

SMHL SERIES SECURITISATION FUND 2016-1

Monthly Investment Report as at 29 December 2021



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Bloomberg Screen: SMHL <MTGE>

Summary

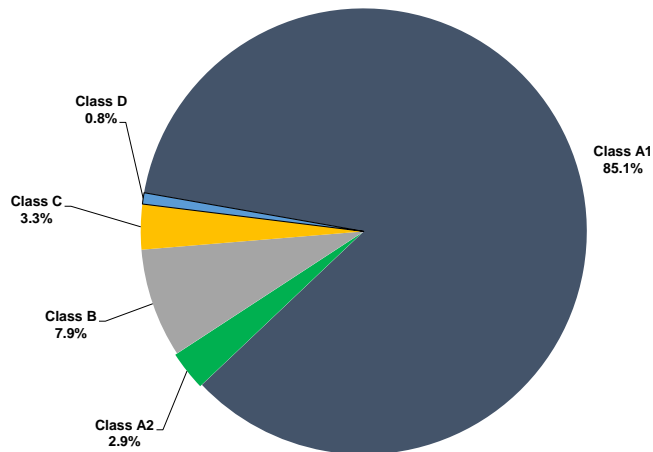
Fund: SMHL Series Securitisation Fund 2016-1
 Cut-Off Date: 20 December 2021
 Payment Date: 29 December 2021
 Issuer: Perpetual Limited as trustee for SMHL Series Securitisation Fund 2016-1
 Joint Lead Managers: Westpac Banking Corporation (ABN 33 007 457 141)
 Macquarie Bank Limited (ABN 46 008 583 542)
 Commonwealth Bank of Australia (ABN 48 123 123 124)
 National Australia Bank Limited (ABN 12 004 044 937)
 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: 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 29 December 2021

Fund:	0.12670997
Class A1	0.11569131
Class A2	0.11569131
Class B	0.34056185
Class C	0.34056185
Class D	0.34056185
Class E	0.34056185



Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Coupon Rate	
				26 November 2021	29 December 2021	26 November 2021	29 December 2021
Class A1	167,035,331.67		7,381,324	159,654,007.47	178,956.62		1.185%
Class A2	5,628,364.44		248,719	5,379,645.90	8,930.60		1.755%
Class B	15,499,360.06		684,920	14,814,440.28	35,102.87		2.505%
Class C	6,413,528.30		283,415	6,130,113.22	18,294.37		3.155%
Class D	1,603,382.07		70,854	1,532,528.31	6,023.23		4.155%
Class E	2,672,303.46		118,090	2,554,213.84	14,870.82		6.155%
Total Portfolio	198,852,270		8,787,321	190,064,949	262,178		

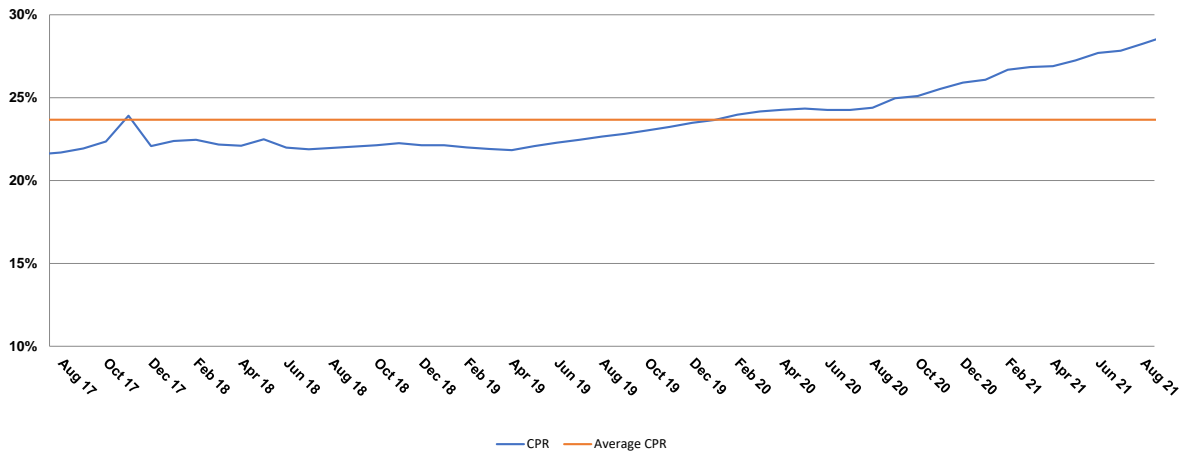
European CRR invested amount (as per Article 405) \$ 16,873,971.37

Pool Details

Number of Loans	2,583
Average Loan Size	73,583
Maximum Loan Size	760,357
Weighted Average LVR	47.83%
Maximum LVR	113.07%
WA Seeding (months)	139
WA Term to Maturity (years)	17
Full Documentation Loans	100.00%
WA Interest Rate	3.94%

Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	19 November 2021 to 20 December 2021	19 October 2021 to 20 December 2021	24 October 2016 to 20 December 2021
Repayment Analysis			
Balance @ Determination Date	198,852,270	218,870,624	1,500,000,000
Substitution	-	-	-
Bond uplift / Redemption	-	-	-
Scheduled Repayments	(852,790)	(2,666,963)	(152,235,343)
Prepayments	(9,083,443)	(32,486,941)	(1,404,783,695)
Redraw Advances	1,148,912	6,348,228	247,083,987
Closing Balance	190,064,949	190,064,949	190,064,949
CPR*	38.79%	45.36%	29.21%
SMM	4.01%	4.91%	2.84%



Current Position

Geographical Location

VIC	- Metro	35,577,386	19%
	- Non Metro	12,201,621	6%
NSW	- Metro	19,519,173	10%
	- Non Metro	15,845,398	8%
QLD	- Metro	17,009,941	9%
	- Non Metro	13,058,553	7%
SA	- Metro	8,585,819	5%
	- Non Metro	174,435	0%
WA	- Metro	34,627,465	18%
	- Non Metro	2,106,096	1%
TAS	- Metro	6,767,579	4%
	- Non Metro	4,511,474	2%
NT	- Metro	2,229,840	1%
	- Non Metro	-	0%
ACT	- Metro	17,850,168	9%
	- Non Metro	-	0%
TOTAL		190,064,949	100%

Loan Purpose ¹

Refinance	51,835,990	27%
Renovation	-	0%
Purchase	71,132,307	38%
Construction	7,569,544	4%
Equity Release	59,527,108	31%
TOTAL	190,064,949	100%

Loan Term

<=5 yrs	48	0%
>5 & <=10yrs	912,849	0%
>10 & <=15yrs	8,836,078	5%
>15 & <=20yrs	10,349,549	5%
>20 & <=25yrs	31,835,535	17%
>25yrs	138,130,890	73%
TOTAL	190,064,949	100%

Owner/Investment split ¹

Owner Occupied	145,373,638	76%
Investment	44,691,311	24%
TOTAL	190,064,949	100%

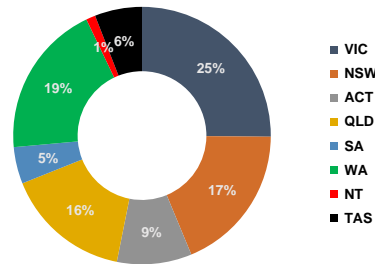
Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	17,088,503	9%
<= 5.00%	172,976,446	91%
TOTAL	190,064,949	100%

Loan to Value Ratio

>95%	892,226	0%
>90% & <= 95%	1,082,001	1%
>85% & <= 90%	2,948,475	2%
>80% & <= 85%	5,124,582	3%
>75% & <= 80%	7,538,203	4%
>70% & <= 75%	15,798,010	8%
>65% & <= 70%	13,943,227	7%
>60% & <= 65%	14,094,831	7%
>55% & <= 60%	15,923,764	8%
>50% & <= 55%	13,382,979	7%
>45% & <= 50%	13,680,766	7%
>40% & <= 45%	15,881,085	8%
>35% & <= 40%	14,985,012	8%
>30% & <= 35%	9,872,750	5%
>25% & <= 30%	11,228,530	6%
<=25%	33,688,507	19%
TOTAL	190,064,949	100%

Geographical Location



Loan Security ²

House	161,289,304	85%
Land	25,306	0%
Apartment	3,814,582	2%
Unit	21,513,475	11%
Townhouse	3,422,283	2%
Other	-	0%
TOTAL	190,064,949	100%

Interest Option

Variable	189,664,949	100%
Fixed <3 years	400,000	0%
Fixed >3 years	-	0%
TOTAL	190,064,949	100%

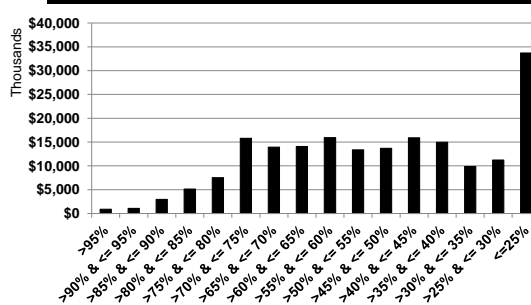
Mortgage Insurance

Genworth Financial	114,959,453	60%
HLIC Govt	-	0%
Uninsured	75,105,496	40%
QBE	-	0%
TOTAL	190,064,949	100%

Loan Size

>\$250,000	57,698,149	31%
>\$200,000 & <=\$250,000	27,025,341	14%
>\$150,000 & <=\$200,000	26,906,823	14%
>\$100,000 & <=\$150,000	33,021,367	17%
>\$50,000 & <=\$100,000	28,538,751	15%
<=\$50,000	16,874,518	9%
TOTAL	190,064,949	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

	20 December 2021	19 November 2021	19 October 2021
30-59 days			
Number of loans	8	8	7
Outstanding Balance (\$)	1,501,617	1,112,025	1,183,180
% of Pool Outstanding Balance	0.79%	0.56%	0.57%
60-89 days			
Number of loans	2	3	3
Outstanding Balance (\$)	156,644	459,191	589,183
% of Pool Outstanding Balance	0.08%	0.23%	0.28%
90+ days			
Number of loans	26	24	30
Outstanding Balance (\$)	6,145,186	5,972,852	6,726,989
% of Pool Outstanding Balance	3.23%	3.00%	3.25%
TOTAL Delinquencies			
Number of loans	36	35	40
Outstanding Balance (\$)	7,803,447	7,544,069	8,499,352
% of Pool Outstanding Balance	4.11%	3.79%	4.11%
Pool Information			
Number of loans	2,583	2,651	2,702
Outstanding Balance (\$ m)	190	199	207

Repayment Holiday COVID-19

	20 December 2021	19 November 2021	19 October 2021
Number of loans	0	2	5
Outstanding Balance (\$)	0	167,711	1,056,076
% of Pool Outstanding Balance	0.00%	0.08%	0.51%

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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	1,928,799
Liquidity facility drawn during the current month	-
Repayment of Liquidity Draw for the previous periods	-
Outstanding liquidity draws	-
Reduction in Facility	(89,597)
Closing Outstanding Balance	1,839,202

Redraw Funding Facility

Opening Balance	-
Drawn amount	-
Closing balance	-

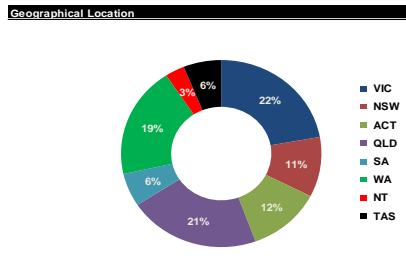
Notional Swaps

Notional Swaps Value

% of fixed rate home loans	-
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Current Position - SMHL SERIES SECURITISATION FUND 2016-1 CRD

Geographical Location			
VIC	- Metro	3,006,078	18%
	- Non Metro	734,001	4%
NSW	- Metro	891,288	5%
	- Non Metro	854,741	5%
QLD	- Metro	1,679,487	10%
	- Non Metro	1,916,692	11%
SA	- Metro	969,817	6%
	- Non Metro	-	0%
WA	- Metro	2,800,088	17%
	- Non Metro	450,821	3%
TAS	- Metro	772,898	5%
	- Non Metro	257,796	2%
NT	- Metro	528,202	3%
	- Non Metro	-	0%
ACT	- Metro	2,012,063	12%
	- Non Metro	-	0%
TOTAL		16,873,971	100%



Loan Purpose ¹			
Refinance	6,882,733	41%	
Renovation	-	0%	
Purchase	7,737,373	45%	
Construction	590,617	4%	
Equity Release	1,663,249	10%	
TOTAL	16,873,971	100%	

Loan Security ²			
House	15,207,884	90%	
Land	-	0%	
Apartment	309,950	2%	
Unit	1,356,138	8%	
Townhouse	-	0%	
Other	-	0%	
TOTAL	16,873,971	100%	

Loan Term			
<=5 yrs	-	0%	
>5 & <=10yrs	79,141	0%	
>10 & <=15yrs	342,011	2%	
>15 & <=20yrs	658,965	4%	
>20 & <=25yrs	2,248,195	13%	
>25yrs	13,545,659	81%	
TOTAL	16,873,971	100%	

Interest Option			
Variable	7,436,545	44%	
Fixed <3 years	9,109,429	54%	
Fixed >3 years	327,997	2%	
TOTAL	16,873,971	100%	

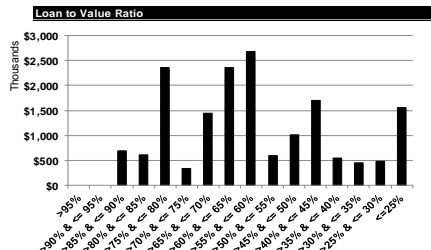
Owner/Investment split ¹			
Owner Occupied	11,882,101	70%	
Investment	4,991,871	30%	
TOTAL	16,873,971	100%	

Mortgage Insurance			
Genworth Financial	7,669,415	47%	
HLIC Govt	-	0%	
Uninsured	8,621,108	51%	
QBE	383,449	2%	
TOTAL	16,873,971	100%	

Interest Rate Exposure			
> 8.00%	-	0%	
> 7.00% & <= 8.00%	-	0%	
> 6.00% & <= 7.00%	-	0%	
> 5.00% & <= 6.00%	635,987	4%	
<= 5.00%	16,237,985	96%	
TOTAL	16,873,971	100%	

Loan Size			
>\$250,000	9,052,738	53%	
>\$200,000 & <=\$250,000	2,207,533	13%	
>\$150,000 & <=\$200,000	1,694,757	10%	
>\$100,000 & <=\$150,000	1,511,712	9%	
>\$50,000 & <=\$100,000	1,447,671	9%	
<=\$50,000	959,561	6%	
TOTAL	16,873,971	100%	

Loan to Value Ratio			
>95%	-	0%	
>90% & <= 95%	-	0%	
>85% & <= 90%	697,500	4%	
>80% & <= 85%	616,226	4%	
>75% & <= 80%	2,355,817	14%	
>70% & <= 75%	343,592	2%	
>65% & <= 70%	1,453,685	9%	
>60% & <= 65%	2,357,505	14%	
>55% & <= 60%	2,677,706	15%	
>50% & <= 55%	592,839	4%	
>45% & <= 50%	1,016,670	6%	
>40% & <= 45%	1,697,893	10%	
>35% & <= 40%	556,088	3%	
>30% & <= 35%	458,755	3%	
>25% & <= 30%	483,571	3%	
<=25%	1,568,128	9%	
TOTAL	16,873,971	100%	



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.

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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