

# SMHL Series Securitisation Fund 2019-1

Monthly Investment Report as at 15 December 2022



# SMHL<sup>®</sup>

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

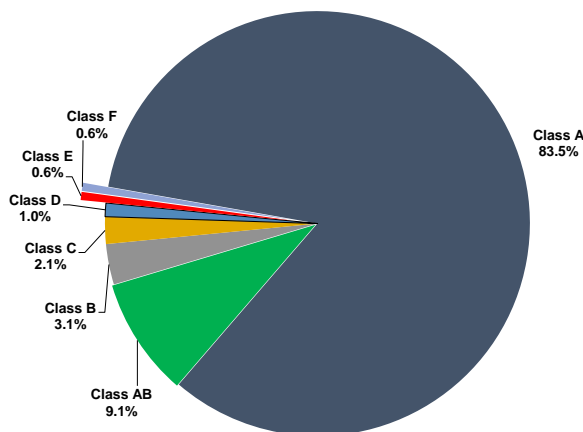
Fund: SMHL Series Securitisation Fund 2019-1  
 Cut-Off Date: 06 December 2022  
 Payment Date: 15 December 2022  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2019-1  
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Commonwealth 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 June 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 December 2022

Fund:	0.32467207
Class A	0.29481018
Class AB	0.66808375
Class B	0.66808375
Class C	0.66808375
Class D	0.66808375
Class E	0.66808375
Class F	0.66808375



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				15 November 2022	15 December 2022	15 November 2022	15 December 2022
Class A	491,034,893.89	16,390,503	474,644,391	1,582,477.66		3.921%	
Class AB	53,218,868.68	1,776,420	51,442,449	206,503.79		4.721%	
Class B	18,142,796.14	605,598	17,537,199	72,635.80		4.871%	
Class C	12,095,197.43	403,732	11,691,466	53,394.50		5.371%	
Class D	6,047,598.71	201,866	5,845,733	30,673.75		6.171%	
Class E	3,628,559.23	121,120	3,507,440	22,281.34		7.471%	
Class F	3,628,559.23	121,120	3,507,440	26,456.67		8.871%	
<b>Total Portfolio</b>	<b>587,796,473</b>	<b>19,620,357</b>	<b>568,176,117</b>	<b>1,994,424</b>			
<b>European CRR invested amount (as per Article 405)</b>			37,292,666.49	6.56%			

## Pool Details

Number of Loans	4,016
Average Loan Size	141,478
Maximum Loan Size	854,445
Weighted Average LVR	53.20%
Maximum LVR	125.97%
WA Seeding (months)	103
WA Term to Maturity (years)	19
Full Documentation Loans	100.00%
WA Interest Rate	5.00%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	15 November 2022 to 15 December 2022	15 September 2022 to 15 December 2022	12 June 2019 to 15 December 2022
<b>Repayment Analysis</b>			
Balance @ Determination Date	587,796,473	646,347,474	1,750,000,000
Substitution	-	-	-
Scheduled Repayments	(2,554,144)	(10,259,479)	(162,349,946)
Prepayments	(19,217,109)	(76,549,228)	(1,187,576,777)
Redraw Advances	2,150,896	8,637,350	168,102,840
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>568,176,117</b>	<b>568,176,117</b>	<b>568,176,117</b>
CPR	29.89%	30.28%	22.47%
SMM	2.92%	2.96%	2.10%

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## Current Position

### Geographical Location

VIC	- Metro	117,235,863	21%
	- Non Metro	31,801,430	6%
NSW	- Metro	77,409,853	14%
	- Non Metro	37,708,447	7%
QLD	- Metro	45,198,064	8%
	- Non Metro	31,090,052	5%
SA	- Metro	36,805,929	6%
	- Non Metro	1,682,303	0%
WA	- Metro	108,799,926	19%
	- Non Metro	3,629,864	1%
TAS	- Metro	18,896,235	3%
	- Non Metro	8,146,299	1%
NT	- Metro	3,336,821	1%
	- Non Metro	824,663	0%
ACT	- Metro	45,610,368	8%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>568,176,117</b>	<b>100%</b>

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

Refinance	233,559,637	41%
Renovation	-	0%
Property Purchase	216,341,074	38%
Construction	32,768,193	6%
Equity Release	85,507,212	15%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	505,434	0%
>10 & <=15yrs	3,524,635	1%
>15 & <=20yrs	14,367,666	3%
>20 & <=25yrs	63,522,596	11%
>25yrs	486,255,786	85%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

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

Owner Occupied	405,327,019	71%
Investment	162,849,098	29%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

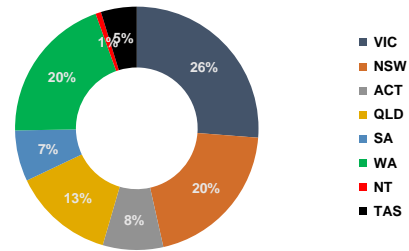
### Interest Rate Exposure

> 8.00%	1,056,175	0%
> 7.00% & <= 8.00%	77,919,019	14%
> 6.00% & <= 7.00%	83,930,702	15%
> 5.00% & <= 6.00%	181,096,699	32%
<= 5.00%	224,173,520	39%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

### Loan to Value Ratio

>95%	880,107	0%
>90% & <= 95%	196,218	0%
>85% & <= 90%	4,005,035	1%
>80% & <= 85%	19,485,167	3%
>75% & <= 80%	40,428,882	7%
>70% & <= 75%	57,428,544	10%
>65% & <= 70%	58,608,825	10%
>60% & <= 65%	51,950,273	9%
>55% & <= 60%	53,431,756	9%
>50% & <= 55%	58,663,102	10%
>45% & <= 50%	45,412,745	8%
>40% & <= 45%	35,706,317	6%
>35% & <= 40%	33,587,469	6%
>30% & <= 35%	29,072,767	5%
>25% & <= 30%	26,927,072	5%
<=25%	52,391,836	9%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

### Geographical Location



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

House	449,300,381	79%
Land	17,510,371	3%
Apartment	36,826,110	6%
Unit	44,797,049	8%
Townhouse	15,586,433	3%
Other	4,155,772	1%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

### Interest Option

Variable	411,575,218	72%
Fixed <3 years	156,600,899	28%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

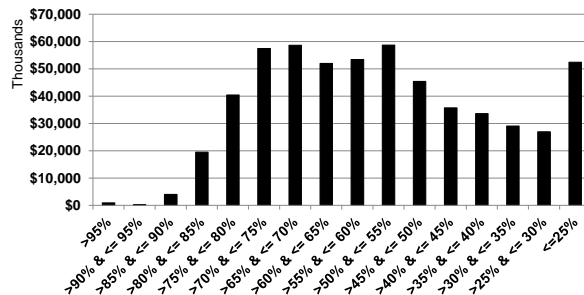
### Mortgage Insurance

Genworth	188,988,783	33%
HLIC Govt	-	0%
Uninsured	339,901,147	61%
QBE	34,366,396	6%
Dual Insured	4,919,790	1%
<b>TOTAL</b>	<b>568,176,117</b>	<b>100%</b>

### Loan Size

>\$250,000	299,800,533	53%
>\$200,000 & <\$250,000	72,740,362	13%
>\$150,000 & <\$200,000	68,571,171	12%
>\$100,000 & <\$150,000	57,283,372	10%
>\$50,000 & <\$100,000	47,488,105	8%
<= \$50,000	22,292,572	4%
<b>TOTAL</b>	<b>568,176,117</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.

## Arrears

	15 December 2022	15 November 2022	17 October 2022
<b>30-59 days</b>			
Number of loans	12	4	11
Outstanding Balance (\$)	1,485,328	640,663	1,637,700
% of Pool Outstanding Balance	0.26%	0.11%	0.27%
<b>60-89 days</b>			
Number of loans	6	8	6
Outstanding Balance (\$)	916,444	1,022,795	1,031,912
% of Pool Outstanding Balance	0.16%	0.17%	0.17%
<b>90+ days</b>			
Number of loans	19	25	25
Outstanding Balance (\$)	3,727,957	4,390,499	4,467,594
% of Pool Outstanding Balance	0.66%	0.75%	0.74%
<b>TOTAL Delinquencies</b>			
Number of loans	37	37	42
Outstanding Balance (\$)	6,129,730	6,053,956	7,137,205
% of Pool Outstanding Balance	1.08%	1.03%	1.18%
<b>Pool Information</b>			
Number of loans	4,016	4,116	4,202
Outstanding Balance (\$ m)	568	588	603

## Repayment Holiday COVID-19

	15 December 2022	15 November 2022	17 October 2022
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	2	377,662
Proceeds of sale	1	240,077
Loss on sale of property	1	7,630
Claims submitted to Insurer	1	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	5,834,167
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(189,564)
Closing Outstanding Balance	<u>5,644,603</u>

### Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

## Notional Swaps

Notional Swaps Value	154,500,000
Notional Swap to Fixed Home Loans	98.66%

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	7,168,221	19%
	- Non Metro	1,327,386	4%
NSW	- Metro	7,954,714	21%
	- Non Metro	2,510,128	7%
QLD	- Metro	1,854,022	5%
	- Non Metro	1,706,101	5%
SA	- Metro	3,109,785	8%
	- Non Metro	59,515	0%
WA	- Metro	7,229,350	19%
	- Non Metro	-	0%
TAS	- Metro	1,111,425	3%
	- Non Metro	696,665	2%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	2,565,357	7%
	- Non Metro	-	0%

**TOTAL** 37,292,666 100%

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

Refinance	15,664,006	42%
Renovation	-	0%
Property Purchase	15,970,932	43%
Construction	1,183,281	3%
Equity Release	4,474,447	12%

**TOTAL** 37,292,666 100%

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	34,471	0%
>10 & <=15yrs	45,794	0%
>15 & <=20yrs	1,636,364	4%
>20 & <=25yrs	4,337,964	12%
>25yrs	31,238,074	84%

**TOTAL** 37,292,666 100%

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

Owner Occupied	33,699,451	90%
Investment	3,593,216	10%

**TOTAL** 37,292,666 100%

### Interest Rate Exposure

> 8.00%	41,501	0%
> 7.00% & <= 8.00%	3,456,922	9%
> 6.00% & <= 7.00%	5,063,206	14%
> 5.00% & <= 6.00%	15,081,375	40%
<= 5.00%	13,649,662	37%

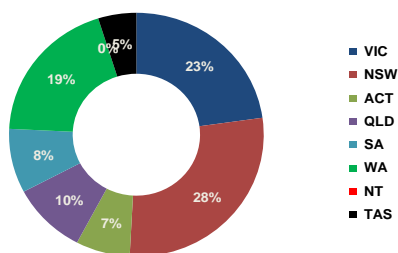
**TOTAL** 37,292,666 100%

### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	657,689	2%
>75% & <= 80%	2,049,289	5%
>70% & <= 75%	3,679,913	10%
>65% & <= 70%	3,292,904	9%
>60% & <= 65%	7,714,780	20%
>55% & <= 60%	2,217,678	6%
>50% & <= 55%	4,390,225	12%
>45% & <= 50%	3,631,373	10%
>40% & <= 45%	1,863,594	5%
>35% & <= 40%	3,050,707	8%
>30% & <= 35%	1,330,380	4%
>25% & <= 30%	640,823	2%
<=25%	2,773,310	7%

**TOTAL** 37,292,666 100%

### Geographical Location



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

House	29,630,529	80%
Strata Unit	3,424,475	9%
Apartment Unit	3,349,648	9%
Townhouse	888,015	2%
Other	-	0%

**TOTAL** 37,292,666 100%

### Interest Option

Variable	27,580,793	74%
Fixed <3 years	9,647,775	26%
Fixed >3 years	64,099	0%

**TOTAL** 37,292,666 100%

### Mortgage Insurance

Genworth	11,147,229	29%
HLIC	-	0%
Uninsured	23,536,915	64%
QBE	1,731,617	5%
Dual Insured	876,905	2%

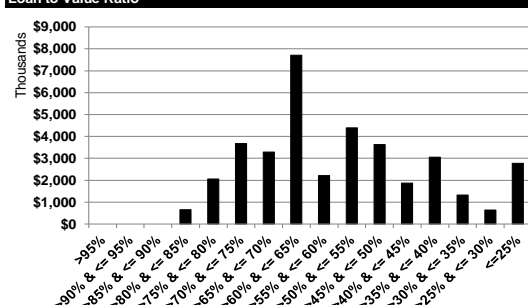
**TOTAL** 37,292,666 100%

### Loan Size

>\$250,000	20,748,494	56%
>\$200,000 & <\$250,000	3,819,875	10%
>\$150,000 & <\$200,000	3,601,472	10%
>\$100,000 & <\$150,000	3,372,057	9%
>\$50,000 & <\$100,000	3,734,632	10%
<= \$50,000	2,016,137	5%

**TOTAL** 37,292,666 100%

### Loan to Value Ratio



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