

SMHL SERIES SECURITISATION FUND 2016-1

Monthly Investment Report as at 26 August 2022



SMHL[®]

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Bloomberg Screen: SMHL <MTGE>

Summary

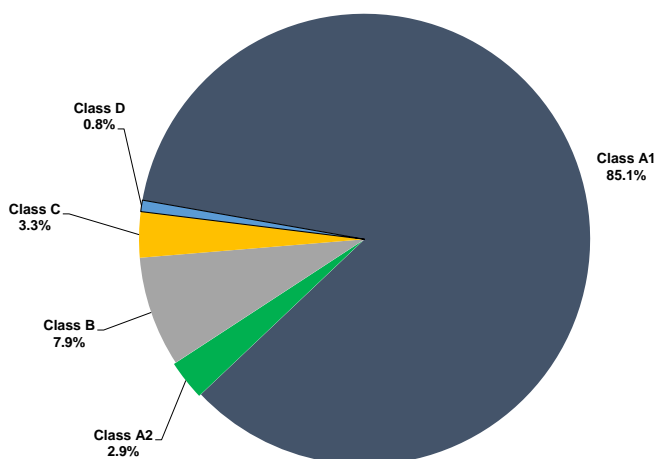
Fund: SMHL Series Securitisation Fund 2016-1
 Cut-Off Date: 19 August 2022
 Payment Date: 26 August 2022
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2016-1
 Joint Lead Managers: Westpac Banking Corporation (ABN 33 007 457 141)
 Macquarie Bank Limited (ABN 46 008 583 542)
 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 26 August 2022

Fund:	0.09727033
Class A1	0.08881173
Class A2	0.08881173
Class B	0.26143613
Class C	0.26143613
Class D	0.26143613
Class E	0.26143613



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				26 July 2022		26 July 2022	
				26 August 2022		26 August 2022	
Class A1	128,005,291.74	5,445,100	122,560,191.85	310,647.45	12,555.54	2.857%	2.857%
Class A2	4,313,221.79	183,476	4,129,745.59	12,555.54		3.427%	3.427%
Class B	11,877,727.22	505,256	11,372,471.46	42,141.33		4.177%	4.177%
Class C	4,914,921.61	209,071	4,705,850.26	20,151.10		4.827%	4.827%
Class D	1,228,730.40	52,268	1,176,462.56	6,081.35		5.827%	5.827%
Class E	2,047,884.00	87,113	1,960,770.94	13,614.19		7.827%	7.827%
Total Portfolio	152,387,777	6,482,284	145,905,493	405,191			

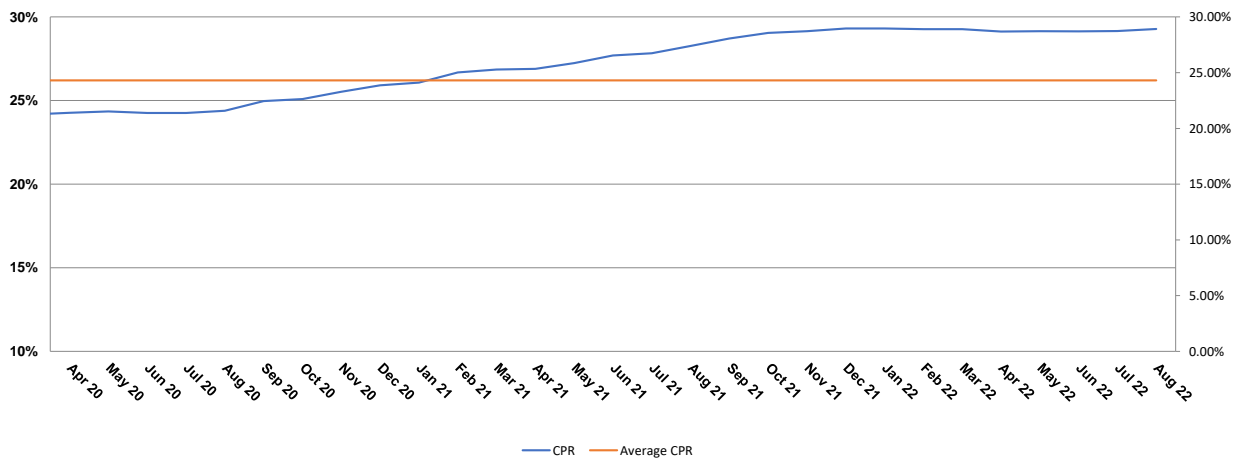
European CRR invested amount (as per Article 405) \$ 14,869,195.32

Pool Details

Number of Loans	2,202
Average Loan Size	66,260
Maximum Loan Size	784,225
Weighted Average LVR	45.38%
Maximum LVR	111.33%
WA Seeding (months)	148
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	5.61%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	19 July 2022 to 19 August 2022	20 June 2022 to 19 August 2022	24 October 2016 to 19 August 2022
Repayment Analysis			
Balance @ Determination Date	152,387,777	162,944,169	1,500,000,000
Substitution	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(704,056)	(2,116,739)	(158,356,204)
Prepayments	(6,743,647)	(17,973,574)	(1,451,842,189)
Redraw Advances	965,420	3,051,638	256,103,885
Closing Balance	145,905,493	145,905,493	145,905,493
CPR*	37.25%	32.15%	29.28%
SMM	3.81%	3.18%	2.85%



Current Position

Geographical Location

VIC	- Metro	27,784,674	19%
	- Non Metro	9,583,857	7%
NSW	- Metro	16,269,050	11%
	- Non Metro	12,302,972	8%
QLD	- Metro	11,606,702	8%
	- Non Metro	9,866,691	7%
SA	- Metro	6,211,328	4%
	- Non Metro	118,869	0%
WA	- Metro	26,017,710	18%
	- Non Metro	1,599,330	1%
TAS	- Metro	5,403,702	4%
	- Non Metro	3,657,982	3%
NT	- Metro	2,025,050	1%
	- Non Metro	-	0%
ACT	- Metro	13,457,574	9%
	- Non Metro	-	0%
TOTAL		145,905,493	100%

Loan Purpose ¹

Refinance	38,251,825	26%
Renovation	-	0%
Purchase	54,348,636	38%
Construction	6,372,140	4%
Equity Release	46,932,892	32%
TOTAL	145,905,493	100%

Loan Term

<=5 yrs	43	0%
>5 & <=10yrs	667,850	0%
>10 & <=15yrs	6,437,869	4%
>15 & <=20yrs	6,650,710	5%
>20 & <=25yrs	26,956,328	18%
>25yrs	105,192,693	73%
TOTAL	145,905,493	100%

Owner/Investment split ¹

Owner Occupied	113,927,370	78%
Investment	31,978,123	22%
TOTAL	145,905,493	100%

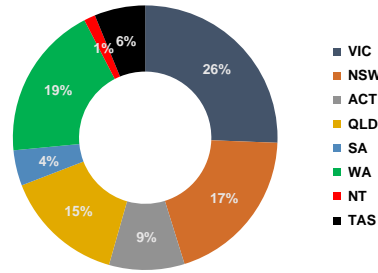
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	833,998	1%
> 6.00% & <= 7.00%	69,074,206	47%
> 5.00% & <= 6.00%	37,709,779	26%
<= 5.00%	38,287,510	26%
TOTAL	145,905,493	100%

Loan to Value Ratio

>95%	1,405,474	1%
>90% & <= 95%	170,916	0%
>85% & <= 90%	1,684,224	1%
>80% & <= 85%	3,320,249	2%
>75% & <= 80%	4,621,587	3%
>70% & <= 75%	7,027,132	5%
>65% & <= 70%	10,517,903	7%
>60% & <= 65%	9,545,284	7%
>55% & <= 60%	11,699,820	8%
>50% & <= 55%	12,176,124	8%
>45% & <= 50%	10,814,412	7%
>40% & <= 45%	12,166,622	8%
>35% & <= 40%	12,547,152	9%
>30% & <= 35%	9,361,489	6%
>25% & <= 30%	7,749,902	5%
<=25%	31,097,203	23%
TOTAL	145,905,493	100%

Geographical Location



Loan Security ²

House	122,911,098	85%
Land	24,296	0%
Apartment	3,271,079	2%
Unit	17,704,510	12%
Townhouse	1,994,510	1%
Other	-	0%
TOTAL	145,905,493	100%

Interest Option

Variable	145,905,493	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
TOTAL	145,905,493	100%

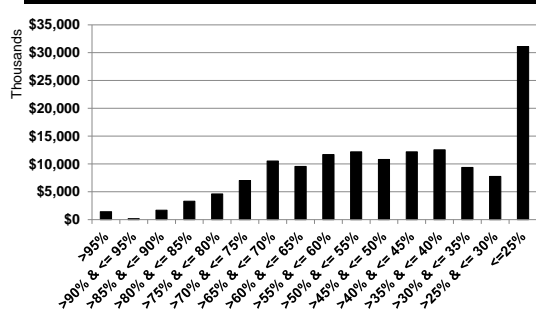
Mortgage Insurance

Genworth Financial	92,640,589	63%
HLIC Govt	-	0%
Uninsured	53,264,904	37%
QBE	-	0%
TOTAL	145,905,493	100%

Loan Size

>\$250,000	40,013,153	28%
>\$200,000 & <\$250,000	21,125,392	14%
>\$150,000 & <\$200,000	22,643,885	16%
>\$100,000 & <\$150,000	25,287,985	17%
>\$50,000 & <\$100,000	23,705,174	16%
<= \$50,000	13,129,904	9%
TOTAL	145,905,493	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

	19 August 2022	19 July 2022	20 June 2022
30-59 days			
Number of loans	9	5	6
Outstanding Balance (\$)	1,361,358	632,150	776,986
% of Pool Outstanding Balance	0.93%	0.41%	0.49%
60-89 days			
Number of loans	2	1	0
Outstanding Balance (\$)	224,981	147,674	0
% of Pool Outstanding Balance	0.15%	0.10%	0.00%
90+ days			
Number of loans	20	22	23
Outstanding Balance (\$)	4,063,921	4,414,113	4,560,333
% of Pool Outstanding Balance	2.79%	2.90%	2.89%
TOTAL Delinquencies			
Number of loans	31	28	29
Outstanding Balance (\$)	5,650,259	5,193,937	5,337,319
% of Pool Outstanding Balance	3.87%	3.41%	3.38%
Pool Information			
Number of loans	2,202	2,235	2,296
Outstanding Balance (\$ m)	146	152	158

Repayment Holiday COVID-19

	19 August 2022	19 July 2022	20 June 2022
Number of loans	0	0	0
Outstanding Balance (\$)	0	0	0
% of Pool Outstanding Balance	0.00%	0.00%	0.00%

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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	1,480,113
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(61,321)
Closing Outstanding Balance	<u>1,418,792</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	2,386,543	16%
	- Non Metro	720,858	5%
NSW	- Metro	899,533	6%
	- Non Metro	634,734	4%
QLD	- Metro	1,440,707	10%
	- Non Metro	1,693,354	11%
SA	- Metro	896,128	6%
	- Non Metro	-	0%
WA	- Metro	2,717,426	18%
	- Non Metro	517,247	3%
TAS	- Metro	476,641	3%
	- Non Metro	251,438	2%
NT	- Metro	187,592	1%
	- Non Metro	-	0%
ACT	- Metro	2,046,995	14%
	- Non Metro	-	0%

TOTAL 14,869,195 100%

Loan Purpose ¹

Refinance	6,141,258	41%
Renovation	-	0%
Purchase	6,842,565	46%
Construction	590,246	4%
Equity Release	1,295,126	9%

TOTAL 14,869,195 100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	60,839	0%
>10 & <=15yrs	351,147	2%
>15 & <=20yrs	591,716	4%
>20 & <=25yrs	1,556,620	10%
>25yrs	12,308,873	84%

TOTAL 14,869,195 100%

Owner/Investment split ¹

Owner Occupied	10,009,137	67%
Investment	4,860,059	33%

TOTAL 14,869,195 100%

Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	31,812	0%
> 6.00% & <= 7.00%	3,046,181	20%
> 5.00% & <= 6.00%	1,655,817	11%
<= 5.00%	10,135,385	69%

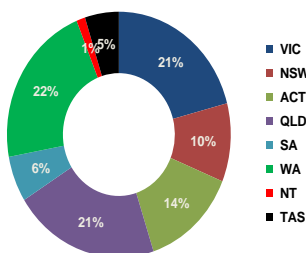
TOTAL 14,869,195 100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	361,829	2%
>80% & <= 85%	663,301	4%
>75% & <= 80%	1,323,202	9%
>70% & <= 75%	871,495	6%
>65% & <= 70%	1,376,687	9%
>60% & <= 65%	1,780,262	12%
>55% & <= 60%	2,056,549	14%
>50% & <= 55%	462,183	3%
>45% & <= 50%	1,429,629	10%
>40% & <= 45%	1,417,706	10%
>35% & <= 40%	1,046,655	7%
>30% & <= 35%	-	0%
>25% & <= 30%	429,259	3%
<=25%	1,650,438	11%

TOTAL 14,869,195 100%

Geographical Location



Loan Security ²

House	13,432,910	90%
Land	-	0%
Apartment	305,209	2%
Unit	1,131,077	8%
Townhouse	-	0%
Other	-	0%

TOTAL 14,869,195 100%

Interest Option

Variable	7,215,406	49%
Fixed <3 years	7,430,306	49%
Fixed >3 years	223,483	2%

TOTAL 14,869,195 100%

Mortgage Insurance

Genworth Financial	7,517,058	50%
HLIC Govt	-	0%
Uninsured	6,976,605	47%
QBE	375,533	3%

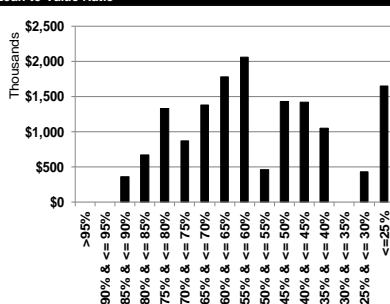
TOTAL 14,869,195 100%

Loan Size

>\$250,000	7,684,427	51%
>\$200,000 & <\$250,000	1,761,075	12%
>\$150,000 & <\$200,000	1,357,736	9%
>\$100,000 & <\$150,000	1,757,069	12%
>\$50,000 & <\$100,000	1,484,181	10%
<= \$50,000	824,707	6%

TOTAL 14,869,195 100%

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.

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