

SMHL SECURITISATION FUND 2012 -2

Monthly Investment Report as at 11 November 2019



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Bloomberg Screen: SMHL <MTGE>

Summary

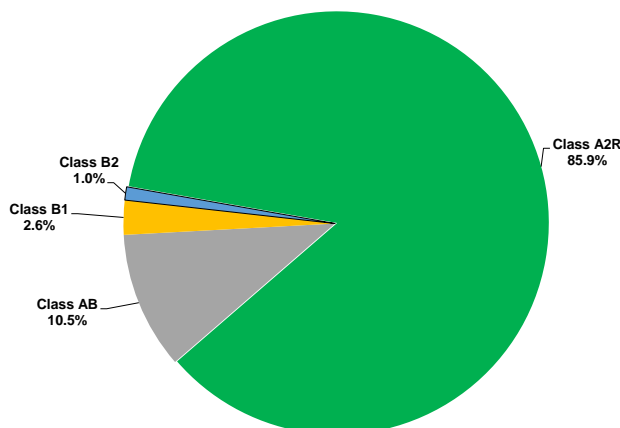
Fund: SMHL Securitisation Fund 2012 -2
 Cut-Off Date: 01 November 2019
 Payment Date: 11 November 2019
 Issuer: Perpetual Limited as trustee for SMHL Securitisation Fund 2012-2
 Joint Lead Managers: National Australia Bank Limited (ABN 12 004 044 937)
 Westpac Banking Corporation (ABN 33 007 457 141)
 Credit Suisse AG, Sydney Branch (ABN 17 061 700 712)
 Macquarie Bank Limited (ABN 46 008 583 542)
 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 11 November 2019

Fund:	0.10219018
Class A1	0.00000000
Class A2R	0.87749738
Class AB	0.20629204
Class B1	0.20629204
Class B2	0.20629204



Portfolio Structure

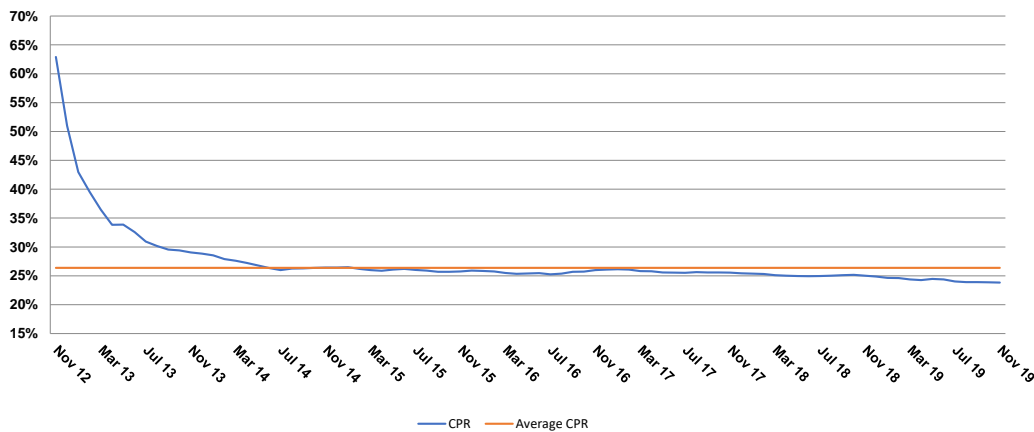
	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				09 October 2019 11 November 2019	09 October 2019 11 November 2019	
Class A1	-	-	-	-	-	2.253%
Class A2R	71,918,046.07	1,718,256	70,199,790.00	undisclosed	undisclosed	undisclosed
Class AB	8,791,801.20	210,053	8,581,748.69	31,022	31,022	3.903%
Class B1	2,197,950.30	52,513	2,145,437.17	undisclosed	undisclosed	Undisclosed
Class B2	845,365.50	20,197	825,168.14	undisclosed	undisclosed	Undisclosed
Total Portfolio	83,753,163	2,001,019	81,752,144	31,022		

Pool Details

Number of Loans	2,242
Average Loan Size	36,464
Maximum Loan Size	556,649
Weighted Average LVR	37.09%
Maximum LVR	175.66%
WA Seeding (months)	166
WA Term to Maturity (years)	14
Full Documentation Loans	100.00%
WA Interest Rate	4.70%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	2 October 2019 to 1 November 2019	2 September 2019 to 1 November 2019	25 Sep 2012 to 1 November 2019
Repayment Analysis			
Balance @ Determination Date	83,753,163	88,377,995	800,000,000
Substitutions	-	-	-
Bond uplift / Redemptions	-	-	-
Scheduled Repayments	(479,607)	(1,464,278)	(83,484,814)
Prepayments	(3,927,993)	(11,236,903)	(916,784,767)
Redraw Advances	2,406,581	6,075,330	282,021,725
Topup Advances	-	-	-
Closing Balance	81,752,144	81,752,144	81,752,144
CPR	19.85%	21.61%	23.83%
SMM	1.83%	2.01%	2.24%



Current Position

Geographical Location

VIC	- Metro	17,526,873	21%
	- Non Metro	3,623,916	4%
NSW	- Metro	11,925,485	15%
	- Non Metro	6,765,174	8%
QLD	- Metro	8,071,421	10%
	- Non Metro	5,740,643	7%
SA	- Metro	5,280,257	6%
	- Non Metro	88,424	0%
WA	- Metro	11,460,580	14%
	- Non Metro	516,664	1%
TAS	- Metro	2,064,451	3%
	- Non Metro	1,626,887	2%
NT	- Metro	1,451,174	2%
	- Non Metro	-	0%
ACT	- Metro	5,610,197	7%

TOTAL 81,752,144 100%

Loan Purpose¹

Refinance	26,687,121	33%
Renovation	1,978,421	2%
Purchase	36,656,470	45%
Construction	5,037,106	6%
Other	11,393,026	14%

TOTAL 81,752,144 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	155,198	0%
>10 & <=15yrs	534,354	1%
>15 & <=20yrs	3,441,048	4%
>20 & <=25yrs	34,382,036	42%
>25yrs	43,239,508	53%

TOTAL 81,752,144 100%

Owner/Investment split¹

Owner Occupied	58,181,674	71%
Investment	23,570,470	29%

TOTAL 81,752,144 100%

Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	141,850	0%
> 5.00% & <= 6.00%	19,892,628	24%
<= 5.00%	61,717,665	76%

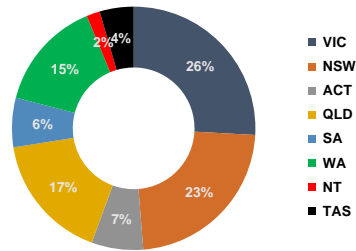
TOTAL 81,752,144 100%

Loan to Value Ratio

>95%	114,181	0%
>90% & <= 95%	-	0%
>85% & <= 90%	107,794	0%
>80% & <= 85%	226,211	0%
>75% & <= 80%	904,116	1%
>70% & <= 75%	1,873,980	2%
>65% & <= 70%	4,970,172	6%
>60% & <= 65%	4,709,928	6%
>55% & <= 60%	4,229,458	5%
>50% & <= 55%	5,324,208	7%
>45% & <= 50%	5,599,959	7%
>40% & <= 45%	6,152,673	8%
>35% & <= 40%	7,185,615	9%
>30% & <= 35%	7,522,034	9%
>25% & <= 30%	8,357,475	10%
<=25%	24,474,340	30%

TOTAL 81,752,144 100%

Geographical Location



Loan Security²

House	63,597,324	78%
Land	2,117,163	3%
Apartment	1,165,245	1%
Unit	13,785,853	17%
Townhouse	961,894	1%
Other	124,665	0%

TOTAL 81,752,144 100%

Interest Option

Variable	81,752,144	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 81,752,144 100%

Mortgage Insurance

Genworth Financial	79,698,418	97%
HLIC Govt	2,053,726	3%
Uninsured	-	0%
QBE	-	0%

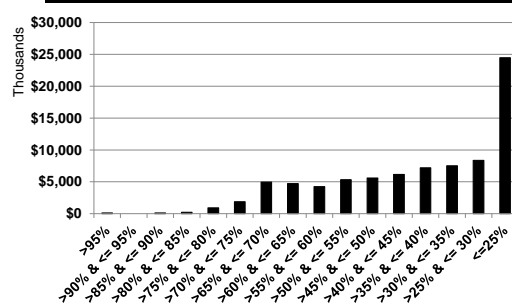
TOTAL 81,752,144 100%

Loan Size

>\$250,000	13,087,891	16%
>\$200,000 & <\$250,000	5,427,186	7%
>\$150,000 & <\$200,000	9,508,199	12%
>\$100,000 & <\$150,000	14,820,020	18%
>\$50,000 & <\$100,000	22,153,488	27%
<= \$50,000	16,755,359	20%

TOTAL 81,752,144 100%

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

	1 November 2019	2 October 2019	2 September 2019
30-59 days			
Number of loans	2	4	5
Outstanding Balance (\$)	170,444	232,198	518,530
% of Pool Outstanding Balance	0.21%	0.28%	0.60%
60-89 days			
Number of loans	1	2	5
Outstanding Balance (\$)	40	97,932	54,739
% of Pool Outstanding Balance	0.00%	0.12%	0.06%
90+ days			
Number of loans	9	7	6
Outstanding Balance (\$)	593,009	592,131	579,259
% of Pool Outstanding Balance	0.73%	0.71%	0.67%
TOTAL Delinquencies			
Number of loans	12	13	16
Outstanding Balance (\$)	763,493	922,261	1,152,528
% of Pool Outstanding Balance	0.93%	1.10%	1.34%
Pool Information			
Number of loans	2,242	2,258	2,285
Outstanding Balance (\$ m)	82	84	86

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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 cover¹ for a limited period.

Facilities & Reserve

Liquidity Facility

Opening Balance	753,778
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	18,009
Closing Outstanding Balance	<u>735,769</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.

