

SMHL SERIES SECURITISATION FUND 2018-2



SMHLSM

Monthly Investment Report as at 28 August 2023

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Bloomberg Screen: SMHL <MTGE>

Summary

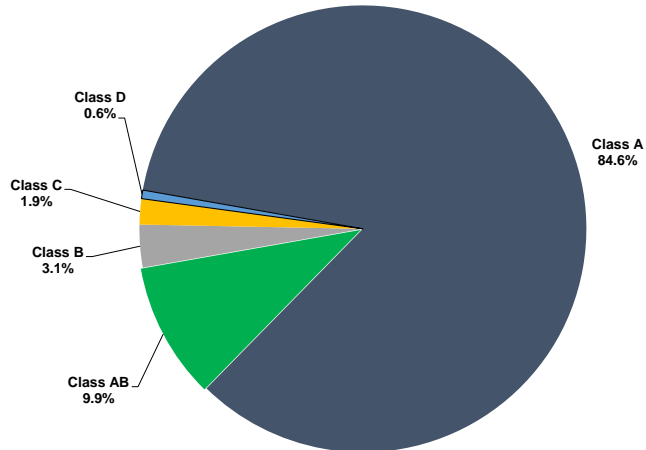
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 17 August 2023
 Payment Date: 28 August 2023
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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	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 28 August 2023

Fund:	0.13515649
Class A	0.12295755
Class AB	0.27544427
Class B	0.27544427
Class C	0.27544427
Class D	0.27544427
Class E	0.27544427



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				26 July 2023 28 August 2023	28 March 2022 28 August 2023
Class A	146,589,195.59	5,188,014	141,401,181.52	698,447.32	5.270%
Class AB	17,133,019.85	606,364	16,526,656.27	90,772.15	5.860%
Class B	5,354,068.70	189,489	5,164,580.09	28,850.36	5.960%
Class C	3,212,441.22	113,693	3,098,748.05	19,198.08	6.610%
Class D	1,070,813.74	37,898	1,032,916.02	7,173.87	7.410%
Class E	1,784,689.57	63,163	1,721,526.70	15,990.33	9.910%
Total Portfolio	175,144,229	6,198,620	168,945,609	860,432	

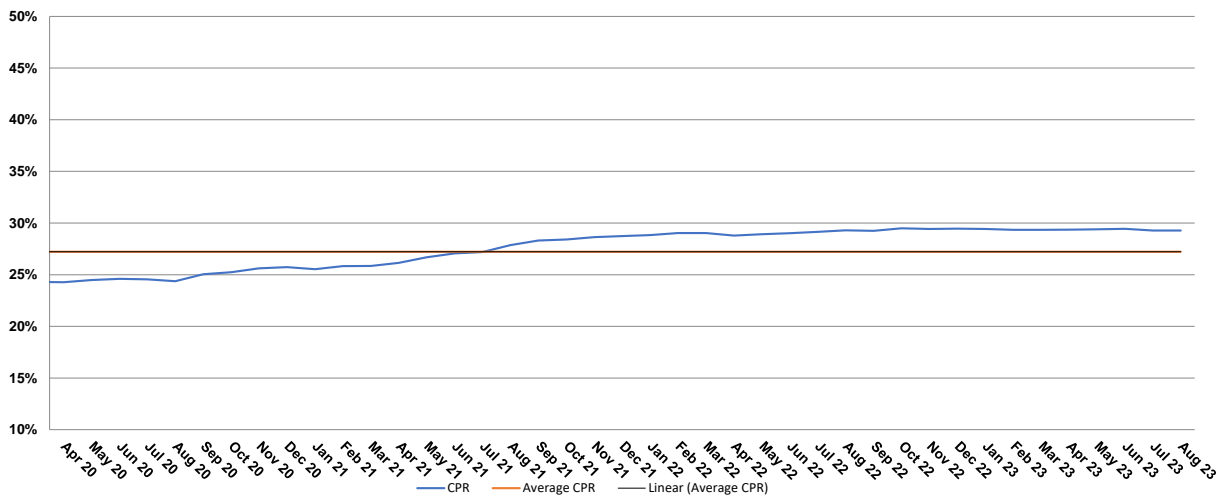
European CRR invested amount (as per Article 405) \$ 19,770,445 11.70%

Pool Details

Number of Loans	2,194
Average Loan Size	77,003
Maximum Loan Size	754,095
Weighted Average LVR	43.68%
Maximum LVR	95.08%
WA Seeding (months)	156
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	7.16%

Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	17 July 2023 to 17 August 2023	17 May 2023 to 17 August 2023	16 August 2018 to 17 August 2023
Balance @ Determination Date	175,144,229	186,421,775	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,214,349)	(3,390,660)	(134,146,165)
Prepayments	(6,049,891)	(18,267,468)	(1,149,096,401)
Redraw Advances	1,065,620	4,181,962	202,188,175
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	168,945,609	168,945,609	168,945,609
CPR	29.45%	27.25%	29.28%
SMM	2.87%	2.62%	2.85%



Current Position

Geographical Location

VIC	- Metro	37,337,830	22%
	- Non Metro	8,730,575	5%
NSW	- Metro	18,789,461	11%
	- Non Metro	15,594,909	9%
QLD	- Metro	15,383,601	9%
	- Non Metro	9,414,793	6%
SA	- Metro	7,104,864	4%
	- Non Metro	114,407	0%
WA	- Metro	27,823,256	16%
	- Non Metro	1,248,113	1%
TAS	- Metro	4,404,436	3%
	- Non Metro	3,666,092	2%
NT	- Metro	3,180,075	2%
	- Non Metro	469,355	0%
ACT	- Metro	15,683,844	9%
	- Non Metro	-	0%
TOTAL		168,945,609	100%

Loan Purpose ¹

Refinance	46,586,964	28%
ReDecation	-	0%
Purchase	55,550,598	32%
Construction	6,080,394	4%
Equity Release	60,727,653	36%
TOTAL	168,945,609	100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	2,982,969	2%
>10 & <=15yrs	4,528,242	3%
>15 & <=20yrs	18,240,751	11%
>20 & <=25yrs	29,613,971	18%
>25yrs	113,579,675	66%
TOTAL	168,945,609	100%

Owner/Investment split ¹

Owner Occupied	137,601,527	81%
Investment	31,344,082	19%
TOTAL	168,945,609	100%

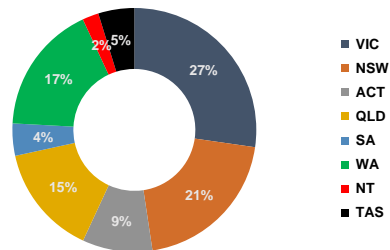
Interest Rate Exposure

> 8.00%	52,417,199	31%
> 7.00% & <= 8.00%	36,963,929	22%
> 6.00% & <= 7.00%	57,219,281	34%
> 5.00% & <= 6.00%	22,566,964	13%
<= 5.00%	221,765	0%
TOTAL	168,945,609	100%

Loan to Value Ratio

>95%	522,950	0%
>90% & <= 95%	-	0%
>85% & <= 90%	499,595	0%
>80% & <= 85%	2,795,779	2%
>75% & <= 80%	3,306,756	2%
>70% & <= 75%	5,306,822	3%
>65% & <= 70%	14,519,449	9%
>60% & <= 65%	11,974,508	7%
>55% & <= 60%	14,187,050	8%
>50% & <= 55%	15,039,544	9%
>45% & <= 50%	13,316,935	8%
>40% & <= 45%	14,315,771	8%
>35% & <= 40%	15,699,124	9%
>30% & <= 35%	13,154,015	8%
>25% & <= 30%	10,943,073	6%
<=25%	33,364,238	21%
TOTAL	168,945,609	100%

Geographical Location



Loan Security ²

House	148,707,083	89%
Land	221,081	0%
Apartment	5,696,480	3%
Unit	10,582,696	6%
Townhouse	2,241,436	1%
Other	1,496,833	1%
TOTAL	168,945,609	100%

Interest Option

Variable	168,945,609	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
TOTAL	168,945,609	100%

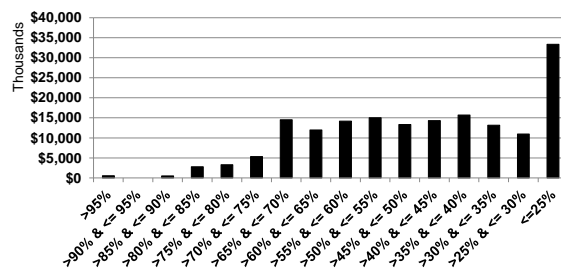
Mortgage Insurance ³

Genworth Financial	69,655,580	41%
HLIC Govt	1,036	0%
Uninsured	99,288,993	59%
TOTAL	168,945,609	100%

Loan Size

>\$250,000	50,919,393	30%
>\$200,000 & <\$250,000	24,679,482	15%
>\$150,000 & <\$200,000	27,671,605	16%
>\$100,000 & <\$150,000	28,745,645	17%
>\$50,000 & <\$100,000	24,673,224	15%
<= \$50,000	12,256,261	7%
TOTAL	168,945,609	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 loan to value ratio in 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 Hestia and all references to Genworth or Hestia are interchangeable. There is no change to LMI cover.

Arrears

	17 August 2023	17 July 2023	15 June 2023
30-59 days			
Number of loans	3	7	5
Outstanding Balance (\$)	405,281	732,509	231,818
% of Pool Outstanding Balance	0.24%	0.42%	0.13%
60-89 days			
Number of loans	7	4	2
Outstanding Balance (\$)	898,957	505,155	257,188
% of Pool Outstanding Balance	0.53%	0.29%	0.14%
90+ days			
Number of loans	15	17	19
Outstanding Balance (\$)	2,487,471	2,660,537	2,931,731
% of Pool Outstanding Balance	1.47%	1.52%	1.63%
TOTAL Delinquencies			
Number of loans	25	28	26
Outstanding Balance (\$)	3,791,708	3,898,201	3,420,737
% of Pool Outstanding Balance	2.24%	2.23%	1.91%
Pool Information			
Number of loans	2,194	2,241	2,298
Outstanding Balance (\$ m)	169	175	179

Repayment Holiday COVID-19

	17 August 2023	17 July 2023	15 June 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	1,724,842
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(60,260)
Closing Outstanding Balance	<u>1,664,582</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 2016-2 CRD

Geographical Location			
VIC	- Metro	5,055,443	26%
	- Non Metro	1,584,415	8%
NSW	- Metro	3,298,323	17%
	- Non Metro	1,550,463	8%
QLD	- Metro	751,386	4%
	- Non Metro	1,304,652	7%
SA	- Metro	917,698	5%
	- Non Metro	14,581	0%
WA	- Metro	2,860,994	14%
	- Non Metro	-	0%
TAS	- Metro	965,111	5%
	- Non Metro	436,316	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,031,063	5%
	- Non Metro	-	0%
TOTAL		19,770,445	100%

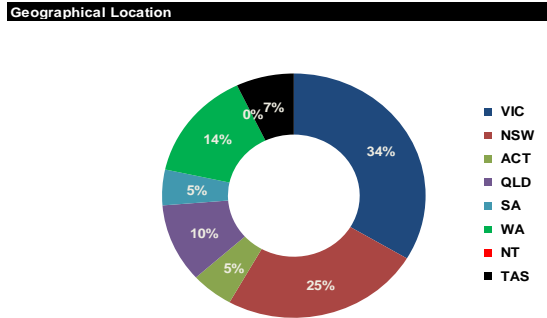
Loan Purpose ¹		
Refinance	5,091,275	26%
Renovation	-	0%
Purchase	6,957,901	35%
Construction	1,643,707	8%
Equity Release	6,077,562	31%
TOTAL	19,770,445	100%

Loan Term		
<=5 yrs	13,979	0%
>5 & <=10yrs	239,200	1%
>10 & <=15yrs	1,337,606	7%
>15 & <=20yrs	1,726,880	9%
>20 & <=25yrs	3,742,005	19%
>25yrs	12,710,775	64%
TOTAL	19,770,445	100%

Owner/Investment split ¹		
Owner Occupied	15,403,424	78%
Investment	4,367,021	22%
TOTAL	19,770,445	100%

Interest Rate Exposure		
> 8.00%	3,620,271	18%
> 7.00% & <= 8.00%	1,923,093	10%
> 6.00% & <= 7.00%	5,598,729	28%
> 5.00% & <= 6.00%	2,141,552	11%
<= 5.00%	6,486,800	33%
TOTAL	19,770,445	100%

Loan to Value Ratio		
>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	-	0%
>65% & <= 70%	758,365	4%
>60% & <= 65%	1,392,196	7%
>55% & <= 60%	2,589,794	13%
>50% & <= 55%	2,564,092	13%
>45% & <= 50%	2,910,477	15%
>40% & <= 45%	970,506	5%
>35% & <= 40%	2,026,555	10%
>30% & <= 35%	687,941	3%
>25% & <= 30%	2,308,563	12%
<=25%	3,561,957	18%
TOTAL	19,770,445	100%

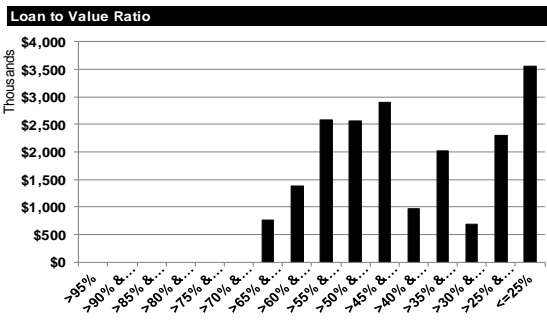


Loan Security ²		
House	16,944,211	86%
Land	-	0%
Apartment	407,544	2%
Unit	1,988,500	10%
Townhouse	61,252	0%
Other	368,937	2%
TOTAL	19,770,445	100%

Interest Option		
Variable	12,368,241	63%
Fixed <3 years	7,193,847	36%
Fixed >3 years	208,357	1%
TOTAL	19,770,445	100%

Mortgage Insurance ³		
Genworth Financial	7,229,332	37%
HLIC Govt	-	0%
Uninsured	12,541,097	63%
QBE	16	0%
TOTAL	19,770,445	100%

Loan Size		
>\$250,000	7,045,051	36%
>\$200,000 & <=\$250,000	1,873,575	9%
>\$150,000 & <=\$200,000	3,163,826	16%
>\$100,000 & <=\$150,000	4,346,920	22%
>\$50,000 & <=\$100,000	2,365,387	12%
<= \$50,000	975,686	5%
TOTAL	19,770,445	100%



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