

SMHL SERIES SECURITISATION FUND 2014-1



Monthly Investment Report as at 25 May 2020

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

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 Bloomberg Screen: SMHL <MTGE>

Summary

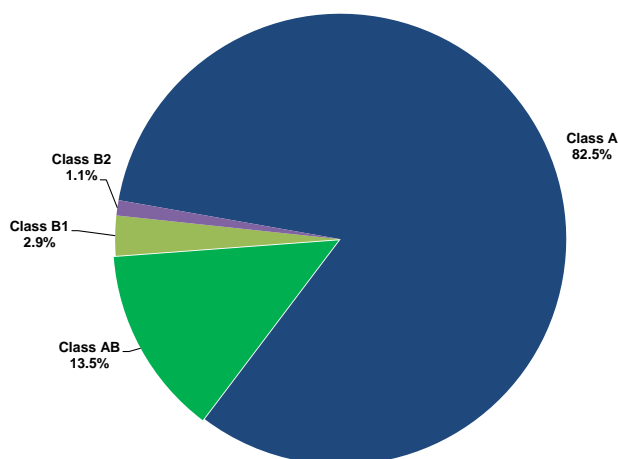
Fund: SMHL Series Securitisation Fund 2014-1
 Cut-Off Date: 18 May 2020
 Payment Date: 25 May 2020
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2014-1
 Joint Lead Managers: Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)
 Australia and New Zealand Banking Group Limited (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 25 May 2020

| | |
|----------|------------|
| Fund: | 0.12559565 |
| Class A | 0.11264887 |
| Class AB | 0.27448369 |
| Class B1 | 0.27448369 |
| Class B2 | 0.27448369 |



Portfolio Structure

| | Opening Balance | Principal Pass-Through | Closing Balance | Current Interest Amt | | Coupon Rate | |
|------------------------|--------------------|------------------------|--------------------|------------------------------|------------------------------|-------------|--|
| | | | | 23 April 2020 25 May 2020 | 23 April 2020 25 May 2020 | | |
| Class A | 154,519,930.23 | 4,246,343.13 | 150,273,587.10 | 116,463.15 | | 0.860% | |
| Class AB | 25,331,029.87 | 696,118.91 | 24,634,910.96 | 33,527.46 | | 1.510% | |
| Class B1 | 5,362,557.86 | 147,367.80 | 5,215,190.06 | 10,153.66 | | 2.160% | |
| Class B2 | 2,046,239.18 | 56,232.44 | 1,990,006.74 | 4,681.71 | | 2.610% | |
| Total Portfolio | 187,259,757 | 5,146,062 | 182,113,695 | 164,826 | | | |

Amount retained as per European Union Risk Retention Requirement* \$ 9,708,426.84

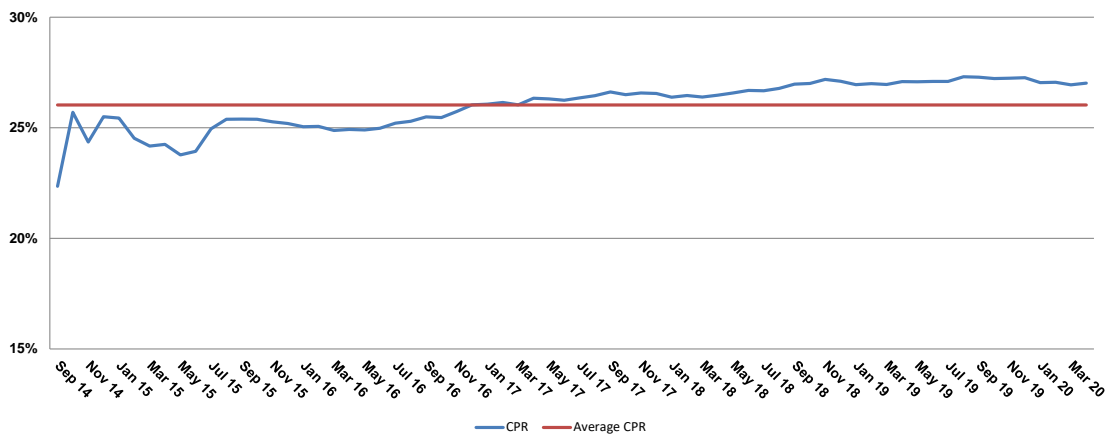
* ME Bank has retained a material net economic interest of at least 5% in SMHL Series SF2014-1, in accordance with Article 405 of Regulation (EU) No 575/2013 and Article 51 of Regulation (EU) NO 231/2013

Pool Details

| | |
|-----------------------------|---------|
| Number of Loans | 2,192 |
| Average Loan Size | 83,081 |
| Maximum Loan Size | 725,471 |
| Weighted Average LVR | 49.25% |
| Maximum LVR | 117.16% |
| WA Seeding (months) | 128 |
| WA Term to Maturity (years) | 18 |
| Full Documentation Loans | 100.00% |
| WA Interest Rate | 4.22% |

Principal Collections & Prepayment Analysis

| Repayment Analysis | Monthly | Quarterly | Since inception |
|------------------------------|---------------------------------|---------------------------------|-------------------------------|
| | 16 April 2020 to 18 May 2020 | 16 March 2020 to 18 May 2020 | 06 Aug 2014 to 18 May 2020 |
| Balance @ Determination Date | 187,259,757 | 198,299,956 | 1,450,000,000 |
| Substitutions | - | - | - |
| Bond uplift / Redemption | - | - | - |
| Scheduled Repayments | (714,821) | (2,252,348) | (114,972,760) |
| Prepayments | (6,324,776) | (20,478,533) | (1,399,702,150) |
| Redraw Advances | 1,893,534 | 6,544,620 | 246,788,605 |
| Topup Advances | - | - | - |
| Closing Balance | 182,113,695 | 182,113,695 | 182,113,695 |
| CPR | 25.06% | 25.46% | 26.99% |
| SMM | 2.38% | 2.42% | 2.59% |



A
*
*
*
F
n

Current Position

Geographical Location

| | | | |
|--------------|-------------|--------------------|-------------|
| VIC | - Metro | 39,920,342 | 22% |
| | - Non Metro | 11,647,082 | 6% |
| NSW | - Metro | 18,957,197 | 10% |
| | - Non Metro | 11,885,922 | 7% |
| QLD | - Metro | 15,278,649 | 8% |
| | - Non Metro | 13,255,617 | 7% |
| SA | - Metro | 8,104,143 | 4% |
| | - Non Metro | 337,841 | 0% |
| WA | - Metro | 27,064,784 | 15% |
| | - Non Metro | 783,145 | 0% |
| TAS | - Metro | 7,442,829 | 4% |
| | - Non Metro | 2,920,079 | 2% |
| NT | - Metro | 2,520,110 | 1% |
| | - Non Metro | 125,120 | 0% |
| ACT | - Metro | 21,870,835 | 12% |
| | - Non Metro | - | 0% |
| TOTAL | | 182,113,695 | 100% |

Loan Purpose¹

| | | |
|--------------|--------------------|-------------|
| Refinance | 42,361,281 | 23% |
| Renovation | 4,142,020 | 2% |
| Purchase | 77,934,473 | 43% |
| Construction | 6,973,408 | 4% |
| Other | 50,702,513 | 28% |
| TOTAL | 182,113,695 | 100% |

Loan Term

| | | |
|---------------|--------------------|-------------|
| <=5 yrs | - | 0% |
| >5 & <=10yrs | 264,091 | 0% |
| >10 & <=15yrs | 3,773,015 | 2% |
| >15 & <=20yrs | 8,138,283 | 4% |
| >20 & <=25yrs | 34,113,432 | 19% |
| >25yrs | 135,824,875 | 75% |
| TOTAL | 182,113,695 | 100% |

Owner/Investment split¹

| | | |
|----------------|--------------------|-------------|
| Owner Occupied | 149,642,165 | 82% |
| Investment | 32,471,530 | 18% |
| TOTAL | 182,113,695 | 100% |

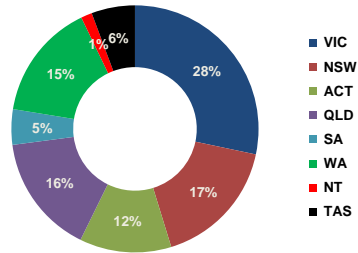
Interest Rate Exposure

| | | |
|--------------------|--------------------|-------------|
| > 8.00% | - | 0% |
| > 7.00% & <= 8.00% | - | 0% |
| > 6.00% & <= 7.00% | - | 0% |
| > 5.00% & <= 6.00% | 14,397,216 | 9% |
| <= 5.00% | 167,716,479 | 91% |
| TOTAL | 182,113,695 | 100% |

Loan to Value Ratio

| | | |
|---------------|--------------------|-------------|
| >95% | 706,134 | 0% |
| >90% & <= 95% | - | 0% |
| >85% & <= 90% | 1,708,245 | 1% |
| >80% & <= 85% | 4,856,924 | 3% |
| >75% & <= 80% | 11,655,875 | 6% |
| >70% & <= 75% | 11,463,968 | 6% |
| >65% & <= 70% | 15,959,504 | 9% |
| >60% & <= 65% | 17,852,146 | 10% |
| >55% & <= 60% | 12,561,619 | 7% |
| >50% & <= 55% | 14,781,662 | 8% |
| >45% & <= 50% | 15,111,153 | 8% |
| >40% & <= 45% | 12,340,279 | 7% |
| >35% & <= 40% | 14,680,105 | 8% |
| >30% & <= 35% | 11,206,157 | 6% |
| >25% & <= 30% | 10,139,718 | 6% |
| <=25% | 27,090,205 | 15% |
| TOTAL | 182,113,695 | 100% |

Geographical Location



Loan Security²

| | | |
|--------------|--------------------|-------------|
| House | 153,978,836 | 85% |
| Land | 725,277 | 0% |
| Apartment | 4,700,029 | 3% |
| Unit | 19,089,913 | 10% |
| Townhouse | 3,485,708 | 2% |
| Other | 133,932 | 0% |
| TOTAL | 182,113,695 | 100% |

Interest Option

| | | |
|----------------|--------------------|-------------|
| Variable | 182,113,695 | 100% |
| Fixed <3 years | - | 0% |
| Fixed >3 years | - | 0% |
| TOTAL | 182,113,695 | 100% |

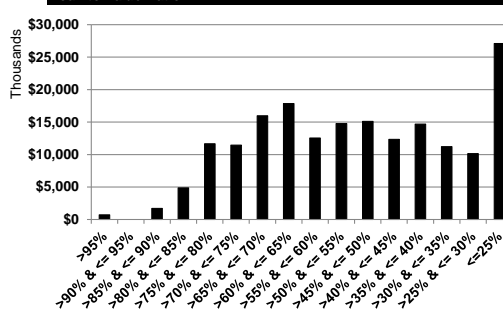
Mortgage Insurance

| | | |
|--------------------|--------------------|-------------|
| Genworth Financial | 135,533,380 | 75% |
| HLIC Govt | 362,652 | 0% |
| Uninsured | - | 0% |
| QBE | 46,227,663 | 25% |
| TOTAL | 182,113,695 | 100% |

Loan Size

| | | |
|-------------------------|--------------------|-------------|
| >\$250,000 | 57,757,497 | 32% |
| >\$200,000 & <\$250,000 | 24,376,371 | 12% |
| >\$150,000 & <\$200,000 | 30,064,161 | 17% |
| >\$100,000 & <\$150,000 | 30,965,209 | 17% |
| >\$50,000 & <\$100,000 | 26,610,382 | 15% |
| <= \$50,000 | 12,340,075 | 7% |
| TOTAL | 182,113,695 | 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 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

| | 18 May 2020 | 16 April 2020 | 16 March 2020 |
|-------------------------------|-------------|---------------|---------------|
| 30-59 days | | | |
| Number of loans | 7 | 11 | 8 |
| Outstanding Balance (\$) | 1,281,893 | 1,168,994 | 1,558,264 |
| % of Pool Outstanding Balance | 0.70% | 0.62% | 0.80% |
| 60-89 days | | | |
| Number of loans | 5 | 3 | 3 |
| Outstanding Balance (\$) | 624,248 | 571,575 | 315,613 |
| % of Pool Outstanding Balance | 0.34% | 0.31% | 0.16% |
| 90+ days | | | |
| Number of loans | 12 | 16 | 18 |
| Outstanding Balance (\$) | 2,117,063 | 2,485,162 | 3,015,964 |
| % of Pool Outstanding Balance | 1.16% | 1.33% | 1.55% |
| TOTAL Delinquencies | | | |
| Number of loans | 24 | 30 | 29 |
| Outstanding Balance (\$) | 4,023,203 | 4,225,731 | 4,889,841 |
| % of Pool Outstanding Balance | 2.21% | 2.26% | 2.52% |
| Pool Information | | | |
| Number of loans | 2,192 | 2,238 | 2,270 |
| Outstanding Balance (\$ m) | 182 | 187 | 194 |

Repayment Holiday COVID-19

| | 18 May 2020 | 16 April 2020 | 16 March 2020 |
|-------------------------------|-------------|---------------|---------------|
| Number of loans | 60 | | |
| Outstanding Balance (\$) | 10,371,535 | | |
| % of Pool Outstanding Balance | 5.70% | | |

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 if you require any further information.

Foreclosure & Mortgage Insurance claims since inception

| | <u>Loan count</u> | <u>Amount</u> |
|--|-------------------|---------------|
| 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:

¹ master policy with the Commonwealth of Australia dated July 4th, 1994;

² master policy with GE Mortgage Insurance Pty Limited (formerly Housing Loans Insurance Corporation Pty Limited (ACN 071 466 334) dated 12 Dec,1997;

³ 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.

⁴ 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 cover⁵ for a limited period.

Facilities & Reserve

Liquidity Facility

| | |
|--|------------------|
| Opening Balance | 2,247,117 |
| Liquidity facility drawn during the current month | - |
| Repayment of Liquidity Draw for the previous periods | |
| Outstanding liquidity draws | |
| Reduction in Facility | (61,752.75) |
| Closing Outstanding Balance | <u>2,185,364</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 | 952,307 | 10% |
| | - Non Metro | 659,757 | 7% |
| NSW | - Metro | 966,913 | 10% |
| | - Non Metro | 210,664 | 2% |
| QLD | - Metro | 1,060,729 | 11% |
| | - Non Metro | 123,651 | 1% |
| SA | - Metro | 752,088 | 8% |
| | - Non Metro | - | 0% |
| WA | - Metro | 2,649,212 | 27% |
| | - Non Metro | 255,501 | 3% |
| TAS | - Metro | - | 0% |
| | - Non Metro | 125,635 | 1% |
| NT | - Metro | - | 0% |
| | - Non Metro | - | 0% |
| ACT | - Metro | 1,951,971 | 20% |
| | - Non Metro | - | 0% |
| TOTAL | | 9,708,427 | 100% |

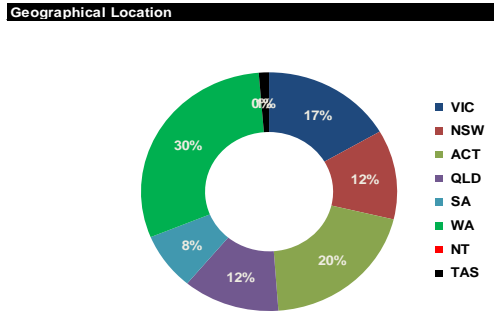
| Loan Purpose ¹ | | |
|---------------------------|------------------|-------------|
| Refinance | 3,093,237 | 32% |
| Renovation | - | 0% |
| Purchase | 4,624,402 | 47% |
| Construction | - | 0% |
| Other | 1,990,788 | 21% |
| TOTAL | 9,708,427 | 100% |

| Loan Term | | |
|---------------|------------------|-------------|
| <=5 yrs | - | 0% |
| >5 & <=10yrs | 13,463 | 0% |
| >10 & <=15yrs | 494,031 | 5% |
| >15 & <=20yrs | 547,144 | 6% |
| >20 & <=25yrs | 1,944,818 | 20% |
| >25yrs | 6,708,971 | 69% |
| TOTAL | 9,708,427 | 100% |

| Owner/Investment split ¹ | | |
|-------------------------------------|------------------|-------------|
| Owner Occupied | 8,169,165 | 84% |
| Investment | 1,539,262 | 16% |
| TOTAL | 9,708,427 | 100% |

| Interest Rate Exposure | | |
|------------------------|------------------|-------------|
| > 8.00% | - | 0% |
| > 7.00% & <= 8.00% | - | 0% |
| > 6.00% & <= 7.00% | - | 0% |
| > 5.00% & <= 6.00% | 366,028 | 4% |
| <= 5.00% | 9,342,399 | 96% |
| TOTAL | 9,708,427 | 100% |

| Loan to Value Ratio | | |
|---------------------|------------------|-------------|
| >95% | 323,315 | 3% |
| >90% & <= 95% | 405,296 | 4% |
| >85% & <= 90% | 327,366 | 3% |
| >80% & <= 85% | 1,001,413 | 10% |
| >75% & <= 80% | 360,396 | 4% |
| >70% & <= 75% | 929,019 | 10% |
| >65% & <= 70% | 100,067 | 1% |
| >60% & <= 65% | 2,207,418 | 24% |
| >55% & <= 60% | 352,773 | 4% |
| >50% & <= 55% | 242,379 | 2% |
| >45% & <= 50% | 208,776 | 2% |
| >40% & <= 45% | 666,777 | 7% |
| >35% & <= 40% | 571,375 | 6% |
| >30% & <= 35% | 1,381,870 | 14% |
| >25% & <= 30% | 100,206 | 1% |
| <=25% | 529,979 | 5% |
| TOTAL | 9,708,427 | 100% |

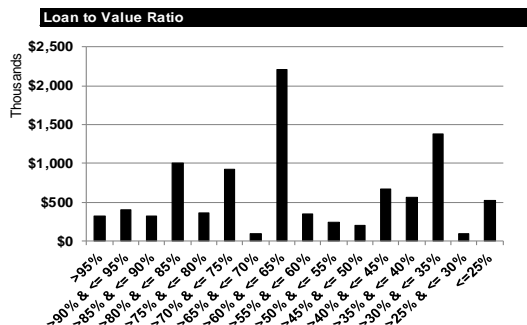


| Loan Security ² | | |
|----------------------------|------------------|-------------|
| House | 8,198,731 | 85% |
| Land | - | 0% |
| Apartment | 229,125 | 2% |
| Unit | 1,280,571 | 13% |
| Townhouse | - | 0% |
| Other | - | 0% |
| TOTAL | 9,708,427 | 100% |

| Interest Option | | |
|-----------------|------------------|-------------|
| Variable | 7,400,085 | 76% |
| Fixed <3 years | 1,952,957 | 20% |
| Fixed >3 years | 355,386 | 4% |
| TOTAL | 9,708,427 | 100% |

| Mortgage Insurance | | |
|--------------------|------------------|-------------|
| Genworth Financial | 1,695,950 | 17% |
| H/LIC Govt | - | 0% |
| Uninsured | 8,012,477 | 83% |
| QBE | - | 0% |
| TOTAL | 9,708,427 | 100% |

| Loan Size | | |
|--------------------------|------------------|-------------|
| >\$250,000 | 6,040,835 | 62% |
| >\$200,000 & <=\$250,000 | 1,132,297 | 12% |
| >\$150,000 & <=\$200,000 | 507,934 | 5% |
| >\$100,000 & <=\$150,000 | 1,048,006 | 11% |
| >\$50,000 & <=\$100,000 | 573,726 | 6% |
| <= \$50,000 | 405,630 | 4% |
| TOTAL | 9,708,427 | 100% |



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