

# SMHL Series Securitisation Fund 2019-1

Monthly Investment Report as at 15 September 2023



# SMHL<sup>SM</sup>

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

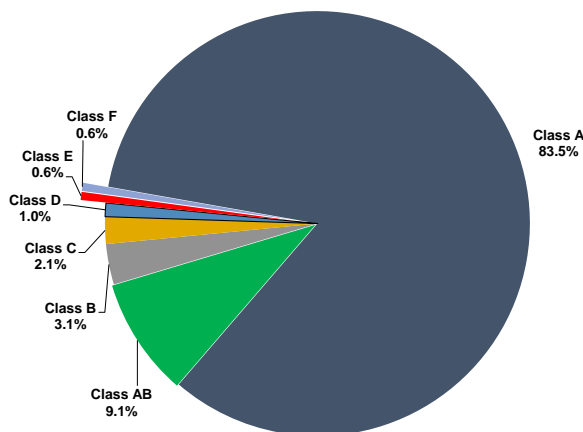
Fund: SMHL Series Securitisation Fund 2019-1  
 Cut-Off Date: 06 Sep 2023  
 Payment Date: 15 September 2023  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2019-1  
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Commonwealth Bank of Australia (ABN 48 123 123 124)  
 MUFG Securities EMEA PLC (ARBN 612 776 299)  
 National Australia Bank Limited (ABN 12 004 044 937)  
 Westpac Banking Corporation (ABN 33 007 457 141)  
 Arranger: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 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)  
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Issue Date: 12 July 2019  
 Legal Final Maturity Date: July 2051

## Security Classes

Class Name :	A	AB	B	C	D	E	F
ISIN:	AU3FN0048476	AU3FN0048484	AU3FN0048492	AU3FN0048500	AU3FN0048518	AU3FN0048526	AU3FN0048534
Rating Agency:	S&P / Moody's	S&P / Moody's	S&P / Moody's	S&P / Moody's	S&P / Moody's	S&P / Moody's	S&P / Moody's
Rating:	AAA(sf) / Aaa(sf)	AAA / NR	AA / NR	A / NR	BBB / NR	BB / NR	NR / NR
Currency:	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Original Balance at Issue:	1,610,000,000.00	77,000,000.00	26,250,000.00	17,500,000.00	8,750,000.00	5,250,000.00	5,250,000.00
Base Rate:	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW
Margin above base rate:	1.05%	1.85%	2.00%	2.50%	3.30%	4.60%	6.00%
Expected Average Life to call:	2.80	5.00	5.00	5.00	5.00	5.00	5.00
Distribution Frequency:	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Coupon Type:	Floating	Floating	Floating	Floating	Floating	Floating	Floating
Principal payment type:	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through	Pass Through

## Bond Factors as at 15 September 2023

Fund:	0.25338826
Class A	0.23008274
Class AB	0.52140175
Class B	0.52140175
Class C	0.52140175
Class D	0.52140175
Class E	0.52140175
Class F	0.52140175



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
						15 August 2023
						15 September 2023
Class A	378,542,385.77	8,109,167	370,433,218	1,642,456		5.109%
Class AB	41,026,814.53	878,880	40,147,935	205,887		5.909%
Class B	13,986,414.04	299,618	13,686,796	71,971		6.059%
Class C	9,324,276.03	199,745	9,124,531	51,940		6.559%
Class D	4,662,138.01	99,873	4,562,265	29,138		7.359%
Class E	2,797,282.81	59,924	2,737,359	20,571		8.659%
Class F	2,797,282.81	59,924	2,737,359	23,897		10.059%
<b>Total Portfolio</b>	<b>453,136,594</b>	<b>9,707,131</b>	<b>443,429,463</b>	<b>2,045,859</b>		
European CRR invested amount (as per Article 405)			27,267,299.41		6.15%	

## Pool Details

Number of Loans	3,388
Average Loan Size	130,882
Maximum Loan Size	818,269
Weighted Average LVR	51.37%
Maximum LVR	123.71%
WA Seeding (months)	111
WA Term to Maturity (years)	18
Full Documentation Loans	100.00%
WA Interest Rate	5.95%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	15 August 2023 to 15 September 2023	15 June 2023 to 15 September 2023	12 June 2019 to 15 September 2023
<b>Repayment Analysis</b>			
Balance @ Determination Date	453,136,594	501,433,553	1,750,000,000
Substitution	-	-	-
Scheduled Repayments	(2,291,886)	(9,371,816)	(184,240,355)
Prepayments	(9,668,589)	(58,956,342)	(1,311,692,871)
Redraw Advances	2,253,344	10,324,067	189,362,690
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>443,429,463</b>	<b>443,429,463</b>	<b>443,429,463</b>
CPR	18.05%	27.82%	21.26%
SMM	1.64%	2.68%	1.97%

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## Current Position

### Geographical Location

VIC	- Metro	91,020,057	21%
	- Non Metro	25,663,640	6%
NSW	- Metro	63,563,141	14%
	- Non Metro	27,223,429	6%
QLD	- Metro	33,309,377	8%
	- Non Metro	24,628,843	6%
SA	- Metro	28,320,766	6%
	- Non Metro	1,037,330	0%
WA	- Metro	82,910,184	19%
	- Non Metro	3,316,616	1%
TAS	- Metro	16,531,640	4%
	- Non Metro	7,086,481	2%
NT	- Metro	2,391,996	1%
	- Non Metro	101,787	0%
ACT	- Metro	36,324,175	8%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>443,429,463</b>	<b>100%</b>

### Loan Purpose <sup>1,3</sup>

Refinance	183,917,826	42%
Renovation	-	0%
Property Purchase	170,036,135	38%
Construction	25,408,862	6%
Equity Release	64,066,640	14%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	316,550	0%
>10 & <=15yrs	3,102,183	1%
>15 & <=20yrs	11,532,676	3%
>20 & <=25yrs	45,733,184	10%
>25yrs	382,744,870	86%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

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

Owner Occupied	319,827,525	72%
Investment	123,601,938	28%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

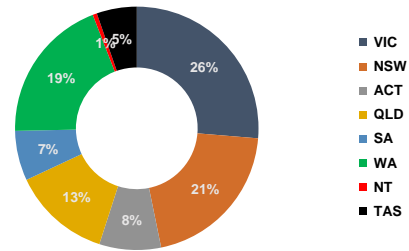
### Interest Rate Exposure

> 8.00%	64,632,725	15%
> 7.00% & <= 8.00%	72,118,126	16%
> 6.00% & <= 7.00%	141,257,631	32%
> 5.00% & <= 6.00%	75,601,179	17%
<= 5.00%	89,819,802	20%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### Loan to Value Ratio

>95%	361,244	0%
>90% & <= 95%	191,357	0%
>85% & <= 90%	1,447,323	0%
>80% & <= 85%	10,475,137	2%
>75% & <= 80%	27,399,509	6%
>70% & <= 75%	34,991,842	8%
>65% & <= 70%	43,579,018	10%
>60% & <= 65%	43,250,119	10%
>55% & <= 60%	43,811,818	10%
>50% & <= 55%	45,402,609	10%
>45% & <= 50%	36,931,881	8%
>40% & <= 45%	30,893,832	7%
>35% & <= 40%	25,098,270	6%
>30% & <= 35%	27,993,361	6%
>25% & <= 30%	24,886,382	6%
<=25%	46,715,762	11%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### Geographical Location



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

House	350,471,937	78%
Land	14,268,092	3%
Apartment	29,015,380	7%
Unit	33,769,060	8%
Townhouse	12,503,462	3%
Other	3,401,532	1%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### Interest Option

Variable	341,740,276	77%
Fixed <3 years	101,689,187	23%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

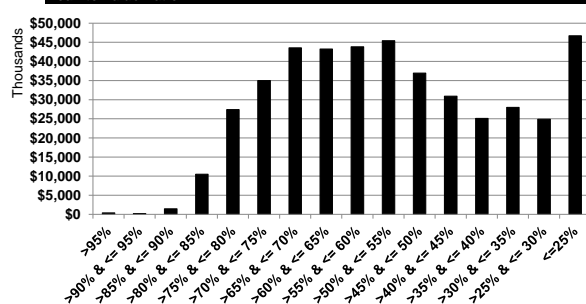
### Mortgage Insurance <sup>4</sup>

Genworth	143,372,772	32%
HLIC Govt	-	0%
Uninsured	270,268,475	62%
QBE	26,273,480	6%
Dual Insured	3,514,737	1%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### Loan Size

>\$250,000	230,008,299	52%
>\$200,000 & <\$250,000	55,287,600	12%
>\$150,000 & <\$200,000	56,591,439	13%
>\$100,000 & <\$150,000	44,880,001	10%
>\$50,000 & <\$100,000	38,472,024	9%
<= \$50,000	18,190,100	4%
<b>TOTAL</b>	<b>443,429,463</b>	<b>100%</b>

### 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 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.

3 - Please note, further to the letter on ME Bank's Investor Reports page notifying upcoming improvements to the classification and reporting of loan purpose for mortgage loans to 'Equity Release' from 'Other' or 'Renovation', ME anticipates release of the new reporting for SMHL Series Securitisation Fund 2019-1 in Q1 2022.

4 - Please note as of November 2022, Genworth have changed their name to Helia and all references to Genworth or Helia are interchangeable. There is no change to LMI cover.

## Arrears

	15 September 2023	15 August 2023	17 July 2023
<b>30-59 days</b>			
Number of loans	8	10	10
Outstanding Balance (\$)	554,494	1,356,102	1,602,176
% of Pool Outstanding Balance	0.13%	0.30%	0.34%
<b>60-89 days</b>			
Number of loans	4	4	5
Outstanding Balance (\$)	625,292	781,991	886,913
% of Pool Outstanding Balance	0.14%	0.17%	0.19%
<b>90+ days</b>			
Number of loans	34	36	37
Outstanding Balance (\$)	6,400,742	6,237,525	6,106,621
% of Pool Outstanding Balance	1.44%	1.38%	1.31%
<b>TOTAL Delinquencies</b>			
Number of loans	46	50	52
Outstanding Balance (\$)	7,580,528	8,375,618	8,595,710
% of Pool Outstanding Balance	1.71%	1.85%	1.85%
<b>Pool Information</b>			
Number of loans	3,388	3,449	3,519
Outstanding Balance (\$ m)	443	453	465

## Repayment Holiday COVID-19

	15 September 2023	15 August 2023	17 July 2023
Number of loans	0	0	0
Outstanding Balance (\$)	0	0	0
% of Pool Outstanding Balance	0.00%	0.00%	0.00%

## Foreclosure & Mortgage Insurance claims since Inception

	Loan count	Amount
Outstanding Balance of Defaulted Loans	4	957,044
Proceeds of sale	2	802,464
Loss on sale of property	1	7,630
Claims submitted to Insurer	2	97,894
Claims paid by Insurer	1	89,820
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	1	7,630
Claims Reduced/Denied by Insurers	1	7,630

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	4,469,145
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(97,989)
Closing Outstanding Balance	<u>4,371,156</u>

### Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

## Notional Swaps

Notional Swaps Value	94,500,000
Notional Swap to Fixed Home Loans	92.93%

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 2019-1. 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 2019-1 (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 2019-1 (CRD)**

Geographical Location			
VIC	- Metro	6,284,689	23%
	- Non Metro	1,060,486	4%
NSW	- Metro	5,687,154	21%
	- Non Metro	1,544,399	6%
QLD	- Metro	1,146,264	4%
	- Non Metro	1,218,879	4%
SA	- Metro	2,602,489	10%
	- Non Metro	59,303	0%
WA	- Metro	3,882,531	14%
	- Non Metro	-	0%
TAS	- Metro	838,592	3%
	- Non Metro	473,552	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	2,468,962	9%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>27,267,299</b>	<b>100%</b>

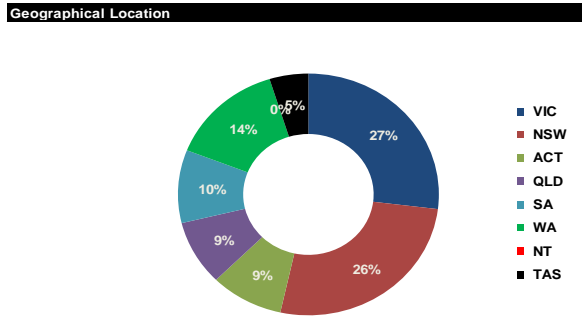
Loan Purpose <sup>1,3</sup>			
Refinance	11,300,977	40%	
Renovation	-	0%	
Property Purchase	11,611,008	44%	
Construction	835,734	3%	
Equity Release	3,519,581	13%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Loan Term			
<=5 yrs	-	0%	
>5 & <=10yrs	30,417	0%	
>10 & <=15yrs	32,697	0%	
>15 & <=20yrs	1,174,077	4%	
>20 & <=25yrs	3,593,717	13%	
>25yrs	22,436,391	83%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Owner/Investment split <sup>1</sup>			
Owner Occupied	24,308,387	89%	
Investment	2,958,913	11%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Interest Rate Exposure			
> 8.00%	2,571,974	9%	
> 7.00% & <= 8.00%	5,658,817	21%	
> 6.00% & <= 7.00%	8,578,212	31%	
> 5.00% & <= 6.00%	4,592,696	17%	
<= 5.00%	5,865,600	22%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Loan to Value Ratio			
>95%	-	0%	
>90% & <= 95%	-	0%	
>85% & <= 90%	-	0%	
>80% & <= 85%	297,889	1%	
>75% & <= 80%	1,173,010	4%	
>70% & <= 75%	1,731,382	6%	
>65% & <= 70%	2,842,770	10%	
>60% & <= 65%	5,475,774	20%	
>55% & <= 60%	3,718,098	14%	
>50% & <= 55%	1,657,146	6%	
>45% & <= 50%	2,518,079	9%	
>40% & <= 45%	2,506,095	9%	
>35% & <= 40%	1,472,436	5%	
>30% & <= 35%	1,166,031	4%	
>25% & <= 30%	946,141	3%	
<=25%	1,762,449	6%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

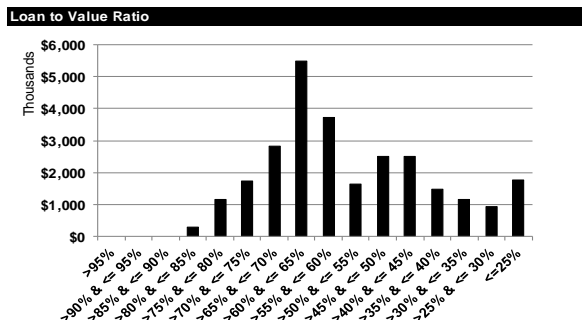


Loan Security <sup>2</sup>			
House	21,185,683	78%	
Strata Unit	2,762,624	10%	
Apartment Unit	2,444,521	9%	
Townhouse	874,471	3%	
Other	-	0%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Interest Option			
Variable	20,097,016	74%	
Fixed <3 years	7,170,284	26%	
Fixed >3 years	-	0%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Mortgage Insurance <sup>4</sup>			
Genworth	7,842,360	29%	
HLIC	-	0%	
Uninsured	17,905,764	65%	
QBE	1,003,441	4%	
Dual Insured	515,735	2%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	

Loan Size			
>\$250,000	14,880,735	56%	
>\$200,000 & <\$250,000	2,181,084	8%	
>\$150,000 & <\$200,000	3,124,777	11%	
>\$100,000 & <\$150,000	2,767,149	10%	
>\$50,000 & <\$100,000	2,553,659	9%	
<= \$50,000	1,759,896	6%	
<b>TOTAL</b>	<b>27,267,299</b>	<b>100%</b>	



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