



MEDIA RELEASE

(For immediate release)

Firstfolio partners with Calliva to break new ground in property lending

SuperAccess opens up geared property investment to self-managed superannuation funds

Sydney, 20 February 2008 -- ASX-listed financial services group Firstfolio (ASX: FFF) has partnered with specialist finance house Calliva Group to launch the first of a new generation of mortgage loans designed for self-managed superannuation funds (SMSFs) wanting to invest in property.

The move follows Commonwealth legislation introduced late last year allowing SMSFs, under strict conditions, to borrow funds for property investment.

With close to 370,000 self-managed funds estimated to be holding more than \$280 billion in assets currently, the potential lending market opened up by the law change is estimated to be billions of dollars.

Calliva SuperAccess loans will be sold to SMSFs through Firstfolio's network of more than 800 mortgage intermediaries, including financial planners, accountants and mortgage brokers, as well as through Calliva's existing network of advisors. Firstfolio will also manage processing of all SuperAccess loans written.

Calliva SuperAccess loans will initially be limited to purchases of commercial property, with plans to extend to residential property in the near future. The loans will be non-recourse, ensuring other assets held by the borrower within the super fund are quarantined, and will not require personal guarantees from members or trustees of the SMSF.

Calliva has committed warehouse funding from Royal Bank of Scotland for SuperAccess.

Firstfolio managing director, Mark Forsyth, said the partnership with Calliva demonstrated Firstfolio's willingness to move quickly to pioneer new lending territory and bring new financial products to market.

"Firstfolio has undergone rapid growth in a short time - we are now a top 10 mortgage manager with an \$8 billion loan book and a strong portfolio of complementary financial products. This growth has been on the back of innovation, service and the energy of our intermediary network," Mr Forsyth said.

"SuperAccess is a natural fit for this network and takes us into an untapped market with enormous potential. The strong synergies between SuperAccess and both the commercial real property sold through Firstfolio's property division and our range of commercial property lease and tenancy bonds are also attractive," he said.

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“We look forward to working with Calliva, a developer of high-quality financial solutions, to meeting the desire of many thousands of self-managed super funds to make geared investment in real property.”

Calliva Group CEO, Vince Scully, said Firstfolio brought to the partnership an extensive distribution platform of loan brokers and accountants, and a scalable processing capability.

“Most of the 368,000 self-managed super funds in Australia, representing a combined \$287 billion in assets, have until now been denied the opportunity to invest in real estate because they have not been allowed to borrow,” Mr Scully said.

“With this restriction lifted, owners of self-managed funds can now invest in an important growth asset that will help maximise retirement income,” he said.

“Firstfolio’s network will be an important conduit to potential SuperAccess borrowers, and the committed warehouse funding we have in place from RBS will allow us to satisfy forecast demand through 2008. Our partnership with Firstfolio opens up the scope in future for Calliva to develop other lending products for distribution through the Firstfolio network.”

Calliva SuperAccess loans for commercial property purchases will be extended on loan-to-valuations ratios of up to 70%. Calliva SuperAccess is ideally suited to medical and other self-employed professionals wanting to purchase and lease-back their existing office or professional suite within the tax-effective superannuation framework. It is also expected to appeal to self-managed funds keen to gear into commercial property as an alternative asset class, for the strong income stream and growth potential it offers.

As well as offering the borrower limited recourse and no personal guarantee requirements, Calliva’s SuperAccess requires no additional credit support and limited financial records on application, and has no impact on the borrower’s personal credit record.

To date more than 100 Firstfolio loan brokers have been accredited to sell Calliva SuperAccess. For further information about Calliva Super Access visit: www.calliva.com or www.firstfolio.com.au

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About Firstfolio

Firstfolio is a rapidly growing mortgage and financial services company incorporating Lawfund, one of Australia’s largest mortgage aggregator/referrer platforms. Firstfolio offers a wide range of residential lending products to mortgage brokers and aggregators sold under the New Loan™ brand, wholesale lending products, and consumer financial products including credit cards, insurance, fee-funding and other property-related services. Firstfolio also offers a utility connection service through Firstfolio Connect™. As at December 2007 Firstfolio’s portfolio of residential loans under management stood at more than \$8 billion.

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About Calliva Group

Calliva Group is a boutique financial services business specialising in superannuation-related products and services. Calliva is owned by co-founders, former Macquarie Bank executives Vince Scully and Peter Morris. Global investment bank and Japan's largest securities house, Nomura, is a cornerstone investor. In addition to SuperAccess, Calliva markets and issues capital-protected investments backed by the global structured equities capabilities of Nomura.