

# SMHL SERIES SECURITISATION FUND 2017-1



# SMHL<sup>®</sup>

Monthly Investment Report as at 26 May 2023

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

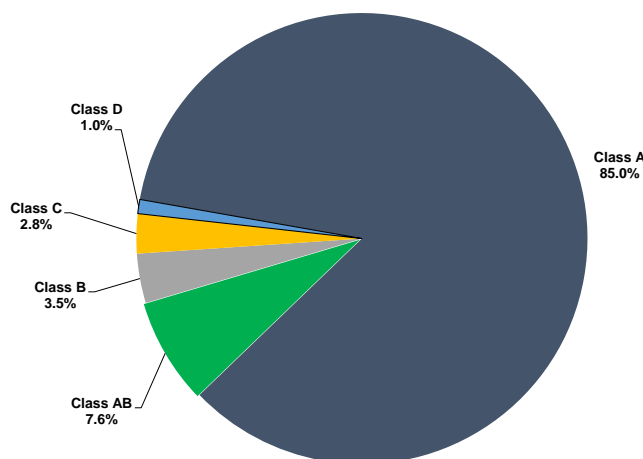
Fund: SMHL Series Securitisation Fund 2017-1  
 Cut-Off Date: 17 May 2023  
 Payment Date: 26 May 2023  
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2017-1  
 Joint Lead Managers: National Australia Bank Limited (ABN 12 004 044 937)  
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Deutsche Bank AG, Sydney Branch (ABN 13 064 165 162)  
 Westpac Banking Corporation (ABN 33 007 457 141)  
 National Australia Bank Limited (ABN 12 004 044 937)  
 Arranger: Members Equity Bank Limited (ABN 56 070 887 679) ("ME")  
 Trust Manager: Perpetual Trustee Company Limited (ABN 42 000 001 007)  
 Security Trustee: 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)  
 Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)  
 Issue Date: 21 September 2017  
 Legal Final Maturity Date: April 2049

## Security Classes

Class Name :	A	AB	B	C	D	E
ISIN:	AU3FN0037677	AU3FN0037693	AU3FN0037719	AU3FN0037743	AU3FN0037768	AU3FN0037784
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	56,250,000.00	26,250,000.00	21,000,000.00	7,500,000.00	9,000,000.00
Base Rate:	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW	1 month BBSW
Margin above base rate:	0.98%	1.55%	2.15%	2.90%	3.80%	5.90%
Expected Average Life to call:	2.6 years	4.7 years	4.7 years	4.7 years	4.7 years	4.7 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 May 2023

Fund:	0.11320665
Class A	0.10336140
Class AB	0.22642692
Class B	0.22642692
Class C	0.22642692
Class D	0.22642692
Class E	0.22642692



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate
				26 April 2023	26 May 2023	26 April 2023
Class A	145,985,209	3,346,472	142,638,738	550,744.20		4.590%
Class AB	13,035,328	298,814	12,736,514	55,284.07		5.160%
Class B	6,083,153	139,446	5,943,707	28,799.15		5.760%
Class C	4,866,522	111,557	4,754,965	26,039.23		6.510%
Class D	1,738,044	39,842	1,698,202	10,585.40		7.410%
Class E	2,085,652	47,810	2,037,842	16,302.37		9.510%
<b>Total Portfolio</b>	<b>173,793,908</b>	<b>3,983,941</b>	<b>169,809,968</b>	<b>687,754</b>		

European CRR invested amount (as per Article 405) \$ 10,986,870

## Pool Details

Number of Loans	2,640
Average Loan Size	64,322
Maximum Loan Size	604,932
Weighted Average LVR	43.11%
Maximum LVR	213.09%
WA Seeding (months)	156
WA Term to Maturity (years)	16
Full Documentation Loans	100.00%
WA Interest Rate	7.18%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	14 April 2023 to 17 May 2023	16 March 2023 to 17 May 2023	21 September 2017 to 17 May 2023
<b>Repayment Analysis</b>			
Balance @ Determination Date	173,793,908	181,408,519	1,500,000,000
Substitution	-	-	-
Scheduled Repayments	(915,344)	(2,830,232)	(166,273,592)
Prepayments	(4,975,630)	(13,410,607)	(1,439,878,828)
Redraw Advances	1,907,033	4,642,287	275,962,387
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>169,809,968</b>	<b>169,809,968</b>	<b>169,809,968</b>
CPR	19.34%	18.16%	27.79%
SMM	1.78%	1.66%	2.68%

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## Current Position

### Geographical Location

VIC	- Metro	37,593,472	22%
	- Non Metro	10,688,508	6%
NSW	- Metro	21,078,951	12%
	- Non Metro	12,214,310	7%
QLD	- Metro	12,291,227	7%
	- Non Metro	8,187,389	5%
SA	- Metro	6,697,971	4%
	- Non Metro	1,436,378	1%
WA	- Metro	29,202,418	17%
	- Non Metro	1,588,159	1%
TAS	- Metro	5,543,333	3%
	- Non Metro	4,023,132	2%
NT	- Metro	3,750,063	2%
	- Non Metro	333,258	0%
ACT	- Metro	15,181,399	9%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>169,809,968</b>	<b>100%</b>

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

Refinance	47,166,665	28%
Renovation	-	0%
Purchase	67,113,805	39%
Construction	6,791,613	4%
Equity Release	48,737,885	29%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	873,750	1%
>10 & <=15yrs	4,859,089	3%
>15 & <=20yrs	10,846,227	6%
>20 & <=25yrs	26,822,328	16%
>25yrs	126,408,573	74%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

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

Owner Occupied	140,198,924	83%
Investment	29,611,044	17%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

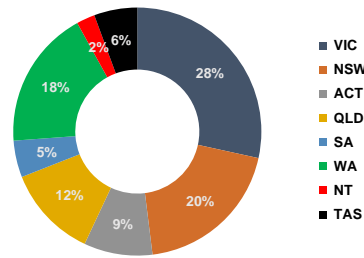
### Interest Rate Exposure

> 8.00%	58,104,176	33%
> 7.00% & <= 8.00%	36,920,351	22%
> 6.00% & <= 7.00%	43,340,095	26%
> 5.00% & <= 6.00%	31,826,286	19%
<= 5.00%	380,940	0%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

### Loan to Value Ratio

>95%	63,927	0%
>90% & <= 95%	531,949	0%
>85% & <= 90%	741,801	0%
>80% & <= 85%	1,400,538	1%
>75% & <= 80%	3,378,461	2%
>70% & <= 75%	8,492,240	5%
>65% & <= 70%	11,377,450	7%
>60% & <= 65%	11,191,544	7%
>55% & <= 60%	14,107,679	8%
>50% & <= 55%	13,292,841	8%
>45% & <= 50%	14,579,497	9%
>40% & <= 45%	13,204,352	8%
>35% & <= 40%	12,623,596	7%
>30% & <= 35%	14,462,909	9%
>25% & <= 30%	14,837,766	9%
<=25%	35,523,418	20%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

### Geographical Location



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

House	145,375,619	86%
Land	-	0%
Apartment	5,022,981	3%
Unit	15,706,885	9%
Townhouse	2,429,092	1%
Other	1,275,390	1%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

### Interest Option

Variable	169,809,968	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

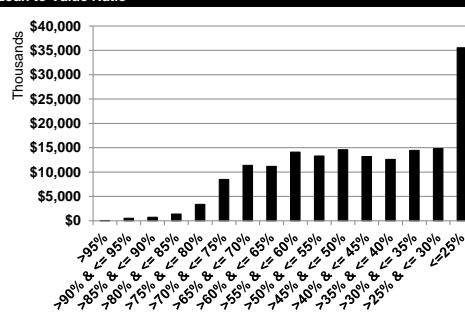
### Mortgage Insurance

Genworth Financial	81,079,357	48%
HLIC Govt	-	0%
Uninsured	88,569,101	52%
QBE	161,509	0%
<b>TOTAL</b>	<b>169,809,968</b>	<b>100%</b>

### Loan Size

>\$250,000	43,186,032	25%
>\$200,000 & <=\$250,000	23,330,497	14%
>\$150,000 & <=\$200,000	30,421,763	18%
>\$100,000 & <=\$150,000	30,008,379	18%
>\$50,000 & <=\$100,000	27,342,555	16%
<=\$50,000	15,520,741	9%
<b>TOTAL</b>	<b>169,809,968</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 ma in 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

	17 May 2023	14 April 2023	16 March 2023
<b>30-59 days</b>			
Number of loans	4	6	7
Outstanding Balance (\$)	567,058	833,063	995,570
% of Pool Outstanding Balance	0.33%	0.48%	0.56%
<b>60-89 days</b>			
Number of loans	7	7	4
Outstanding Balance (\$)	1,475,488	1,113,727	845,381
% of Pool Outstanding Balance	0.87%	0.64%	0.47%
<b>90+ days</b>			
Number of loans	16	15	14
Outstanding Balance (\$)	2,660,164	2,689,251	2,341,018
% of Pool Outstanding Balance	1.57%	1.55%	1.31%
<b>TOTAL Delinquencies</b>			
Number of loans	27	28	25
Outstanding Balance (\$)	4,702,710	4,636,041	4,181,970
% of Pool Outstanding Balance	2.77%	2.67%	2.35%
<b>Pool Information</b>			
Number of loans	2,640	2,680	2,710
Outstanding Balance (\$ m)	170	174	178

## Repayment Holiday COVID-19

	17 May 2023	14 April 2023	16 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

	<u>Loan count</u>	<u>Amount</u>
Outstanding Balance of Defaulted Loans	8	1,572,705
Proceeds of sale	4	817,249
Loss on sale of property	2	28,273
Claims submitted to Insurer	1	102,273
Claims paid by Insurer	1	94,520
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	1	7,883
Claims Reduced/Denied by Insurers	1	7,883

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	1,711,083
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(39,564)
Closing Outstanding Balance	<u>1,671,520</u>

## Notional Swaps

Notional Swaps Value	-
Notional Swap to Fixed Home Loans	0.00%

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 2017-1. 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 2017-1 (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 2017-1 CRD

### Geographical Location

VIC	- Metro	1,739,306	16%
	- Non Metro	951,791	9%
NSW	- Metro	1,959,027	18%
	- Non Metro	789,219	7%
QLD	- Metro	942,856	9%
	- Non Metro	496,570	5%
SA	- Metro	969,821	9%
	- Non Metro	-	0%
WA	- Metro	2,343,026	21%
	- Non Metro	-	0%
TAS	- Metro	239,113	2%
	- Non Metro	439,167	4%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	116,974	1%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>10,986,870</b>	<b>100%</b>

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

Refinance	4,408,081	40%
Renovation	-	0%
Purchase	4,710,479	43%
Construction	337,727	3%
Equity Release	1,530,584	14%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	-	0%
>10 & <=15yrs	110,204	1%
>15 & <=20yrs	381,442	3%
>20 & <=25yrs	2,047,607	19%
>25yrs	8,447,617	77%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

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

Owner Occupied	8,358,119	76%
Investment	2,628,751	24%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

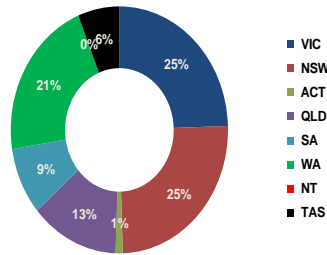
### Interest Rate Exposure

> 8.00%	1,197,861	11%
> 7.00% & <= 8.00%	774,872	7%
> 6.00% & <= 7.00%	2,179,720	20%
> 5.00% & <= 6.00%	2,772,582	25%
<= 5.00%	4,061,834	37%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	339,330	3%
>80% & <= 85%	-	0%
>75% & <= 80%	251,626	2%
>70% & <= 75%	601,386	5%
>65% & <= 70%	1,326,397	12%
>60% & <= 65%	1,994,268	20%
>55% & <= 60%	1,435,815	13%
>50% & <= 55%	370,796	3%
>45% & <= 50%	927,597	8%
>40% & <= 45%	363,498	3%
>35% & <= 40%	457,158	4%
>30% & <= 35%	836,526	8%
>25% & <= 30%	674,512	6%
<=25%	1,407,962	13%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Geographical Location



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

House	8,687,154	79%
Land	-	0%
Apartment	1,084,553	10%
Unit	1,200,832	11%
Townhouse	-	0%
Other	14,330	0%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Interest Option

Variable	6,140,601	56%
Fixed <3 years	4,689,368	43%
Fixed >3 years	156,901	1%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

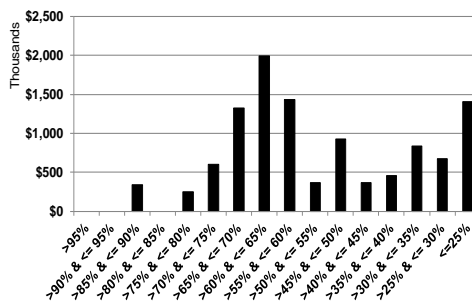
### Mortgage Insurance

Genworth Financial	3,345,858	30%
HLIC Govt	-	0%
Uninsured	7,641,012	70%
QBE	-	0%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Loan Size

>\$250,000	5,095,004	45%
>\$200,000 & <=\$250,000	684,887	6%
>\$150,000 & <=\$200,000	1,930,135	18%
>\$100,000 & <=\$150,000	1,047,517	10%
>\$50,000 & <=\$100,000	1,832,241	17%
<=\$50,000	397,087	4%
<b>TOTAL</b>	<b>10,986,870</b>	<b>100%</b>

### Loan to Value Ratio



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