

# SMHL Securitisation Trust 2020-1

Monthly Investment Report as at 25 July 2022



**SMHL**

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**Bloomberg Screen:** SMHL <MTGE>

## Summary

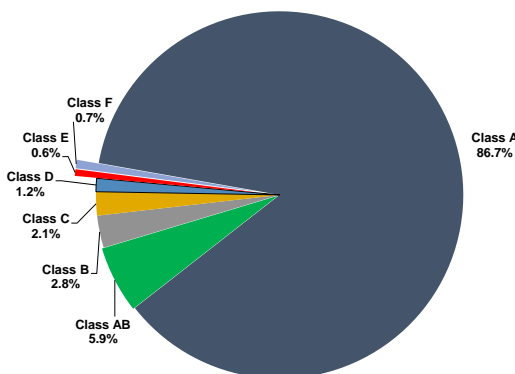
Trust: SMHL Securitisation Trust 2020-1  
 Collection Period end date: 30 June 2022  
 Payment Date: 25 July 2022  
 Issuer and Trustee: Perpetual Corporate Trust Limited (ABN 99 000 341 533) as trustee for SMHL Securitisation Trust 2020-1  
 Joint Lead Managers: Australia and New Zealand Banking Group (ABN 11 005 357 522) ("ANZ")  
 Commonwealth Bank of Australia (ABN 48 123 123 124) ("CBA")  
 MUFU Securities Americas Inc. (ARBN 612 562 008) ("MUFU")  
 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)  
 Servicer: 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	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 25 July 2022

Fund:	0.58542631
Class A	0.54937642
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 June 2022 25 July 2022	23 June 2022 25 July 2022
Class A	520,019,907.28	14,593,600	505,426,307.02	815,300.03	1.788%
Class AB	35,500,000.00	-	35,500,000.00	75,887.91	2.438%
Class B	17,000,000.00	-	17,000,000.00	42,302.33	2.838%
Class C	12,500,000.00	-	12,500,000.00	35,488.22	3.238%
Class D	7,000,000.00	-	7,000,000.00	27,544.64	4.488%
Class E	3,500,000.00	-	3,500,000.00	19,755.88	6.438%
Class F	4,500,000.00	-	4,500,000.00	31,910.01	8.088%
<b>Total Portfolio</b>	<b>600,019,907</b>	<b>14,593,600</b>	<b>585,426,307</b>	<b>1,048,189</b>	
European CRR invested amount (as per Article 6(1) of Regulation (EU) 2017/2402)			43,836,485.73		

## Pool Details

Number of Loans	2,769
Average Loan Size	211,422
Maximum Loan Size	1,100,700
Weighted Average LVR	59.81%
Maximum LVR	92.32%
WA Seeding (months)	48
WA Term to Maturity (years)	24
Full Documentation Loans	100.00%
WA Interest Rate	3.36%

## Principal Collections & Prepayment Analysis

	Monthly	Quarterly	Since inception
	31 May 2022 to 30 June 2022	31 May 2022 to 30 June 2022	17 December 2020 to 30 June 2022
<b>Repayment Analysis</b>			
Balance @ Determination Date	600,019,907	631,256,217	1,000,000,000
Substitution	-	-	-
Scheduled Repayments	(2,179,432)	(6,604,716)	(51,058,577)
Prepayments	(14,228,897)	(45,393,568)	(405,452,355)
Redraw Advances	1,814,730	6,168,375	41,937,240
Principal Draws / (Repayment of Principal Draws)	-	-	-
<b>Closing Balance</b>	<b>585,426,307</b>	<b>585,426,307</b>	<b>585,426,307</b>
CPR	22.26%	22.78%	25.65%
SMM	2.08%	2.13%	2.44%

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## Current Position

### Geographical Location

VIC	- Metro	152,633,463	26%
	- Non Metro	44,979,622	8%
NSW	- Metro	76,889,443	13%
	- Non Metro	41,628,017	7%
QLD	- Metro	60,213,460	10%
	- Non Metro	40,556,198	7%
SA	- Metro	35,395,008	6%
	- Non Metro	4,072,884	1%
WA	- Metro	64,101,805	11%
	- Non Metro	2,728,826	0%
TAS	- Metro	19,613,377	3%
	- Non Metro	6,500,802	1%
NT	- Metro	2,939,361	1%
	- Non Metro	-	0%
ACT	- Metro	33,174,041	6%
	- Non Metro	-	0%

**TOTAL** 585,426,307 100%

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

Refinance	288,392,722	50%
Renovation	-	0%
Property Purchase	241,962,698	41%
Construction	36,466,844	6%
Equity Release	18,604,042	3%

**TOTAL** 585,426,307 100%

### Loan Term

<=5 yrs	-	0%
>5 & <=10yrs	2,327,665	0%
>10 & <=15yrs	10,168,920	2%
>15 & <=20yrs	36,512,598	6%
>20 & <=25yrs	62,494,183	11%
>25yrs	473,922,941	81%

**TOTAL** 585,426,307 100%

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

Owner Occupied	462,294,036	79%
Investment	123,132,271	21%

**TOTAL** 585,426,307 100%

### Interest Rate Exposure

> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	517,580	0%
> 5.00% & <= 6.00%	24,574,198	4%
<= 5.00%	560,334,529	96%

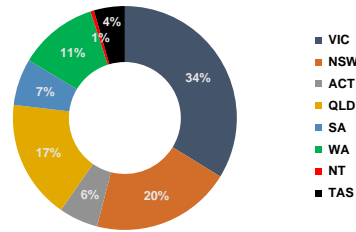
**TOTAL** 585,426,307 100%

### Loan to Value Ratio

>95%	-	0%
>90% & <= 95%	795,697	0%
>85% & <= 90%	16,782,578	3%
>80% & <= 85%	31,366,008	5%
>75% & <= 80%	51,707,635	9%
>70% & <= 75%	91,712,489	16%
>65% & <= 70%	93,041,468	17%
>60% & <= 65%	70,847,721	12%
>55% & <= 60%	43,669,687	7%
>50% & <= 55%	36,526,757	6%
>45% & <= 50%	36,456,358	6%
>40% & <= 45%	25,456,906	4%
>35% & <= 40%	18,879,571	3%
>30% & <= 35%	16,300,016	3%
>25% & <= 30%	16,791,838	3%
<=25%	35,091,579	6%

**TOTAL** 585,426,307 100%

### Geographical Location



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

House	453,017,224	78%
Land	186,949	0%
Apartment	71,543,225	12%
Unit	24,855,343	4%
Townhouse	26,336,364	4%
Other	9,487,201	2%

**TOTAL** 585,426,307 100%

### Interest Option

Variable	409,819,210	70%
Fixed <3 years	175,174,782	30%
Fixed >3 years	432,314	0%

**TOTAL** 585,426,307 100%

### Mortgage Insurance

Genworth	41,374,199	7%
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Uninsured	489,538,497	84%
QBE	54,513,611	9%

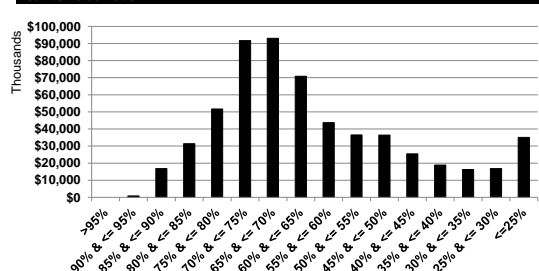
**TOTAL** 585,426,307 100%

### Loan Size

>\$250,000	391,662,570	67%
>\$200,000 & <=\$250,000	66,749,770	11%
>\$150,000 & <=\$200,000	55,934,721	10%
>\$100,000 & <=\$150,000	36,499,718	6%
>\$50,000 & <=\$100,000	24,234,005	4%
<=\$50,000	10,345,524	2%

**TOTAL** 585,426,307 100%

### 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**

	30 June 2022	31 May 2022	30 April 2022
<b>30-59 days</b>			
Number of loans	2	5	4
Outstanding Balance (\$)	352,140	1,450,675	654,625
% of Pool Outstanding Balance	0.06%	0.24%	0.11%
<b>60-89 days</b>			
Number of loans	5	4	4
Outstanding Balance (\$)	1,109,149	966,744	1,156,367
% of Pool Outstanding Balance	0.19%	0.16%	0.19%
<b>90+ days</b>			
Number of loans	8	9	9
Outstanding Balance (\$)	2,044,746	2,412,918	2,564,015
% of Pool Outstanding Balance	0.35%	0.40%	0.42%
<b>TOTAL Delinquencies</b>			
Number of loans	15	18	17
Outstanding Balance (\$)	3,506,035	4,830,337	4,375,007
% of Pool Outstanding Balance	0.60%	0.81%	0.71%
<b>Pool Information</b>			
Number of loans	2,769	2,836	2,894
Outstanding Balance (\$ m)	585	600	614

**Repayment Holiday COVID-19**

	30 June 2022	31 May 2022	30 April 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)	6,000,199
Liquidity facility drawn during the current month	
Repayment of Liquidity Draw for the previous periods	
Outstanding liquidity draws	
Reduction in Facility	(145,936)
Closing Outstanding Balance (collateral posted)	<u>5,854,263</u>

### Redraw Funding Facility

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

### Excess Income Reserve

Nil

## Notional Swaps

Notional Swaps Value	186,000,000
% of fixed rate home loans	106%

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	10,734,382	24%
	- Non Metro	3,176,214	7%
NSW	- Metro	6,805,763	16%
	- Non Metro	3,925,924	9%
QLD	- Metro	5,482,187	13%
	- Non Metro	1,313,132	3%
SA	- Metro	3,065,149	7%
	- Non Metro	-	0%
WA	- Metro	5,912,044	13%
	- Non Metro	558,452	1%
TAS	- Metro	608,176	1%
	- Non Metro	188,566	0%
NT	- Metro	-	0%
	- Non Metro	-	0%
ACT	- Metro	2,066,497	5%
	- Non Metro	-	0%
<b>TOTAL</b>		<b>43,836,486</b>	<b>100%</b>

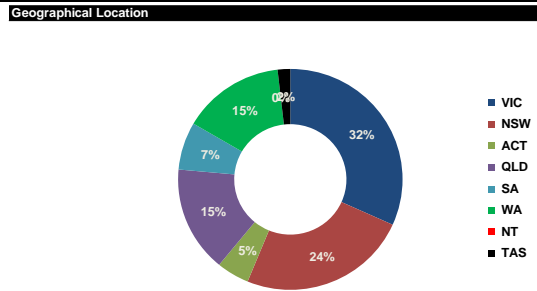
Loan Purpose <sup>1,3</sup>		
Refinance	17,986,176	41%
Renovation	-	0%
Property Purchase	19,675,609	45%
Construction	5,836,396	13%
Equity Release	338,304	1%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Loan Term		
<=5 yrs	-	0%
>5 & <=10yrs	-	0%
>10 & <=15yrs	-	0%
>15 & <=20yrs	397,623	1%
>20 & <=25yrs	1,804,369	4%
>25yrs	41,634,494	95%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Owner/Investment split <sup>4</sup>		
Owner Occupied	35,604,730	81%
Investment	8,231,756	19%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Interest Rate Exposure		
> 8.00%	-	0%
> 7.00% & <= 8.00%	-	0%
> 6.00% & <= 7.00%	-	0%
> 5.00% & <= 6.00%	136,336	0%
<= 5.00%	43,700,150	100%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Loan to Value Ratio		
>95%	-	0%
>90% & <= 95%	746,533	2%
>85% & <= 90%	6,113,881	13%
>80% & <= 85%	5,382,279	12%
>75% & <= 80%	3,529,902	8%
>70% & <= 75%	4,764,649	11%
>65% & <= 70%	5,065,060	12%
>60% & <= 65%	4,559,176	10%
>55% & <= 60%	2,873,512	7%
>50% & <= 55%	3,186,362	7%
>45% & <= 50%	3,958,530	9%
>40% & <= 45%	1,773,331	4%
>35% & <= 40%	1,609,852	4%
>30% & <= 35%	-	0%
>25% & <= 30%	-	0%
<=25%	273,418	1%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

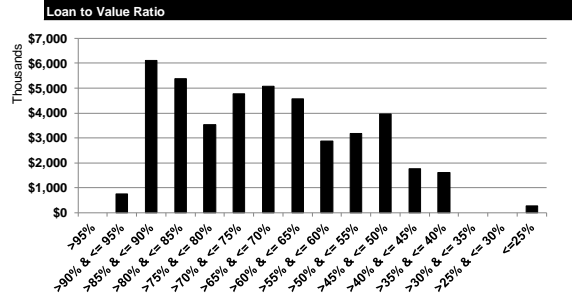


Loan Security <sup>2</sup>		
House	34,959,906	80%
Land	-	0%
Apartment	4,797,813	11%
Unit	368,324	1%
Townhouse	3,283,334	7%
Other	427,108	1%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Interest Option		
Variable	29,218,605	67%
Fixed <3 years	14,540,974	33%
Fixed >3 years	76,907	0%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Mortgage Insurance		
Genworth	1,198,138	3%
HLIC Govt	-	0%
Uninsured	28,739,952	67%
QBE	13,095,074	30%
Dual Insured	803,321	2%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>

Loan Size		
>\$250,000	35,538,741	81%
>\$200,000 & <=\$250,000	3,034,519	7%
>\$150,000 & <=\$200,000	2,671,643	6%
>\$100,000 & <=\$150,000	1,677,965	4%
>\$50,000 & <=\$100,000	749,384	2%
<= \$50,000	164,235	0%
<b>TOTAL</b>	<b>43,836,486</b>	<b>100%</b>



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