

# SMHL SERIES SECURITISATION FUND 2016-1

Monthly Investment Report as at 27 June 2022



# SMHL<sup>®</sup>

**Contact:** Investor Reporting  
**Phone:** +61 3 9708 3113  
**Email:** me.investorreporting@mebank.com.au  
**Website:** mebank.com.au

**Bloomberg Screen:** SMHL <MTGE>

## Summary

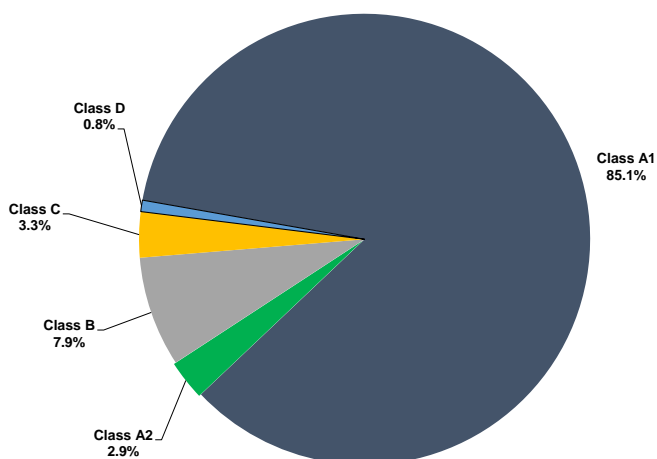
Fund: SMHL Series Securitisation Fund 2016-1  
 Cut-Off Date: 20 June 2022  
 Payment Date: 27 June 2022  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2016-1  
 Joint Lead Managers: Westpac Banking Corporation (ABN 33 007 457 141)  
 Macquarie Bank Limited (ABN 46 008 583 542)  
 Commonwealth Bank of Australia (ABN 48 123 123 124)  
 National Australia Bank Limited (ABN 12 004 044 937)  
 Arranger: National Australia Bank Limited (ABN 12 004 044 937)  
 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: Australia and New Zealand Banking Group Limited  
 National Australia Bank Limited (ABN 12 004 044 937)  
 Issue Date: 24 October 2016  
 Legal Final Maturity Date: April 2048

## Security Classes

Class Name :	A1	A2	B	C	D	E
ISIN:	AU3FN0032785	AU3FN0032793	AU3FN0032801	AU3FN0032819	AU3FN0032827	AU3FN0032835
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	46,500,000.00	43,500,000.00	18,000,000.00	4,500,000.00	7,500,000.00
Base Rate:	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW
Margin above base rate:	1.18%	1.75%	2.50%	3.15%	4.15%	6.15%
Expected Average Life to call:	2.7 years	2.7 years	5.6 years	5.6 years	5.6 years	5.6 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 27 June 2022

Fund:	0.10512725
Class A1	0.09598542
Class A2	0.09598542
Class B	0.28255338
Class C	0.28255338
Class D	0.28255338
Class E	0.28255338



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				26 May 2022		26 May 2022	
				27 June 2022		27 June 2022	
Class A1	136,872,630.40	4,412,756	132,459,874.08	199,796.54		1.665%	
Class A2	4,612,012.55	148,691	4,463,321.84	9,037.02		2.235%	
Class B	12,700,535.63	409,464	12,291,071.96	33,237.13		2.985%	
Class C	5,255,394.05	169,433	5,085,960.81	16,748.15		3.635%	
Class D	1,313,848.51	42,358	1,271,490.20	5,338.90		4.635%	
Class E	2,189,747.52	70,597	2,119,150.34	12,737.73		6.635%	
<b>Total Portfolio</b>	<b>162,944,169</b>	<b>5,253,299</b>	<b>157,690,869</b>	<b>276,895</b>			

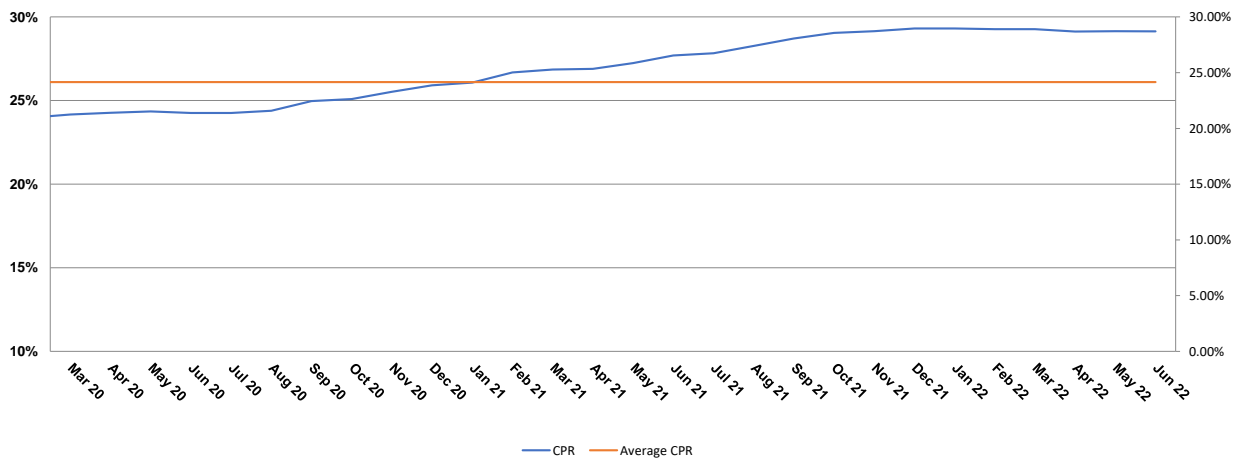
European CRR invested amount (as per Article 405) \$ 14,989,056.75

## Pool Details

Number of Loans	2,296
Average Loan Size	68,681
Maximum Loan Size	777,460
Weighted Average LVR	46.54%
Maximum LVR	111.68%
WA Seeding (months)	145
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	4.63%

## Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	19 May 2022 to 20 June 2022	14 April 2022 to 20 June 2022	24 October 2016 to 20 June 2022
Balance @ Determination Date	162,944,169	172,436,754	1,500,000,000
Substitution	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(716,324)	(2,267,110)	(156,955,788)
Prepayments	(5,623,178)	(16,270,415)	(1,439,491,792)
Redraw Advances	1,086,202	3,791,641	254,138,449
<b>Closing Balance</b>	<b>157,690,869</b>	<b>157,690,869</b>	<b>157,690,869</b>
CPR*	28.85%	26.18%	29.14%
SMM	2.80%	2.50%	2.83%



## Current Position

### Geographical Location

VIC	- Metro	29,924,076	19%
	- Non Metro	9,944,451	6%
NSW	- Metro	16,531,892	10%
	- Non Metro	13,105,655	8%
QLD	- Metro	12,923,822	8%
	- Non Metro	11,208,555	7%
SA	- Metro	6,504,235	4%
	- Non Metro	83,739	0%
WA	- Metro	29,677,009	19%
	- Non Metro	1,709,264	1%
TAS	- Metro	5,943,411	4%
	- Non Metro	3,801,369	2%
NT	- Metro	2,083,863	1%
	- Non Metro	-	0%
ACT	- Metro	14,249,528	9%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>157,690,869</b>	<b>100%</b>

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

Refinance	41,744,393	26%
Renovation	-	0%
Purchase	59,081,522	38%
Construction	6,682,653	4%
Equity Release	50,182,301	32%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Loan Term

<=5 yrs	45	0%
>5 & <=10yrs	713,487	0%
>10 & <=15yrs	7,044,055	4%
>15 & <=20yrs	7,398,601	5%
>20 & <=25yrs	27,976,026	18%
>25yrs	114,558,656	73%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

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

Owner Occupied	121,599,081	77%
Investment	36,091,788	23%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

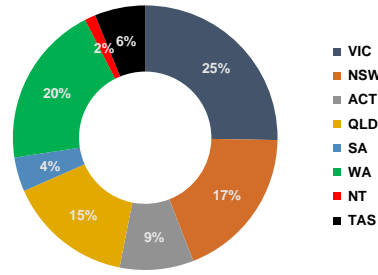
### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	780,253	0%
> 5.00% & <= 6.00%	74,726,374	47%
<= 5.00%	82,184,242	53%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Loan to Value Ratio

>95%	1,407,631	1%
>90% & <= 95%	401,996	0%
>85% & <= 90%	1,633,005	1%
>80% & <= 85%	4,269,298	3%
>75% & <= 80%	4,981,220	3%
>70% & <= 75%	8,660,101	5%
>65% & <= 70%	12,821,990	8%
>60% & <= 65%	11,068,458	7%
>55% & <= 60%	12,538,539	8%
>50% & <= 55%	13,210,525	8%
>45% & <= 50%	12,398,890	8%
>40% & <= 45%	13,085,416	8%
>35% & <= 40%	12,474,206	8%
>30% & <= 35%	8,869,080	6%
>25% & <= 30%	9,516,850	6%
<=25%	30,353,665	20%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Geographical Location



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

House	132,151,838	84%
Land	24,524	0%
Apartment	3,292,034	2%
Unit	19,049,393	12%
Townhouse	3,173,080	2%
Other	-	0%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Interest Option

Variable	157,690,869	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

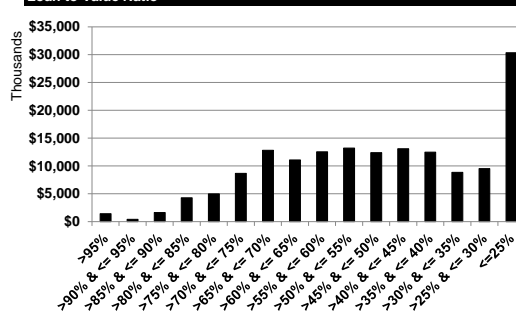
### Mortgage Insurance

Genworth Financial	100,860,029	64%
HLIC Govt	-	0%
Uninsured	56,830,840	36%
QBE	-	0%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Loan Size

>\$250,000	45,215,573	28%
>\$200,000 & <\$250,000	23,950,621	15%
>\$150,000 & <\$200,000	23,581,956	15%
>\$100,000 & <\$150,000	26,485,101	17%
>\$50,000 & <\$100,000	24,847,184	16%
<= \$50,000	13,610,434	9%
<b>TOTAL</b>	<b>157,690,869</b>	<b>100%</b>

### Loan to Value Ratio



<sup>1</sup> - 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.

<sup>2</sup> - 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**

	20 June 2022	19 May 2022	14 April 2022
<b>30-59 days</b>			
Number of loans	6	3	6
Outstanding Balance (\$)	776,986	550,628	1,359,284
% of Pool Outstanding Balance	0.49%	0.34%	0.81%
<b>60-89 days</b>			
Number of loans	0	0	2
Outstanding Balance (\$)	0	0	348,227
% of Pool Outstanding Balance	0.00%	0.00%	0.21%
<b>90+ days</b>			
Number of loans	23	24	25
Outstanding Balance (\$)	4,560,333	5,031,839	5,320,424
% of Pool Outstanding Balance	2.89%	3.09%	3.15%
<b>TOTAL Delinquencies</b>			
Number of loans	29	27	33
Outstanding Balance (\$)	5,337,319	5,582,468	7,027,936
% of Pool Outstanding Balance	3.38%	3.43%	4.16%
<b>Pool Information</b>			
Number of loans	2,296	2,344	2,393
Outstanding Balance (\$ m)	158	163	169

**Repayment Holiday COVID-19**

	20 June 2022	19 May 2022	14 April 2022
Number of loans	0	0	0
Outstanding Balance (\$)	0	0	0
% of Pool Outstanding Balance	0.00%	0.00%	0.00%

**This space has been left intentionally blank**

**Foreclosure & Mortgage Insurance claims since inception**

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	1	306,054
Proceeds of sale	1	268,309
Loss on sale of property	1	39,091
Claims submitted to Insurer	1	39,091
Claims paid by Insurer	1	38,080
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	0	0
Claims 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 cover for a limited period.

## Facilities & Reserve

### Liquidity Facility

Opening Balance	1,579,503
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(47,821)
Closing Outstanding Balance	<u>1,531,681</u>

### Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

## Notional Swaps

### Notional Swaps Value

#### % of fixed rate home loans

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 2016-1. 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 2016-1 (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 2016-1 CRD**

**Geographical Location**

VIC	- Metro	2,363,618	16%
	- Non Metro	719,386	5%
NSW	- Metro	905,725	6%
	- Non Metro	640,421	4%
QLD	- Metro	1,436,070	10%
	- Non Metro	1,884,810	13%
SA	- Metro	891,407	6%
	- Non Metro	-	0%
WA	- Metro	2,738,001	18%
	- Non Metro	501,182	3%
TAS	- Metro	499,397	3%
	- Non Metro	252,872	2%
NT	- Metro	191,704	1%
	- Non Metro	-	0%
ACT	- Metro	1,964,463	13%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>14,989,057</b>	<b>100%</b>

**Loan Purpose <sup>1</sup>**

Refinance	6,166,875	41%
Renovation	-	0%
Purchase	6,917,082	46%
Construction	581,604	4%
Equity Release	1,323,495	9%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

**Loan Term**

<=5 yrs	-	0%
>5 & <=10yrs	66,913	0%
>10 & <=15yrs	369,106	2%
>15 & <=20yrs	608,367	4%
>20 & <=25yrs	1,772,824	12%
>25yrs	12,171,846	82%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

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

Owner Occupied	9,981,324	67%
Investment	5,007,733	33%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

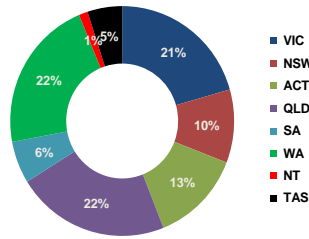
**Interest Rate Exposure**

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	30,057	0%
> 5.00% & <= 6.00%	3,301,434	22%
<= 5.00%	11,657,565	78%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

**Loan to Value Ratio**

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	363,780	2%
>80% & <= 85%	666,853	4%
>75% & <= 80%	1,564,403	10%
>70% & <= 75%	644,755	4%
>65% & <= 70%	855,226	6%
>60% & <= 65%	1,823,240	12%
>55% & <= 60%	2,319,229	17%
>50% & <= 55%	492,533	3%
>45% & <= 50%	1,705,758	11%
>40% & <= 45%	1,424,644	10%
>35% & <= 40%	736,564	5%
>30% & <= 35%	303,315	2%
>25% & <= 30%	437,270	3%
<=25%	1,651,487	11%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

**Geographical Location**



**Loan Security <sup>2</sup>**

House	13,348,405	89%
Land	-	0%
Apartment	304,806	2%
Unit	1,335,846	9%
Townhouse	-	0%
Other	-	0%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

**Interest Option**

Variable	6,330,202	42%
Fixed <3 years	8,433,900	56%
Fixed >3 years	224,954	2%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

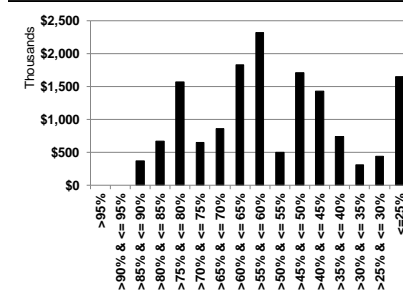
**Mortgage Insurance**

Genworth Financial	7,393,770	49%
HLIC Govt	-	0%
Uninsured	7,217,578	48%
QBE	377,709	3%
<b>TOTAL</b>	<b>14,989,057</b>	<b>100%</b>

**Loan Size**

>\$250,000	7,723,135	51%
>\$200,000 & <\$250,000	1,769,110	12%
>\$150,000 & <\$200,000	1,708,362	11%
>\$100,000 & <\$150,000	1,622,324	11%
>\$50,000 & <\$100,000	1,339,614	9%
<= \$50,000	826,512	6%
<b>TOTAL</b>	<b>14,989,057</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.