

SMHL SERIES SECURITISATION FUND 2016-1

Monthly Investment Report as at 27 January 2022



SMHL

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Bloomberg Screen: SMHL <MTGE>

Summary

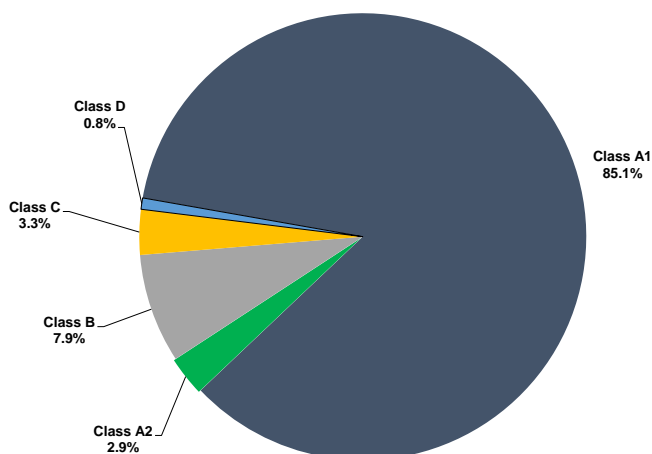
Fund:	SMHL Series Securitisation Fund 2016-1
Cut-Off Date:	19 January 2022
Payment Date:	27 January 2022
Issuer:	Perpetual Limited as trustee for SMHL Series Securitisation Fund 2016-1
Joint Lead Managers:	Westpac Banking Corporation (ABN 33 007 457 141) Macquarie Bank Limited (ABN 46 008 583 542) Commonwealth 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 January 2022

Fund:	0.12258711
Class A1	0.11192698
Class A2	0.11192698
Class B	0.32948074
Class C	0.32948074
Class D	0.32948074
Class E	0.32948074



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				29 December 2021	27 January 2022	29 December 2021	27 January 2022
Class A1	159,654,007.47		5,194,779	154,459,228.62	150,886.16	1.189%	
Class A2	5,379,645.90		175,041	5,204,604.44	7,520.52	1.759%	
Class B	14,814,440.28		482,028	14,332,412.04	29,537.76	2.509%	
Class C	6,130,113.22		199,460	5,930,653.26	15,388.35	3.159%	
Class D	1,532,528.31		49,865	1,482,663.31	5,064.71	4.159%	
Class E	2,554,213.84		83,108	2,471,105.52	12,499.94	6.159%	
Total Portfolio	190,064,949		6,184,282	183,880,667	220,897		

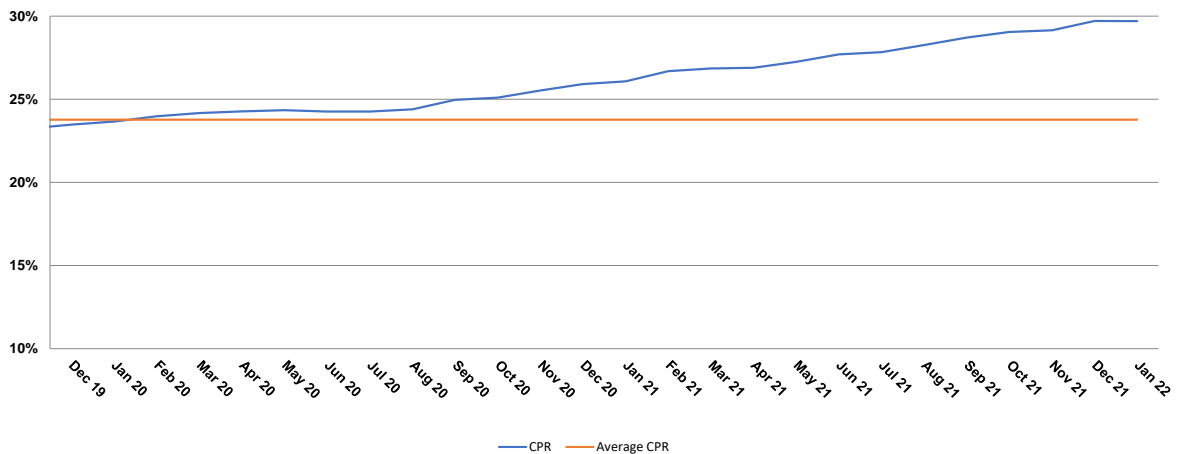
European CRR invested amount (as per Article 405) \$ 16,537,564.11

Pool Details

Number of Loans	2,529
Average Loan Size	72,709
Maximum Loan Size	762,879
Weighted Average LVR	47.67%
Maximum LVR	112.88%
WA Seeding (months)	140
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	3.93%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	20 December 2021 to 19 January 2022	19 November 2021 to 19 January 2022	24 October 2016 to 19 January 2022
Repayment Analysis			
Balance @ Determination Date	190,064,949	206,982,344	1,500,000,000
Substitution	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(836,210)	(2,583,356)	(153,071,553)
Prepayments	(6,484,863)	(25,676,453)	(1,411,268,558)
Redraw Advances	1,136,791	5,158,132	248,220,778
Closing Balance	183,880,667	183,880,667	183,880,667
CPR*	29.11%	34.38%	29.70%
SMM	2.83%	3.45%	2.89%



Current Position

Geographical Location

VIC	- Metro	34,056,427	19%
	- Non Metro	11,932,739	6%
NSW	- Metro	19,472,238	11%
	- Non Metro	15,347,894	8%
QLD	- Metro	16,798,227	9%
	- Non Metro	12,828,150	7%
SA	- Metro	7,902,291	4%
	- Non Metro	173,465	0%
WA	- Metro	32,936,321	18%
	- Non Metro	2,085,007	1%
TAS	- Metro	6,444,237	4%
	- Non Metro	4,010,395	2%
NT	- Metro	2,171,182	1%
	- Non Metro	-	0%
ACT	- Metro	17,722,094	10%
	- Non Metro	-	0%
TOTAL		183,880,667	100%

Loan Purpose¹

Refinance	49,945,394	27%
Renovation	-	0%
Purchase	68,600,256	37%
Construction	7,317,450	4%
Equity Release	58,017,567	32%
TOTAL	183,880,667	100%

Loan Term

<=5 yrs	47	0%
>5 & <=10yrs	879,724	0%
>10 & <=15yrs	8,529,893	5%
>15 & <=20yrs	9,548,956	5%
>20 & <=25yrs	31,508,448	17%
>25yrs	133,413,599	73%
TOTAL	183,880,667	100%

Owner/Investment split¹

Owner Occupied	141,444,059	77%
Investment	42,436,608	23%
TOTAL	183,880,667	100%

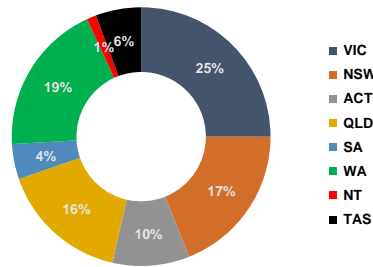
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	16,085,720	9%
<= 5.00%	167,794,947	91%
TOTAL	183,880,667	100%

Loan to Value Ratio

>95%	892,333	0%
>90% & <= 95%	1,080,876	1%
>85% & <= 90%	2,943,105	2%
>80% & <= 85%	5,648,096	3%
>75% & <= 80%	6,434,012	3%
>70% & <= 75%	14,026,552	8%
>65% & <= 70%	14,871,931	8%
>60% & <= 65%	12,399,030	7%
>55% & <= 60%	14,525,373	8%
>50% & <= 55%	14,056,415	8%
>45% & <= 50%	13,804,015	8%
>40% & <= 45%	15,383,886	8%
>35% & <= 40%	14,283,075	8%
>30% & <= 35%	8,659,231	5%
>25% & <= 30%	12,057,011	7%
<=25%	32,815,728	16%
TOTAL	183,880,667	100%

Geographical Location



Loan Security²

House	155,694,153	85%
Land	25,186	0%
Apartment	3,802,275	2%
Unit	20,945,969	11%
Townhouse	3,413,085	2%
Other	-	0%
TOTAL	183,880,667	100%

Interest Option

Variable	183,527,151	100%
Fixed <3 years	353,516	0%
Fixed >3 years	-	0%
TOTAL	183,880,667	100%

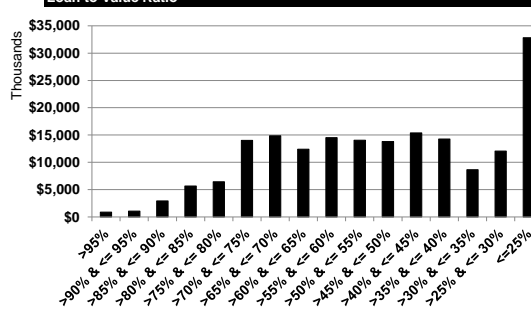
Mortgage Insurance

Genworth Financial	111,698,908	61%
HLIC Govt	-	0%
Uninsured	72,181,759	39%
QBE	-	0%
TOTAL	183,880,667	100%

Loan Size

>\$250,000	54,406,444	29%
>\$200,000 & <\$250,000	26,912,434	15%
>\$150,000 & <\$200,000	26,253,695	14%
>\$100,000 & <\$150,000	32,296,041	18%
>\$50,000 & <\$100,000	28,318,367	15%
<= \$50,000	15,693,685	9%
TOTAL	183,880,667	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 January 2022	20 December 2021	19 November 2021
30-59 days			
Number of loans	8	8	8
Outstanding Balance (\$)	1,328,258	1,501,617	1,112,025
% of Pool Outstanding Balance	0.72%	0.79%	0.56%
60-89 days			
Number of loans	4	2	3
Outstanding Balance (\$)	692,782	156,644	459,191
% of Pool Outstanding Balance	0.38%	0.08%	0.23%
90+ days			
Number of loans	23	26	24
Outstanding Balance (\$)	5,422,750	6,145,186	5,972,852
% of Pool Outstanding Balance	2.95%	3.23%	3.00%
TOTAL Delinquencies			
Number of loans	35	36	35
Outstanding Balance (\$)	7,443,789	7,803,447	7,544,069
% of Pool Outstanding Balance	4.05%	4.11%	3.79%
Pool Information			
Number of loans	2,529	2,583	2,651
Outstanding Balance (\$ m)	184	190	199

Repayment Holiday COVID-19

	19 January 2022	20 December 2021	19 November 2021
Number of loans	0	0	2
Outstanding Balance (\$)	0	0	167,711
% of Pool Outstanding Balance	0.00%	0.00%	0.08%

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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	1,839,202	
Liquidity facility drawn during the current month	-	
Repayment of Liquidity Draw for the previous periods		
Outstanding liquidity draws		
Reduction in Facility	(54,247)	
Closing Outstanding Balance	<u>1,784,955</u>	-

Redraw Funding Facility

Opening Balance	-	
Drawn amount	-	
Closing balance	-	

Notional Swaps

<u>Notional Swaps Value</u>	-	
<u>% of fixed rate home loans</u>	-	

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	3,013,461	18%
	- Non Metro	732,001	4%
NSW	- Metro	887,268	5%
	- Non Metro	850,915	5%
QLD	- Metro	1,661,954	10%
	- Non Metro	1,911,408	12%
SA	- Metro	972,047	6%
	- Non Metro	-	0%
WA	- Metro	2,789,266	17%
	- Non Metro	429,607	3%
TAS	- Metro	504,569	3%
	- Non Metro	257,009	2%
NT	- Metro	537,878	3%
	- Non Metro	-	0%
ACT	- Metro	1,990,180	12%
	- Non Metro	-	0%
TOTAL		16,537,564	100%

Loan Purpose ¹

Refinance	6,830,012	41%
Renovation	-	0%
Purchase	7,730,898	48%
Construction	577,715	3%
Equity Release	1,398,939	8%
TOTAL	16,537,564	100%

Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	77,242	0%
>10 & <=15yrs	329,293	2%
>15 & <=20yrs	651,270	4%
>20 & <=25yrs	1,975,211	12%
>25yrs	13,504,547	82%
TOTAL	16,537,564	100%

Owner/Investment split ¹

Owner Occupied	11,554,158	70%
Investment	4,983,407	30%
TOTAL	16,537,564	100%

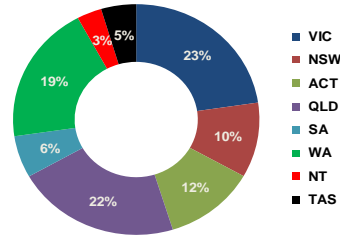
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	638,884	4%
<= 5.00%	15,898,680	96%
TOTAL	16,537,564	100%

Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	-	0%
>85% & <= 90%	695,810	4%
>80% & <= 85%	614,624	4%
>75% & <= 80%	2,025,644	12%
>70% & <= 75%	660,656	4%
>65% & <= 70%	1,538,128	9%
>60% & <= 65%	2,024,296	12%
>55% & <= 60%	2,670,511	18%
>50% & <= 55%	590,744	4%
>45% & <= 50%	1,024,207	6%
>40% & <= 45%	1,665,062	10%
>35% & <= 40%	555,234	3%
>30% & <= 35%	354,383	2%
>25% & <= 30%	563,116	3%
<=25%	1,555,148	9%
TOTAL	16,537,564	100%

Geographical Location



Loan Security ²

House	14,868,700	90%
Land	-	0%
Apartment	309,272	2%
Unit	1,359,592	8%
Townhouse	-	0%
Other	-	0%
TOTAL	16,537,564	100%

Interest Option

Variable	7,102,245	43%
Fixed <3 years	9,435,319	57%
Fixed >3 years	-	0%
TOTAL	16,537,564	100%

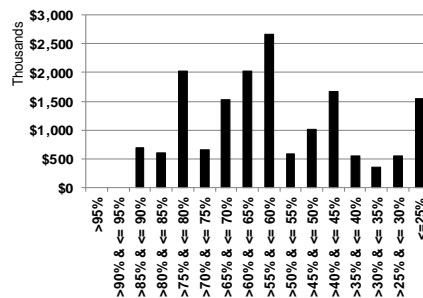
Mortgage Insurance

Genworth Financial	7,849,109	47%
HLIC Govt	-	0%
Uninsured	8,305,882	51%
QBE	382,573	2%
TOTAL	16,537,564	100%

Loan Size

>\$250,000	8,762,781	53%
>\$200,000 & <=\$250,000	2,199,157	13%
>\$150,000 & <=\$200,000	1,693,451	10%
>\$100,000 & <=\$150,000	1,507,466	9%
>\$50,000 & <=\$100,000	1,433,737	9%
<=\$50,000	940,972	6%
TOTAL	16,537,564	100%

Loan to Value Ratio



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