2018	3 September 2018	1 August 2018
30-59 days			
Number of loans	2	4	5
Outstanding Balance (\$)	160,812	483,641	505,727
% of Pool Outstanding Balance	0.15%	0.44%	0.44%
60-89 days			
Number of loans	1	1	1
Outstanding Balance (\$)	48,956	49,039	398,691
% of Pool Outstanding Balance	0.05%	0.04%	0.35%
90+ days			
Number of loans	39	41	41
Outstanding Balance (\$)	517,543	837,442	837,226
% of Pool Outstanding Balance	0.49%	0.76%	0.73%
TOTAL Delinquencies			
Number of loans	42	46	47
Outstanding Balance (\$)	727,311	1,370,122	1,741,644
% of Pool Outstanding Balance	0.68%	1.25%	1.53%
Pool Information			
Number of loans	2,601	2,645	2,678
Outstanding Balance (\$ m)	106	110	114

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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	989,655
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	33,963
Closing Outstanding Balance	955,692

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.

