

# SMHL Series Securitisation Fund 2019-1



# SMHL<sup>SM</sup>

Monthly Investment Report as at 15 May 2023

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

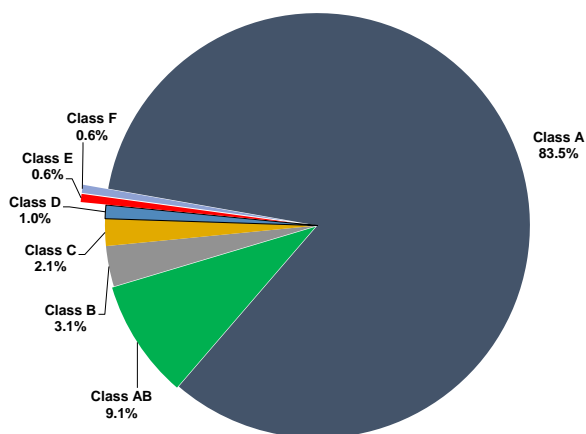
Fund: SMHL Series Securitisation Fund 2019-1  
 Cut-Off Date: 04 May 2023  
 Payment Date: 15 May 2023  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2019-1  
 Joint Lead Managers: Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Commonwealth Bank of 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 May 2023

Fund:	0.28653346
Class A	0.26017939
Class AB	0.58960523
Class B	0.58960523
Class C	0.58960523
Class D	0.58960523
Class E	0.58960523
Class F	0.58960523



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				17 April 2023 15 May 2023	17 April 2023 15 May 2023	
Class A	431,033,982.91	12,145,162	418,888,821	1,535,634		4.644%
Class AB	46,715,908.01	1,316,305	45,399,603	195,103		5.444%
Class B	15,925,877.73	448,740	15,477,137	68,345		5.594%
Class C	10,617,251.82	299,160	10,318,092	49,636		6.094%
Class D	5,308,625.91	149,580	5,159,046	28,076		6.894%
Class E	3,185,175.55	89,748	3,095,427	20,022		8.194%
Class F	3,185,175.55	89,748	3,095,427	23,443		9.594%
<b>Total Portfolio</b>	<b>515,971,997</b>	<b>14,538,444</b>	<b>501,433,553</b>	<b>1,920,258</b>		
European CRR invested amount (as per Article 405)			30,656,551.64	6.11%		

## Pool Details

Number of Loans	3,693
Average Loan Size	135,779
Maximum Loan Size	827,595
Weighted Average LVR	51.84%
Maximum LVR	124.54%
WA Seeding (months)	107
WA Term to Maturity (years)	18
Full Documentation Loans	100.00%
WA Interest Rate	5.51%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	17 April 2023 to 15 May 2023	15 February 2023 to 15 May 2023	12 June 2019 to 15 May 2023
<b>Repayment Analysis</b>			
Balance @ Determination Date	515,971,997	555,530,953	1,750,000,000
Substitution	-	-	-
Scheduled Repayments	(2,528,481)	(9,977,366)	(174,868,539)
Prepayments	(14,025,953)	(53,041,744)	(1,252,736,530)
Redraw Advances	2,015,991	8,921,711	179,038,622
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>501,433,553</b>	<b>501,433,553</b>	<b>501,433,553</b>
CPR	24.73%	21.53%	21.69%
SMM	2.34%	2.00%	2.02%

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## Current Position

### Geographical Location

VIC	- Metro	104,248,066	21%
	- Non Metro	28,554,702	6%
NSW	- Metro	68,897,368	14%
	- Non Metro	30,837,873	6%
QLD	- Metro	39,939,480	8%
	- Non Metro	27,116,685	5%
SA	- Metro	31,920,866	6%
	- Non Metro	1,234,873	0%
WA	- Metro	94,662,869	19%
	- Non Metro	3,522,764	1%
TAS	- Metro	17,693,594	4%
	- Non Metro	7,613,337	2%
NT	- Metro	2,894,157	1%
	- Non Metro	689,200	0%
ACT	- Metro	41,607,720	8%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>501,433,553</b>	<b>100%</b>

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

Refinance	208,208,032	41%
Renovation	-	0%
Property Purchase	190,787,819	38%
Construction	28,555,576	6%
Equity Release	73,882,126	15%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	407,023	0%
>10 & <=15yrs	3,246,451	1%
>15 & <=20yrs	12,925,222	3%
>20 & <=25yrs	55,753,000	11%
>25yrs	429,101,858	85%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

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

Owner Occupied	363,332,656	72%
Investment	138,100,897	28%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

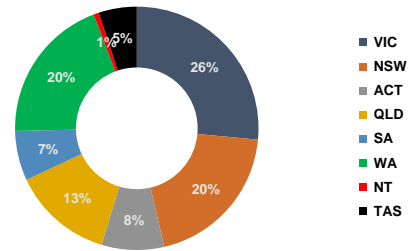
### Interest Rate Exposure

> 8.00%	23,175,104	5%
> 7.00% & <= 8.00%	78,623,521	16%
> 6.00% & <= 7.00%	122,146,287	24%
> 5.00% & <= 6.00%	156,928,385	31%
<= 5.00%	120,560,257	24%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

### Loan to Value Ratio

>95%	913,760	0%
>90% & <= 95%	425,541	0%
>85% & <= 90%	2,536,827	1%
>80% & <= 85%	14,770,310	3%
>75% & <= 80%	32,863,754	7%
>70% & <= 75%	41,538,975	8%
>65% & <= 70%	50,368,806	10%
>60% & <= 65%	46,091,118	9%
>55% & <= 60%	49,576,647	10%
>50% & <= 55%	50,462,609	10%
>45% & <= 50%	44,246,630	9%
>40% & <= 45%	34,372,879	7%
>35% & <= 40%	26,907,461	5%
>30% & <= 35%	28,427,429	6%
>25% & <= 30%	27,695,040	6%
<=25%	50,235,768	10%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

### Geographical Location



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

House	398,249,463	79%
Land	16,634,067	3%
Apartment	30,655,027	6%
Unit	38,134,469	8%
Townhouse	14,338,509	3%
Other	3,422,019	1%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

### Interest Option

Variable	369,779,656	74%
Fixed <3 years	131,653,897	26%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

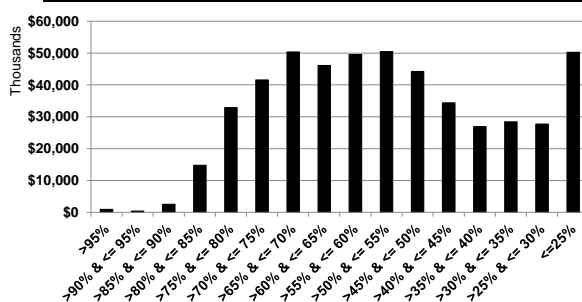
### Mortgage Insurance

Genworth	164,703,751	33%
HLIC Govt	-	0%
Uninsured	303,505,825	61%
QBE	29,075,998	6%
Dual Insured	4,147,979	1%
<b>TOTAL</b>	<b>501,433,553</b>	<b>100%</b>

### Loan Size

>\$250,000	259,029,554	52%
>\$200,000 & <\$250,000	63,668,068	13%
>\$150,000 & <\$200,000	63,769,587	13%
>\$100,000 & <\$150,000	52,461,219	10%
>\$50,000 & <\$100,000	41,465,045	8%
<= \$50,000	21,040,080	4%
<b>TOTAL</b>	<b>501,433,553</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 May 2023	17 April 2023	15 March 2023
<b>30-59 days</b>			
Number of loans	10	17	9
Outstanding Balance (\$)	1,659,699	2,397,172	1,529,165
% of Pool Outstanding Balance	0.33%	0.46%	0.29%
<b>60-89 days</b>			
Number of loans	8	5	7
Outstanding Balance (\$)	1,392,995	699,366	850,356
% of Pool Outstanding Balance	0.28%	0.14%	0.16%
<b>90+ days</b>			
Number of loans	33	31	28
Outstanding Balance (\$)	5,412,291	4,984,467	4,909,962
% of Pool Outstanding Balance	1.08%	0.97%	0.93%
<b>TOTAL Delinquencies</b>			
Number of loans	51	53	44
Outstanding Balance (\$)	8,464,984	8,081,005	7,289,484
% of Pool Outstanding Balance	1.69%	1.57%	1.37%
<b>Pool Information</b>			
Number of loans	3,693	3,769	3,835
Outstanding Balance (\$ m)	501	516	531

## Repayment Holiday COVID-19

	15 May 2023	17 April 2023	15 March 2023
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	4	957,044
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	5,110,009
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(149,658)
Closing Outstanding Balance	<u>4,960,350</u>

### Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

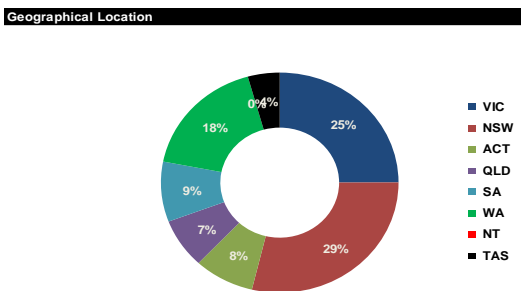
## Notional Swaps

Notional Swaps Value	129,500,000
Notional Swap to Fixed Home Loans	98.36%

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	6,585,891 21%
	- Non Metro	1,068,632 3%
NSW	- Metro	7,049,046 23%
	- Non Metro	1,780,745 6%
QLD	- Metro	885,883 3%
	- Non Metro	1,345,575 4%
SA	- Metro	2,645,660 9%
	- Non Metro	58,836 0%
WA	- Metro	5,394,988 18%
	- Non Metro	- 0%
TAS	- Metro	850,045 3%
	- Non Metro	477,560 2%
NT	- Metro	- 0%
	- Non Metro	- 0%
ACT	- Metro	2,513,689 8%
	- Non Metro	- 0%
<b>TOTAL</b>		<b>30,656,552 100%</b>



Loan Purpose <sup>1,3</sup>		
Refinance	12,442,283	40%
Renovation	-	0%
Property Purchase	13,406,533	44%
Construction	897,897	3%
Equity Release	3,909,839	13%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Loan Security <sup>2</sup>		
House	23,996,243	78%
Strata Unit	3,283,989	11%
Apartment Unit	2,495,471	8%
Townhouse	880,849	3%
Other	-	0%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Loan Term		
<=5 yrs	-	0%
>5 & <=10yrs	32,297	0%
>10 & <=15yrs	34,525	0%
>15 & <=20yrs	1,255,595	4%
>20 & <=25yrs	3,741,290	12%
>25yrs	25,592,845	84%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Interest Option		
Variable	20,844,175	68%
Fixed <3 years	9,812,377	32%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

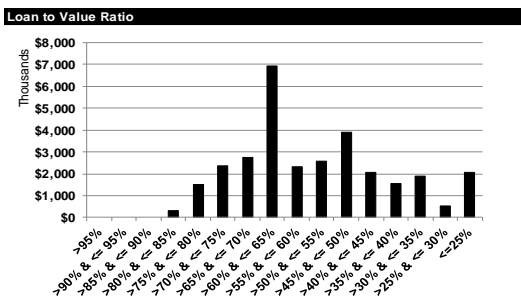
Owner/Investment split <sup>1</sup>		
Owner Occupied	27,545,192	90%
Investment	3,111,359	10%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Mortgage Insurance		
Genworth	9,586,191	30%
HLIC	-	0%
Uninsured	19,537,911	65%
QBE	1,008,620	3%
Dual Insured	523,830	2%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Interest Rate Exposure		
> 8.00%	820,304	3%
> 7.00% & <= 8.00%	3,588,641	12%
> 6.00% & <= 7.00%	6,747,886	22%
> 5.00% & <= 6.00%	10,882,127	35%
<= 5.00%	8,617,593	28%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Loan Size		
>\$250,000	17,612,098	58%
>\$200,000 & <=\$250,000	2,181,561	7%
>\$150,000 & <=\$200,000	3,463,039	11%
>\$100,000 & <=\$150,000	2,865,346	9%
>\$50,000 & <=\$100,000	2,814,612	9%
<= \$50,000	1,719,894	6%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>

Loan to Value Ratio		
>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	-	0%
>80% & <= 85%	301,418	1%
>75% & <= 80%	1,504,665	5%
>70% & <= 75%	2,364,234	8%
>65% & <= 70%	2,745,622	9%
>60% & <= 65%	6,915,511	21%
>55% & <= 60%	2,301,732	8%
>50% & <= 55%	2,557,549	8%
>45% & <= 50%	3,920,001	13%
>40% & <= 45%	2,066,052	7%
>35% & <= 40%	1,532,619	5%
>30% & <= 35%	1,885,722	6%
>25% & <= 30%	514,221	2%
<=25%	2,047,207	7%
<b>TOTAL</b>	<b>30,656,552</b>	<b>100%</b>



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