



MORTGAGE ACCELERATOR

Borrow to invest in a Timbercorp Project. Generate sound returns and use the tax savings and future income created to fast track the repayment of a non deductible mortgage.



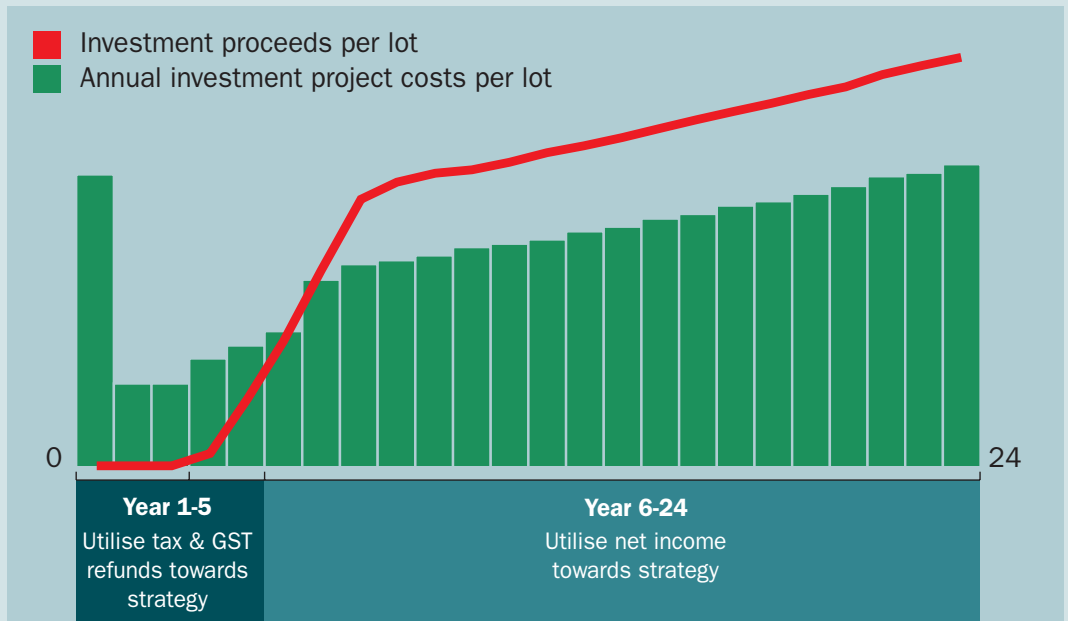
CASE STUDY - ADAM AND JACINTA

Adam and Jacinta's home value	\$500,000
Mortgage	\$250,000
Mortgage term	25 years
Interest rate	7.5% p.a.
Current monthly repayments	\$1,847.48

STRATEGY

- Establish an investment loan facility using home equity
- Invest in 7 Almondlots costing \$49,000 and register for GST
- Pay all Timbercorp project costs out of the investment loan account for the first 5 years
- Each year pay the tax and GST refunds into the home loan (less investment loan funding costs)
- From year 6 pay the net proceeds off the mortgage (after allowing for the investment loan funding costs)
- When the mortgage is fully repaid; pay off the investment loan
- Once both loans are repaid; invest all surplus income

HORTICULTURE PROJECT STRUCTURE



OUTCOME

- The home loan is repaid in 13 yrs (12 years early!)
- The investment loan is paid off in a further 6 years
- By year 25, Adam and Jacinta have accumulated \$237,000* in savings and have a debt free home

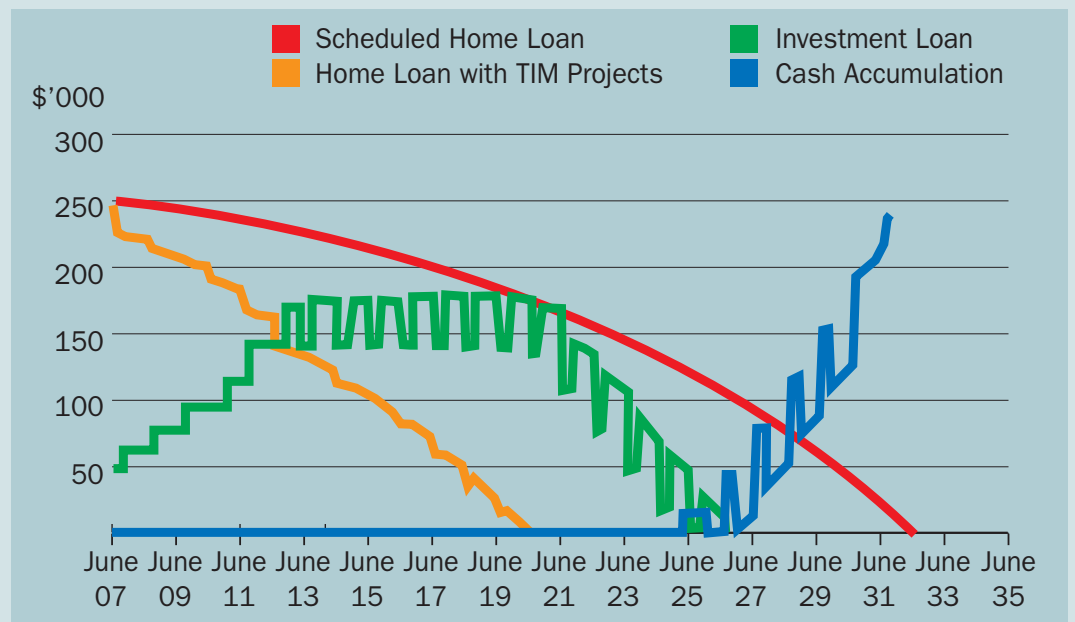
*Earnings rate on savings fund assumed at 7% p.a.



IMPACT OF MORTGAGE ACCELERATOR TO ADAM AND JACINTA'S MORTGAGE

	WITHOUT Timbercorp Project	WITH Timbercorp Project
Scheduled principal payments	\$250,000	
Total payments	(\$554,521)	(374,672)
Interest paid	(\$304,521)	(\$124,672)
HOME LOAN INTEREST SAVED	–	\$179,849
Date loan paid out	2032	2020
HOME LOAN REDUCED BY		12 YEARS
NET PROCEEDS FROM TIMBERCORP PROJECT AFTER ALL LOANS REPAID		\$237,435

LOAN RUN OFF



Assumptions:

- 41.5% marginal tax rate
- Continues to pay \$1,847.48 plus interest on investment loan
- Timbercorp Almond Project used as example with projected costs and income based on independent experts projections.

Important Notice

The information in this document:

- is based on the laws applicable at the time of publication, which are subject to change;
- is hypothetical and is intended as a guide only;
- is not, and should not be relied upon as legal, investment or taxation advice;
- does not take into account your individual financial circumstances, investment needs or objectives.

You should consult your lawyer, accountant or financial adviser before making any investment decision.

Neither Timbercorp Securities, its directors, employees, agents representatives or associated entities accept any liability for any action taken by any person in reliance upon the whole or any part of this document or for any errors or omissions contained in it and hereby disclaim to the fullest extent permitted by law all liability for any loss whatsoever arising from any use of this document or its content.

Persons may only invest in a Timbercorp agribusiness project (Project) by making an application on the Application Form attached to or accompanying the Product Disclosure Statement (PDS) issued in relation to the Project. During the offer period you may obtain the PDS in relation to a Project by calling 1800 628 188 or downloading it from our website www.timbercorp.com.au

Timbercorp Securities Limited (ABN 12 092 311 469) (AFSL No 235653).