

SMHL SERIES SECURITISATION FUND 2018-2

Monthly Investment Report as at 26 September 2024



SMHL

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Bloomberg Screen: SMHL <MTGE>

Summary

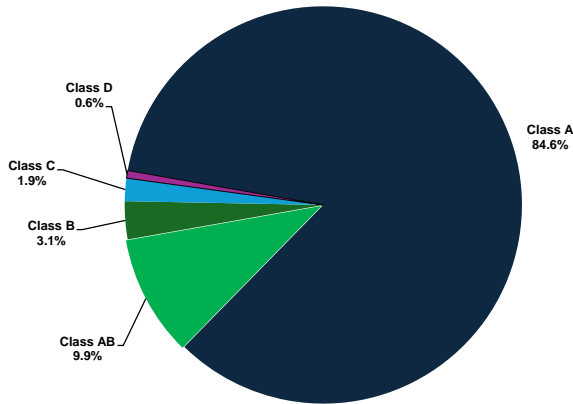
Fund: SMHL Series Securitisation Fund 2018-2
 Cut-Off Date: 17 September 2024
 Payment Date: 26 September 2024
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2018-2
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Commonwealth Bank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

Fund:	0.09866451
Class A	0.08975926
Class AB	0.20107487
Class B	0.20107487
Class C	0.20107487
Class D	0.20107487
Class E	0.20107487



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				26 August 2024	26 August 2024	26 August 2024
				26 September 2024	26 September 2024	26 September 2024
Class A	106,408,577.40	3,185,433	103,223,145	488,474	488,474	5.405%
Class AB	12,436,798.37	372,306	12,064,492	63,324	63,324	5.995%
Class B	3,886,499.49	116,346	3,770,154	20,119	20,119	6.095%
Class C	2,331,899.69	69,807	2,262,092	13,359	13,359	6.745%
Class D	777,299.90	23,269	754,031	4,981	4,981	7.545%
Class E	1,295,499.83	38,782	1,256,718	11,052	11,052	10.045%
Total Portfolio	127,136,575	3,805,943	123,330,632	601,308	601,308	

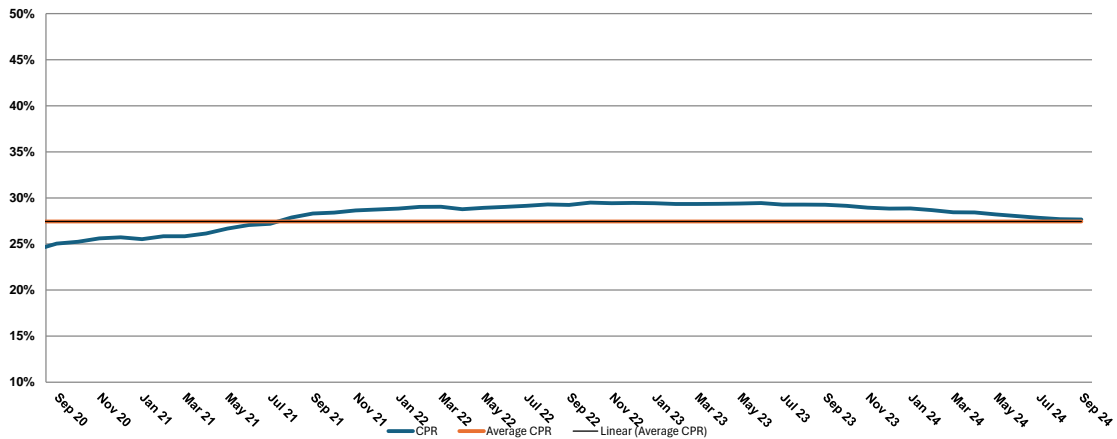
European CRR invested amount (as per Article 405) \$ 16,099,174 13.05%

Pool Details

Number of Loans	1,731
Average Loan Size	71,248
Maximum Loan Size	662,934
Weighted Average LVR	42.43%
Maximum LVR	89.06%
WA Seeding (months)	168
WA Term to Maturity (years)	15
Full Documentation Loans	100.00%
WA Interest Rate	7.29%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	15 August 2024 to 17 September 2024	17 June 2024 to 17 September 2024	16 August 2018 to 17 September 2024
Repayment Analysis			
Balance @ Determination Date	127,136,575	132,178,302	1,250,000,000
Substitution	-	-	-
Scheduled Repayments	(765,446)	(2,319,801)	(145,285,579)
Prepayments	(3,828,429)	(9,362,579)	(1,197,599,182)
Redraw Advances	787,932	2,834,709	216,215,392
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	123,330,632	123,330,632	123,330,632
CPR	25.34%	18.57%	27.66%
SMM	2.41%	1.70%	2.66%



Current Position

Geographical Location

VIC	- Metro	28,575,105	23%
	- Non Metro	6,925,719	6%
NSW	- Metro	13,856,948	11%
	- Non Metro	10,364,832	8%
QLD	- Metro	12,186,084	10%
	- Non Metro	6,670,886	5%
SA	- Metro	4,681,045	4%
	- Non Metro	107,223	0%
WA	- Metro	19,130,887	16%
	- Non Metro	940,366	1%
TAS	- Metro	3,628,846	3%
	- Non Metro	2,435,009	2%
NT	- Metro	1,969,684	2%
	- Non Metro	456,459	0%
ACT	- Metro	11,401,538	9%
	- Non Metro	-	0%
TOTAL		123,330,632	100%

Loan Purpose¹

Refinance	35,038,521	28%
ReDecation	-	0%
Purchase	39,997,901	32%
Construction	4,811,116	4%
Equity Release	43,483,094	36%
TOTAL	123,330,632	100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	1,396,509	1%
>10 & <=15yrs	2,406,065	2%
>15 & <=20yrs	13,320,732	11%
>20 & <=25yrs	21,237,409	17%
>25yrs	84,969,917	69%
TOTAL	123,330,632	100%

Owner/Investment split¹

Owner Occupied	99,976,232	81%
Investment	23,354,400	19%
TOTAL	123,330,632	100%

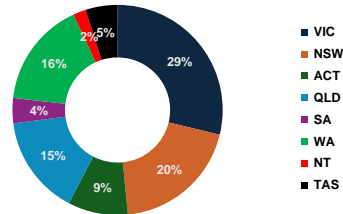
Interest Rate Exposure

> 8.00%	37,382,801	30%
> 7.00% & <= 8.00%	23,080,095	19%
> 6.00% & <= 7.00%	62,364,226	50%
> 5.00% & <= 6.00%	687,993	1%
<= 5.00%	184,484	0%
TOTAL	123,330,632	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	489,829	0%
>80% & <= 85%	340,113	0%
>75% & <= 80%	3,478,436	3%
>70% & <= 75%	2,616,788	2%
>65% & <= 70%	6,952,766	6%
>60% & <= 65%	9,212,994	7%
>55% & <= 60%	8,581,315	7%
>50% & <= 55%	11,414,536	9%
>45% & <= 50%	11,242,242	9%
>40% & <= 45%	11,687,509	9%
>35% & <= 40%	13,889,094	11%
>30% & <= 35%	10,814,234	9%
>25% & <= 30%	8,169,760	7%
<=25%	24,441,014	21%
TOTAL	123,330,632	100%

Geographical Location



Loan Security²

House	108,200,922	88%
Land	211,794	0%
Apartment	4,085,472	3%
Unit	7,775,780	6%
Townhouse	2,052,329	2%
Other	1,004,334	1%
TOTAL	123,330,632	100%

Interest Option

Variable	123,330,632	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
TOTAL	123,330,632	100%

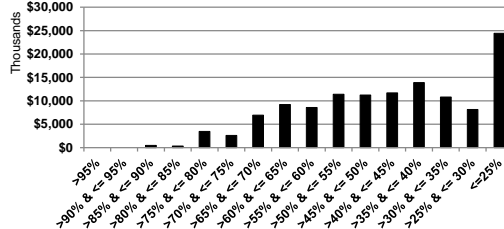
Mortgage Insurance³

Genworth Financial	52,590,839	43%
HLIC Govt	579	0%
Uninsured	70,739,214	57%
TOTAL	123,330,632	100%

Loan Size

>\$250,000	33,898,415	27%
>\$200,000 & <=\$250,000	17,501,885	14%
>\$150,000 & <=\$200,000	21,615,725	18%
>\$100,000 & <=\$150,000	21,894,283	18%
>\$50,000 & <=\$100,000	19,577,071	16%
<=\$50,000	8,843,252	7%
TOTAL	123,330,632	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 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.

Arrears

	17 September 2024	15 August 2024	17 July 2024
30-59 days			
Number of loans	1	4	6
Outstanding Balance (\$)	22,059	443,334	724,984
% of Pool Outstanding Balance	0.02%	0.35%	0.56%
60-89 days			
Number of loans	7	6	10
Outstanding Balance (\$)	1,210,286	1,061,107	1,965,141
% of Pool Outstanding Balance	0.98%	0.83%	1.51%
90+ days			
Number of loans	20	20	19
Outstanding Balance (\$)	3,058,689	2,901,824	2,630,323
% of Pool Outstanding Balance	2.48%	2.28%	2.02%
TOTAL Delinquencies			
Number of loans	28	30	35
Outstanding Balance (\$)	4,291,033	4,406,265	5,320,448
% of Pool Outstanding Balance	3.48%	3.47%	4.10%
Pool Information			
Number of loans	1,731	1,777	1,849
Outstanding Balance (\$ m)	123	127	130

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	1,242,367
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	(39,559)
Reduction in Facility	-
Closing Outstanding Balance	<u>1,202,808</u>

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

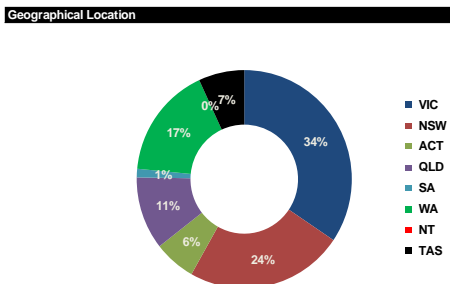
Notional Swaps

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	4,468,664	28%
	- Non Metro	1,076,198	7%
NSW	- Metro	2,668,964	17%
	- Non Metro	1,150,654	7%
QLD	- Metro	722,458	4%
	- Non Metro	1,017,383	6%
SA	- Metro	220,018	1%
	- Non Metro	16,175	0%
WA	- Metro	2,672,631	17%
	- Non Metro	-	0%
TAS	- Metro	801,084	5%
	- Non Metro	305,837	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,011,456	6%
	- Non Metro	-	0%
TOTAL		16,099,174	100%



Loan Purpose ¹			
Refinance		4,643,719	29%
Renovation		-	0%
Purchase		5,095,436	32%
Construction		1,329,134	8%
Equity Release		5,030,885	31%
TOTAL		16,099,174	100%

Loan Security ²			
House		13,350,563	84%
Land		-	0%
Apartment		401,595	2%
Unit		1,916,455	12%
Townhouse		35,654	0%
Other		394,906	2%
TOTAL		16,099,174	100%

Loan Term			
<=5 yrs		5	0%
>5 & <=10yrs		113,688	1%
>10 & <=15yrs		957,341	6%
>15 & <=20yrs		1,766,858	11%
>20 & <=25yrs		3,149,901	20%
>25yrs		10,111,379	62%
TOTAL		16,099,174	100%

Interest Option			
Variable		13,113,424	81%
Fixed <3 years		2,860,007	18%
Fixed >3 years		125,743	1%
TOTAL		16,099,174	100%

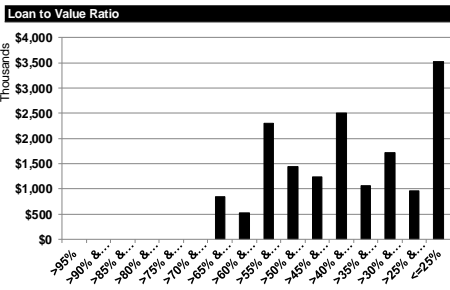
Owner/Investment split ¹			
Owner Occupied		12,767,780	79%
Investment		3,331,393	21%
TOTAL		16,099,174	100%

Mortgage Insurance ³			
Genworth Financial		5,778,679	36%
H LIC Govt		-	0%
Uninsured		10,320,494	64%
CBE		-	0%
TOTAL		16,099,174	100%

Interest Rate Exposure			
> 8.00%		2,859,607	18%
> 7.00% & <= 8.00%		2,854,138	18%
> 6.00% & <= 7.00%		8,432,835	52%
> 5.00% & <= 6.00%		274,297	2%
<= 5.00%		1,678,296	10%
TOTAL		16,099,174	100%

Loan Size			
>\$250,000		5,539,318	35%
>\$200,000 & <=\$250,000		2,434,557	15%
>\$150,000 & <=\$200,000		1,767,327	11%
>\$100,000 & <=\$150,000		3,422,350	21%
>\$50,000 & <=\$100,000		2,215,649	14%
<= \$50,000		719,972	4%
TOTAL		16,099,174	100%

Loan to Value Ratio			
>95%		-	0%
>90% & <= 95%		-	0%
>85% & <= 90%		-	0%
>80% & <= 85%		-	0%
>75% & <= 80%		-	0%
>70% & <= 75%		-	0%
>65% & <= 70%		839,431	5%
>60% & <= 65%		520,768	3%
>55% & <= 60%		2,302,550	14%
>50% & <= 55%		1,438,003	9%
>45% & <= 50%		1,237,783	8%
>40% & <= 45%		2,502,506	16%
>35% & <= 40%		1,060,133	7%
>30% & <= 35%		1,714,694	11%
>25% & <= 30%		955,437	6%
<=25%		3,527,869	21%
TOTAL		16,099,174	100%



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