

SMHL SERIES SECURITISATION FUND 2018-2



Monthly Investment Report as at 26 August 2024

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Bloomberg Screen: SMHL <MTGE>

Summary

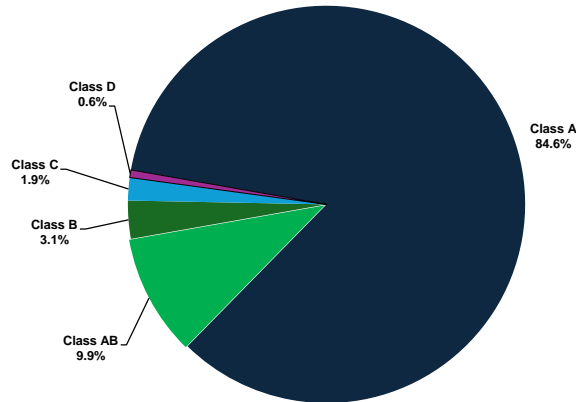
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 15 August 2024
 Payment Date: 26 August 2024
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank of Australia (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)
 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 August 2024

Fund:	0.10170926
Class A	0.09252920
Class AB	0.20727997
Class B	0.20727997
Class C	0.20727997
Class D	0.20727997
Class E	0.20727997



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				26 July 2024	26 August 2024	26 July 2024
Class A	108,727,947.07	2,319,370	106,408,577	502,353		5.440%
Class AB	12,707,881.15	271,083	12,436,798	65,082		6.030%
Class B	3,971,212.86	84,713	3,886,499	20,675		6.130%
Class C	2,382,727.71	50,828	2,331,900	13,721		6.780%
Class D	794,242.57	16,943	777,300	5,113		7.580%
Class E	1,323,737.62	28,238	1,295,500	11,333		10.080%
Total Portfolio	129,907,749	2,771,174	127,136,575	618,276		

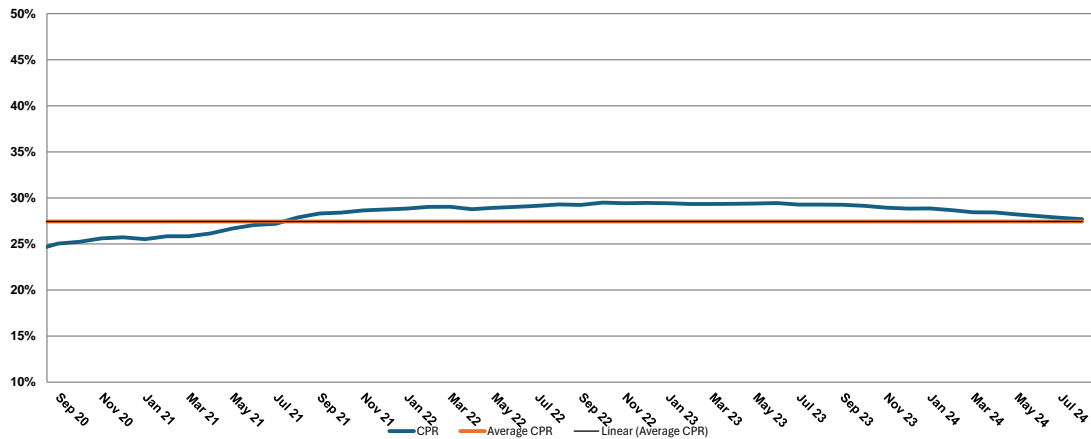
European CRR invested amount (as per Article 405) \$ 16,261,701 12.79%

Pool Details

Number of Loans	1,777
Average Loan Size	71,546
Maximum Loan Size	674,615
Weighted Average LVR	42.43%
Maximum LVR	90.06%
WA Seeding (months)	167
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 July 2024 to 15 August 2024	16 May 2024 to 15 August 2024	16 August 2018 to 15 August 2024
Repayment Analysis			
Balance @ Determination Date	129,907,749	134,660,461	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(771,692)	(2,335,160)	(144,520,133)
Prepayments	(2,866,582)	(8,502,544)	(1,193,770,752)
Redraw Advances	867,099	3,313,817	215,427,460
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	127,136,575	127,136,575	127,136,575
CPR	17.08%	14.71%	27.70%
SMM	1.55%	1.32%	2.67%



Current Position

Geographical Location

VIC	- Metro	29,253,261	23%
	- Non Metro	7,043,373	6%
NSW	- Metro	13,963,712	11%
	- Non Metro	10,885,654	9%
QLD	- Metro	12,275,005	10%
	- Non Metro	7,317,449	6%
SA	- Metro	4,720,685	4%
	- Non Metro	105,530	0%
WA	- Metro	20,138,459	16%
	- Non Metro	968,527	1%
TAS	- Metro	3,683,081	3%
	- Non Metro	2,608,128	2%
NT	- Metro	2,038,380	2%
	- Non Metro	457,605	0%
ACT	- Metro	11,677,727	9%
	- Non Metro	-	0%

TOTAL 127,136,575 100%

Loan Purpose ¹

Refinance	36,224,787	28%
ReDecation	-	0%
Purchase	41,837,762	33%
Construction	4,842,018	4%
Equity Release	44,232,008	35%

TOTAL 127,136,575 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	1,429,171	1%
>10 & <=15yrs	2,515,134	2%
>15 & <=20yrs	13,567,009	11%
>20 & <=25yrs	21,499,455	17%
>25yrs	88,125,806	69%

TOTAL 127,136,575 100%

Owner/Investment split ¹

Owner Occupied	102,899,236	81%
Investment	24,237,338	19%

TOTAL 127,136,575 100%

Interest Rate Exposure

> 8.00%	39,194,621	31%
> 7.00% & <= 8.00%	25,523,964	20%
> 6.00% & <= 7.00%	62,049,564	48%
> 5.00% & <= 6.00%	691,313	1%
<= 5.00%	322,888	0%

TOTAL 127,136,575 100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	495,332	0%
>85% & <= 90%	-	0%
>80% & <= 85%	738,170	1%
>75% & <= 80%	3,757,516	3%
>70% & <= 75%	2,912,002	2%
>65% & <= 70%	6,364,498	5%
>60% & <= 65%	10,195,209	8%
>55% & <= 60%	8,533,815	7%
>50% & <= 55%	13,003,693	10%
>45% & <= 50%	11,467,408	9%
>40% & <= 45%	11,742,702	9%
>35% & <= 40%	13,323,323	10%
>30% & <= 35%	12,429,024	10%
>25% & <= 30%	7,346,957	6%
<=25%	24,826,927	20%

TOTAL 127,136,575 100%

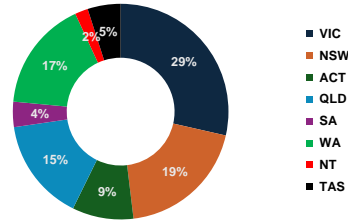
¹ - Due to a recent review of the classification of investor lending, the Bank has now agreed a definition of investor lending which will be applied across all areas of the Bank to undertake reporting, monitoring and analysis. The bank has decided to move away from the historic "loan security" classification 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 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 Heila and all references to Genworth or Heila are interchangeable. There is no change to LMI cover.

Geographical Location



Loan Security ²

House	111,112,839	87%
Land	212,456	0%
Apartment	4,414,760	3%
Unit	8,325,696	7%
Townhouse	2,064,783	2%
Other	1,006,040	1%

TOTAL 127,136,575 100%

Interest Option

Variable	127,136,575	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 127,136,575 100%

Mortgage Insurance ³

Genworth Financial	55,489,488	44%
HLIC Govt	612	0%
Uninsured	71,646,474	56%

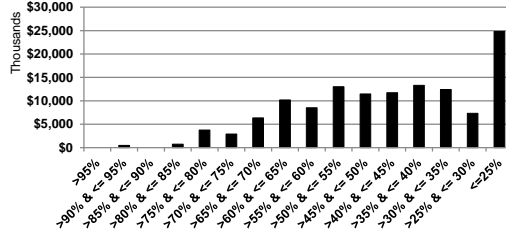
TOTAL 127,136,575 100%

Loan Size

>\$250,000	35,912,720	29%
>\$200,000 & <=\$250,000	16,963,270	13%
>\$150,000 & <=\$200,000	22,472,175	18%
>\$100,000 & <=\$150,000	22,187,275	17%
>\$50,000 & <=\$100,000	20,140,371	16%
<=\$50,000	9,460,763	7%

TOTAL 127,136,575 100%

Loan to Value Ratio



Arrears

	15 August 2024	17 July 2024	17 June 2024
30-59 days			
Number of loans	4	6	9
Outstanding Balance (\$)	443,334	724,984	630,847
% of Pool Outstanding Balance	0.35%	0.56%	0.48%
60-89 days			
Number of loans	6	10	6
Outstanding Balance (\$)	1,061,107	1,965,141	1,559,891
% of Pool Outstanding Balance	0.83%	1.51%	1.18%
90+ days			
Number of loans	20	19	22
Outstanding Balance (\$)	2,901,824	2,630,323	3,106,811
% of Pool Outstanding Balance	2.28%	2.02%	2.35%
TOTAL Delinquencies			
Number of loans	30	35	37
Outstanding Balance (\$)	4,406,265	5,320,448	5,297,548
% of Pool Outstanding Balance	3.47%	4.10%	4.01%
Pool Information			
Number of loans	1,777	1,849	1,874
Outstanding Balance (\$ m)	127	130	132

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	1,272,812
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	(30,445)
Reduction in Facility	-
Closing Outstanding Balance	<u>1,242,367</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	4,325,485	27%
	- Non Metro	1,229,915	8%
NSW	- Metro	2,776,893	17%
	- Non Metro	1,130,165	7%
QLD	- Metro	720,861	4%
	- Non Metro	1,025,896	6%
SA	- Metro	222,217	1%
	- Non Metro	10,665	0%
WA	- Metro	2,680,652	16%
	- Non Metro	-	0%
TAS	- Metro	844,448	5%
	- Non Metro	307,274	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,008,561	6%
	- Non Metro	-	0%
TOTAL		16,261,701	100%

Loan Purpose¹

Refinance	4,696,721	29%
Renovation	-	0%
Purchase	5,184,063	32%
Construction	1,339,358	8%
Equity Release	5,041,559	31%
TOTAL	16,261,701	100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	119,250	1%
>10 & <=15yrs	991,314	6%
>15 & <=20yrs	1,785,802	11%
>20 & <=25yrs	3,141,763	19%
>25yrs	10,223,572	63%
TOTAL	16,261,701	100%

Investment split¹

Owner Occupied	12,903,428	79%
Investment	3,358,273	21%
TOTAL	16,261,701	100%

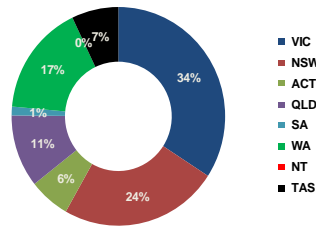
Interest Rate Exposure

> 8.00%	3,362,368	21%
> 7.00% & <= 8.00%	2,710,132	17%
> 6.00% & <= 7.00%	7,911,951	48%
> 5.00% & <= 6.00%	275,036	2%
<= 5.00%	2,002,214	12%
TOTAL	16,261,701	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	-	0%
>75% & <= 80%	-	0%
>70% & <= 75%	-	0%
>65% & <= 70%	841,832	5%
>60% & <= 65%	498,902	3%
>55% & <= 60%	2,303,903	14%
>50% & <= 55%	1,545,518	10%
>45% & <= 50%	2,112,138	13%
>40% & <= 45%	1,345,646	8%
>35% & <= 40%	1,779,582	11%
>30% & <= 35%	1,102,954	7%
>25% & <= 30%	1,261,564	8%
<=25%	3,469,663	21%
TOTAL	16,261,701	100%

Geographical Location



Loan Security²

House	13,516,388	84%
Land	-	0%
Apartment	398,638	2%
Unit	1,937,295	12%
Townhouse	36,839	0%
Other	372,541	2%
TOTAL	16,261,701	100%

Interest Option

Variable	12,943,463	79%
Fixed <3 years	3,191,153	20%
Fixed >3 years	127,085	1%
TOTAL	16,261,701	100%

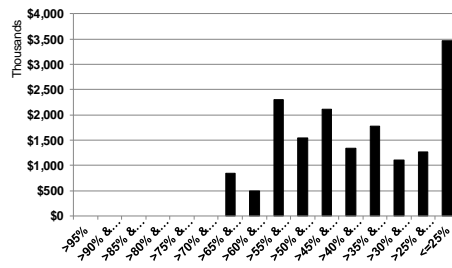
Mortgage Insurance³

Genworth Financial	5,874,950	36%
HLIC Govt	-	0%
Uninsured	10,386,751	64%
OBE	0	0%
TOTAL	16,261,701	100%

Loan Size

>\$250,000	5,563,551	34%
>\$200,000 & <=\$250,000	2,234,470	14%
>\$150,000 & <=\$200,000	2,143,092	13%
>\$100,000 & <=\$150,000	3,532,012	22%
>\$50,000 & <=\$100,000	2,264,620	14%
<= \$50,000	523,955	3%
TOTAL	16,261,701	100%

Loan to Value Ratio



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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.

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