

# AFG

## A\$350M RESIDENTIAL MORTGAGE-BACKED SECURITIES

JUNE 2018

### PART A: ISSUE SUMMARY & KEY PARTIES

#### NOTE DETAILS

Class	Expected Rating S&P/Fitch	A\$M Amount	Credit Enhancement (%)	S&P/ Fitch Required CE (%)**	WAL*** (years)	Benchmark + Margin
A1	AAA(sf) / AAAsf	65.000	10.00*	2.9 / 3.9	0.4	1M BBSW + 0.70%
A2	AAA(sf) / AAAsf	250.000	10.00*	2.9 / 3.9	3.0	1M BBSW + 1.20%
A3	AAA(sf) / NR	14.700	5.80*	2.9 / 3.9	4.2	1M BBSW + 1.55%
AB	AAA(sf)# / NR	8.750	3.30	2.9 / NR	4.2	1M BBSW + 1.75%
B	AA(sf)# / NR	5.075	1.85	1.6 / NR	4.2	1M BBSW + 1.95%
C	A(sf)# / NR	3.675	0.80	0.7 / NR	4.2	1M BBSW + 2.90%
D	BBB(sf)# / NR	1.225	0.45	0.4 / NR	4.2	1M BBSW + 3.90%
E	BB(sf)# / NR	0.875	0.20	0.2 / NR	4.2	1M BBSW + 6.20%
F	NR / NR	0.700	0.00	N/A	5.0	Retained
<b>Total</b>		<b>350.000</b>				

**Notes:**

\*LMI Independent-assumes no credit is given to LMI. S&P's AAA LMI Independent CE requirement is 4.2% and Fitch's is 5.5%.

\*\*LMI Dependent Credit Enhancement

\*\*\*WAL Assumes:

- Constant CPR of 24%;
- Clean-Up Call Option is exercised at earliest opportunity
- Step-Down Criteria are satisfied

#Rating is dependent on LMI and can withstand at least a one notch downgrade of the LMI provider's rating by S&P

#### KEY PARTIES

<b>Trust</b>	AFG 2018-1 Trust
<b>Series</b>	Series 2018-1
<b>Trustee</b>	Perpetual Corporate Trust Limited (" <b>Perpetual</b> ")
<b>Issuer</b>	Perpetual Corporate Trust Limited as trustee of the AFG 2018-1 Trust (the " <b>Trust</b> ") in respect of the Series
<b>Security Trustee</b>	P.T. Limited
<b>Manager</b>	AFG Securities Pty Ltd (" <b>AFGS</b> ")
<b>Servicer</b>	AFGS
<b>Custodian</b>	AFGS

# AFG 2018-1 TRUST

## Pricing Term Sheet

<b>Mortgage Insurers</b>	QBE Lenders' Mortgage Insurance Limited ("QBE") – Rated A+ (Stable) by S&P, AA- (Stable) by Fitch Genworth Financial Mortgage Insurance Pty Limited – rated A+ (negative) by S&P, A+ (stable) by Fitch
<b>Rating Agencies</b>	Standard and Poor's (Australia) Pty Limited ("S&P") Fitch Ratings Australia Pty Limited ("Fitch")
<b>Liquidity Facility Provider</b>	National Australia Bank ("NAB")
<b>Arranger</b>	Australia and New Zealand Banking Group ("ANZ")
<b>Joint Lead Managers and Joint Bookrunners</b>	ANZ and NAB

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### PART B: KEY DATES

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<b>Cut-Off Date</b>	23 May 2018
<b>Launch Date</b>	20 June 2018
<b>Pricing Date</b>	20 June 2018
<b>Issue Date</b>	27 June 2018
<b>First Payment Date</b>	10 August 2018

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### PART C: TERMS OF THE NOTES

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<b>Instruments</b>	The Trust will issue limited recourse, amortising, pass-through floating rate Notes secured by prime first ranking Australian residential mortgages (" <b>Mortgage Loans</b> "). The Notes will be divided into nine tranches: Class A1, Class A2 (together with the Class A1 Notes, " <b>Class A</b> "), Class A3, Class AB, Class B, Class C, Class D, Class E and Class F Notes (collectively the " <b>Notes</b> ").
<b>Issue Size</b>	A\$350,000,000
<b>Currency</b>	The Notes will be issued in Australian Dollars (" <b>A\$</b> ")
<b>Legal Maturity</b>	The Payment Date in January 2050
<b>Payment Structure</b>	Sequential pay unless the Step-Down Criteria is met in full, in which case the serial pay structure will apply.
<b>Issue Price</b>	At Par

<b>Substitution</b>	There will be no substitution period																		
<b>Clean-Up Call Option</b>	<p>The Issuer will be entitled (but is not obliged) to redeem all the Notes in full on any Payment Date occurring on or following the earliest of occur of:</p> <ul style="list-style-type: none"><li>(a) The Payment Date occurring in June 2023; and</li><li>(b) The Payment Date following the Determination Date on which the aggregate Invested Amount of all Notes is less than 20% of the aggregate Initial Invested Amount of all Notes on the Issue Date, and each subsequent Payment Date (a "<b>Call Option Date</b>").</li></ul>																		
<b>Denominations</b>	Each Note will be issued in denominations of A\$1,000 subject to a minimum purchase consideration of A\$500,000.																		
<b>Security</b>	A security interest over a pool of first-ranking mortgages secured over residential property in Australia for the benefit of (amongst others) the Noteholders, and any other party deemed as a secured creditor.																		
<b>Settlement</b>	For all Notes, with the exception of the Class F Notes, Austraclear																		
<b>RBA Eligible Security</b>	Application will be made for the Class A1, Class A2, Class A3 and Class AB Notes to be registered on the list of eligible securities for the RBA's repurchase agreements.																		
<b>Business Day</b>	A day (not being a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, Melbourne and Perth.																		
<b>ISIN / Common Code</b>	<table><tr><td>Class A1</td><td>183796984 / AU3FN0042891</td></tr><tr><td>Class A2</td><td>183797018 / AU3FN0042909</td></tr><tr><td>Class A3</td><td>183797042 / AU3FN0042917</td></tr><tr><td>Class AB</td><td>183797077 / AU3FN0042925</td></tr><tr><td>Class B</td><td>183797107 / AU3FN0042933</td></tr><tr><td>Class C</td><td>183797115 / AU3FN0042941</td></tr><tr><td>Class D</td><td>183797131 / AU3FN0042966</td></tr><tr><td>Class E</td><td>183797140 / AU3FN0042982</td></tr><tr><td>Class F</td><td>N/A</td></tr></table>	Class A1	183796984 / AU3FN0042891	Class A2	183797018 / AU3FN0042909	Class A3	183797042 / AU3FN0042917	Class AB	183797077 / AU3FN0042925	Class B	183797107 / AU3FN0042933	Class C	183797115 / AU3FN0042941	Class D	183797131 / AU3FN0042966	Class E	183797140 / AU3FN0042982	Class F	N/A
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Class F	N/A																		
<b>Business Day Convention</b>	Following Business Day																		
<b>Day Count</b>	Actual/365																		
<b>Withholding Tax</b>	The Class A1, A2, A3, AB, B, C, D and E Notes will be offered to comply with the public offer test set out in section 128F of the Income Tax Assessment Act 1936 (as amended).																		
<b>Listing</b>	The Notes will not be listed																		

<b>CRR Undertaking</b>	Neither AFGS nor any other person in connection with this transaction undertakes to retain, either on an ongoing basis or for any period, any net economic interest in this securitisation transaction for the purposes of Article 122a of the European Union Capital Requirements Directive (“CRD”).
<b>Fixed Rate Mortgage Loans</b>	Initially, 0% of the portfolio of Mortgage Loans will be subject to a fixed rate of interest. At any time after the Issue Date up to 2% of the aggregate portfolio of Mortgage Loans may be subject to a fixed rate but must be hedged.

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### PART D: INTEREST PAYMENTS

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<b>Payment Dates</b>	The Trust will make disbursements on each Payment Date or if that day is not a Business Day, the next Business Day. The Payment Date for all Notes shall be the 10 <sup>th</sup> day of each month, with the first Payment Date being 10 August 2018.
<b>Determination Date</b>	The date 3 Business Days prior to a Payment Date.
<b>Coupon Period</b>	The period from (and including) a Payment Date (or in the case of the first Coupon Period, the Issue Date), to (but excluding) the next Payment Date.
<b>Collection Period</b>	The first Collection Period will be the period commencing on (but excluding) the Cut-Off Date and ending on (and including) the last day of the calendar month immediately preceding the first Payment Date. The last Collection Period is the period from (but excluding) the last day of the previous Collection Period (and including) the Termination Date of the Trust. For every other Collection Period the period of a calendar month.
<b>Record Date / Ex. Interest</b>	The register will close from 5.00pm (Sydney time) 2 Business Days prior to each Payment Date, for the purpose of calculating Noteholder entitlements and will reopen on the following Payment Date.
<b>Interest Rate</b>	<p>The Interest Rate in respect of a Note and for a Coupon Period will be equal to the aggregate of:</p> <ul style="list-style-type: none"><li>(a) the one month BBSW as at the first day of that Coupon Period; and</li><li>(b) the Margin for that Note; or</li><li>(c) if the Coupon Period commences on or after a Call Option Date, the Margin and any relevant Step-Up for that Note.</li></ul> <p>The first Interest Rate for each Class of Notes will be set on the Issue Date. For the first Coupon Period, BBSW will be an interpolated rate calculated with reference to the tenor of the relevant period.</p> <p>Interest will be calculated on the Invested Amount for all Notes.</p>
<b>Margin</b>	The Margin for each Class of Note is:

Class A1: 0.70%  
Class A2: 1.20%  
Class A3: 1.55%  
Class AB: 1.75%  
Class B: 1.95%  
Class C: 2.90%  
Class D: 3.90%  
Class E: 6.20%  
Class F: Undisclosed

### Step-Up Margin

On or after a Clean-Up Call Date, a step up margin of 0.25% will apply on the Class A1, Class A2, Class A3 and Class AB Notes.

No Step-Up Margin will apply to the Class B, Class C, Class D, Class E or Class F Notes.

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## PART E: PRINCIPAL REPAYMENT PROFILE

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### Application of Total Available Principal (pre default)

On each Payment Date, the Trustee must apply principal collections for the Collection Period just ended in the following order of priority:

1. **Principal Draws** – first, where permitted, to fund any Principal Draw;
2. **Redraw** – second, in repayment to AFGS of any redraws made by AFGS from AFGS’s own funds during the preceding Collection Period;
3. **Redraw Principal Outstanding** – third, towards repayment of any outstanding Redraw Notes until they have been repaid in full;
4. **Payment to the Noteholders** – fourth, if the Manager determines that the Step-Down Criteria are not satisfied on a Determination Date, then payments are made in the following order of priority:
  - (a) first, to the **Class A1 Notes**; then
  - (b) to the **Class A2 Notes**; then
  - (c) to the **Class A3 Notes**; then
  - (d) to the **Class AB Note**; then
  - (e) to the **Class B Notes**; then
  - (f) to the **Class C Notes**; then
  - (g) to the **Class D Notes**; then
  - (h) to the **Class E Notes**; then
  - (i) to the **Class F Notes**.

otherwise, if the Manager determines that the Step-Down Criteria are satisfied on a Determination Date, then payments are made *pari passu*

and rateably to the Class A2, Class A3, Class AB, Class B, Class C, Class D and Class E Notes. The Class F Notes receive no principal allocation whilst any other Note remains outstanding.

5. **Capital Unitholders** – fifth, to be applied to the Residual Capital Unitholders.

### Step-Down Criteria

Means the following:

1. The Payment Date is before the first Call Option Date;
2. The Payment Date is on or after the the 2 year anniversary of the Issue Date;
3. the Class A1 Notes have been repaid in full;
4. the aggregate stated amount of all Class A3, Class AB, Class B, Class C, Class D, Class E and Class F Notes on that Determination Date expressed as a percentage of the aggregate invested amount of all Notes on that Determination Date is greater than or equal to 20.0%;
5. the 4 month rolling average of arrears days greater than 90 days on the Mortgage Loans is less than or equal to 2%; and
6. there are no unreimbursed Charge Offs against any Note.

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## PART F: PRIORITY OF INTEREST PAYMENTS

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### Application of Total Available Income (prior to Enforcement)

On each Payment Date (where an Event of Default has not occurred), interest collections of the Trust will be distributed as follows:

1. first, A\$1 to the Residual Income Unitholder;
2. next, in payment of any Accrual Adjustment;
3. next, any Taxes payable in relation to the Trust for the Collection Period immediately preceding that Payment Date;
4. next, any Trust expenses payable on that Payment Date;
5. next, parri passu and rateably:
  - a) towards payments of amounts due to a Counterparty under any derivative contract, excluding
    - i. any break costs where the counterparty is the defaulting party or;
    - ii. any break costs, except to the extent the Trustee has received the applicable Prepayment Costs from the relevant Debtors during the Collection Period;
  - b) towards payment of any interest and fees payable on or prior to that Payment Date to the Liquidity Facility

Provider;

6. next, to the Liquidity Facility Provider, towards payment of all outstanding Liquidity Draws made before that Payment Date;
7. next, pari passu and rateably;
  - a) Payment of interest to Class A Noteholders (including any unpaid interest in respect of previous Interest Periods)
  - b) Payment of interest to Redraw Notes (including any unpaid interest in respect of previous Interest Periods)
8. next, payment of interest to Class A3 Noteholders (including any unpaid interest in respect of previous Interest Periods);
9. next, payment of interest to Class AB Noteholders (including any unpaid interest in respect of previous Interest Periods);
10. next, payment of interest to Class B Noteholders (including any unpaid interest in respect of previous Interest Periods);
11. next, payment of interest to Class C Noteholders (including any unpaid interest in respect of previous Interest Periods);
12. next, payment of interest to Class D Noteholders (including any unpaid interest in respect of previous Interest Periods);
13. next, payment of interest to Class E Noteholders (including any unpaid interest in respect of previous Interest Periods);
14. next, for the reimbursement of Principal Draws;
15. next, any Losses in respect of the preceding Collection Period, are to be applied to Total Available Principal;
16. next, any Carryover Charge-Offs, are to be applied to Total Available Principal;
17. next, as an allocation to the Extraordinary Expense Ledger until the Extraordinary Expense Balance is equal to the Required Extraordinary Expense Balance;
18. next, pari passu and rateably, any amounts due to a Counterparty under a Derivative Contract or the Liquidity Facility Provider to the extent not paid under the earlier paragraphs (5) and (6);
19. next, payment of Class F Interest (including any unpaid interest in respect of previous Interest Periods);
20. next, if a Threshold Rate Subsidy is determined for that Payment Date, towards the amount of that Threshold Rate Subsidy which has not been paid by the Manager;
21. next, to retain in the tax account an amount equal to the tax shortfall (if any) in respect of that Payment Date;
22. next, to retain in the tax account an amount equal to the tax amount (if any) in respect of that Payment Date;
23. next, to apply the Amortisation Amount (if any), towards Total

Available Principal; and

24. next, any excess to the Residual Income Unitholder.

### Required Payments

Required Payments means:

1. on any Determination Date where the Stated Amount of the Class E Notes is equal to or less than 95% of the Invested Amount of the Class E Notes, items 1 through 12 (inclusive) in the Application of Total Available Income (prior to Enforcement);
2. on any Determination Date where the Stated Amount of the Class D Notes is equal to or less than 95% of the Invested Amount of the Class D Notes, items 1 through 11 (inclusive) in the Application of Total Available Income (prior to Enforcement);
3. on any Determination Date where the Stated Amount of the Class C Notes is equal to or less than 95% of the Invested Amount of the Class C Notes, items 1 through 10 (inclusive) in the Application of Total Available Income (prior to Enforcement);
4. on any Determination Date where the Stated Amount of the Class B Notes is equal to or less than 95% of the Invested Amount of the Class B Notes, items 1 through 9 (inclusive) in the Application of Total Available Income (prior to Enforcement);
5. in all other cases, items 1 through 13 (inclusive) in the Application of Total Available Income (prior to Enforcement)

### Events of Default

As described in the Information Memorandum

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## PART G: CREDIT ENHANCEMENT

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### Mortgage insurance

46.4% of the indicative loan portfolio is insured by a primary policy including all Mortgage Loans with an LVR greater than 80%. The primary policies are provided by either QBE LMI or Genworth and cover against non-payment of 100% of the principal amount and interest secured by the Mortgage Loan security. The Trustee's ability to claim is subject to the terms of the relevant policy.

### Excess Spread

Remaining excess income in the income waterfall (pre enforcement) will be utilised to cover current period losses and then to reimburse Charge-Offs that remain on the Notes.

### Subordination

Following enforcement of the security under the relevant Transaction Documents:

1. the Class A Notes will rank pari passu and rateably amongst themselves and ahead of the Class A3, Class AB, the Class B, the Class C, the Class D, the Class E and the Class F Notes for payment of principal and interest on the Notes;
2. the Class A3 Notes will rank pari passu and rateably amongst



themselves and ahead of the Class AB, Class B, the Class C, the Class D, the Class E and the Class F Notes for payment of principal and interest on the Notes;

3. the Class AB Notes will rank pari passu and rateably amongst themselves and ahead of the Class B, the Class C, the Class D, the Class E and the Class F Notes for payment of principal and interest on the Notes;
4. the Class B Notes will rank pari passu and rateably amongst themselves and ahead of the Class C, the Class D, the Class E and the Class F Notes for payment of principal and interest on the Notes; and
5. the Class C Notes will rank pari passu and rateably amongst themselves and ahead of the Class D, the Class E and the Class F Notes for payment of principal and interest on the Notes; and
6. the Class D Notes will rank pari passu and rateably amongst themselves and ahead of the Class E and the Class F Notes for payment of principal and interest on the Notes.
7. the Class E Notes will rank pari passu and rateably amongst themselves and ahead of the Class F Notes for payment of principal and interest on the Notes.

### Charge-Offs

Charge-Offs will be allocated in the following order:

1. To reduce the balance standing to credit in the Amortisation Ledger until this balance is reduced to zero;
2. Class F Notes until the Stated Amount of the Notes is reduced to zero;
3. Class E Notes until the Stated Amount of the Notes is reduced to zero;
4. Class D Notes until the Stated Amount of the Notes is reduced to zero;
5. Class C Notes until the Stated Amount of the Notes is reduced to zero;
6. Class B Notes until the Stated Amount of the Notes is reduced to zero;
7. Class AB Notes until the Stated Amount of the Notes is reduced to zero;
8. Class A3 Notes until the Stated Amount of the Notes is reduced to zero;
9. Class A Notes and Redraw Notes (pari passu to the Class A1, Class A2 Notes and Redraw Notes) until the Stated Amount of the Notes is reduced to zero.

### Re-instatement of Charge-Offs

Using any available excess spread, outstanding or unremibursed Charge-Offs will be reinstated in the following order:

1. Class A Notes and Redraw Notes (pari passu to the Class A1, Class A2 Notes and Redraw Notes) until the Stated Amount is equal to the Invested Amount of the Notes;
2. Class A3 Notes until the Stated Amount is equal to the Invested Amount of the Notes;
3. Class AB Notes until the Stated Amount is equal to the Invested Amount

- of the Notes;
4. Class B Notes until the Stated Amount is equal to the Invested Amount of the Notes;
  5. Class C Notes until the Stated Amount is equal to the Invested Amount of the Notes; and
  6. Class D Notes until the Stated Amount is equal to the Invested Amount of the Notes.
  7. Class E Notes until the Stated Amount is equal to the Invested Amount of the Notes.
  8. Class F Notes until the Stated Amount is equal to the Invested Amount of the Notes.

### Amortisation Ledger

For each Payment Date following the first Call Option Date, a monthly payment equal to the Amortisation Amount will be paid from excess spread to principal collections to be applied in accordance with the Principal Distributions (pre-enforcement). An amount equal to the Amortisation Amount will be recorded in the Amortisation Ledger as an equal and offsetting balance.

This mechanism results, over time, in an increase in the balance of the Amortisation Ledger and therefore an increase in the level of credit support available to the Class A, Class A3, Class AB, Class B, Class C, Class D and Class E Notes over time if the Notes are not called on the first Call Option Date.

### Amortisation Amount

for each Payment Date after the first Call Option Date, the greater of:

- a) zero; and
- b) an amount equal to:
  - i. the Total Available Income available for distribution at item 23 remaining on that Payment Date after allocation with the Income Distributions waterfall (pre-enforcement); less
  - ii. an amount determined by the Manager (by applying the corporate tax rate applicable to the Residual Income Unitholder to the relevant amount) necessary for the Residual Income Unitholder to meet the income tax liability that it is likely to incur in connection with the amount it would have received on that Payment Date had all of the Remaining Total Available Income been distributed to the Residual Income Unitholder on that Payment Date.

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## PART H: LIQUIDITY SUPPORT

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### Threshold Rate

The Manager must ensure that the Mortgage Loan interest rates are set to maintain the interest rate on the Mortgage Loans at a level at least 0.25% p.a. higher than the minimum threshold interest rate. The minimum threshold interest rate satisfies the Required Payments of the Trust.

### Principal Draw

If the Manager determines that there is insufficient income of the Trust to meet the Required Payments on the Payment Date, then Principal Collections for that period can be used to fund the payment shortfall ("**Principal Draw**").

### Liquidity Facility Limit

means at any time the amount equal to the greater of:

- a) A\$350,000; and
- b) 1.00% of the aggregate Invested Amount of all of the Notes at that time.

The Liquidity Facility Limit can be drawn upon to the extent that there remains a shortfall in income available to meet the Required Payments on the Payment Date following application of a Principal Draw.

### Extraordinary Expense Reserve

On the Issue Date the Trustee will establish an Extraordinary Expense Reserve equal to A\$150,000, which is available to meet any liquidity shortfalls as a result of extraordinary out of pocket expenses of the Trust.

### ANNEXURE 'A' – AFG SERIES 2018-1 TRUST PORTFOLIO STATISTICS

**TABLE 1: PORTFOLIO SUMMARY**

Description	AFG 2018-1
Pool Cut Off Date	23/05/2018
Total Principal Balance	349,997,775
Number of Mortgage Loans (unconsolidated)	1,352
Number of Mortgage Loans (consolidated)	1,010
Average Principal Balance (unconsolidated)	258,874
Average Principal Balance (consolidated)	346,532
Maximum Principal Balance (unconsolidated)	1,055,780
Maximum Principal Balance (consolidated)	995,185
Weighted Average Current LVR (consolidated)	66.04%
Maximum Current LVR (consolidated)	94.10%
Weighted Average Interest Rate	4.27%
Weighted Average Seasoning (months)	27.45
Weighted Average Remaining Term (years)	27
Maximum Remaining Term (years)	30
Percentage of Fixed Rate loans	0%
Percentage of Interest Only (incl. LOC) Loans	21.97%
Percentage of Line of Credit (LOC) Loans	0.06%
Percentage of First Home Buyers	5.92%

**TABLE 2: CURRENT LOAN BALANCE (CONSOLIDATED)**

Value	Loans	% by Loans	Value	% by Value
Less than or equal to \$50,000	13	1.29%	\$253,072	0.07%
\$50,001 to \$100,000	34	3.37%	\$2,772,042	0.79%
\$100,001 to \$150,000	55	5.45%	\$6,806,309	1.94%
\$150,001 to \$200,000	86	8.51%	\$15,158,169	4.33%
\$200,001 to \$250,000	138	13.66%	\$31,087,189	8.88%
\$250,001 to \$300,000	158	15.64%	\$43,494,010	12.43%
\$300,001 to \$350,000	113	11.19%	\$36,869,452	10.53%
\$350,001 to \$400,000	107	10.59%	\$40,028,228	11.44%
\$400,001 to \$450,000	66	6.53%	\$28,175,335	8.05%
\$450,001 to \$500,000	67	6.63%	\$31,868,303	9.11%
\$500,001 to \$750,000	138	13.66%	\$83,071,475	23.73%
Greater than \$750,000	35	3.47%	\$30,414,192	8.69%
<b>Total</b>	<b>1,010</b>	<b>100.0%</b>	<b>349,997,775</b>	<b>100.0%</b>

# AFG 2018-1 TRUST

## Pricing Term Sheet

**TABLE 3: CURRENT LVR (CONSOLIDATED)**

Percentage	Loans	% by Loans	Value	% by Value
< 50%	280	27.72%	\$62,017,201	17.72%
50% to 55%	59	5.84%	\$21,068,483	6.02%
55% to 60%	74	7.33%	\$26,475,245	7.56%
60% to 65%	73	7.23%	\$31,831,866	9.09%
65% to 70%	87	8.61%	\$33,403,946	9.54%
70% to 75%	114	11.29%	\$44,731,378	12.78%
75% to 80%	188	18.61%	\$75,394,529	21.54%
80% to 85%	44	4.36%	\$18,376,808	5.25%
85% to 90%	63	6.24%	\$25,428,908	7.27%
> 90%	28	2.77%	\$11,269,410	3.22%
<b>Total</b>	<b>1,010</b>	<b>100.0%</b>	<b>349,997,775</b>	<b>100.0%</b>

**TABLE 4: SEASONING**

Months	Loans	% by Loans	Value	% by Value
< 6 months	246	18.2%	\$72,866,963	20.82%
6 months to 12 months	162	11.98%	\$45,168,006	12.91%
12 months to 24 months	360	26.63%	\$101,871,794	29.11%
24 months to 36 months	101	7.47%	\$24,649,347	7.04%
36 months to 48 months	59	4.36%	\$15,818,342	4.52%
48 months to 60 months	130	9.62%	\$31,040,333	8.87%
> 60 months	294	21.75%	\$58,582,990	16.74%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

**TABLE 5: GEOGRAPHIC DISTRIBUTION**

Location	Loans	% by Loans	Value	% by Value
NSW	331	24.48%	\$88,994,728	25.43%
ACT	15	1.11%	\$4,173,072	1.19%
VIC	337	24.93%	\$91,318,798	26.09%
QLD	229	16.94%	\$55,863,130	15.96%
SA	207	15.31%	\$42,629,686	12.18%
NT	13	0.96%	\$3,052,860	0.87%
TAS	5	0.37%	\$1,620,534	0.46%
WA	215	15.9%	\$62,344,967	17.81%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

# AFG 2018-1 TRUST

## Pricing Term Sheet

**TABLE 6: METRO VS. NON-METRO DISTRIBUTION**

Location	Loans	% by Loans	Value	% by Value
Metro	1,033	76.41%	\$277,484,318	79.28%
Non-Metro	302	22.34%	\$68,572,331	19.59%
Inner City	17	1.26%	\$3,941,127	1.13%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

**TABLE 7: DOCUMENTATION TYPE**

Documentation Type	Loans	% by Loans	Value	% by Value
Full Documentation	1,352	100.0%	\$349,997,775	100.0%
Low Documentation	0	0.0%	\$0	0.0%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>0.0%</b>

**TABLE 8: MORTGAGE INSURER**

Mortgage Insurer	Loans	% by Loans	Value	% by Value
QBE LMI/PMI	148	10.95%	\$38,427,869	10.98%
Genworth	525	38.83%	\$123,939,714	35.41%
Uninsured	679	50.22%	\$187,630,192	53.61%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

**TABLE 9: ARREARS**

Days	Loans	% by Loans	Value	% by Value
Current	1,340	99.11%	\$345,966,271	98.85%
0 - 30 Days	12	0.89%	\$4,031,504	1.15%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

**TABLE 10: OCCUPANCY**

Days	Loans	% by Loans	Value	% by Value
Investment	489	36.17%	\$135,840,424	38.81%
Owner Occupied	863	63.83%	\$214,157,351	61.19%
<b>Total</b>	<b>1,352</b>	<b>100.0%</b>	<b>\$349,997,775</b>	<b>100.0%</b>

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The Arranger, Joint Lead Managers, Bookrunner and Dealers to the issue, will receive a fee from the Notes' Issuer for Notes sold.

Each of the Dealers discloses that, in addition to the arrangements and interests it will have with respect of the Issuer of the Notes referred to in this Term Sheet, the assets and the Notes as described in this Term Sheet (the "Transaction Document Interests"), it, its Related Bodies Corporate, its Related Entities (as defined in the Corporations Act) and employees:

(a) may from time to time be a holder of the Notes referred to in this Term Sheet ("Noteholder") or have other interests with respect to the Notes referred to in this Term Sheet and they may also have interests relating to other arrangements with respect to a Noteholder or a Note; and

(b) may receive fees, brokerage and commissions or other benefits, and act as principal with respect to any dealing with respect to any Notes (the "Note Interests").

You acknowledge these disclosures and further acknowledge and agree that:

(i) each of the Dealers and each of their Related Bodies Corporate, Related Entities and employees (each a "Relevant Entity") will or may have the Transaction Document Interests and may from time to time have the Note Interests and is, and from time to time may be, involved in a broad range of transactions (the "Other Transactions") in various capacities (the "Other Transaction Interests");

(ii) each Relevant Entity in the course of its business may act independently of any other Relevant Entity;

(iii) to the maximum extent permitted by applicable law, the duties of each Relevant Entity in respect of the Notes are limited to the contractual obligations of the Dealer (as the case may be) as set out in the Transaction Documents and, in particular, no advisory or fiduciary duty is owed to any person;

(iv) a Relevant Entity may have or come into possession of information not contained in this Term Sheet or the Information Memorandum that may be relevant to any decision by a potential investor to acquire the Notes and which may or may not be publicly available to potential investors ("Relevant Information");

(v) to the maximum extent permitted by applicable law, no Relevant Entity is under any obligation to disclose any Relevant Information to any party named in this Term Sheet or any Related Bodies Corporate or affiliate (a "Transaction Document Party") or to any potential investor and this Term Sheet, the Information Memorandum and any subsequent conduct by a Relevant Entity should not be construed as implying that the Relevant Entity is not in possession of such Relevant Information; and

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