

SMHL SERIES SECURITISATION FUND 2018-2

Monthly Investment Report as at 26 February 2024

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Bloomberg Screen: SMHL <MTGE>



Summary

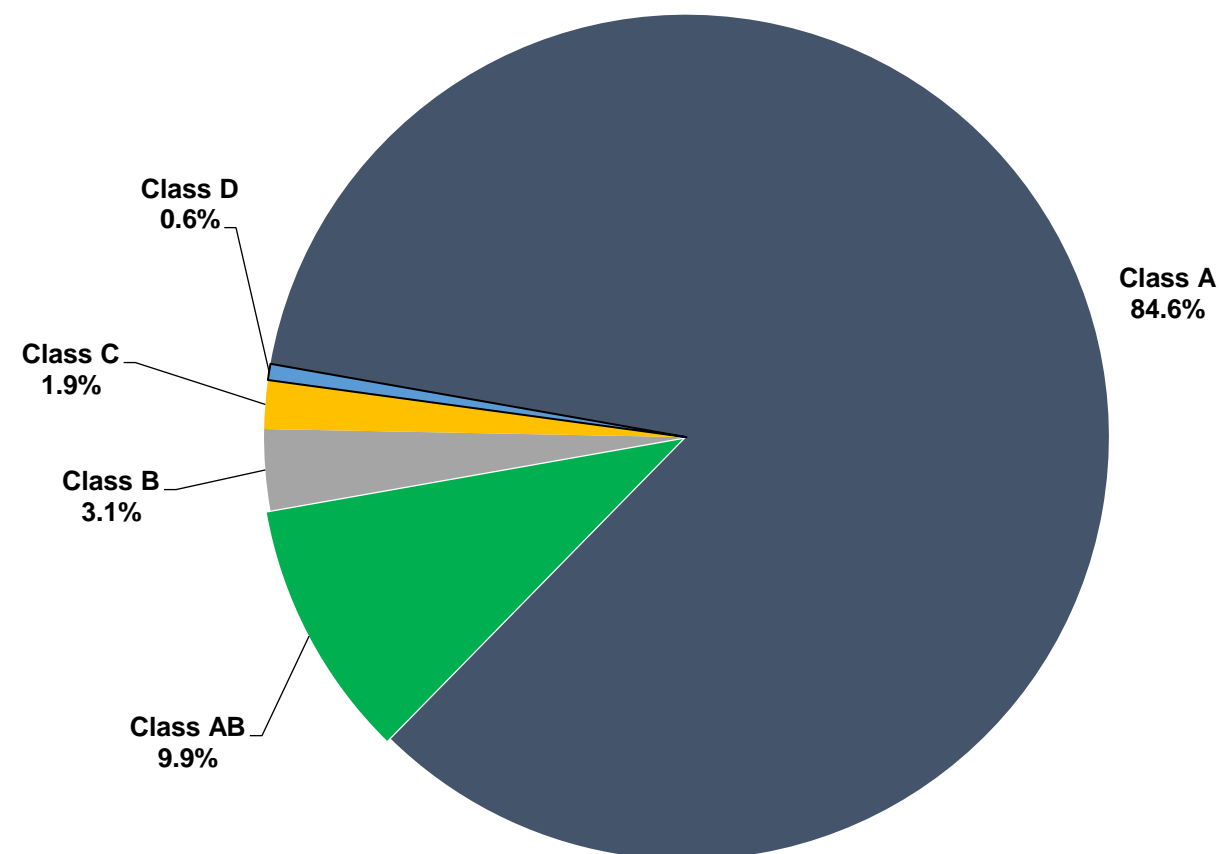
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 15 February 2024
 Payment Date: 26 February 2024
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of 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 February 2024

Fund:	0.11491804
Class A	0.10454578
Class AB	0.23419900
Class B	0.23419900
Class C	0.23419900
Class D	0.23419900
Class E	0.23419900



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				29 January 2024	28 March 2022
				26 February 2024	26 February 2024
Class A	122,649,734.49	2,422,090	120,227,644.13	509,342.51	5.414%
Class AB	14,335,028.76	283,089	14,051,940.22	66,018.89	6.004%
Class B	4,479,696.49	88,465	4,391,231.32	20,974.55	6.104%
Class C	2,687,817.89	53,079	2,634,738.79	13,924.96	6.754%
Class D	895,939.30	17,693	878,246.26	5,191.49	7.554%
Class E	1,493,232.16	29,488	1,463,743.77	11,516.22	10.054%
Total Portfolio	146,541,449	2,893,905	143,647,544	626,969	

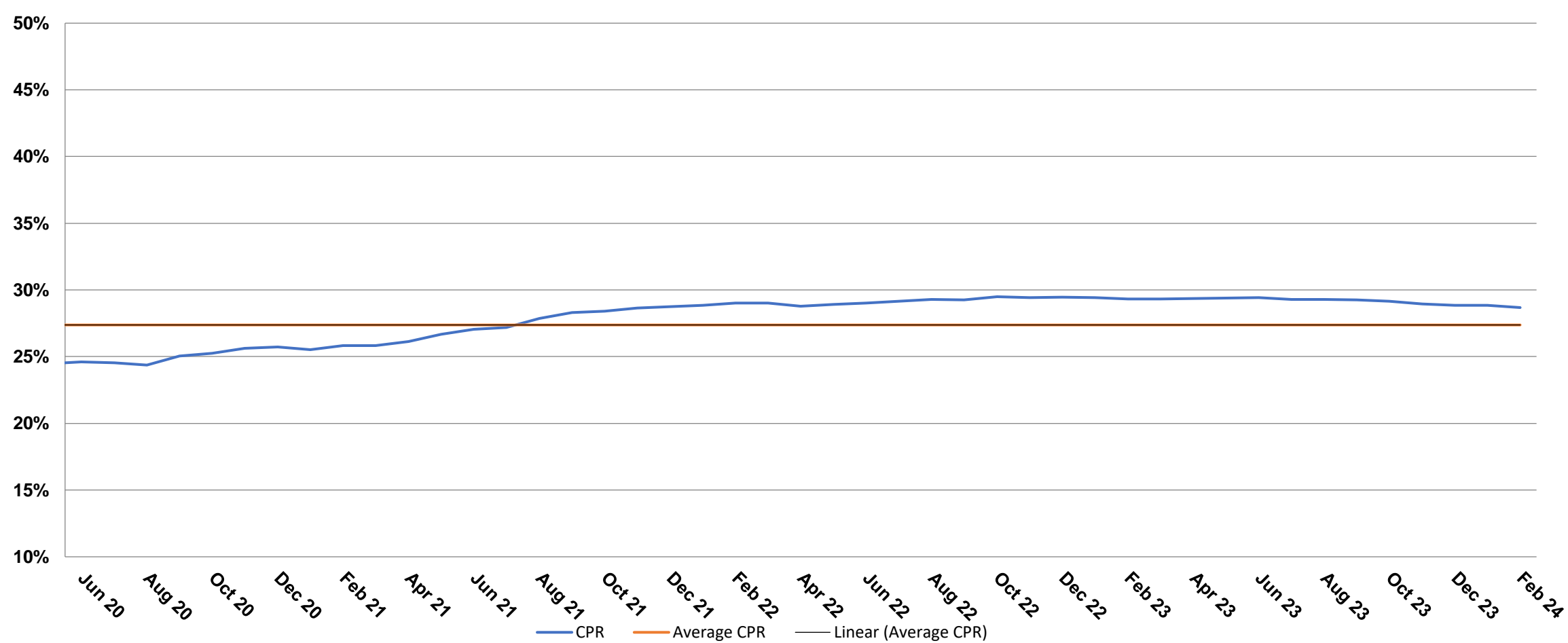
European CRR invested amount (as per Article 405) \$ 18,095,260

Pool Details

Number of Loans	1,982
Average Loan Size	72,476
Maximum Loan Size	751,499
Weighted Average LVR	43.35%
Maximum LVR	104.45%
WA Seeding (months)	161
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	7.37%

Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	17 January 2024 to 15 February 2024	16 November 2023 to 15 February 2024	16 August 2018 to 15 February 2024
Balance @ Determination Date	146,541,449	155,964,286	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(831,218)	(2,715,854)	(139,761,010)
Prepayments	(2,984,808)	(12,996,180)	(1,175,457,079)
Redraw Advances	922,121	3,395,293	208,865,634
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	143,647,544	143,647,544	143,647,544
CPR	15.73%	22.67%	28.68%
SMM	1.42%	2.12%	2.78%



Current Position

Geographical Location

VIC	- Metro	31,831,158	22%
	- Non Metro	7,454,801	5%
NSW	- Metro	16,603,449	12%
	- Non Metro	13,197,724	9%
QLD	- Metro	13,699,601	10%
	- Non Metro	8,420,048	6%
SA	- Metro	5,682,684	4%
	- Non Metro	111,620	0%
WA	- Metro	23,268,102	16%
	- Non Metro	1,046,088	1%
TAS	- Metro	3,946,649	3%
	- Non Metro	2,930,046	2%
NT	- Metro	2,031,282	1%
	- Non Metro	463,603	0%
ACT	- Metro	12,960,689	9%
	- Non Metro	-	0%

TOTAL 143,647,544 100%

Loan Purpose¹

Refinance	40,051,643	28%
ReDecation	-	0%
Purchase	47,279,430	33%
Construction	5,500,193	4%
Equity Release	50,816,279	35%

TOTAL 143,647,544 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	2,022,958	1%
>10 & <=15yrs	3,453,984	2%
>15 & <=20yrs	16,082,881	11%
>20 & <=25yrs	24,277,182	17%
>25yrs	97,810,539	69%

TOTAL 143,647,544 100%

Owner/Investment split¹

Owner Occupied	117,869,394	82%
Investment	25,778,151	18%

TOTAL 143,647,544 100%

Interest Rate Exposure

> 8.00%	46,632,342	32%
> 7.00% & <= 8.00%	30,176,895	21%
> 6.00% & <= 7.00%	65,738,452	46%
> 5.00% & <= 6.00%	1,407,304	1%
<= 5.00%	307,448	0%

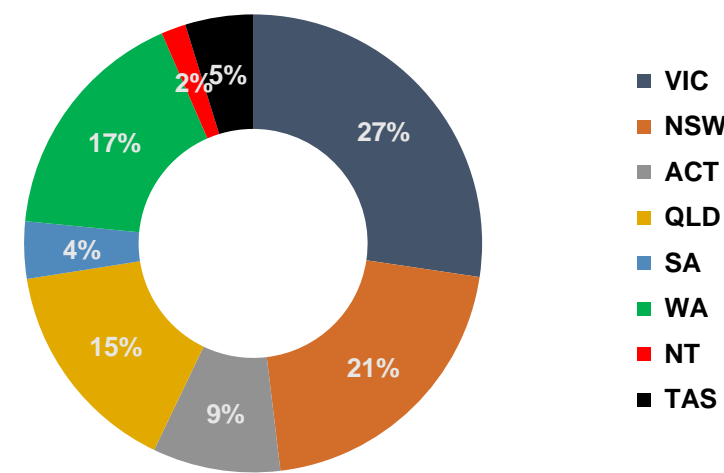
TOTAL 143,647,544 100%

Loan to Value Ratio

>95%	250,674	0%
>90% & <= 95%	512,607	0%
>85% & <= 90%	-	0%
>80% & <= 85%	1,894,058	1%
>75% & <= 80%	2,964,728	2%
>70% & <= 75%	3,888,466	3%
>65% & <= 70%	11,498,167	8%
>60% & <= 65%	8,278,247	6%
>55% & <= 60%	12,943,266	9%
>50% & <= 55%	14,192,760	10%
>45% & <= 50%	11,151,926	8%
>40% & <= 45%	12,663,054	9%
>35% & <= 40%	15,734,630	11%
>30% & <= 35%	9,877,806	7%
>25% & <= 30%	9,414,077	7%
<=25%	28,383,077	19%

TOTAL 143,647,544 100%

Geographical Location



Loan Security²

House	125,026,980	87%
Land	217,980	0%
Apartment	5,257,494	4%
Unit	9,739,306	7%
Townhouse	2,107,435	1%
Other	1,298,349	1%

TOTAL 143,647,544 100%

Interest Option

Variable	143,647,544	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 143,647,544 100%

Mortgage Insurance³

Genworth Financial	60,338,741	42%
HLIC Govt	866	0%
Uninsured	83,307,937	58%

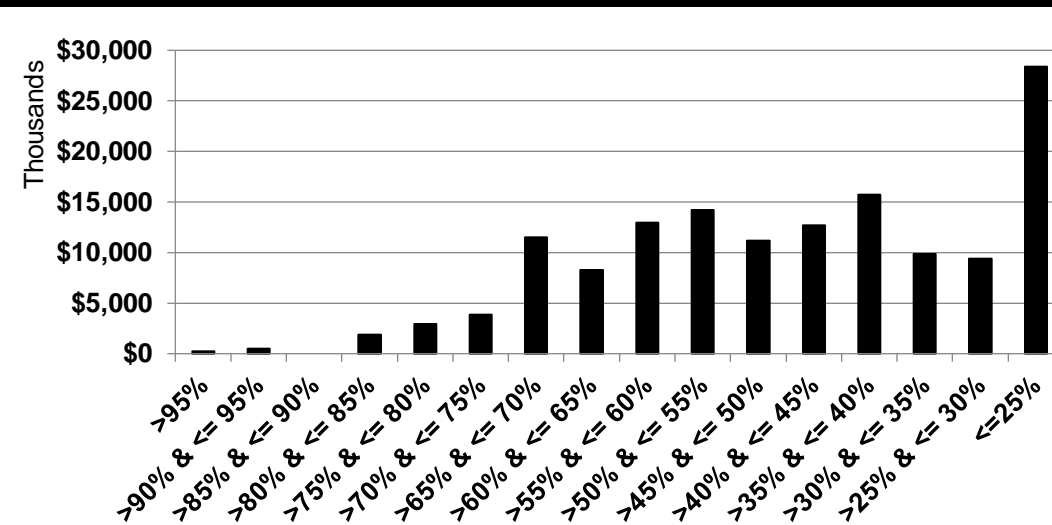
TOTAL 143,647,544 100%

Loan Size

>\$250,000	41,620,282	29%
>\$200,000 & <\$250,000	20,209,549	14%
>\$150,000 & <\$200,000	25,753,733	18%
>\$100,000 & <\$150,000	24,041,090	17%
>\$50,000 & <\$100,000	21,552,987	15%
<= \$50,000	10,469,904	7%

TOTAL 143,647,544 100%

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.

3 - As of November 2022, Genworth have changed their name to Helia and all references to Genworth or Helia are interchangeable. There is no change to LMI cover.

Arrears

	15 February 2024	17 January 2024	14 December 2023
30-59 days			
Number of loans	10	18	11
Outstanding Balance (\$)	1,911,227	3,032,212	1,803,971
% of Pool Outstanding Balance	1.33%	2.07%	1.19%
60-89 days			
Number of loans	16	5	1
Outstanding Balance (\$)	2,844,149	1,115,951	245,747
% of Pool Outstanding Balance	1.98%	0.76%	0.16%
90+ days			
Number of loans	11	9	9
Outstanding Balance (\$)	1,485,527	1,195,428	1,038,868
% of Pool Outstanding Balance	1.03%	0.82%	0.68%
TOTAL Delinquencies			
Number of loans	37	32	21
Outstanding Balance (\$)	6,240,903	5,343,591	3,088,586
% of Pool Outstanding Balance	4.34%	3.65%	2.03%
Pool Information			
Number of loans	1,982	2,012	2,048
Outstanding Balance (\$ m)	144	147	152

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	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	1,453,460
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(31,840)
Closing Outstanding Balance	<u>1,421,620</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	5,044,930	28%
	- Non Metro	1,490,540	8%
NSW	- Metro	2,904,262	16%
	- Non Metro	1,380,922	8%
QLD	- Metro	734,521	4%
	- Non Metro	1,173,574	6%
SA	- Metro	338,224	2%
	- Non Metro	31,225	0%
WA	- Metro	2,739,667	15%
	- Non Metro	-	0%
TAS	- Metro	859,394	5%
	- Non Metro	313,138	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,084,863	6%
	- Non Metro	-	0%

TOTAL 18,095,260 100%

Purpose ¹		
Refinance	5,146,039	28%
Renovation	-	0%
Purchase	5,926,190	33%
Construction	1,379,510	8%
Equity Release	5,643,521	31%

TOTAL 18,095,260 100%

Loan Term		
<=5 yrs	5,389	0%
>5 & <=10yrs	127,882	1%
>10 & <=15yrs	1,271,659	7%
>15 & <=20yrs	1,898,027	10%
>20 & <=25yrs	3,561,257	20%
>25yrs	11,231,046	62%

TOTAL 18,095,260 100%

Investment split ¹		
Owner Occupied	13,815,710	76%
Investment	4,279,550	24%

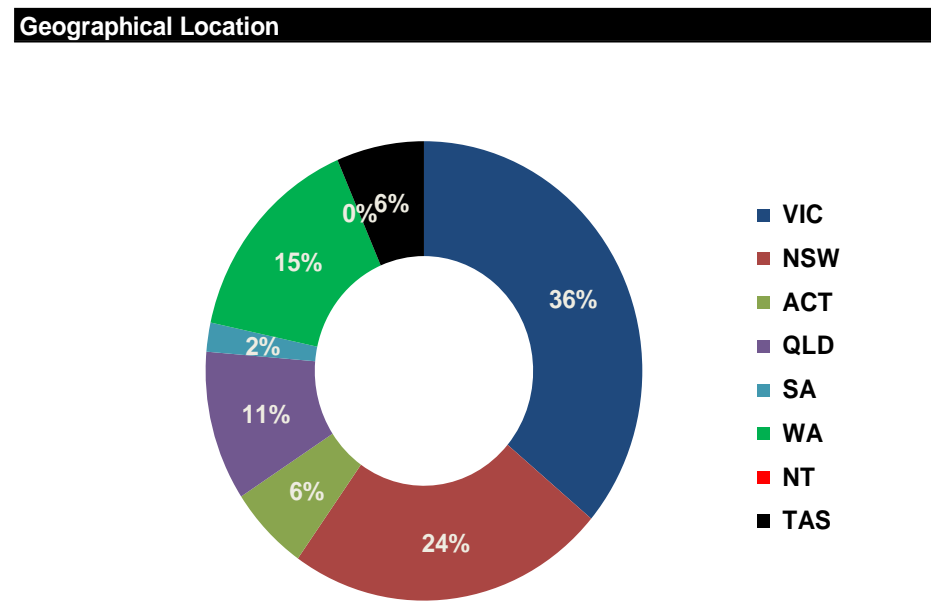
TOTAL 18,095,260 100%

Interest Rate Exposure		
> 8.00%	4,105,875	23%
> 7.00% & <= 8.00%	2,855,434	16%
> 6.00% & <= 7.00%	6,959,878	37%
> 5.00% & <= 6.00%	279,762	2%
<= 5.00%	3,894,312	22%

TOTAL 18,095,260 100%

Loan to Value Ratio		
>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	-	0%
>65% & <= 70%	847,469	5%
>60% & <= 65%	438,748	2%
>55% & <= 60%	2,564,382	14%
>50% & <= 55%	2,508,376	14%
>45% & <= 50%	2,530,850	14%
>40% & <= 45%	1,408,358	8%
>35% & <= 40%	1,939,841	11%
>30% & <= 35%	1,095,315	6%
>25% & <= 30%	1,338,650	7%
<=25%	3,423,271	19%

TOTAL 18,095,260 100%



Loan Security ²		
House	15,159,826	84%
Land	-	0%
Apartment	412,098	2%
Unit	2,093,332	12%
Townhouse	69,157	0%
Other	360,847	2%

TOTAL 18,095,260 100%

Interest Option		
Variable	12,699,230	70%
Fixed <3 years	5,199,152	29%
Fixed >3 years	196,879	1%

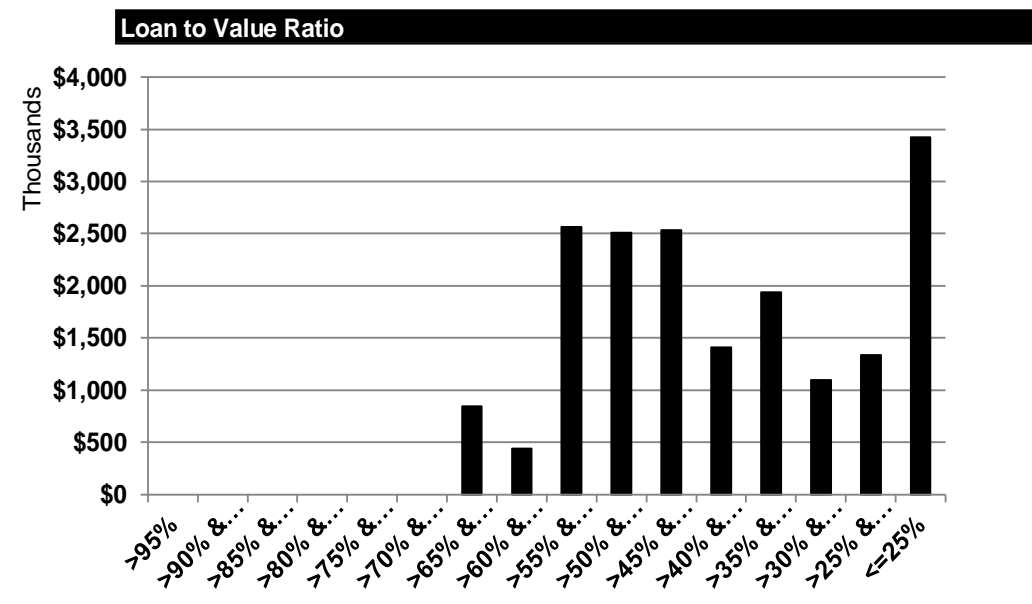
TOTAL 18,095,260 100%

Mortgage Insurance ³		
Genworth Financial	6,654,287	37%
HLIC Govt	-	0%
Uninsured	11,440,957	63%
QBE	16	0%

TOTAL 18,095,260 100%

Loan Size		
>\$250,000	5,987,323	33%
>\$200,000 & <=\$250,000	2,495,591	14%
>\$150,000 & <=\$200,000	2,575,858	14%
>\$100,000 & <=\$150,000	3,758,989	21%
>\$50,000 & <=\$100,000	2,543,801	14%
<= \$50,000	733,698	4%

TOTAL 18,095,260 100%



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