

SMHL SERIES SECURITISATION FUND 2018-2



SMHL[®]

Monthly Investment Report as at 26 September 2022

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Bloomberg Screen: SMHL <MTGE>

Summary

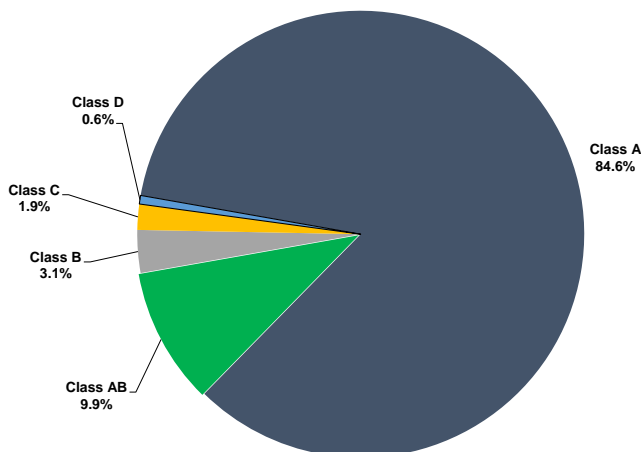
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 13 September 2022
 Payment Date: 26 September 2022
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank 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 September 2022

Fund:	0.19772991
Class A	0.17988323
Class AB	0.40296676
Class B	0.40296676
Class C	0.40296675
Class D	0.40296675
Class E	0.40296676



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				26 August 2022 26 September 2022	28 March 2022 26 September 2022
Class A	213,277,094.52	6,411,383	206,865,711.96	563,343.69	3.110%
Class AB	24,927,353.47	749,348	24,178,005.30	78,333.35	3.700%
Class B	7,789,797.96	234,171	7,555,626.66	25,140.77	3.800%
Class C	4,673,878.78	140,503	4,533,375.99	17,664.70	4.450%
Class D	1,557,959.59	46,834	1,511,125.33	6,946.79	5.250%
Class E	2,596,599.32	78,057	2,518,542.22	17,091.31	7.750%
Total Portfolio	254,822,684	7,660,296	247,162,387	708,521	

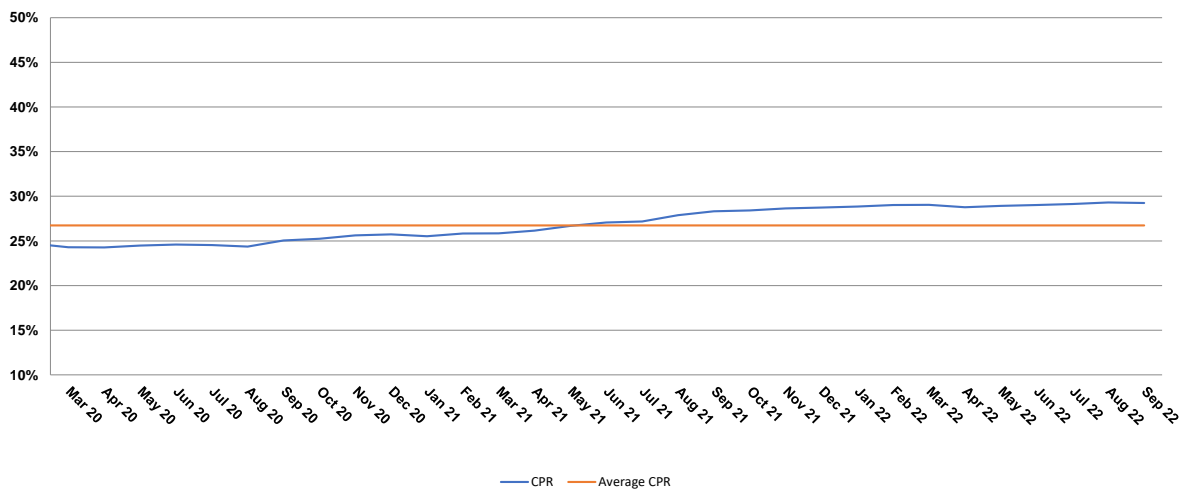
European CRR invested amount (as per Article 405) \$ 22,202,846 8.98%

Pool Details

Number of Loans	2,841
Average Loan Size	86,998
Maximum Loan Size	769,201
Weighted Average LVR	46.13%
Maximum LVR	101.93%
WA Seeding (months)	144
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	4.94%

Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	17 August 2022 to 13 September 2022	16 June 2022 to 13 September 2022	16 August 2018 to 13 September 2022
Balance @ Determination Date	254,822,684	276,388,434	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(1,147,763)	(3,483,416)	(121,629,332)
Prepayments	(7,405,099)	(30,123,670)	(1,066,492,814)
Redraw Advances	892,566	4,381,040	185,284,533
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	247,162,387	247,162,387	247,162,387
CPR	26.81%	32.60%	29.25%
SMM	2.57%	3.23%	2.84%



Current Position

Geographical Location

VIC	- Metro	54,819,165	22%
	- Non Metro	14,174,907	6%
NSW	- Metro	24,879,086	10%
	- Non Metro	22,603,244	9%
QLD	- Metro	22,210,738	9%
	- Non Metro	14,807,204	6%
SA	- Metro	11,511,012	5%
	- Non Metro	214,519	0%
WA	- Metro	40,160,776	16%
	- Non Metro	1,758,867	1%
TAS	- Metro	6,209,582	3%
	- Non Metro	5,248,295	2%
NT	- Metro	4,298,589	2%
	- Non Metro	479,963	0%
ACT	- Metro	23,786,441	10%
	- Non Metro	-	0%
TOTAL		247,162,387	100%

Loan Purpose ¹

Refinance	69,887,078	28%
ReDecation	-	0%
Purchase	82,403,516	33%
Construction	7,720,432	3%
Equity Release	87,151,363	36%
TOTAL	247,162,387	100%

Loan Term

<=5 yrs	23,772	0%
>5 & <=10yrs	5,088,550	2%
>10 & <=15yrs	6,731,930	3%
>15 & <=20yrs	25,235,564	10%
>20 & <=25yrs	49,100,684	20%
>25yrs	161,029,431	65%
TOTAL	247,162,387	100%

Owner/Investment split ¹

Owner Occupied	199,981,568	81%
Investment	47,180,819	19%
TOTAL	247,162,387	100%

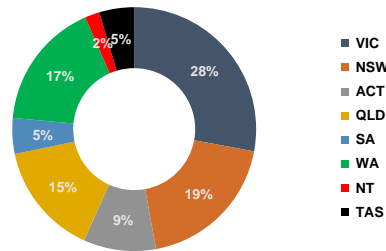
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	1,076,076	0%
> 6.00% & <= 7.00%	66,570,640	27%
> 5.00% & <= 6.00%	56,460,560	23%
<= 5.00%	123,055,112	50%
TOTAL	247,162,387	100%

Loan to Value Ratio

>95%	560,600	0%
>90% & <= 95%	217,999	0%
>85% & <= 90%	777,685	0%
>80% & <= 85%	5,980,761	2%
>75% & <= 80%	7,362,183	3%
>70% & <= 75%	10,383,342	4%
>65% & <= 70%	19,577,996	8%
>60% & <= 65%	21,347,333	9%
>55% & <= 60%	21,053,715	9%
>50% & <= 55%	22,084,504	9%
>45% & <= 50%	18,340,290	7%
>40% & <= 45%	25,651,073	10%
>35% & <= 40%	24,061,995	10%
>30% & <= 35%	16,009,923	6%
>25% & <= 30%	13,346,573	5%
<=25%	40,406,415	18%
TOTAL	247,162,387	100%

Geographical Location



Loan Security ²

House	214,709,607	87%
Land	230,097	0%
Apartment Unit	6,161,743	2%
	20,262,836	8%
Townhouse	3,949,070	2%
Other	1,849,034	1%
TOTAL	247,162,387	100%

Interest Option

Variable	209,865,484	85%
Fixed <3 years	37,296,903	15%
Fixed >3 years	-	0%
TOTAL	247,162,387	100%

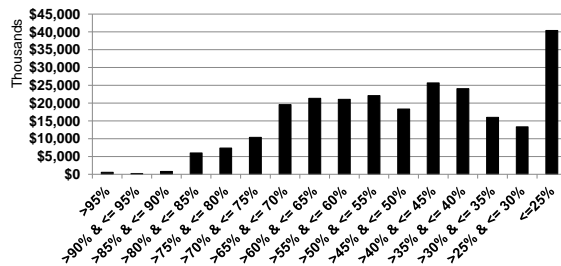
Mortgage Insurance

Genworth Financial	110,216,567	45%
HLIC Govt	4,617	0%
Uninsured	136,941,204	55%
TOTAL	247,162,387	100%

Loan Size

>\$250,000	77,368,805	31%
>\$200,000 & <=\$250,000	37,805,197	15%
>\$150,000 & <=\$200,000	42,718,259	17%
>\$100,000 & <=\$150,000	40,930,382	17%
>\$50,000 & <=\$100,000	32,029,713	13%
<= \$50,000	16,310,032	7%
TOTAL	247,162,387	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

	13 September 2022	17 August 2022	15 July 2022
30-59 days			
Number of loans	6	11	8
Outstanding Balance (\$)	837,549	2,176,412	1,457,380
% of Pool Outstanding Balance	0.34%	0.85%	0.55%
60-89 days			
Number of loans	3	7	5
Outstanding Balance (\$)	528,824	922,866	1,033,576
% of Pool Outstanding Balance	0.21%	0.36%	0.39%
90+ days			
Number of loans	20	16	15
Outstanding Balance (\$)	2,982,364	2,505,133	2,207,385
% of Pool Outstanding Balance	1.21%	0.98%	0.83%
TOTAL Delinquencies			
Number of loans	29	34	28
Outstanding Balance (\$)	4,348,737	5,604,411	4,698,342
% of Pool Outstanding Balance	1.76%	2.20%	1.77%
Pool Information			
Number of loans	2,841	2,900	2,985
Outstanding Balance (\$ m)	247	255	266

Repayment Holiday COVID-19

	13 September 2022	17 August 2022	15 July 2022
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	3	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	2,523,176
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(81,375)
Closing Outstanding Balance	<u>2,441,801</u>

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

Notional Swaps

Notional Swaps Value	35,000,000
% of fixed rate home loans	93.8%

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	5,586,925	25%
	- Non Metro	1,630,066	7%
NSW	- Metro	3,206,137	14%
	- Non Metro	1,808,665	8%
QLD	- Metro	1,070,766	5%
	- Non Metro	1,495,402	7%
SA	- Metro	804,292	4%
	- Non Metro	84,926	0%
WA	- Metro	3,259,091	15%
	- Non Metro	-	0%
TAS	- Metro	1,120,394	5%
	- Non Metro	549,984	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,586,200	7%
	- Non Metro	-	0%
TOTAL		22,202,846	100%

Loan Purpose ¹

Refinance	6,456,453	29%
Renovation	-	0%
Purchase	7,186,955	32%
Construction	1,728,490	8%
Equity Release	6,830,948	31%
TOTAL	22,202,846	100%

Loan Term

<=5 yrs	34,664	0%
>5 & <=10yrs	387,572	2%
>10 & <=15yrs	1,435,116	6%
>15 & <=20yrs	2,035,490	9%
>20 & <=25yrs	4,291,947	19%
>25yrs	14,018,057	64%
TOTAL	22,202,846	100%

Owner/Investment split ¹

Owner Occupied	17,425,286	78%
Investment	4,777,561	22%
TOTAL	22,202,846	100%

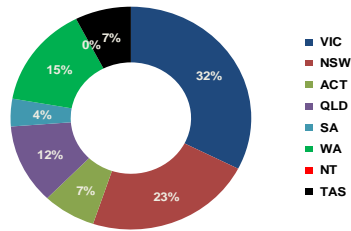
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	3,833,884	17%
> 5.00% & <= 6.00%	4,281,748	19%
<= 5.00%	14,087,215	64%
TOTAL	22,202,846	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	345,297	2%
>65% & <= 70%	975,036	4%
>60% & <= 65%	2,632,319	12%
>55% & <= 60%	2,386,530	11%
>50% & <= 55%	2,836,654	13%
>45% & <= 50%	2,857,231	13%
>40% & <= 45%	1,338,940	6%
>35% & <= 40%	1,814,118	8%
>30% & <= 35%	1,606,768	7%
>25% & <= 30%	1,560,020	7%
<=25%	3,849,933	17%
TOTAL	22,202,846	100%

Geographical Location



Loan Security ²

House	19,256,179	87%
Land	-	0%
Apartment	429,503	2%
Unit	2,072,845	9%
Townhouse	62,800	0%
Other	381,519	2%
TOTAL	22,202,846	100%

Interest Option

Variable	13,968,870	63%
Fixed <3 years	7,622,639	34%
Fixed >3 years	611,338	3%
TOTAL	22,202,846	100%

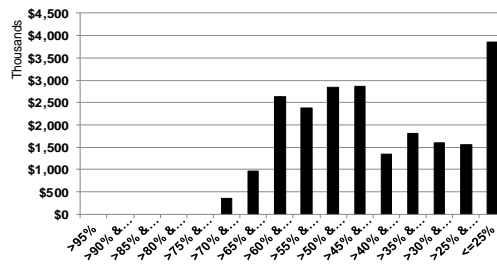
Mortgage Insurance

Genworth Financial	8,820,433	40%
HLIC Govt	-	0%
Uninsured	13,381,878	60%
QBE	535	0%
TOTAL	22,202,846	100%

Loan Size

>\$250,000	8,908,906	39%
>\$200,000 & <\$250,000	1,501,713	7%
>\$150,000 & <\$200,000	4,295,723	19%
>\$100,000 & <\$150,000	3,672,393	17%
>\$50,000 & <\$100,000	2,564,846	12%
<= \$50,000	1,259,265	6%
TOTAL	22,202,846	100%

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