

BRIEFING NOTES

[Investor Name]
[Investor Address]



June 2008

Dear Investor

Welcome to the Company's June edition of its Briefing Notes.

We are pleased to advise that the Company is continuing to make steady progress with the restructure programme that enabled the Company to be removed from receivership in February. You may recall that the Company is obligated to make a principal repayment of \$15 million (18.8¢) in debenture stock in the first year. To date 7¢ has been paid and we advise that a further payment of 2¢ will be direct credited to your nominated bank account on the evening of Monday, 7 July 2008. In total this payment, combined with earlier payments, means that the Company has repaid some \$7.1 million (9¢) year to date and remains on track to meet the balance by the end of the year.

Whilst this quarter's payment is at the lower end of our initial forecast this relates to normal delays with some loans being repaid and our desire to hold funds so that we can proactively work with clients to maximise overall loan recoveries.

We expect to make the balance of this year's scheduled payments with repayments in September and December.

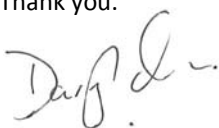
Please find attached to this Note a schedule of Information Meetings the Company is holding during July. These meetings are simply an opportunity for the Company to update investors on the restructure; what it means; the current position of the Company; and its future plans. There is no new information per se; it is simply a general catch up and an offer for investors to address any queries they may have.

In summary, the June quarter has been very active but encouraging; we have completed the initial post receivership work; worked closely with a range of direct loans and borrowers to ensure these are repaid in an orderly manner. Over the next quarter we anticipate being more proactive with regard the investments in the Company's securitisation programme.

Investor enquiries in the first instance should be directed to Catherine Timbers who monitors and manages the Company's debenture registry; Catherine is available by phone 03 3799336 or email catherine@propertyfinance.co.nz.

As you appreciate, the Company now operates in a very fragile market; not withstanding this we remain quietly comfortable with the progress being made.

Thank you.



Darryl Queen
Managing Director