

SMHL SERIES SECURITISATION FUND 2018-2



SMHL[®]

Monthly Investment Report as at 26 April 2023

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Bloomberg Screen: SMHL <MTGE>

Summary

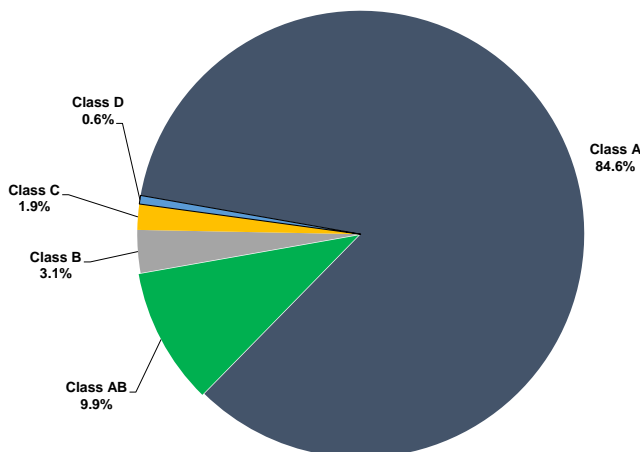
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 14 April 2023
 Payment Date: 26 April 2023
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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 April 2023

Fund:	0.15459344
Class A	0.14064017
Class AB	0.31505612
Class B	0.31505612
Class C	0.31505612
Class D	0.31505611
Class E	0.31505612



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				27 March 2023	28 March 2023	
				26 April 2023	26 April 2023	
Class A	167,645,877.58	5,909,688	161,736,189.95	652,840.61		4.738%
Class AB	19,594,078.10	690,711	18,903,366.93	85,804.35		5.328%
Class B	6,123,149.41	215,847	5,907,302.17	27,317.13		5.428%
Class C	3,673,889.64	129,508	3,544,381.30	18,353.04		6.078%
Class D	1,224,629.88	43,169	1,181,460.43	6,922.92		6.878%
Class E	2,041,049.80	71,949	1,969,100.72	15,732.13		9.378%
Total Portfolio	200,302,674	7,060,873	193,241,802	806,970		

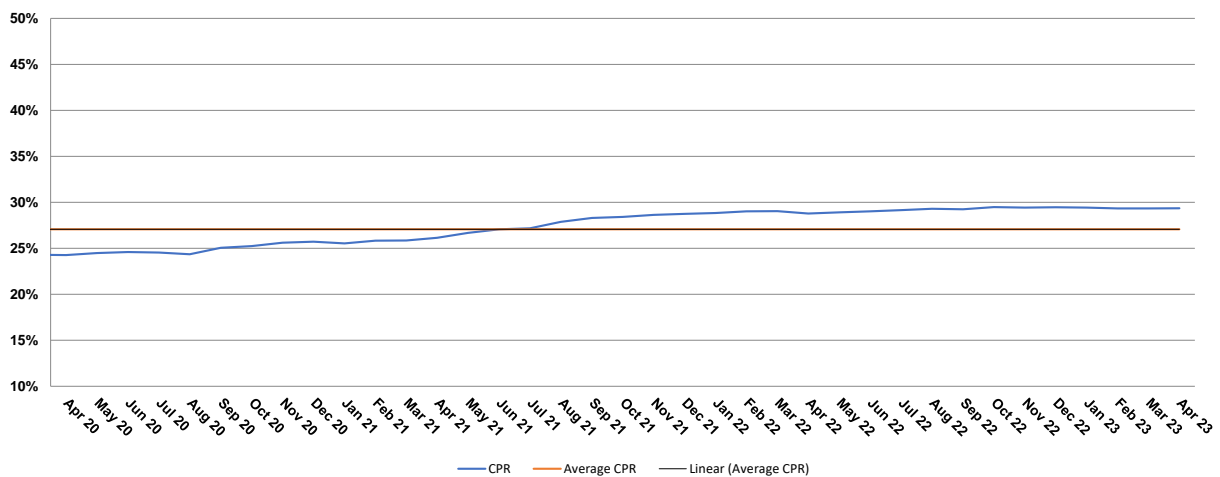
European CRR invested amount (as per Article 405) \$ 19,951,413 10.32%

Pool Details

Number of Loans	2,422
Average Loan Size	79,786
Maximum Loan Size	758,702
Weighted Average LVR	44.24%
Maximum LVR	98.76%
WA Seeding (months)	152
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	6.62%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	16 March 2023 to 14 April 2023	17 January 2023 to 14 April 2023	16 August 2018 to 14 April 2023
Repayment Analysis			
Balance @ Determination Date	200,302,674	213,536,382	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,147,136)	(3,507,966)	(129,750,383)
Prepayments	(7,094,850)	(21,146,712)	(1,122,663,662)
Redraw Advances	1,181,113	4,360,098	195,655,847
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	193,241,802	193,241,802	193,241,802
CPR	30.35%	28.21%	29.36%
SMM	2.97%	2.72%	2.85%



Current Position

Geographical Location

VIC	- Metro	40,785,759	21%
	- Non Metro	9,794,815	5%
NSW	- Metro	21,077,835	11%
	- Non Metro	17,855,957	9%
QLD	- Metro	19,029,949	10%
	- Non Metro	10,617,034	5%
SA	- Metro	8,463,999	4%
	- Non Metro	126,735	0%
WA	- Metro	32,360,731	17%
	- Non Metro	1,348,878	1%
TAS	- Metro	4,508,481	2%
	- Non Metro	3,850,278	2%
NT	- Metro	3,579,412	2%
	- Non Metro	473,069	0%
ACT	- Metro	19,368,870	10%
	- Non Metro	-	0%
TOTAL		193,241,802	100%

Loan Purpose¹

Refinance	52,846,474	27%
ReDecation	-	0%
Purchase	64,401,151	33%
Construction	6,844,935	4%
Equity Release	69,149,242	36%
TOTAL	193,241,802	100%

Loan Term

<=5 yrs	41,496	0%
>5 & <=10yrs	4,055,370	2%
>10 & <=15yrs	4,960,793	3%
>15 & <=20yrs	21,132,758	11%
>20 & <=25yrs	35,441,369	18%
>25yrs	127,693,007	66%
TOTAL	193,241,802	100%

Owner/Investment split¹

Owner Occupied	159,091,544	82%
Investment	34,150,257	18%
TOTAL	193,241,802	100%

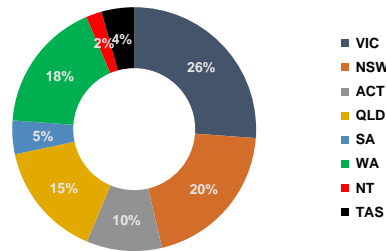
Interest Rate Exposure

> 8.00%	17,643,416	9%
> 7.00% & <= 8.00%	66,638,856	35%
> 6.00% & <= 7.00%	42,945,219	22%
> 5.00% & <= 6.00%	57,428,090	30%
<= 5.00%	8,586,219	4%
TOTAL	193,241,802	100%

Loan to Value Ratio

>95%	543,157	0%
>90% & <= 95%	-	0%
>85% & <= 90%	1,268,782	1%
>80% & <= 85%	3,599,820	2%
>75% & <= 80%	4,517,689	2%
>70% & <= 75%	5,734,236	3%
>65% & <= 70%	16,297,132	8%
>60% & <= 65%	11,111,995	6%
>55% & <= 60%	17,736,804	9%
>50% & <= 55%	17,868,467	9%
>45% & <= 50%	14,290,354	7%
>40% & <= 45%	18,442,638	10%
>35% & <= 40%	18,350,278	9%
>30% & <= 35%	14,484,126	7%
>25% & <= 30%	12,777,710	7%
<=25%	36,218,615	20%
TOTAL	193,241,802	100%

Geographical Location



Loan Security²

House	170,708,986	89%
Land	224,343	0%
Apartment Unit	5,602,758	3%
Unit	12,363,435	6%
Townhouse	2,690,335	1%
Other	1,651,944	1%
TOTAL	193,241,802	100%

Interest Option

Variable	184,313,972	95%
Fixed <3 years	8,927,829	5%
Fixed >3 years	-	0%
TOTAL	193,241,802	100%

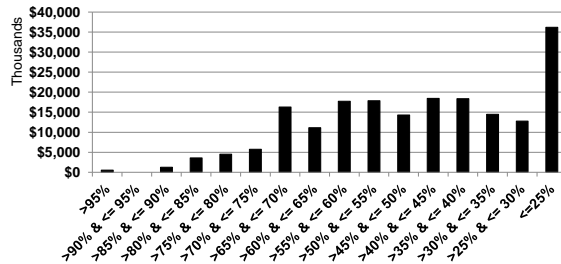
Mortgage Insurance

Genworth Financial	78,256,451	40%
HLIC Govt	1,141	0%
Uninsured	114,984,210	60%
TOTAL	193,241,802	100%

Loan Size

>\$250,000	58,735,131	30%
>\$200,000 & <=\$250,000	28,376,442	15%
>\$150,000 & <=\$200,000	32,027,267	17%
>\$100,000 & <=\$150,000	33,384,824	17%
>\$50,000 & <=\$100,000	26,770,237	14%
<= \$50,000	13,947,902	7%
TOTAL	193,241,802	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

	14 April 2023	16 March 2023	16 February 2023
30-59 days			
Number of loans	7	6	6
Outstanding Balance (\$)	1,087,827	1,001,630	1,063,433
% of Pool Outstanding Balance	0.56%	0.50%	0.51%
60-89 days			
Number of loans	5	3	6
Outstanding Balance (\$)	746,767	422,712	707,365
% of Pool Outstanding Balance	0.39%	0.21%	0.34%
90+ days			
Number of loans	25	25	25
Outstanding Balance (\$)	3,556,189	3,486,702	3,540,641
% of Pool Outstanding Balance	1.84%	1.74%	1.71%
TOTAL Delinquencies			
Number of loans	37	34	37
Outstanding Balance (\$)	5,390,782	4,911,044	5,311,439
% of Pool Outstanding Balance	2.79%	2.45%	2.56%
Pool Information			
Number of loans	2,422	2,472	2,529
Outstanding Balance (\$ m)	193	200	207

Repayment Holiday COVID-19

	14 April 2023	16 March 2023	16 Marray 2023
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

	Loan count	Amount
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	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	1,968,211
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(71,312)
Closing Outstanding Balance	<u>1,896,899</u>

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

Notional Swaps

Notional Swaps Value	-
% of fixed rate home loans	0.0%

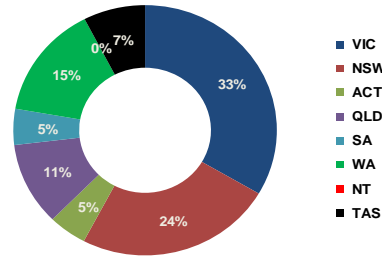
Neither Members Equity Bank Limited nor any associate of Members Equity Bank Limited (including ME Portfolio Management Limited) in any way stands behind the capital value and/or the performance of the Bonds or the assets of SMHL Securitisation Fund 2018-2. Members Equity Bank Limited does not stand 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	5,058,357	25%
	- Non Metro	1,612,634	8%
NSW	- Metro	3,282,370	16%
	- Non Metro	1,557,394	8%
QLD	- Metro	767,582	4%
	- Non Metro	1,368,797	7%
SA	- Metro	886,406	4%
	- Non Metro	40,995	0%
WA	- Metro	2,923,463	15%
	- Non Metro	-	0%
TAS	- Metro	969,977	5%
	- Non Metro	543,649	3%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	939,790	5%
	- Non Metro	-	0%
TOTAL		19,951,413	100%

Geographical Location



Loan Purpose ¹

Refinance	5,277,511	26%
Renovation	-	0%
Purchase	6,963,615	35%
Construction	1,615,913	8%
Equity Release	6,094,374	31%
TOTAL	19,951,413	100%

Loan Security ²

House	17,078,359	86%
Land	-	0%
Apartment	404,203	2%
Unit	2,030,215	10%
Townhouse	61,125	0%
Other	377,511	2%
TOTAL	19,951,413	100%

Loan Term

<=5 yrs	22,612	0%
>5 & <=10yrs	267,498	1%
>10 & <=15yrs	1,389,079	7%
>15 & <=20yrs	1,803,041	9%
>20 & <=25yrs	3,688,806	18%
>25yrs	12,780,378	65%
TOTAL	19,951,413	100%

Interest Option

Variable	12,353,896	61%
Fixed <3 years	7,489,264	38%
Fixed >3 years	108,254	1%
TOTAL	19,951,413	100%

Owner/Investment split ¹

Owner Occupied	15,497,100	78%
Investment	4,454,313	22%
TOTAL	19,951,413	100%

Mortgage Insurance

Genworth Financial	7,323,423	37%
HLIC Govt	-	0%
Uninsured	12,627,975	63%
QBE	16	0%
TOTAL	19,951,413	100%

Interest Rate Exposure

> 8.00%	1,057,824	5%
> 7.00% & <= 8.00%	4,107,855	21%
> 6.00% & <= 7.00%	3,193,265	16%
> 5.00% & <= 6.00%	4,339,127	22%
<= 5.00%	7,253,342	36%
TOTAL	19,951,413	100%

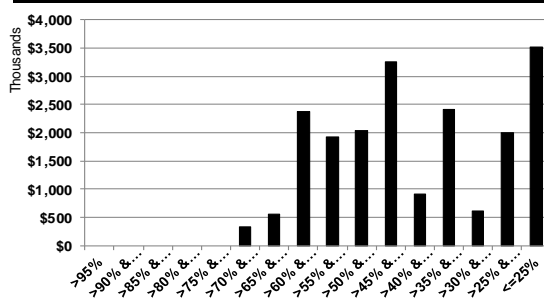
Loan Size

>\$250,000	7,320,796	37%
>\$200,000 & <\$250,000	1,362,129	7%
>\$150,000 & <\$200,000	3,631,325	18%
>\$100,000 & <\$150,000	4,141,051	21%
>\$50,000 & <\$100,000	2,455,922	12%
<= \$50,000	1,040,191	5%
TOTAL	19,951,413	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	342,424	2%
>65% & <= 70%	552,355	3%
>60% & <= 65%	2,368,770	12%
>55% & <= 60%	1,924,995	10%
>50% & <= 55%	2,045,842	10%
>45% & <= 50%	3,263,079	16%
>40% & <= 45%	907,121	5%
>35% & <= 40%	2,420,270	12%
>30% & <= 35%	611,389	3%
>25% & <= 30%	1,998,203	10%
<=25%	3,516,966	17%
TOTAL	19,951,413	100%

Loan to Value Ratio



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