

SMHL SERIES SECURITISATION FUND 2014-1

Monthly Investment Report as at 23 September 2019



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Bloomberg Screen: SMHL <MTGE>

Summary

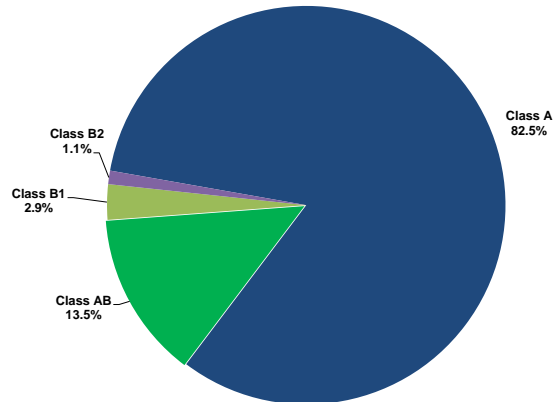
Fund: SMHL Series Securitisation Fund 2014-1
 Cut-Off Date: 16 September 2019
 Payment Date: 23 September 2019
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2014-1
 Joint Lead Managers: Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Westpac Banking Corporation (ABN 33 007 457 141)
 Macquarie Bank Limited (ABN 46 008 583 542)
 Arranger: Macquarie Bank Limited (ABN 46 008 583 542)
 Trust Manager: ME Portfolio Management Limited (ABN 79 005 964 134)
 Security Trustee: Perpetual Trustee Company Limited (ABN 42 000 001 007)
 Liquidity Facility Provider: ME
 Payment Facility Provider: ME
 Redraw Facility Provider: ME
 Interest Rate Swap Provider: Australia and New Zealand Banking Group Limited
 Westpac Banking Corporation (ABN 33 007 457 141)
 Issue Date: 6 August 2014
 Legal Final Maturity Date: 23 February 2046

Security Classes

Class Name :	A	AB	B1	B2
ISIN:	AU3FN0024055	AU3FN0024063	AU3FN0024071	AU3FN0024089
Rating Agency:	S&P / Fitch	S&P	S&P	S&P
Rating:	AAA / AAA	AAA	AA-	AA-
Currency:	AUD	AUD	AUD	AUD
Original Balance at Issue:	1,334,000,000.00	89,750,000.00	19,000,000.00	7,250,000.00
Base Rate:	BBSW1 M	BBSW1 M	BBSW1 M	BBSW1 M
Margin above base rate:	0.75%	1.40%	2.05%	2.50%
Expected Average Life to call:	2.7yr	5.1yr	5.1yr	5.1yr
Distribution Frequency:	Monthly	Monthly	Monthly	Monthly
Coupon Type:	Floating	Floating	Floating	Floating
Principal payment type:	Pass Through	Pass Through	Pass Through	Pass Through

Bond Factors as at 23 September 2019

Fund:	0.15653438
Class A	0.14039834
Class AB	0.34209890
Class B1	0.34209890
Class B2	0.34209890



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				23 August 2019 23 September 2019	23 August 2019 23 September 2019
Class A	192,784,638.73	5,493,257.81	187,291,380.92	293,904.14	1.795%
Class AB	31,603,906.60	900,530.29	30,703,376.30	65,627.89	2.445%
Class B1	6,690,520.62	190,641.51	6,499,879.11	17,586.90	3.095%
Class B2	2,552,961.81	72,744.79	2,480,217.03	7,686.51	3.545%
Total Portfolio	233,632,028	6,657,174	226,974,854	384,805	

Amount retained as per European Union Risk Retention Requirement*

11,642,242.83

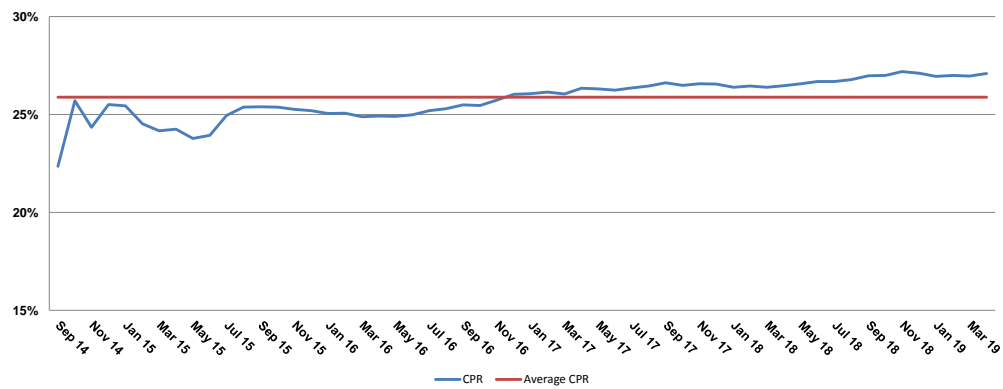
* ME Bank has retained a material net economic interest of at least 5% in SMPL Series SF2014-1, in accordance with Article 405 of Regulation (EU) No 575/2013 and Article 51 of Regulation (EU) NO 231/2013

Pool Details

Number of Loans	2,480
Average Loan Size	91,522
Maximum Loan Size	946,968
Weighted Average LVR	51.04%
Maximum LVR	213.99%
WA Seeding (months)	119
WA Term to Maturity (years)	19
Full Documentation Loans	100.00%
WA Interest Rate	4.71%

Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	16 August 2019 to 16 September 2019	16 July 2019 to 16 September 2019	06 Aug 2014 to 16 September 2019
Balance @ Determination Date	233,632,028	251,748,635	1,450,000,000
Substitutions	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(893,923)	(2,802,856)	(108,584,204)
Prepayments	(8,022,115)	(29,736,431)	(1,343,444,282)
Redraw Advances	2,258,864	7,765,506	229,003,339
Topup Advances	-	-	-
Closing Balance	226,974,854	226,974,854	226,974,854
CPR	25.98%	30.80%	27.29%
SMM	2.48%	3.02%	2.62%



Current Position

Geographical Location			
VIC	- Metro	48,946,629	22%
	- Non Metro	15,028,507	7%
NSW	- Metro	24,519,408	11%
	- Non Metro	15,496,273	7%
QLD	- Metro	18,479,272	8%
	- Non Metro	15,854,987	7%
SA	- Metro	12,442,700	5%
	- Non Metro	517,903	0%
WA	- Metro	31,250,506	14%
	- Non Metro	1,481,151	1%
TAS	- Metro	8,713,105	4%
	- Non Metro	4,011,676	2%
NT	- Metro	3,374,449	1%
	- Non Metro	148,256	0%
ACT	- Metro	26,710,031	12%

TOTAL 226,974,854 100%

Loan Purpose ¹			
Refinance	55,200,559	24%	
Renovation	5,203,080	2%	
Purchase	98,327,785	44%	
Construction	8,448,925	4%	
Other	59,794,505	26%	

TOTAL 226,974,854 100%

Loan Term			
<=5 yrs	-	0%	
>5 & <=10yrs	461,321	0%	
>10 & <=15yrs	4,828,641	2%	
>15 & <=20yrs	9,635,328	4%	
>20 & <=25yrs	42,089,756	19%	
>25yrs	169,959,808	75%	

TOTAL 226,974,854 100%

Owner/Investment split ¹			
Owner Occupied	182,956,239	81%	
Investment	44,018,615	19%	

TOTAL 226,974,854 100%

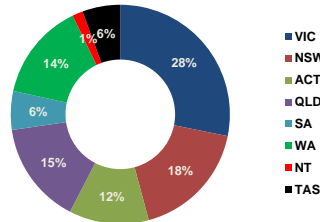
Interest Rate Exposure			
> 8.00%	-	0%	
> 7.00% & <= 8.00%	-	0%	
> 6.00% & <= 7.00%	935,038	0%	
> 5.00% & <= 6.00%	43,328,763	20%	
<= 5.00%	182,711,053	80%	

TOTAL 226,974,854 100%

Loan to Value Ratio			
>95%	1,238,446	1%	
>90% & <= 95%	244,967	0%	
>85% & <= 90%	2,184,019	1%	
>80% & <= 85%	8,669,566	4%	
>75% & <= 80%	15,863,883	7%	
>70% & <= 75%	16,597,900	7%	
>65% & <= 70%	20,880,879	9%	
>60% & <= 65%	20,500,137	9%	
>55% & <= 60%	15,480,657	7%	
>50% & <= 55%	19,720,658	9%	
>45% & <= 50%	19,634,035	9%	
>40% & <= 45%	16,879,896	7%	
>35% & <= 40%	15,309,681	7%	
>30% & <= 35%	10,831,533	5%	
>25% & <= 30%	12,725,885	6%	
<=25%	30,212,712	12%	

TOTAL 226,974,854 100%

Geographical Location



Loan Security ²

House	193,288,958	85%
Land	658,875	0%
Apartment	5,760,678	3%
Unit	22,669,399	10%
Townhouse	4,463,743	2%
Other	133,200	0%

TOTAL 226,974,854 100%

Interest Option

Variable	226,974,854	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%

TOTAL 226,974,854 100%

Mortgage Insurance

Genworth Financial	169,873,679	75%
HLIC Govt	511,638	0%
Uninsured	-	0%
QBE	56,589,537	25%

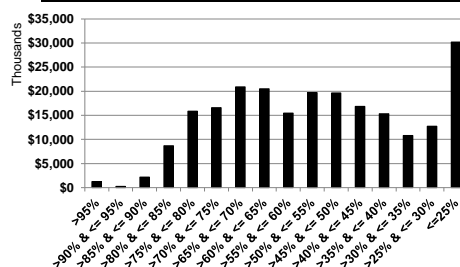
TOTAL 226,974,854 100%

Loan Size

>\$250,000	76,513,517	35%
>\$200,000 & <=\$250,000	32,692,395	14%
>\$150,000 & <=\$200,000	35,971,654	16%
>\$100,000 & <=\$150,000	37,307,155	16%
>\$50,000 & <=\$100,000	30,534,853	13%
<= \$50,000	13,955,279	6%

TOTAL 226,974,854 100%

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 loan to value ratio in 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

	16 September 2019	16 August 2019	16 July 2019
30-59 days			
Number of loans	4	6	10
Outstanding Balance (\$)	522,663	975,198	1,855,911
% of Pool Outstanding Balance	0.23%	0.42%	0.76%
60-89 days			
Number of loans	0	1	4
Outstanding Balance (\$)	0	372,697	824,917
% of Pool Outstanding Balance	0.00%	0.16%	0.34%
90+ days			
Number of loans	17	22	19
Outstanding Balance (\$)	3,023,689	3,592,746	3,324,437
% of Pool Outstanding Balance	1.33%	1.54%	1.36%
TOTAL Delinquencies			
Number of loans	21	29	33
Outstanding Balance (\$)	3,546,352	4,940,641	6,005,265
% of Pool Outstanding Balance	1.56%	2.11%	2.46%
Pool Information			
Number of loans	2,480	2,520	2,569
Outstanding Balance (\$ m)	227	234	244

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Foreclosure & Mortgage Insurance claims since Inception

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	5	1,608,803
Proceeds of sale	4	835,792
Loss on sale of property	4	537,895
Claims submitted to Insurer	4	537,895
Claims paid by Insurer	4	531,873
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	1	5,677
Claims Denied by Insurers	1	4,608

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	2,803,584
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	79,886.09
Closing Outstanding Balance	<u>2,723,698</u>

Payment Funding Facility

150,000

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 2014-1. 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 2014-1 (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 2014-1 CRD

Geographical Location			
VIC	- Metro	2,328,240	20%
	- Non Metro	737,456	6%
NSW	- Metro	1,405,032	12%
	- Non Metro	218,202	2%
QLD	- Metro	1,138,674	10%
	- Non Metro	135,911	1%
SA	- Metro	548,716	5%
	- Non Metro	-	0%
WA	- Metro	2,715,151	23%
	- Non Metro	268,951	2%
TAS	- Metro	-	0%
	- Non Metro	118,072	1%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	2,027,836	17%
TOTAL		11,642,243	100%

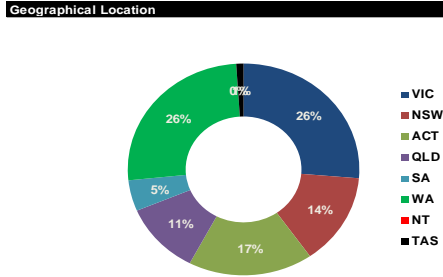
Loan Purpose ¹		
Refinance	3,674,072	32%
Renovation	-	0%
Purchase	5,321,170	45%
Construction	-	0%
Other	2,647,000	23%
TOTAL	11,642,243	100%

Loan Term		
<=5 yrs	-	0%
>5 & <=10yrs	31,795	0%
>10 & <=15yrs	547,137	5%
>15 & <=20yrs	328,850	3%
>20 & <=25yrs	2,294,427	20%
>25yrs	8,440,033	72%
TOTAL	11,642,243	100%

Owner/Investment split ¹		
Owner Occupied	9,937,066	85%
Investment	1,705,176	15%
TOTAL	11,642,243	100%

Interest Rate Exposure		
> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	1,765,998	15%
<= 5.00%	9,876,245	85%
TOTAL	11,642,243	100%

Loan to Value Ratio		
>95%	334,696	3%
>90% & <= 95%	740,499	6%
>85% & <= 90%	1,022,870	9%
>80% & <= 85%	368,288	3%
>75% & <= 80%	579,851	5%
>70% & <= 75%	692,843	6%
>65% & <= 70%	814,050	7%
>60% & <= 65%	791,659	7%
>55% & <= 60%	1,200,432	10%
>50% & <= 55%	463,677	4%
>45% & <= 50%	562,695	5%
>40% & <= 45%	1,210,247	10%
>35% & <= 40%	774,506	7%
>30% & <= 35%	1,151,411	10%
>25% & <= 30%	613,145	5%
<=25%	321,376	3%
TOTAL	11,642,243	100%

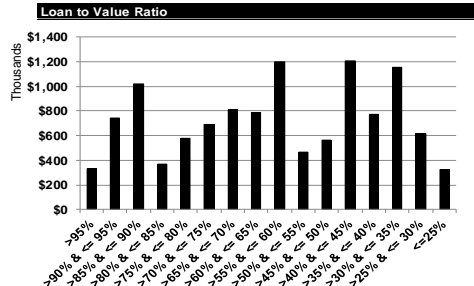


Loan Security ²		
House	9,709,558	84%
Land	-	0%
Apartment	17,214	0%
Unit	1,915,471	16%
Townhouse	-	0%
Other	-	0%
TOTAL	11,642,243	100%

Interest Option		
Variable	9,876,903	85%
Fixed <3 years	1,765,340	15%
Fixed >3 years	-	0%
TOTAL	11,642,243	100%

Mortgage Insurance		
Genworth Financial	1,714,876	15%
HLIC Govt	-	0%
Uninsured	9,927,367	85%
QBE	-	0%
TOTAL	11,642,243	100%

Loan Size		
>\$250,000	7,220,331	61%
>\$200,000 & <\$250,000	1,131,982	10%
>\$150,000 & <\$200,000	1,234,219	11%
>\$100,000 & <\$150,000	1,030,687	9%
>\$50,000 & <\$100,000	548,493	5%
<= \$50,000	476,531	4%
TOTAL	11,642,243	100%



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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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