

# SMHL Securitisation Trust 2020-1

Monthly Investment Report as at 23 June 2022



**Contact:** Investor Reporting  
**Phone:** +61 3 9708 3113  
**Email:** me.investorreporting@mebank.com.au  
**Website:** mebank.com.au  
**Bloomberg Screen:** SMHL <MTGE>

## Summary

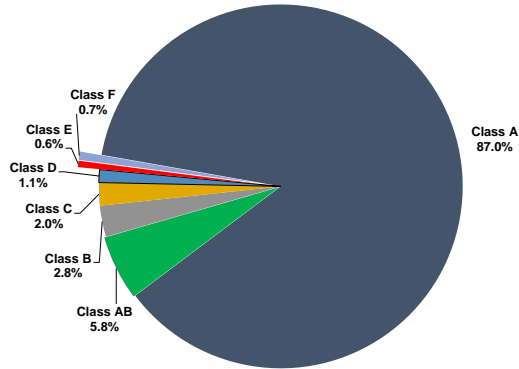
Trust:	SMHL Securitisation Trust 2020-1
Collection Period end date:	31 May 2022
Payment Date:	23 June 2022
Issuer and Trustee:	Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee for SMHL Securitisation Trust 2020-1
Joint Lead Managers:	Australia and New Zealand Banking Group (ABN 11 005 357 522) ("ANZ") Commonwealth Bank of Australia (ABN 48 123 123 124) ("CBA") MUFG Securities Americas Inc. (ARBN 612 562 008) ("MUFG") National Australia Bank Limited (ABN 12 004 044 937) ("NAB")
Arranger:	ANZ
Manager:	Members Equity Bank Limited (ABN 56 070 887 679) ("ME")
Security Trustee:	P.T. Limited (ABN 67 004 454 666)
Service:	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) ("NAB") Australia and New Zealand Banking Group (ABN 11 005 357 522) ("ANZ")
Closing Date:	17 December 2020
Legal Final Maturity Date:	The Payment Date falling in December 2052

## Security Classes

Class Name :	A	AB	B	C	D	E	F
ISIN / Common Code:	AU3FN0056990 / 226556109	AU3SG0002355 / 226556117	AU3FN0057006 / 226556125	AU3FN0057030 / 226556133	AU3FN0057014 / 226556141	AU3FN0057022 / 226556150	AU3FN0057139 / 226556168
Rating Agency:	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch	S&P / Fitch
Expected Ratings:	AAA(sf) / AAAsf	AAA(sf) / Unrated	AA(sf) / Unrated	A(sf)/Unrated	BBB(sf) / Unrated	BB(sf) / Unrated	Unrated / Unrated
Denomination:	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Issue Amount:	920,000,000.00	35,500,000.00	17,000,000.00	12,500,000.00	7,000,000.00	3,500,000.00	4,500,000.00
Interest Rate:	BBSW (1 month) + Class Margin + (from the first Call Option Date)	BBSW (1 month) + Class Margin + (from the first Call	BBSW (1 month) + Class	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin	BBSW (1 month) + Class Margin
Class Margin:	0.70%	1.35%	1.75%	2.15%	3.40%	5.35%	7.00%
Expected Average Life:	2.7 years	4.9 years	4.9 years	4.9 years	4.9 years	4.9 years	4.9 years
Interest 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

## Note Factors as at 23 June 2022

<b>Fund:</b>	<b>0.60001991</b>
Class A	0.56523903
Class AB	1.00000000
Class B	1.00000000
Class C	1.00000000
Class D	1.00000000
Class E	1.00000000
Class F	1.00000000



## Portfolio Structure

	Opening Balance	Principal Pass-Through	Closing Balance	Current Interest Amt		Current Interest Rate	
				23 May 2022	23 June 2022	23 May 2022	23 June 2022
Class A	534,034,714.60	14,014,807	520,019,907.28	517,062.65		1.140%	
Class AB	35,500,000.00	-	35,500,000.00	53,969.73		1.790%	
Class B	17,000,000.00	-	17,000,000.00	31,620.00		2.190%	
Class C	12,500,000.00	-	12,500,000.00	27,496.58		2.590%	
Class D	7,000,000.00	-	7,000,000.00	22,829.59		3.840%	
Class E	3,500,000.00	-	3,500,000.00	17,211.37		5.790%	
Class F	4,500,000.00	-	4,500,000.00	28,435.07		7.440%	
<b>Total Portfolio</b>	<b>614,034,715</b>	<b>14,014,807</b>	<b>600,019,907</b>	<b>698,625</b>			
European CRR invested amount (as per Article 6(1) of Regulation (EU) 2017/2402)			45,134,610.94	7.52%			

## Pool Details

Number of Loans	2,836
Average Loan Size	211,573
Maximum Loan Size	1,103,067
Weighted Average LVR	60.17%
Maximum LVR	92.46%
WA Seeding (months)	47
WA Term to Maturity (years)	24
Full Documentation Loans	100.00%
WA Interest Rate	3.02%

## Principal Collections & Prepayment Analysis

Repayment Analysis	Monthly	Quarterly	Since inception
	30 April 2022 to 31 May 2022	30 April 2022 to 31 May 2022	17 December 2020 to 31 May 2022
Balance @ Determination Date	614,034,715	647,520,440	1,000,000,000
Substitution	-	-	-
Scheduled Repayments	(2,193,823)	(6,715,043)	(48,879,145)
Prepayments	(14,700,575)	(48,125,797)	(391,223,458)
Redraw Advances	2,879,591	7,340,308	40,122,510
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>600,019,907</b>	<b>600,019,907</b>	<b>600,019,907</b>
CPR	20.87%	23.06%	25.83%
SMM	1.93%	2.16%	2.46%

**This space has been left intentionally blank**

## Current Position

### Geographical Location

VIC	- Metro	155,597,434	26%
	- Non Metro	45,245,807	8%
NSW	- Metro	78,200,563	13%
	- Non Metro	42,531,535	7%
QLD	- Metro	62,499,764	10%
	- Non Metro	41,912,285	7%
SA	- Metro	37,475,092	6%
	- Non Metro	4,107,796	1%
WA	- Metro	66,019,300	11%
	- Non Metro	2,758,172	0%
TAS	- Metro	20,048,470	3%
	- Non Metro	6,648,234	1%
NT	- Metro	2,950,989	0%
	- Non Metro	-	0%
ACT	- Metro	34,024,466	6%
	- Non Metro	-	0%

**TOTAL** **600,019,907** **100%**

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

Refinance	296,090,078	50%
Renovation	-	0%
Property Purchase	247,469,215	41%
Construction	37,603,152	6%
Equity Release	18,857,462	3%

**TOTAL** **600,019,907** **100%**

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	2,358,114	0%
>10 & <=15yrs	10,251,432	2%
>15 & <=20yrs	37,546,777	6%
>20 & <=25yrs	64,244,723	11%
>25yrs	485,618,862	81%

**TOTAL** **600,019,907** **100%**

### Owner/Investment split <sup>4</sup>

Owner Occupied	473,652,704	79%
Investment	126,367,203	21%

**TOTAL** **600,019,907** **100%**

### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	1,997,481	0%
<= 5.00%	598,022,427	100%

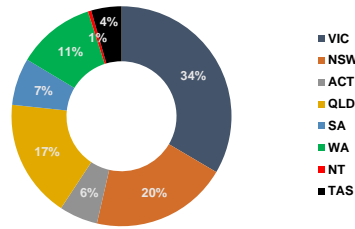
**TOTAL** **600,019,907** **100%**

### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	938,788	0%
>85% & <= 90%	18,799,319	3%
>80% & <= 85%	33,456,014	6%
>75% & <= 80%	56,163,488	9%
>70% & <= 75%	91,398,989	15%
>65% & <= 70%	96,650,910	17%
>60% & <= 65%	72,700,763	12%
>55% & <= 60%	44,094,692	7%
>50% & <= 55%	38,107,012	6%
>45% & <= 50%	36,486,348	6%
>40% & <= 45%	24,347,502	4%
>35% & <= 40%	17,953,313	3%
>30% & <= 35%	16,917,184	3%
>25% & <= 30%	16,255,489	3%
<=25%	35,750,095	6%

**TOTAL** **600,019,907** **100%**

### Geographical Location



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

House	464,799,633	77%
Land	187,819	0%
Apartment	72,500,552	12%
Unit	25,000,744	4%
Townhouse	27,500,670	5%
Other	10,030,489	2%

**TOTAL** **600,019,907** **100%**

### Interest Option

Variable	408,440,011	68%
Fixed <3 years	191,146,468	32%
Fixed >3 years	433,429	0%

**TOTAL** **600,019,907** **100%**

### Mortgage Insurance

Genworth	42,913,981	7%
Uninsured	499,687,683	83%
QBE	57,418,244	10%

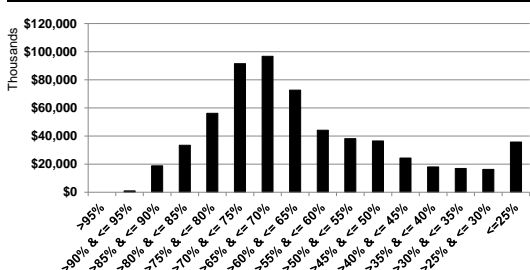
**TOTAL** **600,019,907** **100%**

### Loan Size

>\$250,000	402,933,809	68%
>\$200,000 & <=\$250,000	66,196,069	11%
>\$150,000 & <=\$200,000	56,746,437	9%
>\$100,000 & <=\$150,000	38,252,171	6%
>\$50,000 & <=\$100,000	24,524,536	4%
<=\$50,000	11,366,885	2%

**TOTAL** **600,019,907** **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.

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 Securitisation Trust 2020-1 in Q1 2022.

**Arrears**

	31 May 2022	30 April 2022	31 March 2022
<b>30-59 days</b>			
Number of loans	5	4	5
Outstanding Balance (\$)	1,450,675	654,625	1,369,350
% of Pool Outstanding Balance	0.24%	0.11%	0.22%
<b>60-89 days</b>			
Number of loans	4	4	6
Outstanding Balance (\$)	966,744	1,156,367	1,391,200
% of Pool Outstanding Balance	0.16%	0.19%	0.22%
<b>90+ days</b>			
Number of loans	9	9	6
Outstanding Balance (\$)	2,412,918	2,564,015	2,122,593
% of Pool Outstanding Balance	0.40%	0.42%	0.34%
<b>TOTAL Delinquencies</b>			
Number of loans	18	17	17
Outstanding Balance (\$)	4,830,337	4,375,007	4,883,142
% of Pool Outstanding Balance	0.81%	0.71%	0.77%
<b>Pool Information</b>			
Number of loans	2,836	2,894	2,960
Outstanding Balance (\$ m)	600	614	631

**Repayment Holiday COVID-19**

	31 May 2022	30 April 2022	31 March 2022
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	0	0
Proceeds of sale	0	0
Loss on sale of property	0	0
Claims submitted to Insurer	0	0
Claims paid by Insurer	0	0
Unclaimed	0	0
Pending claim	0	0
Loss covered by Excess spread	0	0
Claims Reduced/Denied by Insurers	0	0

Any insured housing loan held by the fund is insured under a master insurance policy with Genworth Financial Mortgage Insurance Pty Limited (ABN 60 106 974) or QBE Lenders' Mortgage Insurance Limited (ABN 70 000 511 071).  
For further details on the mortgage insurance policies reference should be made to the Information Memorandum. 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 (collateral posted)	6,140,347
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(140,148)
Closing Outstanding Balance (collateral posted)	<u>6,000,199</u>

### Redraw Funding Facility

Opening Balance	Nil
Drawn amount	Nil
Closing balance	<u>Nil</u>

### Excess Income Reserve

Nil

## Notional Swaps

Notional Swaps Value	191,000,000
% of fixed rate home loans	100%

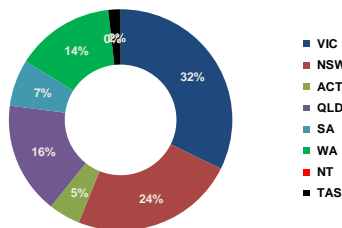
Neither Members Equity Bank Limited nor any associate of Members Equity Bank Limited in any way stands behind the capital value and/or the performance of the Bonds or the assets of SMHL Securitisation Trust 2020 -1. The Notes do not represent deposits or other liabilities of Members Equity Bank Limited or associates of Members Equity Bank Limited. Members Equity Bank Limited does not guarantee the payment of interest or the repayment of principal due on the Notes or the performance of the assets of SMHL Securitisation Trust 2020-1 (except to the limited extent provided in the transaction documents). The holding of the Notes is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

### Current Position - SMHL Securitisation Trust 2020-1 (CRD)

#### Geographical Location

VIC	- Metro	11,394,860	25%
	- Non Metro	3,175,337	7%
NSW	- Metro	6,826,536	15%
	- Non Metro	3,932,584	9%
QLD	- Metro	5,449,702	12%
	- Non Metro	1,935,266	4%
SA	- Metro	3,072,032	7%
	- Non Metro	-	0%
WA	- Metro	5,921,861	13%
	- Non Metro	558,839	1%
TAS	- Metro	610,005	1%
	- Non Metro	189,124	0%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	2,068,465	5%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>45,134,611</b>	<b>100%</b>

#### Geographical Location



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

Refinance	18,604,919	41%
Renovation	-	0%
Property Purchase	20,337,289	45%
Construction	5,853,771	13%
Equity Release	338,632	1%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

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

House	36,059,591	79%
Land	-	0%
Apartment	4,807,093	11%
Unit	369,797	1%
Townhouse	3,470,006	8%
Other	428,123	1%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

#### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	-	0%
>10 & <=15yrs	-	0%
>15 & <=20yrs	397,791	1%
>20 & <=25yrs	1,804,522	4%
>25yrs	42,932,298	95%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

#### Interest Option

Variable	28,035,462	62%
Fixed <3 years	16,579,661	37%
Fixed >3 years	519,488	1%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

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

Owner Occupied	36,590,299	81%
Investment	8,544,312	19%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

#### Mortgage Insurance

Genworth	1,201,567	3%
HLIC Govt	-	0%
Uninsured	29,558,067	67%
QBE	13,567,658	30%
Dual Insured	807,319	2%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

#### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	-	0%
<= 5.00%	45,134,611	100%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

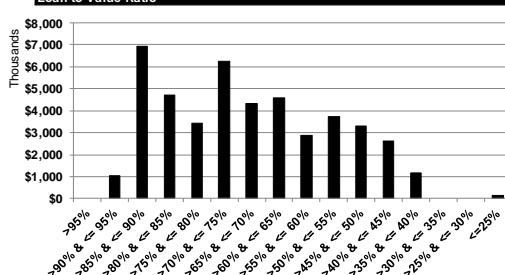
#### Loan Size

>\$250,000	36,549,518	82%
>\$200,000 & <\$250,000	3,267,422	7%
>\$150,000 & <\$200,000	2,847,354	6%
>\$100,000 & <\$150,000	1,577,360	3%
>\$50,000 & <\$100,000	730,251	2%
<= \$50,000	162,706	0%
<b>TOTAL</b>	<b>45,134,611</b>	<b>100%</b>

#### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	1,045,161	2%
>85% & <= 90%	6,946,787	16%
>80% & <= 85%	4,723,395	10%
>75% & <= 80%	3,424,366	8%
>70% & <= 75%	6,234,885	14%
>65% & <= 70%	4,344,767	10%
>60% & <= 65%	4,572,063	10%
>55% & <= 60%	2,879,815	6%
>50% & <= 55%	3,726,815	8%
>45% & <= 50%	3,282,011	7%
>40% & <= 45%	2,624,566	6%
>35% & <= 40%	1,182,174	3%
>30% & <= 35%	-	0%
>25% & <= 30%	-	0%
<=25%	147,805	0%
<b>TOTAL</b>	<b>45,134,611</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.

3 - Please note, further to the letter on ME Bank's investor page notifying upcoming changes to the classification and display of loan purpose for mortgage loans to 'Equity Release' from 'Other' or 'Renovation', ME anticipates release of the new reporting for SMHL Securitisation Trust 2020-1 (CRD) in Q1 2022.