

SMHL SERIES SECURITISATION FUND 2018-2



Monthly Investment Report as at 26 June 2023

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Bloomberg Screen: SMHL <MTGE>

Summary

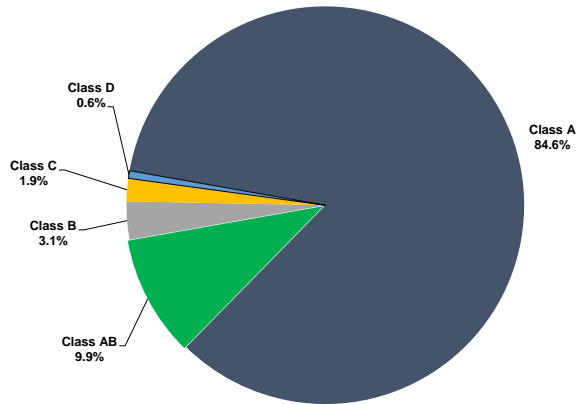
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 15 June 2023
 Payment Date: 26 June 2023
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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)
 Issue Date: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 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 26 June 2023

Fund:	0.14355438
Class A	0.13059747
Class AB	0.29255889
Class B	0.29255889
Class C	0.29255889
Class D	0.29255889
Class E	0.29255889



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				26 May 2023 26 June 2023	28 March 2022 26 June 2023
Class A	156,028,081.45	5,840,993	150,187,088.49	654,156.92	4.936%
Class AB	18,236,215.88	682,682	17,553,533.58	85,594.50	5.526%
Class B	5,698,817.46	213,338	5,485,479.24	27,232.29	5.626%
Class C	3,419,290.48	128,003	3,291,287.55	18,227.01	6.276%
Class D	1,139,763.49	42,668	1,097,095.85	6,850.08	7.076%
Class E	1,899,605.82	71,113	1,828,493.08	15,450.22	9.576%
Total Portfolio	186,421,775	6,978,797	179,442,978	807,511	

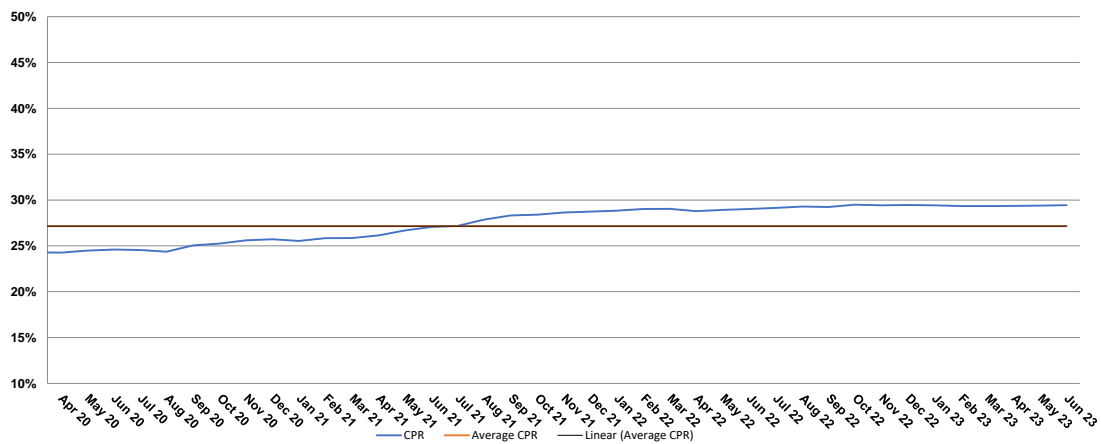
European CRR invested amount (as per Article 405) \$ 19,907,277

Pool Details

Number of Loans	2,298
Average Loan Size	78,087
Maximum Loan Size	756,453
Weighted Average LVR	43.91%
Maximum LVR	97.84%
WA Seeding (months)	153
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	6.87%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	17 May 2023 to 15 June 2023	16 March 2023 to 15 June 2023	16 August 2018 to 15 June 2023
Repayment Analysis			
Balance @ Determination Date	186,421,775	200,302,674	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,081,695)	(3,233,952)	(131,837,199)
Prepayments	(7,332,568)	(22,592,689)	(1,138,161,501)
Redraw Advances	1,435,466	4,966,944	199,441,678
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	179,442,978	179,442,978	179,442,978
CPR	32.16%	31.12%	29.43%
SMM	3.18%	3.06%	2.86%



Current Position

Geographical Location		
VIC	- Metro	39,432,058 22%
	- Non Metro	9,852,577 5%
NSW	- Metro	19,863,706 11%
	- Non Metro	15,995,836 9%
QLD	- Metro	17,229,529 10%
	- Non Metro	10,289,880 6%
SA	- Metro	7,704,024 4%
	- Non Metro	124,621 0%
WA	- Metro	28,501,754 16%
	- Non Metro	1,303,412 1%
TAS	- Metro	4,337,114 2%
	- Non Metro	3,883,278 2%
NT	- Metro	3,146,257 2%
	- Non Metro	471,300 0%
ACT	- Metro	17,307,633 10%
	- Non Metro	- 0%

TOTAL 179,442,978 100%

Loan Purpose ¹		
Refinance	49,020,206	27%
ReDecation	-	0%
Purchase	59,894,304	33%
Construction	6,604,228	4%
Equity Release	63,924,239	36%

TOTAL 179,442,978 100%

Loan Term		
<=5 yrs	2,494	0%
>5 & <=10yrs	3,297,018	2%
>10 & <=15yrs	4,676,025	3%
>15 & <=20yrs	19,229,894	11%
>20 & <=25yrs	32,879,130	18%
>25yrs	119,358,416	66%

TOTAL 179,442,978 100%

Owner/Investment split ¹		
Owner Occupied	147,029,097	82%
Investment	32,413,881	18%

TOTAL 179,442,978 100%

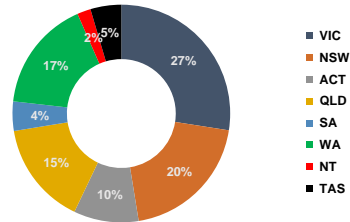
Interest Rate Exposure		
> 8.00%	49,687,012	29%
> 7.00% & <= 8.00%	32,996,608	18%
> 6.00% & <= 7.00%	43,582,057	24%
> 5.00% & <= 6.00%	48,914,867	27%
<= 5.00%	4,262,433	2%

TOTAL 179,442,978 100%

Loan to Value Ratio		
>95%	538,130	0%
>90% & <= 95%	-	0%
>85% & <= 90%	911,733	1%
>80% & <= 85%	2,715,480	2%
>75% & <= 80%	4,071,218	2%
>70% & <= 75%	5,815,161	3%
>65% & <= 70%	15,431,062	9%
>60% & <= 65%	12,111,699	7%
>55% & <= 60%	15,633,281	9%
>50% & <= 55%	17,404,599	10%
>45% & <= 50%	11,507,723	6%
>40% & <= 45%	13,844,521	8%
>35% & <= 40%	19,158,315	11%
>30% & <= 35%	14,404,322	8%
>25% & <= 30%	10,116,556	6%
<=25%	35,779,179	18%

TOTAL 179,442,978 100%

Geographical Location



Loan Security ²

House	158,045,969	89%
Land	223,278	0%
Apartment	5,972,125	3%
Unit	11,286,635	6%
Townhouse	2,270,084	1%
Other	1,644,886	1%

TOTAL 179,442,978 100%

Interest Option

Variable	174,759,812	97%
Fixed <3 years	4,683,166	3%
Fixed >3 years	-	0%

TOTAL 179,442,978 100%

Mortgage Insurance

Genworth Financial	73,600,000	41%
HLIC Govt	1,090	0%
Uninsured	105,841,888	59%

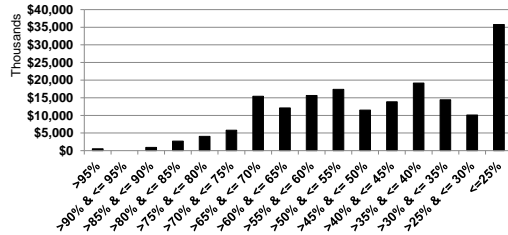
TOTAL 179,442,978 100%

Loan Size

>\$250,000	54,975,350	31%
>\$200,000 & <=\$250,000	24,329,253	14%
>\$150,000 & <=\$200,000	30,596,859	17%
>\$100,000 & <=\$150,000	30,878,184	17%
>\$50,000 & <=\$100,000	25,901,477	14%
<=\$50,000	12,761,855	7%

TOTAL 179,442,978 100%

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 maximum 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.

Arrears

	15 June 2023	17 May 2023	14 April 2023
30-59 days			
Number of loans	5	5	7
Outstanding Balance (\$)	231,818	232,522	1,087,827
% of Pool Outstanding Balance	0.13%	0.12%	0.56%
60-89 days			
Number of loans	2	5	5
Outstanding Balance (\$)	257,188	639,707	746,767
% of Pool Outstanding Balance	0.14%	0.34%	0.39%
90+ days			
Number of loans	19	21	25
Outstanding Balance (\$)	2,931,731	3,069,569	3,556,189
% of Pool Outstanding Balance	1.63%	1.65%	1.84%
TOTAL Delinquencies			
Number of loans	26	31	37
Outstanding Balance (\$)	3,420,737	3,941,797	5,390,782
% of Pool Outstanding Balance	1.91%	2.11%	2.79%
Pool Information			
Number of loans	2,298	2,365	2,422
Outstanding Balance (\$ m)	179	186	193

Repayment Holiday COVID-19

	15 June 2023	17 May 2023	14 April 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

	<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 & ReserveLiquidity Facility

Opening Balance	1,833,536
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	(68,416)
Reduction in Facility	-
Closing Outstanding Balance	<u>1,765,119</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 GRD

Geographical Location			
VIC	- Metro	5,112,615	26%
	- Non Metro	1,597,006	8%
NSW	- Metro	3,260,122	16%
	- Non Metro	1,571,959	8%
QLD	- Metro	760,160	4%
	- Non Metro	1,344,731	7%
SA	- Metro	875,143	4%
	- Non Metro	30,080	0%
WA	- Metro	2,876,219	14%
	- Non Metro	-	0%
TAS	- Metro	972,995	5%
	- Non Metro	540,287	3%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	965,960	5%
	- Non Metro	-	0%
TOTAL		19,907,277	100%

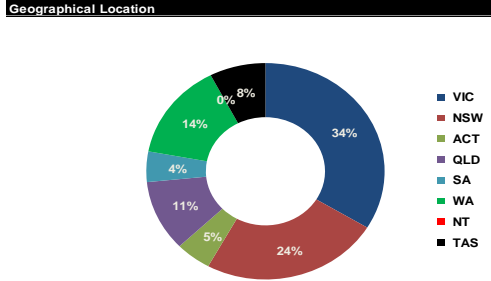
Loan Purpose ¹			
Refinance	5,219,349	26%	
Renovation	-	0%	
Purchase	6,943,648	35%	
Construction	1,605,709	8%	
Equity Release	6,138,572	31%	
TOTAL	19,907,277	100%	

Loan Term			
<=5 yrs	18,600	0%	
>5 & <=10yrs	259,224	1%	
>10 & <=15yrs	1,365,144	7%	
>15 & <=20yrs	1,825,744	9%	
>20 & <=25yrs	3,636,342	18%	
>25yrs	12,802,223	65%	
TOTAL	19,907,277	100%	

Owner/Investment split ¹			
Owner Occupied	15,386,754	77%	
Investment	4,520,523	23%	
TOTAL	19,907,277	100%	

Interest Rate Exposure			
> 8.00%	3,499,896	18%	
> 7.00% & <= 8.00%	1,520,228	8%	
> 6.00% & <= 7.00%	4,458,792	22%	
> 5.00% & <= 6.00%	3,304,321	17%	
<= 5.00%	7,124,040	35%	
TOTAL	19,907,277	100%	

Loan to Value Ratio			
>95%	-	0%	
>90% & <= 95%	-	0%	
>85% & <= 90%	-	0%	
>80% & <= 85%	-	0%	
>75% & <= 80%	-	0%	
>70% & <= 75%	340,093	2%	
>65% & <= 70%	549,693	3%	
>60% & <= 65%	1,419,178	7%	
>55% & <= 60%	2,562,383	13%	
>50% & <= 55%	2,116,285	11%	
>45% & <= 50%	3,419,588	17%	
>40% & <= 45%	1,161,863	6%	
>35% & <= 40%	2,168,808	11%	
>30% & <= 35%	607,915	3%	
>25% & <= 30%	1,988,834	10%	
<=25%	3,572,637	17%	
TOTAL	19,907,277	100%	

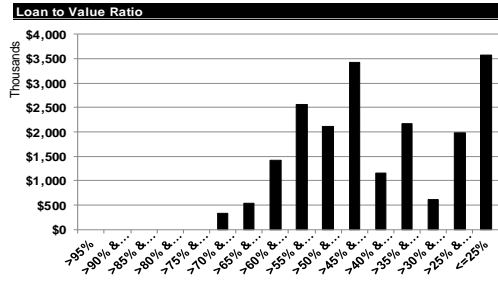


Loan Security ²		
House	17,049,994	86%
Land	-	0%
Apartment	407,451	2%
Unit	2,017,126	10%
Townhouse	58,644	0%
Other	374,063	2%
TOTAL	19,907,277	100%

Interest Option		
Variable	12,405,880	62%
Fixed <3 years	7,395,562	37%
Fixed >3 years	105,835	1%
TOTAL	19,907,277	100%

Mortgage Insurance		
Genworth Financial	7,384,201	37%
HLIC Govt	-	0%
Uninsured	12,523,061	63%
QBE	16	0%
TOTAL	19,907,277	100%

Loan Size		
>\$250,000	7,010,884	34%
>\$200,000 & <\$250,000	1,607,772	8%
>\$150,000 & <\$200,000	3,336,851	17%
>\$100,000 & <\$150,000	4,518,433	23%
>\$50,000 & <\$100,000	2,307,786	12%
<= \$50,000	1,125,550	6%
TOTAL	19,907,277	100%



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