

SMHL SERIES SECURITISATION FUND 2017-1

Monthly Investment Report as at 29 December 2020



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Bloomberg Screen: SMHL <MTGE>

Summary

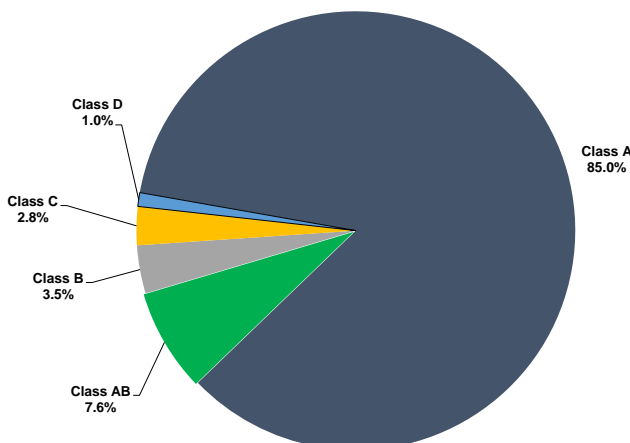
Fund: SMHL Series Securitisation Fund 2017-1
 Cut-Off Date: 16 December 2020
 Payment Date: 29 December 2020
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2017-1
 Joint Lead Managers: National Australia Bank Limited (ABN 12 004 044 937)
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)
 Westpac Banking Corporation (ABN 33 007 457 141)
 Arranger: National Australia Bank Limited (ABN 12 004 044 937)
 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: Members Equity Bank Limited
 Payment Facility Provider: Members Equity Bank Limited
 Redraw Facility Provider: Members Equity Bank Limited
 Interest Rate Swap Provider: National Australia Bank Limited (ABN 12 004 044 937)
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)
 Issue Date: 21 September 2017
 Legal Final Maturity Date: April 2049

Security Classes

Class Name :	A	AB	B	C	D	E
ISIN:	AU3FN0037677	AU3FN0037693	AU3FN0037719	AU3FN0037743	AU3FN0037768	AU3FN0037784
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:	1,380,000,000.00	56,250,000.00	26,250,000.00	21,000,000.00	7,500,000.00	9,000,000.00
Base Rate:	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW
Margin above base rate:	0.98%	1.55%	2.15%	2.90%	3.80%	5.90%
Expected Average Life to call:	2.6 years	4.7 years	4.7 years	4.7 years	4.7 years	4.7 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 29 December 2020

Fund:	0.32594152
Class A	0.29759537
Class AB	0.65192228
Class B	0.65192228
Class C	0.65192228
Class D	0.65192228
Class E	0.65192228



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				26 November 2020 29 December 2020		26 November 2020 29 December 2020	
Class A	423,056,605.42	12,374,994	410,681,611.28	382,489.53		1.000%	
Class AB	37,775,617.45	1,104,989	36,670,628.09	53,620.68		1.570%	
Class B	17,628,621.48	515,662	17,112,959.78	34,585.91		2.170%	
Class C	14,102,897.18	412,529	13,690,367.82	37,231.65		2.920%	
Class D	5,036,748.99	147,332	4,889,417.08	17,395.41		3.820%	
Class E	6,044,098.79	176,798	5,867,300.50	32,350.00		5.920%	
Total Portfolio	503,644,589	14,732,305	488,912,285	557,673			

European CRR invested amount (as per Article 405) \$ 27,588,093.84

Pool Details

Number of Loans	4,940
Average Loan Size	98,970
Maximum Loan Size	894,781
Weighted Average LVR	52.61%
Maximum LVR	111.36%
WA Seeding (months)	120
WA Term to Maturity (years)	19
Full Documentation Loans	100.00%
WA Interest Rate	3.85%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	17 November 2020 to 16 December 2020	14 October 2020 to 16 December 2020	21 September 2017 to 16 December 2020
Repayment Analysis			
Balance @ Determination Date	503,644,589	540,036,785	1,500,000,000
Substitution	-	-	-
Scheduled Repayments	(1,981,441)	(6,155,838)	(129,260,440)
Prepayments	(18,018,233)	(57,950,420)	(1,088,576,200)
Redraw Advances	5,267,370	12,981,758	206,748,925
Principal Draws / (Repayment of Principal Draws)	-	-	-
Closing Balance	488,912,285	488,912,285	488,912,285
CPR	26.58%	29.57%	24.55%
SMM	2.54%	2.88%	2.32%

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Current Position

Geographical Location

VIC	- Metro	104,673,564	21%
	- Non Metro	28,251,299	6%
NSW	- Metro	59,096,220	12%
	- Non Metro	35,679,406	7%
QLD	- Metro	40,655,693	8%
	- Non Metro	28,871,834	6%
SA	- Metro	24,235,486	5%
	- Non Metro	2,874,186	1%
WA	- Metro	83,104,994	17%
	- Non Metro	2,894,973	1%
TAS	- Metro	15,226,098	3%
	- Non Metro	9,035,717	2%
NT	- Metro	8,866,158	2%
	- Non Metro	392,416	0%
ACT	- Metro	45,054,240	9%
	- Non Metro	-	0%
TOTAL		488,912,285	100%

Loan Purpose¹

Refinance	148,903,037	30%
Renovation	8,486,022	2%
Purchase	203,404,458	42%
Construction	18,172,480	4%
Other	109,946,288	22%
TOTAL	488,912,285	100%

Loan Term

<=5 yrs	91,202	0%
>5 & <=10yrs	4,532,857	1%
>10 & <=15yrs	14,807,118	3%
>15 & <=20yrs	28,603,153	6%
>20 & <=25yrs	75,558,562	15%
>25yrs	365,319,393	75%
TOTAL	488,912,285	100%

Owner/Investment split¹

Owner Occupied	375,736,439	77%
Investment	113,175,846	23%
TOTAL	488,912,285	100%

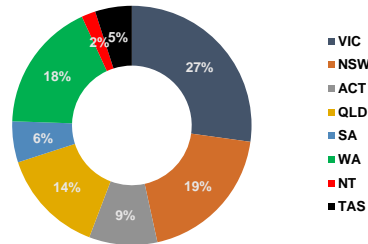
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	25,174,838	5%
<= 5.00%	463,737,447	95%
TOTAL	488,912,285	100%

Loan to Value Ratio

>95%	2,441,588	0%
>90% & <= 95%	2,090,999	0%
>85% & <= 90%	11,233,999	2%
>80% & <= 85%	18,137,398	4%
>75% & <= 80%	36,358,425	7%
>70% & <= 75%	43,328,466	9%
>65% & <= 70%	50,660,111	10%
>60% & <= 65%	41,195,928	8%
>55% & <= 60%	37,641,546	8%
>50% & <= 55%	33,163,311	7%
>45% & <= 50%	34,963,713	7%
>40% & <= 45%	35,047,850	7%
>35% & <= 40%	28,875,407	6%
>30% & <= 35%	29,085,873	6%
>25% & <= 30%	26,996,470	6%
<=25%	57,691,200	13%
TOTAL	488,912,285	100%

Geographical Location



Loan Security²

House	406,233,583	82%
Land	7,381	0%
Apartment	23,546,389	5%
Unit	48,666,372	10%
Townhouse	7,828,197	2%
Other	2,630,362	1%
TOTAL	488,912,285	100%

Interest Option

Variable	346,403,630	71%
Fixed <3 years	142,508,655	29%
Fixed >3 years	-	0%
TOTAL	488,912,285	100%

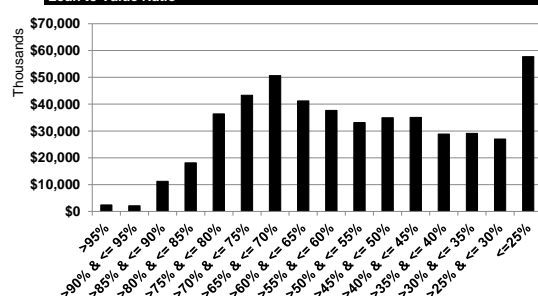
Mortgage Insurance

Genworth Financial	233,991,028	48%
HLIC Govt	713,646	0%
Uninsured	253,444,811	52%
QBE	762,800	0%
TOTAL	488,912,285	100%

Loan Size

>\$250,000	188,263,680	38%
>\$200,000 & <\$250,000	71,186,636	15%
>\$150,000 & <\$200,000	76,182,462	16%
>\$100,000 & <\$150,000	65,021,154	13%
>\$50,000 & <\$100,000	58,673,653	12%
<= \$50,000	29,584,699	6%
TOTAL	488,912,285	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 LTV 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 December 2020	17 November 2020	14 October 2020
30-59 days			
Number of loans	14	17	11
Outstanding Balance (\$)	2,936,616	4,025,847	2,411,136
% of Pool Outstanding Balance	0.60%	0.80%	0.46%
60-89 days			
Number of loans	10	11	7
Outstanding Balance (\$)	2,527,994	2,347,566	1,594,489
% of Pool Outstanding Balance	0.52%	0.47%	0.30%
90+ days			
Number of loans	23	25	33
Outstanding Balance (\$)	4,477,284	4,334,628	6,990,588
% of Pool Outstanding Balance	0.92%	0.86%	1.33%
TOTAL Delinquencies			
Number of loans	47	53	51
Outstanding Balance (\$)	9,941,894	10,708,041	10,996,213
% of Pool Outstanding Balance	2.03%	2.13%	2.10%
Pool Information			
Number of loans	4,940	5,055	5,183
Outstanding Balance (\$ m)	489	504	524

Repayment Holiday COVID-19

	16 December 2020	17 November 2020	14 October 2020
Number of loans	50	71	174
Outstanding Balance (\$)	10,159,232	13,540,094	32,088,714
% of Pool Outstanding Balance	2.08%	2.69%	6.12%

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Foreclosure & Mortgage Insurance claims since inception

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	4	864,724.26
Proceeds of sale	2	516,626.09
Loss on sale of property	1	20,390
Claims submitted to Insurer	0	0
Claims paid by Insurer	0	0
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	0	0
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 cover¹ for a limited period.

Facilities & Reserve

Liquidity Facility

Opening Balance	5,036,446
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(147,323)
Closing Outstanding Balance	<u>4,889,123</u>

Payment Funding Facility

150,000

Notional Swaps

Notional Swaps Value

140,000,000

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 2017-1. 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 2017-1 (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 2017-1 CRD

Geographical Location			
VIC	- Metro	4,648,911	17%
	- Non Metro	1,956,937	7%
NSW	- Metro	3,355,899	12%
	- Non Metro	2,455,293	9%
QLD	- Metro	2,451,423	9%
	- Non Metro	1,583,364	6%
SA	- Metro	1,964,389	7%
	- Non Metro	-	0%
WA	- Metro	6,114,832	22%
	- Non Metro	263,286	1%
TAS	- Metro	509,279	2%
	- Non Metro	1,153,283	4%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	1,131,198	4%
	- Non Metro	-	0%

TOTAL		27,588,094	100%
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Loan Purpose ¹			
Refinance		10,260,497	37%
Renovation		414,036	2%
Purchase		11,236,031	40%
Construction		1,675,660	6%
Other		4,001,871	15%

TOTAL		27,588,094	100%
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Loan Term			
<=5 yrs		-	0%
>5 & <=10yrs		-	0%
>10 & <=15yrs		178,592	1%
>15 & <=20yrs		494,900	2%
>20 & <=25yrs		4,322,260	16%
>25yrs		22,592,341	81%

TOTAL		27,588,094	100%
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Owner/Investment split ¹			
Owner Occupied		19,924,456	72%
Investment		7,663,638	28%

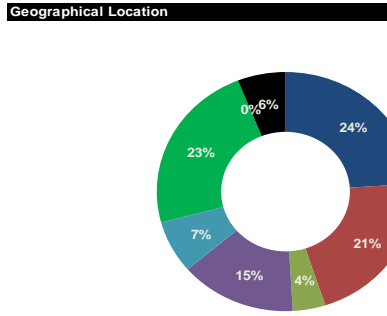
TOTAL		27,588,094	100%
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Interest Rate Exposure			
> 8.00%		-	0%
> 7.00% & <= 8.00%		-	0%
> 6.00% & <= 7.00%		-	0%
> 5.00% & <= 6.00%		626,162	2%
<= 5.00%		26,961,932	98%

TOTAL		27,588,094	100%
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Loan to Value Ratio			
>95%		-	0%
>90% & <= 95%		275,159	1%
>85% & <= 90%		606,904	2%
>80% & <= 85%		1,405,376	5%
>75% & <= 80%		2,664,706	10%
>70% & <= 75%		3,711,241	12%
>65% & <= 70%		2,353,523	9%
>60% & <= 65%		3,949,133	14%
>55% & <= 60%		1,539,125	6%
>50% & <= 55%		1,619,913	6%
>45% & <= 50%		2,469,770	9%
>40% & <= 45%		972,581	4%
>35% & <= 40%		753,681	3%
>30% & <= 35%		1,731,517	6%
>25% & <= 30%		728,985	3%
<=25%		2,806,481	10%

TOTAL		27,588,094	100%
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Loan Security ²	
House	22,584,249
Land	-
Apartment	2,305,250
Unit	2,497,774
Townhouse	194,818
Other	6,003

TOTAL	27,588,094
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Interest Option	
Variable	14,618,437
Fixed <3 years	11,586,099
Fixed >3 years	1,383,558

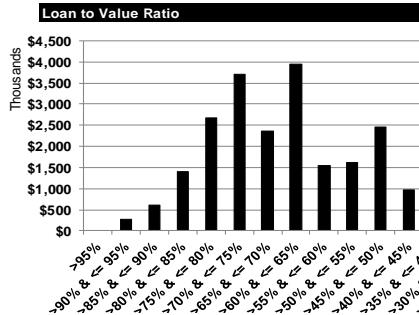
TOTAL	27,588,094
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Mortgage Insurance	
Genworth Financial	8,898,321
HLIC Govt	-
Uninsured	18,689,772
QBE	-

TOTAL	27,588,094
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Loan Size	
>\$250,000	15,565,769
>\$200,000 & <=\$250,000	2,412,761
>\$150,000 & <=\$200,000	2,907,278
>\$100,000 & <=\$150,000	3,814,453
>\$50,000 & <=\$100,000	2,227,900
<=\$50,000	659,931

TOTAL	27,588,094
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