

SMHL SERIES SECURITISATION FUND 2018-2



SMHL[®]

Monthly Investment Report as at 27 March 2023

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Bloomberg Screen: SMHL <MTGE>

Summary

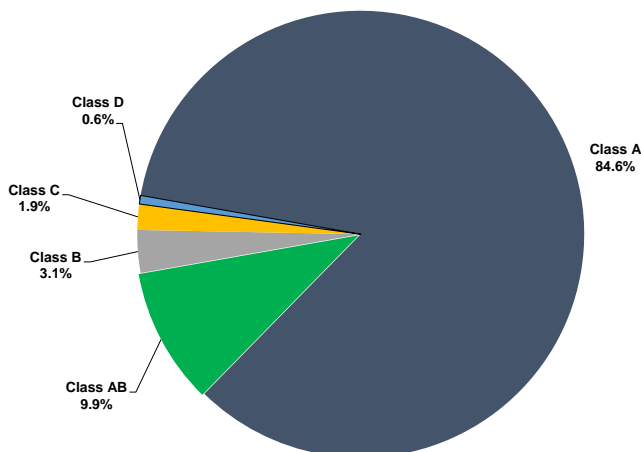
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 16 March 2023
 Payment Date: 27 March 2023
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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 27 March 2023

Fund:	0.16024214
Class A	0.14577902
Class AB	0.32656797
Class B	0.32656797
Class C	0.32656797
Class D	0.32656797
Class E	0.32656797



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				27 February 2023 27 March 2023	28 March 2022 27 March 2023
Class A	173,586,198.62	5,940,321	167,645,877.58	595,127.68	4.469%
Class AB	20,288,369.64	694,292	19,594,078.10	78,739.77	5.059%
Class B	6,340,115.51	216,966	6,123,149.41	25,092.54	5.159%
Class C	3,804,069.31	130,180	3,673,889.64	16,952.35	5.809%
Class D	1,268,023.10	43,393	1,224,629.88	6,428.97	6.609%
Class E	2,113,371.84	72,322	2,041,049.80	14,767.99	9.109%
Total Portfolio	207,400,148	7,097,474	200,302,674	737,109	

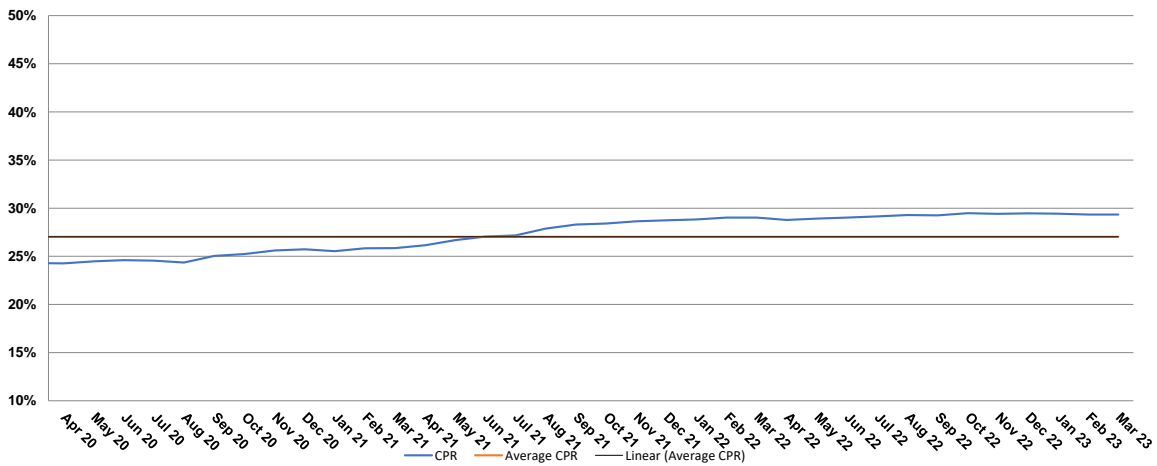
European CRR invested amount (as per Article 405) \$ 20,410,606 10.19%

Pool Details

Number of Loans	2,472
Average Loan Size	81,029
Maximum Loan Size	760,313
Weighted Average LVR	44.20%
Maximum LVR	99.15%
WA Seeding (months)	151
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	6.59%

Principal Collections & Prepayment Analysis

	Monthly 16 February 2023 to 16 March 2023	Quarterly 15 December 2022 to 16 March 2023	Since inception 16 August 2018 to 16 March 2023
Repayment Analysis			
Balance @ Determination Date	207,400,148	220,343,622	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,225,120)	(3,441,527)	(128,603,247)
Prepayments	(7,708,314)	(21,279,668)	(1,115,568,812)
Redraw Advances	1,835,960	4,680,247	194,474,734
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	200,302,674	200,302,674	200,302,674
CPR	29.30%	27.15%	29.34%
SMM	2.85%	2.60%	2.85%



Current Position

Geographical Location

VIC	- Metro	43,954,948	22%
	- Non Metro	10,241,110	5%
NSW	- Metro	21,238,515	11%
	- Non Metro	18,911,787	9%
QLD	- Metro	18,931,132	9%
	- Non Metro	10,945,241	5%
SA	- Metro	8,534,689	4%
	- Non Metro	159,849	0%
WA	- Metro	32,588,599	16%
	- Non Metro	1,364,410	1%
TAS	- Metro	4,946,172	2%
	- Non Metro	4,262,587	2%
NT	- Metro	3,615,416	2%
	- Non Metro	474,095	0%
ACT	- Metro	20,134,123	10%
	- Non Metro	-	0%
TOTAL		200,302,674	100%

Loan Purpose ¹

Refinance	54,958,137	27%
ReDecation	-	0%
Purchase	66,309,781	33%
Construction	6,859,684	3%
Equity Release	72,175,073	37%
TOTAL	200,302,674	100%

Loan Term

<=5 yrs	46,021	0%
>5 & <=10yrs	4,414,606	2%
>10 & <=15yrs	4,984,815	2%
>15 & <=20yrs	22,143,863	11%
>20 & <=25yrs	36,486,633	18%
>25yrs	132,318,780	67%
TOTAL	200,302,674	100%

Owner/Investment split ¹

Owner Occupied	164,552,704	82%
Investment	35,749,971	18%
TOTAL	200,302,674	100%

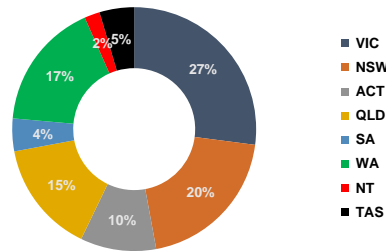
Interest Rate Exposure

> 8.00%	17,622,644	9%
> 7.00% & <= 8.00%	70,017,546	34%
> 6.00% & <= 7.00%	45,489,443	23%
> 5.00% & <= 6.00%	55,551,923	28%
<= 5.00%	11,621,118	6%
TOTAL	200,302,674	100%

Loan to Value Ratio

>95%	545,300	0%
>90% & <= 95%	-	0%
>85% & <= 90%	1,269,020	1%
>80% & <= 85%	3,603,771	2%
>75% & <= 80%	4,523,452	2%
>70% & <= 75%	5,744,968	3%
>65% & <= 70%	16,965,445	8%
>60% & <= 65%	12,766,611	6%
>55% & <= 60%	17,400,693	9%
>50% & <= 55%	19,108,844	10%
>45% & <= 50%	14,364,300	7%
>40% & <= 45%	18,333,779	9%
>35% & <= 40%	20,332,167	10%
>30% & <= 35%	15,321,375	8%
>25% & <= 30%	12,815,483	6%
<=25%	37,207,465	19%
TOTAL	200,302,674	100%

Geographical Location



Loan Security ²

House	176,827,556	88%
Land	224,449	0%
Apartment	5,461,209	3%
Unit	13,177,194	7%
Townhouse	2,947,497	1%
Other	1,664,769	1%
TOTAL	200,302,674	100%

Interest Option

Variable	188,337,122	94%
Fixed <3 years	11,965,552	6%
Fixed >3 years	-	0%
TOTAL	200,302,674	100%

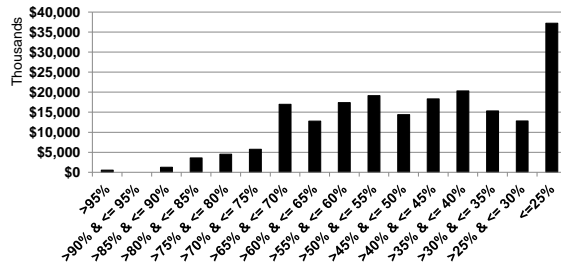
Mortgage Insurance

Genworth Financial	81,392,621	41%
HLIC Govt	1,175	0%
Uninsured	118,908,879	59%
TOTAL	200,302,674	100%

Loan Size

>\$250,000	61,061,313	31%
>\$200,000 & <=\$250,000	29,028,108	14%
>\$150,000 & <=\$200,000	33,820,280	17%
>\$100,000 & <=\$150,000	33,698,346	17%
>\$50,000 & <=\$100,000	28,113,677	14%
<= \$50,000	14,580,950	7%
TOTAL	200,302,674	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

	16 March 2023	16 Marruary 2023	17 January 2023
30-59 days			
Number of loans	6	6	8
Outstanding Balance (\$)	1,001,630	1,063,433	951,321
% of Pool Outstanding Balance	0.50%	0.51%	0.45%
60-89 days			
Number of loans	3	6	4
Outstanding Balance (\$)	422,712	707,365	721,468
% of Pool Outstanding Balance	0.21%	0.34%	0.34%
90+ days			
Number of loans	25	25	26
Outstanding Balance (\$)	3,486,702	3,540,641	3,643,758
% of Pool Outstanding Balance	1.74%	1.71%	1.71%
TOTAL Delinquencies			
Number of loans	34	37	38
Outstanding Balance (\$)	4,911,044	5,311,439	5,316,548
% of Pool Outstanding Balance	2.45%	2.56%	2.49%
Pool Information			
Number of loans	2,472	2,529	2,575
Outstanding Balance (\$ m)	200	207	214

Repayment Holiday COVID-19

	16 March 2023	16 Marruary 2023	17 January 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	2,038,667
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(70,456)
Closing Outstanding Balance	<u>1,968,211</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	5,105,434	25%
	- Non Metro	1,615,806	8%
NSW	- Metro	3,269,735	16%
	- Non Metro	1,586,236	8%
QLD	- Metro	770,976	4%
	- Non Metro	1,375,861	7%
SA	- Metro	870,057	4%
	- Non Metro	43,860	0%
WA	- Metro	3,100,302	15%
	- Non Metro	-	0%
TAS	- Metro	970,303	5%
	- Non Metro	544,855	3%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,157,180	6%
	- Non Metro	-	0%

TOTAL **20,410,606** **100%**

Loan Purpose ¹

Refinance	5,552,808	27%
Renovation	-	0%
Purchase	6,933,797	34%
Construction	1,620,573	8%
Equity Release	6,303,427	31%

TOTAL **20,410,606** **100%**

Loan Term

<=5 yrs	23,491	0%
>5 & <=10yrs	267,087	1%
>10 & <=15yrs	1,422,508	7%
>15 & <=20yrs	1,867,826	9%
>20 & <=25yrs	4,028,171	20%
>25yrs	12,801,524	63%

TOTAL **20,410,606** **100%**

Owner/Investment split ¹

Owner Occupied	15,940,917	78%
Investment	4,469,689	22%

TOTAL **20,410,606** **100%**

Interest Rate Exposure

> 8.00%	1,146,531	6%
> 7.00% & <= 8.00%	4,692,709	23%
> 6.00% & <= 7.00%	3,917,155	19%
> 5.00% & <= 6.00%	3,310,615	16%
<= 5.00%	7,343,596	36%

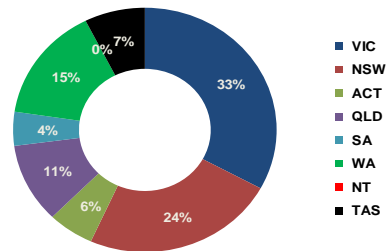
TOTAL **20,410,606** **100%**

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	343,353	2%
>65% & <= 70%	553,408	3%
>60% & <= 65%	2,729,560	13%
>55% & <= 60%	1,865,190	9%
>50% & <= 55%	2,224,320	11%
>45% & <= 50%	2,848,900	14%
>40% & <= 45%	1,139,584	6%
>35% & <= 40%	2,206,117	11%
>30% & <= 35%	640,028	3%
>25% & <= 30%	2,020,363	10%
<=25%	3,839,784	18%

TOTAL **20,410,606** **100%**

Geographical Location



Loan Security ²

House	17,557,734	86%
Land	-	0%
Apartment	415,322	2%
Unit	1,995,969	10%
Townhouse	62,222	0%
Other	379,359	2%

TOTAL **20,410,606** **100%**

Interest Option

Variable	12,650,300	62%
Fixed <3 years	7,650,900	37%
Fixed >3 years	109,406	1%

TOTAL **20,410,606** **100%**

Mortgage Insurance

Genworth Financial	7,315,847	36%
HLIC Govt	-	0%
Uninsured	13,094,743	64%
QBE	16	0%

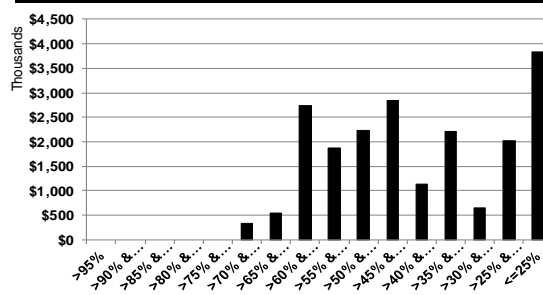
TOTAL **20,410,606** **100%**

Loan Size

>\$250,000	8,141,674	41%
>\$200,000 & <\$250,000	1,108,761	5%
>\$150,000 & <\$200,000	3,631,898	18%
>\$100,000 & <\$150,000	3,973,375	19%
>\$50,000 & <\$100,000	2,537,259	12%
<= \$50,000	1,017,638	5%

TOTAL **20,410,606** **100%**

Loan to Value Ratio



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