

SMHL SERIES SECURITISATION FUND 2018-2

Monthly Investment Report as at 26 July 2024

Contact: Investor Reporting
Phone: +61 3 9708 3113
Email: investorreporting@boq.com.au
Website: mebank.com.au
Bloomberg Screen: SMHL <MTGE>



Summary

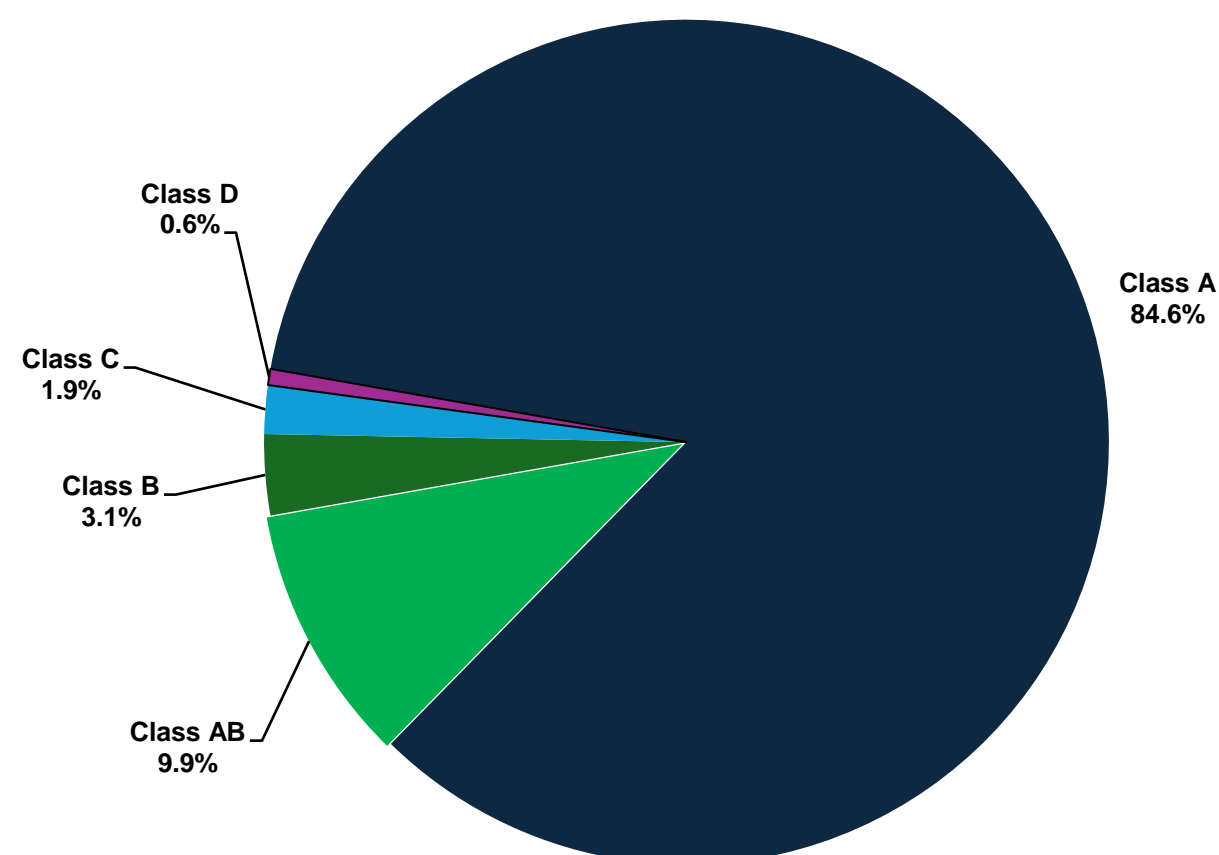
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 17 July 2024
 Payment Date: 26 July 2024
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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 July 2024

Fund:	0.10392620
Class A	0.09454604
Class AB	0.21179802
Class B	0.21179802
Class C	0.21179802
Class D	0.21179802
Class E	0.21179802



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				26 June 2024	26 July 2024	26 June 2024	26 July 2024
Class A	110,628,315.31	1,900,368	108,727,947	491,690		5.408%	
Class AB	12,929,991.97	222,111	12,707,881	63,738		5.998%	
Class B	4,040,622.49	69,410	3,971,213	20,250		6.098%	
Class C	2,424,373.49	41,646	2,382,728	13,445		6.748%	
Class D	808,124.50	13,882	794,243	5,013		7.548%	
Class E	1,346,874.16	23,137	1,323,738	11,123		10.048%	
Total Portfolio	132,178,302	2,270,553	129,907,749	605,259			

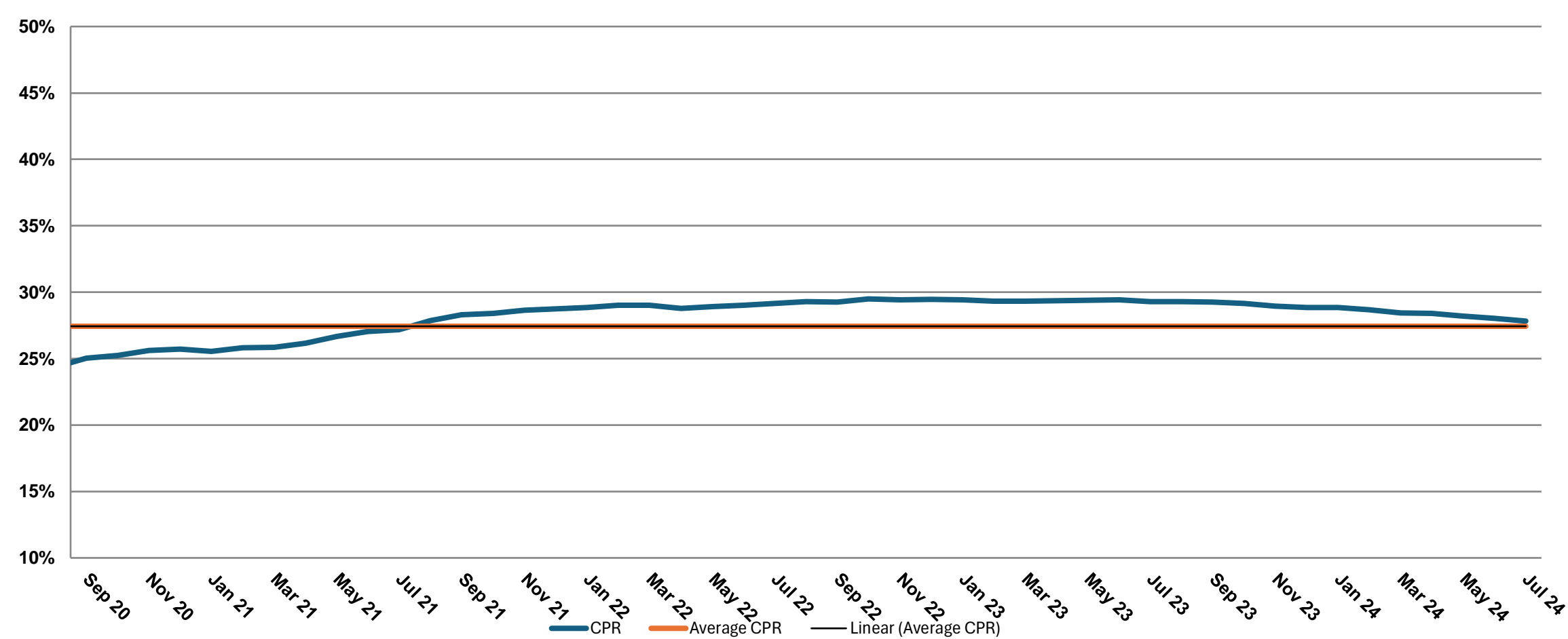
European CRR invested amount (as per Article 405) \$ 16,431,834

Pool Details

Number of Loans	1,849
Average Loan Size	70,258
Maximum Loan Size	671,795
Weighted Average LVR	42.65%
Maximum LVR	91.91%
WA Seeding (months)	166
WA Term to Maturity (years)	15
Full Documentation Loans	100.00%
WA Interest Rate	7.32%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	17 June 2024 to 17 July 2024	16 April 2024 to 17 July 2024	16 August 2018 to 17 July 2024
Repayment Analysis			
Balance @ Determination Date	132,178,302	136,992,694	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(782,663)	(2,364,481)	(143,748,441)
Prepayments	(2,667,568)	(8,154,441)	(1,190,904,171)
Redraw Advances	1,179,678	3,433,977	214,560,361
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	129,907,749	129,907,749	129,907,749
CPR	12.77%	13.23%	27.84%
SMM	1.13%	1.18%	2.68%



Current Position

Geographical Location

VIC	- Metro	29,847,276	23%
	- Non Metro	7,076,774	5%
NSW	- Metro	14,738,149	11%
	- Non Metro	11,398,610	9%
QLD	- Metro	12,408,442	10%
	- Non Metro	7,401,750	6%
SA	- Metro	4,701,226	4%
	- Non Metro	105,270	0%
WA	- Metro	20,370,876	16%
	- Non Metro	994,963	1%
TAS	- Metro	3,743,723	3%
	- Non Metro	2,666,238	2%
NT	- Metro	2,069,230	2%
	- Non Metro	458,544	0%
ACT	- Metro	11,926,677	9%
	- Non Metro	-	0%

TOTAL 129,907,749 100%

Loan Purpose ¹

Refinance	36,493,538	28%
ReDecation	-	0%
Purchase	42,962,312	33%
Construction	4,884,176	4%
Equity Release	45,567,723	35%

TOTAL 129,907,749 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	1,481,371	1%
>10 & <=15yrs	2,592,805	2%
>15 & <=20yrs	13,870,084	11%
>20 & <=25yrs	22,111,881	17%
>25yrs	89,851,607	69%

TOTAL 129,907,749 100%

Owner/Investment split ¹

Owner Occupied	105,353,609	81%
Investment	24,554,140	19%

TOTAL 129,907,749 100%

Interest Rate Exposure

> 8.00%	40,516,709	31%
> 7.00% & <= 8.00%	25,843,213	20%
> 6.00% & <= 7.00%	63,176,820	48%
> 5.00% & <= 6.00%	694,353	1%
<= 5.00%	323,346	0%

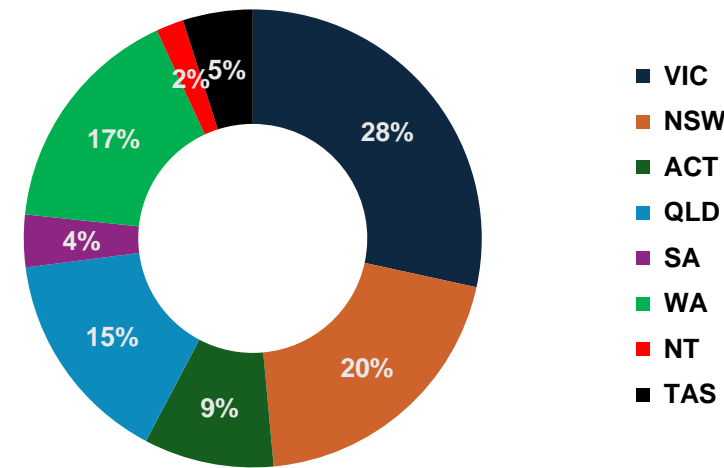
TOTAL 129,907,749 100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	505,500	0%
>85% & <= 90%	-	0%
>80% & <= 85%	975,642	1%
>75% & <= 80%	3,775,891	3%
>70% & <= 75%	2,679,680	2%
>65% & <= 70%	7,053,910	5%
>60% & <= 65%	9,853,697	8%
>55% & <= 60%	10,707,854	8%
>50% & <= 55%	12,259,353	9%
>45% & <= 50%	11,903,451	9%
>40% & <= 45%	12,864,069	10%
>35% & <= 40%	12,929,495	10%
>30% & <= 35%	11,209,478	9%
>25% & <= 30%	7,211,292	6%
<=25%	25,978,437	20%

TOTAL 129,907,749 100%

Geographical Location



Loan Security ²

House	113,267,490	87%
Land	213,138	0%
Apartment	4,400,977	3%
Unit	8,920,741	7%
Townhouse	2,084,916	2%
Other	1,020,488	1%

TOTAL 129,907,749 100%

Interest Option

Variable	129,907,749	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 129,907,749 100%

Mortgage Insurance ³

Genworth Financial	56,066,842	43%
HLIC Govt	718	0%
Uninsured	73,840,189	57%

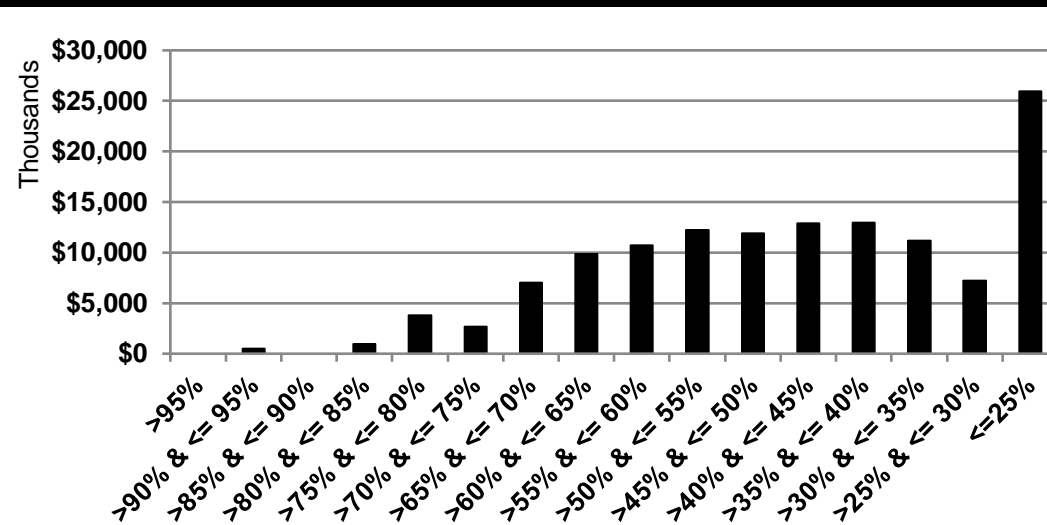
TOTAL 129,907,749 100%

Loan Size

>\$250,000	36,666,157	29%
>\$200,000 & <\$250,000	18,122,378	14%
>\$150,000 & <\$200,000	22,699,653	17%
>\$100,000 & <\$150,000	22,242,250	17%
>\$50,000 & <\$100,000	20,102,351	15%
<= \$50,000	10,074,961	8%

TOTAL 129,907,749 100%

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

	17 July 2024	17 June 2024	16 May 2024
30-59 days			
Number of loans	6	9	8
Outstanding Balance (\$)	724,984	630,847	1,233,574
% of Pool Outstanding Balance	0.56%	0.48%	0.92%
60-89 days			
Number of loans	10	6	4
Outstanding Balance (\$)	1,965,141	1,559,891	1,181,115
% of Pool Outstanding Balance	1.51%	1.18%	0.88%
90+ days			
Number of loans	19	22	23
Outstanding Balance (\$)	2,630,323	3,106,811	3,257,451
% of Pool Outstanding Balance	2.02%	2.35%	2.42%
TOTAL Delinquencies			
Number of loans	35	37	35
Outstanding Balance (\$)	5,320,448	5,297,548	5,672,141
% of Pool Outstanding Balance	4.10%	4.01%	4.21%
Pool Information			
Number of loans	1,849	1,874	1,895
Outstanding Balance (\$ m)	130	132	135

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	1,290,730
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(17,919)
Closing Outstanding Balance	<u>1,272,812</u>

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

Notional Swaps

Notional Swaps Value	-
% of fixed rate home loans	0.0%

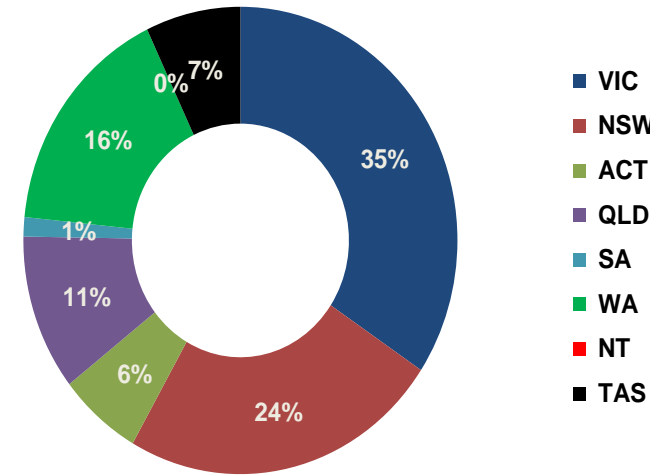
Neither Members Equity Bank Limited nor any associate of Members Equity Bank Limited (including ME Portfolio Management Limited) in any way stands behind the capital value and/or the performance of the Bonds or the assets of SMHL Securitisation Fund 2018-2. Members Equity Bank Limited does not stand 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	4,398,040	27%
	- Non Metro	1,248,028	8%
NSW	- Metro	2,788,585	17%
	- Non Metro	1,139,179	7%
QLD	- Metro	723,062	4%
	- Non Metro	1,053,056	6%
SA	- Metro	224,415	1%
	- Non Metro	5,358	0%
WA	- Metro	2,683,331	16%
	- Non Metro	-	0%
TAS	- Metro	854,198	5%
	- Non Metro	307,973	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,017,324	6%
	- Non Metro	-	0%
TOTAL		16,431,834	100%

Geographical Location



Loan Purpose¹

Refinance	4,740,162	29%
Renovation	-	0%
Purchase	5,242,847	32%
Construction	1,364,888	8%
Equity Release	5,083,937	31%
TOTAL	16,431,834	100%

Loan Security²

House	13,668,604	84%
Land	-	0%
Apartment	399,754	2%
Unit	1,951,889	12%
Townhouse	38,318	0%
Other	373,269	2%
TOTAL	16,431,834	100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	122,661	1%
>10 & <=15yrs	1,000,547	6%
>15 & <=20yrs	1,816,163	11%
>20 & <=25yrs	3,171,742	19%
>25yrs	10,320,721	63%
TOTAL	16,431,834	100%

Interest Option

Variable	12,335,770	75%
Fixed <3 years	3,967,910	24%
Fixed >3 years	128,153	1%
TOTAL	16,431,834	100%

Investment split¹

Owner Occupied	13,022,728	79%
Investment	3,409,106	21%
TOTAL	16,431,834	100%

Mortgage Insurance³

Genworth Financial	5,962,828	36%
HLIC Govt	-	0%
Uninsured	10,469,006	64%
QBE	0	0%
TOTAL	16,431,834	100%

Interest Rate Exposure

> 8.00%	3,596,996	22%
> 7.00% & <= 8.00%	2,588,547	16%
> 6.00% & <= 7.00%	7,196,757	43%
> 5.00% & <= 6.00%	275,772	2%
<= 5.00%	2,773,762	17%
TOTAL	16,431,834	100%

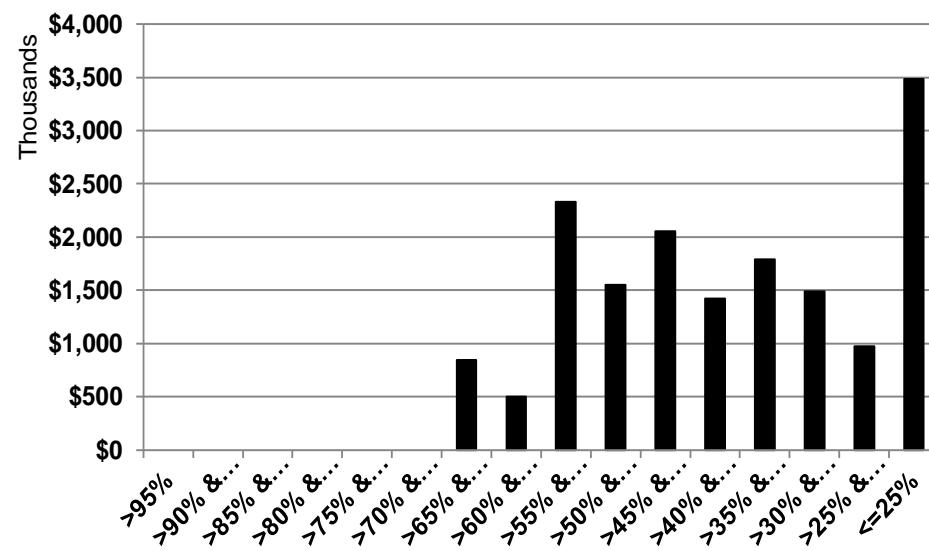
Loan Size

>\$250,000	5,596,522	34%
>\$200,000 & <\$250,000	2,248,219	14%
>\$150,000 & <\$200,000	2,290,113	14%
>\$100,000 & <\$150,000	3,627,825	22%
>\$50,000 & <\$100,000	2,108,970	13%
<= \$50,000	560,185	3%
TOTAL	16,431,834	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	-	0%
>65% & <= 70%	842,689	5%
>60% & <= 65%	500,329	3%
>55% & <= 60%	2,329,692	14%
<= 55%	1,551,961	9%
>45% & <= 50%	2,052,444	12%
>40% & <= 45%	1,419,515	9%
>35% & <= 40%	1,788,068	11%
>30% & <= 35%	1,490,063	9%
>25% & <= 30%	975,083	6%
<=25%	3,481,989	22%
TOTAL	16,431,834	100%

Loan to Value Ratio



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