

# SMHL SERIES SECURITISATION FUND 2014-1

Monthly Investment Report as at 24 August 2020

Amended and restated on 27 Oct 2020 (refer to page 4)



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**Website:** mebank.com.au  
**Bloomberg Screen:** SMHL <MTGE>

## Summary

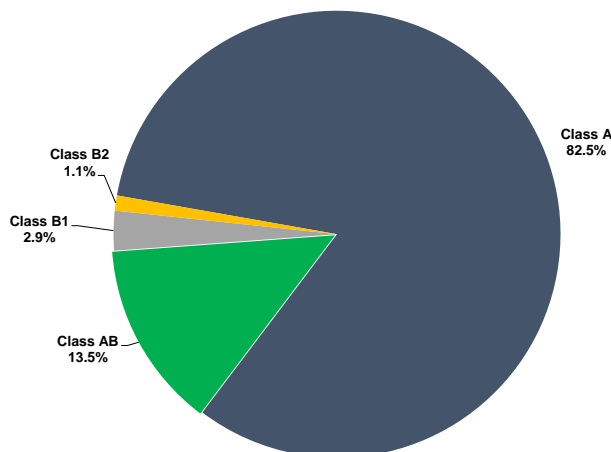
Fund: SMHL Series Securitisation Fund 2014-1  
 Cut-Off Date: 17 August 2020  
 Payment Date: 24 August 2020  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2014-1  
 Joint Lead Managers: Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)  
 Australia and New Zealand Banking 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 24 August 2020

Fund: 0.11562558  
 Class A: 0.10370654  
 Class AB: 0.25269455  
 Class B1: 0.25269455  
 Class B2: 0.25269455



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Current Interest Amt		Coupon Rate
			Closing Balance	23 July 2020 24 August 2020	23 July 2020 24 August 2020
Class A	141,327,609.35	2,983,082.37	138,344,526.99	104,079.07	0.840%
Class AB	23,168,363.39	489,027.85	22,679,335.54	30,264.86	1.490%
Class B1	4,904,723.17	103,526.80	4,801,196.38	9,202.07	2.140%
Class B2	1,871,539.10	39,503.64	1,832,035.46	4,249.68	2.590%
<b>Total Portfolio</b>	<b>171,272,235</b>	<b>3,615,141</b>	<b>167,657,094</b>	<b>147,796</b>	

Amount retained as per European Union Risk Retention Requirement\* \$ 9,114,578.57

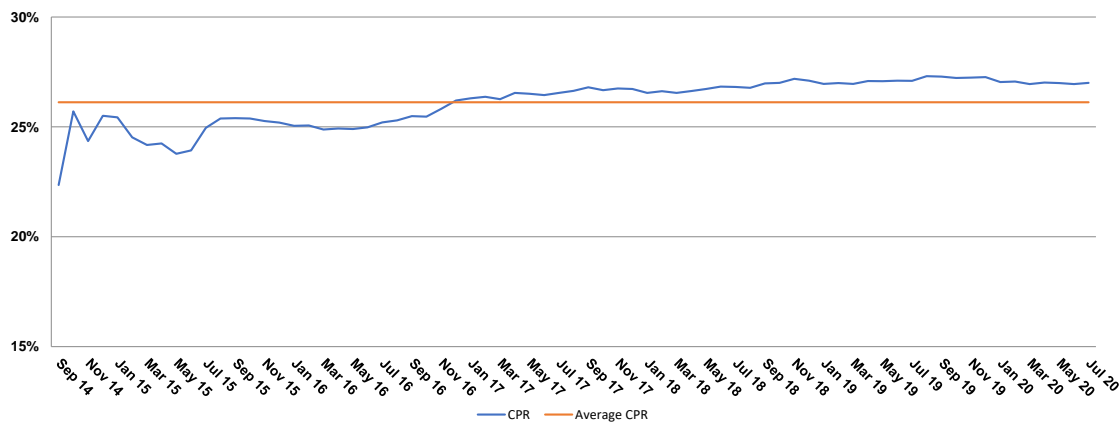
\* ME Bank has retained a material net economic interest of at least 5% in SMHL Series SF2014-1, in accordance with Article 405 of Regulation (EU) No 575/2013 and Article 51 of Regulation (EU) NO 231/2013

## Pool Details

Number of Loans	2,110
Average Loan Size	79,458
Maximum Loan Size	718,345
Weighted Average LVR	48.81%
Maximum LVR	131.15%
WA Seeding (months)	130
WA Term to Maturity (years)	18
Full Documentation Loans	100.00%
WA Interest Rate	4.15%

## Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	16 July 2020 to 17 August 2020	16 June 2020 to 17 August 2020	06 Aug 2014 to 17 August 2020
Balance @ Determination Date	171,272,235	182,113,695	1,450,000,000
Substitutions	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(681,583)	(2,081,499)	(117,054,259)
Prepayments	(5,193,480)	(18,221,609)	(1,417,923,759)
Redraw Advances	2,259,922	5,846,507	252,635,112
Topup Advances	-	-	-
<b>Closing Balance</b>	<b>167,657,094</b>	<b>167,657,094</b>	<b>167,657,094</b>
CPR	18.79%	24.70%	26.99%
SMM	1.72%	2.34%	2.59%



## Current Position

### Geographical Location

VIC	- Metro	36,464,515	22%
	- Non Metro	10,642,253	6%
NSW	- Metro	17,419,295	10%
	- Non Metro	10,730,117	6%
QLD	- Metro	14,696,744	9%
	- Non Metro	12,532,113	7%
SA	- Metro	7,146,237	4%
	- Non Metro	316,586	0%
WA	- Metro	25,285,779	15%
	- Non Metro	797,481	0%
TAS	- Metro	6,392,572	4%
	- Non Metro	2,457,130	1%
NT	- Metro	2,473,468	1%
	- Non Metro	112,090	0%
ACT	- Metro	20,190,714	12%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>167,657,094</b>	<b>100%</b>

### Loan Purpose <sup>1</sup>

Refinance	39,185,820	23%
Renovation	3,649,732	2%
Purchase	73,007,346	44%
Construction	6,295,853	4%
Other	45,518,343	27%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	248,443	0%
>10 & <=15yrs	3,011,147	2%
>15 & <=20yrs	7,999,764	5%
>20 & <=25yrs	33,110,154	20%
>25yrs	123,287,587	73%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Owner/Investment split <sup>1</sup>

Owner Occupied	138,102,841	82%
Investment	29,554,253	18%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

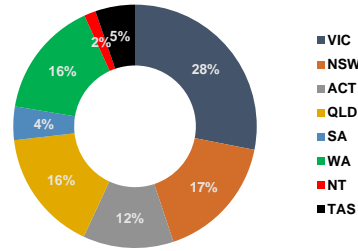
### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	12,214,233	8%
<= 5.00%	155,442,861	92%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Loan to Value Ratio

>95%	605,687	0%
>90% & <= 95%	-	0%
>85% & <= 90%	1,488,296	1%
>80% & <= 85%	4,002,220	2%
>75% & <= 80%	11,015,998	7%
>70% & <= 75%	10,013,401	6%
>65% & <= 70%	13,425,681	8%
>60% & <= 65%	16,243,638	11%
>55% & <= 60%	14,174,114	8%
>50% & <= 55%	12,269,598	7%
>45% & <= 50%	14,095,512	8%
>40% & <= 45%	11,832,223	7%
>35% & <= 40%	11,659,390	7%
>30% & <= 35%	11,664,516	7%
>25% & <= 30%	9,549,458	6%
<=25%	25,617,363	15%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Geographical Location



### Loan Security <sup>2</sup>

House	142,211,822	86%
Land	670,236	0%
Apartment	4,143,714	2%
Unit	17,256,614	10%
Townhouse	3,237,703	2%
Other	137,005	0%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Interest Option

Variable	166,458,996	99%
Fixed <3 years	1,198,098	1%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

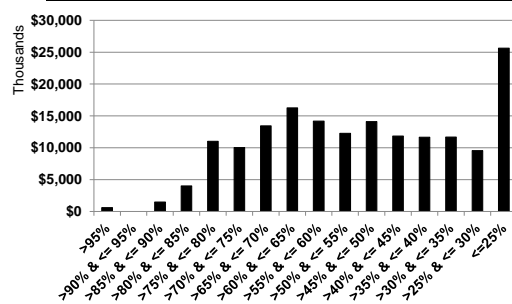
### Mortgage Insurance

Genworth Financial	124,898,050	75%
HLIC Govt	251,368	0%
Uninsured	-	0%
QBE	42,507,676	25%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Loan Size

>\$250,000	51,529,213	31%
>\$200,000 & <=\$250,000	23,149,876	14%
>\$150,000 & <=\$200,000	27,428,619	16%
>\$100,000 & <=\$150,000	29,159,792	17%
>\$50,000 & <=\$100,000	24,863,617	15%
<= \$50,000	11,525,977	7%
<b>TOTAL</b>	<b>167,657,094</b>	<b>100%</b>

### Loan to Value Ratio



<sup>1</sup> - 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.

<sup>2</sup> - 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.

## Arrears

	17 August 2020	16 July 2020	16 June 2020
<b>30-59 days</b>			
Number of loans	4	6	6
Outstanding Balance (\$)	830,032	1,016,184	914,288
% of Pool Outstanding Balance	0.50%	0.59%	0.52%
<b>60-89 days</b>			
Number of loans	2	1	3
Outstanding Balance (\$)	284,847	1,187	395,286
% of Pool Outstanding Balance	0.17%	0.00%	0.22%
<b>90+ days</b>			
Number of loans	15	17	14
Outstanding Balance (\$)	2,364,982	3,079,410	2,447,775
% of Pool Outstanding Balance	1.41%	1.80%	1.38%
<b>TOTAL Delinquencies</b>			
Number of loans	21	24	23
Outstanding Balance (\$)	3,479,861	4,096,780	3,757,349
% of Pool Outstanding Balance	2.08%	2.39%	2.12%
<b>Pool Information</b>			
Number of loans	2,110	2,126	2,166
Outstanding Balance (\$ m)	168	171	177

## Repayment Holiday COVID-19

	17 August 2020	16 July 2020	16 June 2020
Number of loans	55	60	60
Outstanding Balance (\$)	9,939,137	10,825,054	10,553,526
% of Pool Outstanding Balance	5.93%	6.32%	5.95%

Note : Arrears and Repayment Holiday COVID-19 information on this page has been restated following reconciliation by ME.

(i) A reclassification has occurred for certain home loans:

(a) From an arrears category; and

(b) To Repayment Holiday COVID-19; and

(ii) A separate reclassification has occurred for certain other home loans:

(a) From Repayment Holiday COVID-19; and

(b) To either current or in arrears, depending on the arrears position of the relevant home loan.

Please contact the investor reporting team at [me.investorreporting@mebank.com.au](mailto:me.investorreporting@mebank.com.au) if you require any further information.

## Foreclosure & Mortgage Insurance claims since Inception

	Loan count	Amount
Outstanding Balance of Defaulted Loans	7	2,417,401
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	2,055,267
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(43,381.69)
Closing Outstanding Balance	<u>2,011,885</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**

**Current Position - SMHL SERIES SECURITISATION FUND 2014-1 CRD**

Geographical Location			
VIC	- Metro	875,010	10%
	- Non Metro	632,357	7%
NSW	- Metro	878,137	10%
	- Non Metro	202,865	2%
QLD	- Metro	1,047,413	11%
	- Non Metro	122,920	1%
SA	- Metro	753,109	8%
	- Non Metro	-	0%
WA	- Metro	2,626,599	29%
	- Non Metro	251,571	3%
TAS	- Metro	-	0%
	- Non Metro	120,082	1%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,604,515	18%
	- Non Metro	-	0%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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Loan Purpose <sup>1</sup>			
Refinance		3,055,014	34%
Renovation		-	0%
Purchase		4,183,612	45%
Construction		-	0%
Other		1,875,952	21%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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Loan Term			
<=5 yrs		-	0%
>5 & <=10yrs		3	0%
>10 & <=15yrs		477,130	5%
>15 & <=20yrs		561,432	6%
>20 & <=25yrs		1,799,504	20%
>25yrs		6,276,511	69%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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Owner/Investment split <sup>1</sup>			
Owner Occupied		7,906,277	87%
Investment		1,208,302	13%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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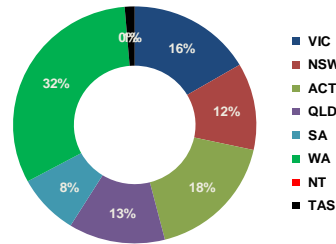
Interest Rate Exposure			
> 8.00%		-	0%
> 7.00% & <= 8.00%		-	0%
> 6.00% & <= 7.00%		-	0%
> 5.00% & <= 6.00%		363,980	4%
<= 5.00%		8,750,598	96%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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Loan to Value Ratio			
>95%		327,492	4%
>90% & <= 95%		406,599	4%
>85% & <= 90%		-	0%
>80% & <= 85%		995,244	11%
>75% & <= 80%		357,339	4%
>70% & <= 75%		923,272	10%
>65% & <= 70%		98,339	1%
>60% & <= 65%		2,210,289	24%
>55% & <= 60%		351,491	4%
>50% & <= 55%		241,063	3%
>45% & <= 50%		204,850	2%
>40% & <= 45%		356,882	4%
>35% & <= 40%		630,955	7%
>30% & <= 35%		735,859	8%
>25% & <= 30%		837,673	9%
<=25%		437,230	5%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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**Geographical Location**



**Loan Security <sup>2</sup>**

House	7,997,317	87%
Land	-	0%
Apartment	228,574	3%
Unit	888,688	10%
Townhouse	-	0%
Other	-	0%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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**Interest Option**

Variable	6,714,311	74%
Fixed <3 years	2,043,686	22%
Fixed >3 years	356,582	4%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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**Mortgage Insurance**

Genworth Financial	1,365,601	15%
HLIC Govt	-	0%
Uninsured	7,748,978	85%
QBE	-	0%

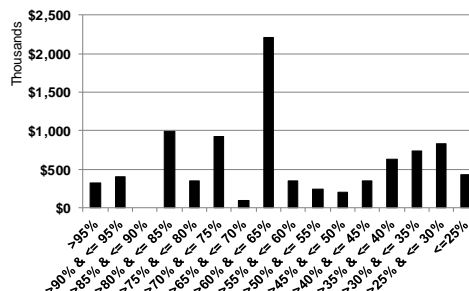
<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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**Loan Size**

>\$250,000	5,393,351	59%
>\$200,000 & <=\$250,000	1,113,909	12%
>\$150,000 & <=\$200,000	683,232	7%
>\$100,000 & <=\$150,000	693,313	8%
>\$50,000 & <=\$100,000	964,149	11%
<= \$50,000	266,625	3%

<b>TOTAL</b>		<b>9,114,579</b>	<b>100%</b>
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**Loan to Value Ratio**



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