The Equity Finance Mortgage (EFM)®, together with a Balanced variable loan from Homeloans Ltd enables you to:

- Reduce monthly home loan repayments by up to 20%
- Increase your borrowing capacity by up to 25%

The EFM® can help you to:

- get out of the renting cycle and into home ownership
- buy the house you want in the suburb you want,
- buy a house instead of an apartment, 3 bedrooms instead of two
- make the transition from two incomes to one income smoother by reducing monthly repayments
- free up money by using the equity in your property for other purposes
  - investment, school fees, lifestyle

Here's how: you can borrow up to 20% of the property's value as an EFM, and up to 75% of the property's value as the Balanced variable loan from Homeloans Ltd. On the EFM portion of the loan, no interest is payable (unless you are in default) and no monthly interest repayments are required for the life of the loan.

Instead, when you sell the property or repay the EFM, you repay the EFM amount you originally borrowed plus up to a 40% share of any increase in the value of the property. If the value of the property happens to decrease, you may not have to repay the full EFM loan amount - a feature unique to an EFM.

WHO IS ELIGIBLE?

To be eligible for an EFM:

- you must have a 5% deposit
- the property must be owner occupied, not for investment purposes
- the property must be at least 12 months old
- you must not require the support of a guarantor or be a company or trust

Assumptions for examples.
This brochure contains examples and graphs that illustrate the financial impact of using EFM loans. They do not represent what will actually happen for any loan that you may take as property prices, interest rates and other circumstances will change. The examples and graphs are formulated based on a set of assumptions outlined below. These assumptions are not forecasts or predictions and may or may not reflect actual events.

Each example assumes that the EFM is for 20% of the property's value at the outset, has a 0% interest rate and that no default interest is payable. The actual EFM may be for less than 20% of the property's value and the outcomes may vary considerably if default interest becomes payable. All examples of how any increase in the value of the property is shared assume that the value of the property has increased by an annual nominal rate of growth of 8%. This is based on estimates of historical median rates of capital growth attributable to Australian residential real estate over the period 1986 to 2005. Actual rates of growth may be greater or less than this number.

If the example contains a traditional home loan comparison, it assumes that the traditional home loan interest rate is 7.80% p.a., the loan term is 25 years, all principal and interest payments are made on time, the only repayments made are the required repayments - that is no additional repayments or redraws are made, and no event of default has occurred and default interest is not incurred at anytime during the life of the loan. The actual traditional home loan term and interest rate may be greater or less than these assumptions and individual circumstances such as additional repayments may affect the outcomes considerably. The assumed interest rate of 7.80% for the traditional home loan used in the examples is based on the 'Indicator Lending Rates – Banks' published by the Reserve Bank of Australia for a standard variable rate housing loan as at October 2006.

If the example contains Lenders Mortgage Insurance, the premium payable is based on rates effective for the relevant product as at the date of this booklet.

Assumptions specific to an example are detailed in the example. Numbers may have been rounded to the nearest thousand or one percent where relevant. Fees and charges other than those mentioned in the examples such as application fees, valuation and legal fees, conveyancing fees and stamp duty on the purchase of a property are payable. These will vary depending on the individual circumstances.

This brochure does not take into account your personal objectives, financial situation or particular needs. You should obtain a copy of the "Equity Finance Mortgage Disclosure Document" and the "Equity Finance Mortgage Terms and Conditions Booklet" and consider them before making a decision about whether to acquire an Equity Finance Mortgage. A copy of the "Equity Finance Mortgage Disclosure Document" and the "Equity Finance Mortgage Terms and Conditions Booklet" can be obtained by calling your lender.

All information is correct as at 17/04/2007 and is subject to change.

Fees, charges, terms, conditions and lending criteria apply. Full details are available on application. EFMs are arranged by Rismark International Funds Management Limited ABN 15 114 530 139. AFS licence number (293881) (trading as Rismark International). Permanent Custodians Limited ACN 001 426 384 is the lender.

For more information please contact:

efm Equity Finance Mortgage

Homeloans LTD

Is that home just out of your reach?
Like to reduce your home loan repayments?

Equity Finance Mortgage™

efm Equity Finance Mortgage

Homeloans LTD

BUYING A HOME OR REFINANCING - TWO WAYS TO BENEFIT.

Reduce your monthly loan repayments by up to 20%!

In the example shown you could borrow $380,000 using a traditional home loan which would require $2,883 per month in regular home loan repayments or you could take advantage of an EFM® to reduce your monthly repayments.

By using an EFM in conjunction with a traditional home loan and agreeing to share any future increases in the value of your property, this example demonstrates that you can make your home purchase or refinance more affordable by reducing:

- monthly home loan repayments by $607 a month
- the Lenders Mortgage Insurance premium by $2,819.

TRADITIONAL HOME LOAN ONLY

Property value:	**$400,000**
Deposit:	$20,000
Loan needed:	$380,000
Traditional home loan (95% of property value):	$380,000
Lenders Mortgage Insurance premium:	$7,471
Monthly repayments required:	**$2,883**

Adding an EFM reduces the monthly repayments on required a traditional home loan by up to 20%.

Property value:	**$400,000**
Deposit:	$20,000
Loan needed:	$380,000
EFM (20% of property value):	$80,000
Traditional home loan (75% of property value):	$300,000
Lenders Mortgage Insurance premium:	$4,652
Monthly repayments required:	**$2,276**

More home than you ever thought possible. Purchase a 25% more expensive property!

If you are looking to upgrade your home or suburb here is how an EFM can help you.

By using an EFM in conjunction with a traditional home loan and agreeing to share any future increases in the value of your property, this example demonstrates that you can purchase a 25% more expensive home worth $531,000 while still making the same loan repayments.

TRADITIONAL MORTGAGE ONLY

Property value:	**$425,000**
Deposit:	$50,000
Traditional home loan (88% of property value):	$375,000
Lenders Mortgage Insurance premium:	$5,172
Monthly repayment required:	**$2,845**

Adding an EFM allows the purchase of a 25% more expensive home.

Property value:	**$531,000**
Deposit:	$50,000
Need to fund:	$481,000
EFM loan percentage (20% of property value):	$106,000
Traditional home loan (71% of property value):	$375,000
Lenders Mortgage Insurance premium:	$6,175
Monthly repayment required:	**$2,845**

AN EFM OVER TIME.

If your EFM was for 20% of the property's value, you will need to give up 40% of any increase in its value, when you sell the property or repay the EFM for some other reason. You will still get the major share of any increase in the value of the property.

AN INCREASE IN PROPERTY VALUE	YEAR 6
Property value at sale:	$634,750
less original property value:	$400,000
Capital appreciation:	$234,750
Original EFM amount (20%)	$80,000
plus appreciation payment (40%):	$93,900
Total EFM repayment:	$173,900
Traditional home loan repayment:	$270,204
60% of appreciation for you:	$140,850
Your equity after repaying the EFM and traditional home loan:	**$190,646**

Example excludes discharge administration fees, government charges and other fees and charges associated with discharging a loan and the associated mortgage. For the assumptions used in calculating this example please refer to back page. This may not be the case if you are in default of the EFM terms and conditions. This may not apply if you are not selling your property and will not apply if you are in default of the EFM terms and conditions.

A DECREASE IN PROPERTY VALUE

And while nobody likes to talk about property values decreasing, if this does happen when you have an EFM and you are selling your property, you may not have to repay the full EFM loan amount - a feature unique to an EFM.

Examples exclude application fees and other fees associated with the loan such as valuation fees, account keeping fees and transaction fees as well as transaction costs associated with purchasing a home such as stamp duty and government fees and stamp duty payable in respect of Loan Mortgage Insurance. For the assumptions used in calculating these examples please refer to the back cover of this brochure. Monthly loan repayment comparisons may vary depending on changes to these assumptions. Please note the examples assume that the interest rate on the traditional home loan only and the traditional home loan taken in conjunction with an EFM is the same. This assumption may not apply to your circumstances. Interest rates available on a traditional home loan only may be lower than the interest rate available on a traditional home loan taken in conjunction with an EFM. Ask your lender to compare this for you taking your circumstances into consideration.

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