

SMHL SERIES SECURITISATION FUND 2016-1



Monthly Investment Report as at 26 October 2021

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Bloomberg Screen: SMHL <MTGE>



Summary

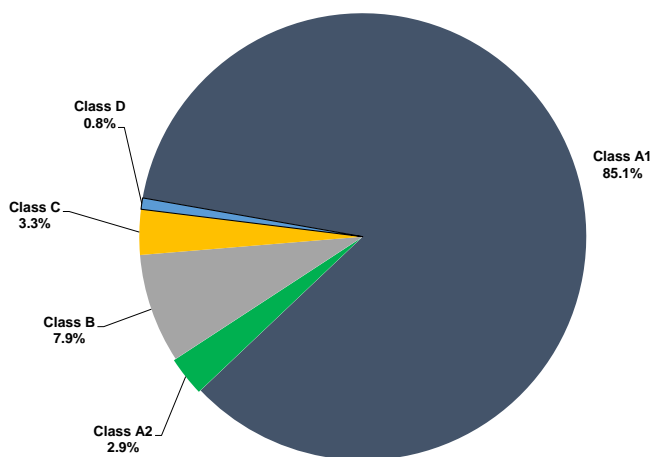
Fund: SMHL Series Securitisation Fund 2016-1
 Cut-Off Date: 19 October 2021
 Payment Date: 26 October 2021
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2016-1
 Joint Lead Managers: Westpac Banking Corporation (ABN 33 007 457 141)
 Macquarie Bank Limited (ABN 46 008 583 542)
 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 October 2021

Fund:	0.13798823
Class A1	0.12598882
Class A2	0.12598882
Class B	0.37087474
Class C	0.37087474
Class D	0.37087474
Class E	0.37087474



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt	Coupon Rate
				27 September 2021 26 October 2021	27 September 2021 26 October 2021
Class A1	183,850,691.24	9,986,121	173,864,570.33	173,827.05	1.190%
Class A2	6,194,968.94	336,489	5,858,480.09	8,662.77	1.760%
Class B	17,059,672.54	926,621	16,133,051.31	34,021.19	2.510%
Class C	7,059,174.84	383,429	6,675,745.37	17,723.36	3.160%
Class D	1,764,793.71	95,857	1,668,936.34	5,833.01	4.160%
Class E	2,941,322.85	159,762	2,781,560.57	14,395.56	6.160%
Total Portfolio	218,870,624	11,888,280	206,982,344	254,463	

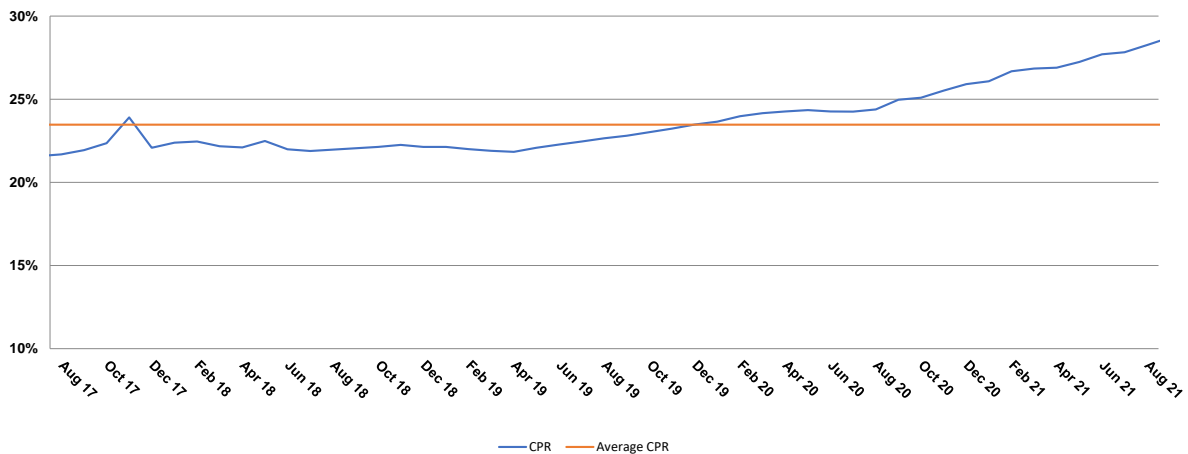
European CRR invested amount (as per Article 405) \$ 17,757,599.00

Pool Details

Number of Loans	2,702
Average Loan Size	76,603
Maximum Loan Size	757,089
Weighted Average LVR	48.31%
Maximum LVR	113.90%
WA Seeding (months)	136
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	3.95%

Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	17 September 2021 to 19 October 2021	19 August 2021 to 19 October 2021	24 October 2016 to 19 October 2021
Balance @ Determination Date	218,870,624	247,594,358	1,500,000,000
Substitution	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(919,817)	(2,921,576)	(150,488,198)
Prepayments	(13,295,351)	(45,281,467)	(1,385,592,105)
Redraw Advances	2,326,888	7,591,028	243,062,646
Closing Balance	206,982,344	206,982,344	206,982,344
CPR*	46.19%	43.62%	28.21%
SMM	5.03%	4.66%	2.72%



Current Position

Geographical Location

VIC	- Metro	40,250,408	19%
	- Non Metro	12,670,014	6%
NSW	- Metro	22,511,098	11%
	- Non Metro	16,369,741	8%
QLD	- Metro	19,165,138	9%
	- Non Metro	13,798,938	7%
SA	- Metro	9,064,580	4%
	- Non Metro	178,005	0%
WA	- Metro	36,716,621	18%
	- Non Metro	2,264,441	1%
TAS	- Metro	6,911,251	3%
	- Non Metro	4,974,364	2%
NT	- Metro	2,212,379	1%
	- Non Metro	-	0%
ACT	- Metro	19,895,366	10%
	- Non Metro	-	0%
TOTAL		206,982,344	100%

Loan Purpose ¹

Refinance	56,898,366	27%
Renovation	4,385,014	2%
Purchase	76,816,151	38%
Construction	8,969,146	4%
Other	59,913,667	29%
TOTAL	206,982,344	100%

Loan Term

<=5 yrs	49	0%
>5 & <=10yrs	979,319	0%
>10 & <=15yrs	9,130,815	4%
>15 & <=20yrs	11,206,573	5%
>20 & <=25yrs	35,567,847	17%
>25yrs	150,097,741	74%
TOTAL	206,982,344	100%

Owner/Investment split ¹

Owner Occupied	158,508,724	77%
Investment	48,473,620	23%
TOTAL	206,982,344	100%

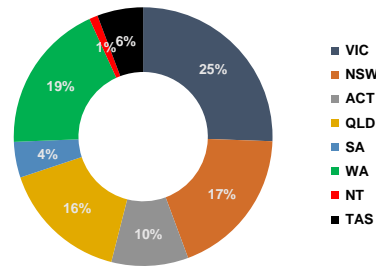
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	18,945,116	9%
<= 5.00%	188,037,228	91%
TOTAL	206,982,344	100%

Loan to Value Ratio

>95%	897,096	0%
>90% & <= 95%	1,153,084	1%
>85% & <= 90%	2,835,639	1%
>80% & <= 85%	6,127,519	3%
>75% & <= 80%	7,582,603	4%
>70% & <= 75%	17,722,631	9%
>65% & <= 70%	16,108,038	8%
>60% & <= 65%	15,924,705	8%
>55% & <= 60%	17,110,708	8%
>50% & <= 55%	15,824,376	8%
>45% & <= 50%	15,538,827	8%
>40% & <= 45%	16,470,871	8%
>35% & <= 40%	14,411,018	7%
>30% & <= 35%	12,342,426	6%
>25% & <= 30%	11,707,424	6%
<=25%	35,225,378	15%
TOTAL	206,982,344	100%

Geographical Location



Loan Security ²

House	174,473,031	84%
Land	25,581	0%
Apartment	4,309,424	2%
Unit	24,346,321	12%
Townhouse	3,671,270	2%
Other	156,717	0%
TOTAL	206,982,344	100%

Interest Option

Variable	206,982,344	100%
Fixed <3 years	-	0%
Fixed >3 years	-	0%
TOTAL	206,982,344	100%

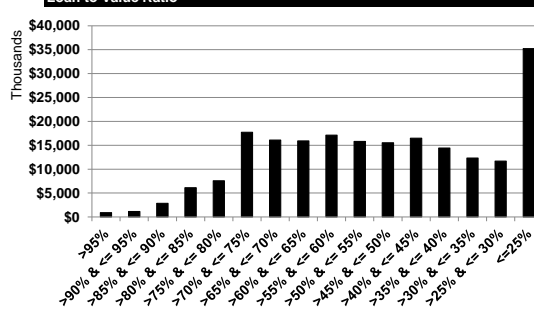
Mortgage Insurance

Genworth Financial	123,465,201	60%
HLIC Govt	-	0%
Uninsured	83,517,143	40%
QBE	-	0%
TOTAL	206,982,344	100%

Loan Size

>\$250,000	65,674,675	32%
>\$200,000 & <\$250,000	29,973,445	14%
>\$150,000 & <\$200,000	28,936,001	14%
>\$100,000 & <\$150,000	34,863,879	17%
>\$50,000 & <\$100,000	30,056,369	15%
<= \$50,000	17,477,974	8%
TOTAL	206,982,344	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 October 2021	17 September 2021	19 August 2021
30-59 days			
Number of loans	7	4	5
Outstanding Balance (\$)	1,183,180	713,914	718,622
% of Pool Outstanding Balance	0.57%	0.33%	0.31%
60-89 days			
Number of loans	3	5	5
Outstanding Balance (\$)	589,183	756,530	1,057,609
% of Pool Outstanding Balance	0.28%	0.35%	0.45%
90+ days			
Number of loans	30	31	31
Outstanding Balance (\$)	6,726,989	6,954,697	6,707,417
% of Pool Outstanding Balance	3.25%	3.18%	2.88%
TOTAL Delinquencies			
Number of loans	40	40	41
Outstanding Balance (\$)	8,499,352	8,425,141	8,483,647
% of Pool Outstanding Balance	4.11%	3.85%	3.64%
Pool Information			
Number of loans	2,702	2,879	2,985
Outstanding Balance (\$ m)	207	219	233

Repayment Holiday COVID-19

	19 October 2021	17 September 2021	19 August 2021
Number of loans	5	4	2
Outstanding Balance (\$)	1,056,076	874,923	705,243
% of Pool Outstanding Balance	0.51%	0.40%	0.30%

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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 cover¹ for a limited period.

Facilities & Reserve

Liquidity Facility

Opening Balance	2,119,159
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(116,601)
Closing Outstanding Balance	2,002,558

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

Notional Swaps

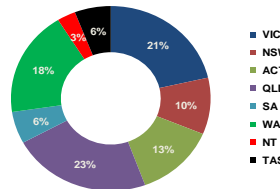
Notional Swaps Value

% of fixed rate home loans

Current Position - SMHL SERIES SECURITISATION FUND 2016-1 CRD

Geographical Location			
VIC	- Metro	3,054,749	17%
	- Non Metro	743,965	4%
NSW	- Metro	895,533	5%
	- Non Metro	863,272	5%
QLD	- Metro	2,091,200	12%
	- Non Metro	1,929,574	11%
SA	- Metro	992,408	6%
	- Non Metro	-	0%
WA	- Metro	2,827,302	16%
	- Non Metro	459,308	3%
TAS	- Metro	780,400	4%
	- Non Metro	259,349	1%
NT	- Metro	531,873	3%
	- Non Metro	-	0%
ACT	- Metro	2,328,659	13%
	- Non Metro	-	0%
TOTAL		17,757,599	100%

Geographical Location



Loan Purpose ¹			
Refinance	6,928,560	39%	
Renovation	16,619	0%	
Purchase	8,441,554	48%	
Construction	594,532	3%	
Other	1,776,335	10%	
TOTAL	17,757,599	100%	

Loan Security ²

House	15,816,140	89%
Land	-	0%
Apartment	312,116	2%
Unit	1,372,429	8%
Townhouse	256,914	1%
Other	-	0%
TOTAL	17,757,599	100%

Loan Term			
<=5 yrs	-	0%	
>5 & <=10yrs	83,142	0%	
>10 & <=15yrs	373,144	2%	
>15 & <=20yrs	624,516	4%	
>20 & <=25yrs	2,287,810	13%	
>25yrs	14,388,988	81%	
TOTAL	17,757,599	100%	

Interest Option

Variable	7,478,053	42%
Fixed <3 years	9,782,493	55%
Fixed >3 years	497,054	3%
TOTAL	17,757,599	100%

Owner/Investment split ¹			
Owner Occupied	12,723,999	72%	
Investment	5,033,601	28%	
TOTAL	17,757,599	100%	

Mortgage Insurance

Genworth Financial	8,645,350	49%
HLIC Govt	-	0%
Uninsured	9,112,250	51%
OBE	-	0%
TOTAL	17,757,599	100%

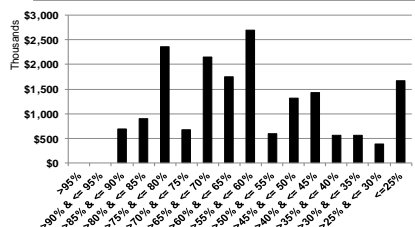
Interest Rate Exposure			
> 8.00%	-	0%	
> 7.00% & <= 8.00%	-	0%	
> 6.00% & <= 7.00%	-	0%	
> 5.00% & <= 6.00%	652,677	4%	
<= 5.00%	17,104,922	96%	
TOTAL	17,757,599	100%	

Loan Size

>\$250,000	9,740,570	55%
>\$200,000 & <=\$250,000	2,178,893	12%
>\$150,000 & <=\$200,000	1,703,755	10%
>\$100,000 & <=\$150,000	1,524,098	9%
>\$50,000 & <=\$100,000	1,637,949	9%
<= \$50,000	974,334	5%
TOTAL	17,757,599	100%

Loan to Value Ratio			
>95%	-	0%	
>90% & <= 95%	-	0%	
>85% & <= 90%	700,430	4%	
>80% & <= 85%	896,498	5%	
>75% & <= 80%	2,357,405	13%	
>70% & <= 75%	678,353	4%	
>65% & <= 70%	2,155,306	12%	
>60% & <= 65%	1,744,372	10%	
>55% & <= 60%	2,695,962	17%	
>50% & <= 55%	596,987	3%	
>45% & <= 50%	1,312,219	7%	
>40% & <= 45%	1,425,823	8%	
>35% & <= 40%	558,979	3%	
>30% & <= 35%	559,471	3%	
>25% & <= 30%	397,411	2%	
<=25%	1,678,383	9%	
TOTAL	17,757,599	100%	

Loan to Value Ratio



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.

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