

# SMHL Securitisation Trust 2020-1

Monthly Investment Report as at 23 February 2022



# SMHL

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

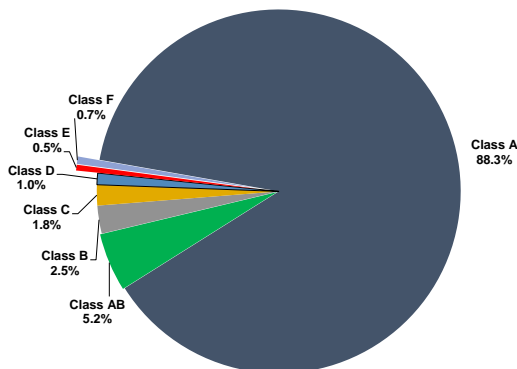
Trust:	SMHL Securitisation Trust 2020-1
Collection Period end date:	31 January 2022
Payment Date:	23 February 2022
Issuer and Trustee:	Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee for SMHL Securitisation Trust 2020-1
Joint Lead Managers:	Australia and New Zealand Banking Group (ABN 11 005 357 522) ("ANZ") Commonwealth Bank of Australia (ABN 48 123 123 124) ("CBA") MUFG Securities Americas Inc. (ARBN 612 562 008) ("MUFG") National Australia Bank Limited (ABN 12 004 044 937) ("NAB")
Arranger:	ANZ
Manager:	Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
Security Trustee:	P.T. Limited (ABN 67 004 454 666)
Service:	Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
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) ("NAB") Australia and New Zealand Banking Group (ABN 11 005 357 522) ("ANZ")
Closing Date:	17 December 2020
Legal Final Maturity Date:	The Payment Date falling in December 2052

## Security Classes

Class Name :	A	AB	B	C	D	E	F
ISIN / Common Code:	AU3FN0056990 / 226556109	AU3SG0002355 / 226556117	AU3FN0057006 / 226556125	AU3FN0057030 / 226556133	AU3FN0057014 / 226556141	AU3FN0057022 / 226556150	AU3FN0057139 / 226556168
Rating Agency:	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch
Expected Ratings:	AAA(sf) / AAAsf	AAA(sf) / Unrated	AA(sf) / Unrated	A(sf)/Unrated	BBB(sf) / Unrated	BB(sf) / Unrated	Unrated / Unrated
Denomination:	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Issue Amount:	920,000,000.00	35,500,000.00	17,000,000.00	12,500,000.00	7,000,000.00	3,500,000.00	4,500,000.00
Interest Rate:	BBSW (1 month) + Class Margin + (from the first Call Option Date)	BBSW (1 month) + Class Margin + (from the first Call	BBSW (1 month) + Class	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin
Class Margin:	0.70%	1.35%	1.75%	2.15%	3.40%	5.35%	7.00%
Expected Average Life:	2.7 years	4.9 years	4.9 years	4.9 years	4.9 years	4.9 years	4.9 years
Interest 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

## Note Factors as at 23 February 2022

<b>Fund:</b>	<b>0.66455496</b>
Class A	0.63538583
Class AB	1.00000000
Class B	1.00000000
Class C	1.00000000
Class D	1.00000000
Class E	1.00000000
Class F	1.00000000



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Current Interest Rate
				24 January 2022 23 February 2022	24 January 2022 23 February 2022
Class A	603,275,794.20	18,720,833	584,554,961.25	354,527.83	0.715%
Class AB	35,500,000.00	-	35,500,000.00	39,828.08	1.365%
Class B	17,000,000.00	-	17,000,000.00	24,661.64	1.765%
Class C	12,500,000.00	-	12,500,000.00	22,243.15	2.165%
Class D	7,000,000.00	-	7,000,000.00	19,647.95	3.415%
Class E	3,500,000.00	-	3,500,000.00	15,433.56	5.365%
Class F	4,500,000.00	-	4,500,000.00	25,945.89	7.015%
<b>Total Portfolio</b>	<b>683,275,794</b>	<b>18,720,833</b>	<b>664,554,961</b>	<b>502,288</b>	
European CRR invested amount (as per Article 6(1) of Regulation (EU) 2017/2402)			47,605,280.11	7.16%	

## Pool Details

Number of Loans	3,066
Average Loan Size	216,750
Maximum Loan Size	957,791
Weighted Average LVR	61.39%
Maximum LVR	93.17%
WA Seeding (months)	42
WA Term to Maturity (years)	24
Full Documentation Loans	100.00%
WA Interest Rate	2.91%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	31 December 2021 to 31 January 2022	31 December 2021 to 31 January 2022	17 December 2020 to 31 January 2022
<b>Repayment Analysis</b>			
Balance @ Determination Date	683,275,794	721,962,306	1,000,000,000
Substitution	-	-	-
Scheduled Repayments	(2,382,786)	(7,356,796)	(39,824,589)
Prepayments	(18,466,540)	(55,892,505)	(325,982,733)
Redraw Advances	2,128,493	5,841,957	30,362,283
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>664,554,961</b>	<b>664,554,961</b>	<b>664,554,961</b>
CPR	25.28%	25.13%	26.57%
SMM	2.40%	2.38%	2.54%

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## Current Position

### Geographical Location

VIC	- Metro	176,732,575	27%
	- Non Metro	52,159,926	8%
NSW	- Metro	87,014,645	13%
	- Non Metro	48,015,468	7%
QLD	- Metro	66,458,645	10%
	- Non Metro	47,189,077	7%
SA	- Metro	40,850,026	6%
	- Non Metro	4,170,736	1%
WA	- Metro	70,272,545	11%
	- Non Metro	2,866,442	0%
TAS	- Metro	21,602,268	3%
	- Non Metro	7,465,846	1%
NT	- Metro	2,999,420	0%
	- Non Metro	-	0%
ACT	- Metro	36,757,353	6%
	- Non Metro	-	0%

**TOTAL** 664,554,961 100%

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

Refinance	335,692,911	51%
Renovation	-	0%
Purchase	267,842,176	40%
Construction	40,760,334	6%
Other	20,259,540	3%

**TOTAL** 664,554,961 100%

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	2,561,138	0%
>10 & <=15yrs	11,129,656	2%
>15 & <=20yrs	41,075,657	6%
>20 & <=25yrs	69,208,793	10%
>25yrs	540,579,718	82%

**TOTAL** 664,554,961 100%

### Owner/Investment split<sup>4</sup>

Owner Occupied	526,692,768	79%
Investment	137,862,194	21%

**TOTAL** 664,554,961 100%

### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	2,450,505	0%
<= 5.00%	662,104,457	100%

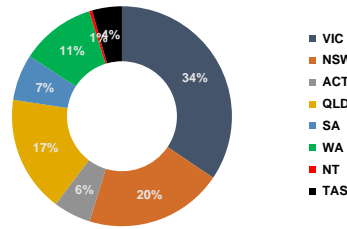
**TOTAL** 664,554,961 100%

### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	3,481,405	1%
>85% & <= 90%	25,448,938	4%
>80% & <= 85%	39,003,150	6%
>75% & <= 80%	73,335,839	11%
>70% & <= 75%	104,443,096	16%
>65% & <= 70%	104,777,783	15%
>60% & <= 65%	77,088,377	12%
>55% & <= 60%	45,380,437	7%
>50% & <= 55%	40,998,502	6%
>45% & <= 50%	36,742,763	6%
>40% & <= 45%	27,780,344	4%
>35% & <= 40%	16,077,686	2%
>30% & <= 35%	16,346,796	2%
>25% & <= 30%	17,822,246	3%
<=25%	35,827,609	5%

**TOTAL** 664,554,961 100%

### Geographical Location



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

House	513,794,178	77%
Land	191,301	0%
Apartment	82,284,386	12%
Unit	28,434,529	4%
Townhouse	28,325,520	5%
Other	11,525,047	2%

**TOTAL** 664,554,961 100%

### Interest Option

Variable	437,950,271	66%
Fixed <3 years	223,422,556	34%
Fixed >3 years	3,182,134	0%

**TOTAL** 664,554,961 100%

### Mortgage Insurance

Genworth	43,827,393	7%
Uninsured	557,298,429	83%
QBE	63,429,140	10%

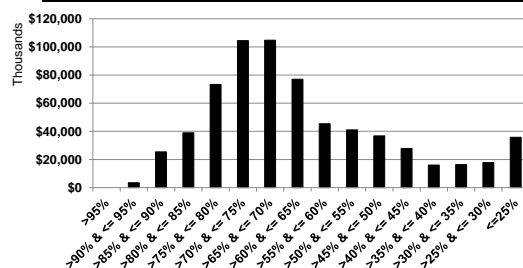
**TOTAL** 664,554,961 100%

### Loan Size

>\$250,000	454,514,388	68%
>\$200,000 & <=\$250,000	69,362,055	10%
>\$150,000 & <=\$200,000	63,217,003	10%
>\$100,000 & <=\$150,000	39,844,686	6%
>\$50,000 & <=\$100,000	25,630,481	4%
<=\$50,000	11,986,348	2%

**TOTAL** 664,554,961 100%

### 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.

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 Securitisation Trust 2020-1 in Q1 2022.

**Arrears**

	31 January 2022	31 December 2021	30 November 2021
<b>30-59 days</b>			
Number of loans	9	8	3
Outstanding Balance (\$)	2,820,730	2,264,366	586,313
% of Pool Outstanding Balance	0.42%	0.33%	0.08%
<b>60-89 days</b>			
Number of loans	2	1	3
Outstanding Balance (\$)	522,707	311,210	821,726
% of Pool Outstanding Balance	0.08%	0.05%	0.12%
<b>90+ days</b>			
Number of loans	4	6	7
Outstanding Balance (\$)	1,693,537	2,039,525	2,398,634
% of Pool Outstanding Balance	0.25%	0.30%	0.34%
<b>TOTAL Delinquencies</b>			
Number of loans	15	15	13
Outstanding Balance (\$)	5,036,974	4,615,101	3,806,673
% of Pool Outstanding Balance	0.76%	0.68%	0.54%
<b>Pool Information</b>			
Number of loans	3,066	3,130	3,189
Outstanding Balance (\$ m)	665	683	703

**Repayment Holiday COVID-19**

	31 January 2022	31 December 2021	30 November 2021
Number of loans	0	1	0
Outstanding Balance (\$)	0	455,149	0
% of Pool Outstanding Balance	0.00%	0.01%	0.00%

**Foreclosure & Mortgage Insurance claims since inception**

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	0	0
Proceeds of sale	0	0
Loss on sale of property	0	0
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 a master insurance policy with Genworth Financial Mortgage Insurance Pty Limited (ABN 60 106 974) or QBE Lenders' Mortgage Insurance Limited (ABN 70 000 511 071).  
For further details on the mortgage insurance policies reference should be made to the Information Memorandum. 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 (collateral posted)	6,832,758
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(187,208)
Closing Outstanding Balance (collateral posted)	<u>6,645,550</u>

### Redraw Funding Facility

Opening Balance	Nil
Drawn amount	Nil
Closing balance	<u>Nil</u>

### Excess Income Reserve

Nil

## Notional Swaps

Notional Swaps Value	222,000,000
% of fixed rate home loans	98%

Neither Members Equity Bank Limited nor any associate of Members Equity Bank Limited in any way stands behind the capital value and/or the performance of the Bonds or the assets of SMHL Securitisation Trust 2020-1. The Notes do not represent deposits or other liabilities of Members Equity Bank Limited or associates of Members Equity Bank Limited. Members Equity Bank Limited does not guarantee the payment of interest or the repayment of principal due on the Notes or the performance of the assets of SMHL Securitisation Trust 2020-1 (except to the limited extent provided in the transaction documents). The holding of the Notes is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

## Current Position - SMHL Securitisation Trust 2020-1 (CRD)

Geographical Location		
VIC	- Metro	11,811,694 25%
	- Non Metro	3,466,115 7%
NSW	- Metro	6,910,165 15%
	- Non Metro	3,999,432 8%
QLD	- Metro	5,448,691 11%
	- Non Metro	2,784,206 6%
SA	- Metro	3,049,004 6%
	- Non Metro	- 0%
WA	- Metro	5,969,178 13%
	- Non Metro	550,255 1%
TAS	- Metro	618,771 1%
	- Non Metro	190,603 0%
NT	- Metro	- 0%
	- Non Metro	- 0%
ACT	- Metro	2,807,167 6%
	- Non Metro	- 0%
<b>TOTAL</b>		<b>47,605,280 100%</b>

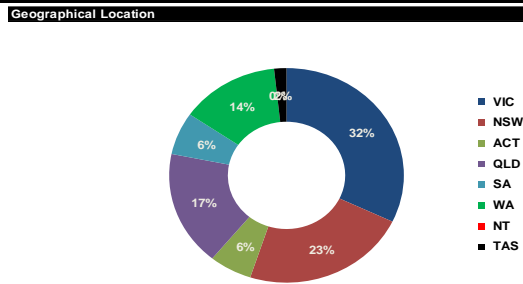
Loan Purpose <sup>1,3</sup>		
Refinance	20,325,914	43%
Renovation	-	0%
Purchase	20,559,549	43%
Construction	6,380,062	13%
Other	339,755	1%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Loan Term		
<=5 yrs	-	0%
>5 & <=10yrs	-	0%
>10 & <=15yrs	-	0%
>15 & <=20yrs	402,449	1%
>20 & <=25yrs	2,640,105	6%
>25yrs	44,562,726	93%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Owner/Investment split <sup>1</sup>		
Owner Occupied	38,173,476	80%
Investment	9,431,805	20%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Interest Rate Exposure		
> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	-	0%
<= 5.00%	47,605,280	100%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Loan to Value Ratio		
>95%	-	0%
>90% & <= 95%	1,053,897	2%
>85% & <= 90%	8,065,852	18%
>80% & <= 85%	4,383,885	9%
>75% & <= 80%	3,720,219	8%
>70% & <= 75%	6,115,798	13%
>65% & <= 70%	3,247,165	7%
>60% & <= 65%	6,212,475	13%
>55% & <= 60%	2,662,388	6%
>50% & <= 55%	3,832,601	8%
>45% & <= 50%	3,517,186	7%
>40% & <= 45%	3,984,742	8%
>35% & <= 40%	473,368	1%
>30% & <= 35%	173,291	0%
>25% & <= 30%	-	0%
<=25%	162,414	0%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

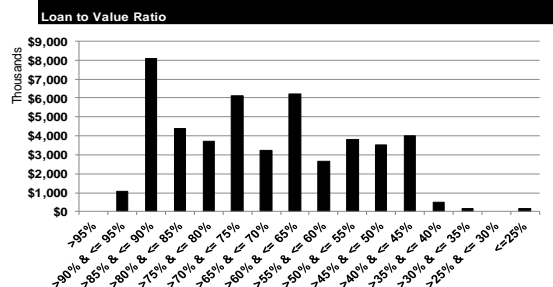


Loan Security <sup>2</sup>		
House	38,431,446	81%
Land	-	0%
Apartment	4,860,453	10%
Unit	373,236	1%
Townhouse	3,507,869	7%
Other	432,276	1%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Interest Option		
Variable	27,589,086	58%
Fixed <3 years	18,928,386	40%
Fixed >3 years	1,087,808	2%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Mortgage Insurance		
Genworth	710,032	1%
HLIC Govt	-	0%
Uninsured	32,455,303	69%
QBE	14,439,945	30%
Dual Insured	-	0%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>

Loan Size		
>\$250,000	38,986,497	82%
>\$200,000 & <=\$250,000	3,050,473	6%
>\$150,000 & <=\$200,000	2,880,058	6%
>\$100,000 & <=\$150,000	1,745,894	4%
>\$50,000 & <=\$100,000	743,173	2%
<= \$50,000	199,185	0%
<b>TOTAL</b>	<b>47,605,280</b>	<b>100%</b>



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