

Contacts:

Gary Sly
Director
Level 15, 20 Martin Place,
Sydney NSW 2000
Phone: +612-9227 1910
E-mail: slyg1@anz.com

Fiona Gaal
Associate Director
Level 15, 20 Martin Place,
Sydney, NSW 2000
Phone: +61 2-9227 1897
E-mail: gaalf@anz.com

FirstMac Limited



**FirstMac Mortgage Funding Trust
Series 1-2007**

Class A Notes

A\$672 million Super Senior Debt Securities

Class AB Notes

A\$82 million Senior Debt Securities

Class B Notes

A\$27 million Subordinated Debt Securities

ANZ Investment Bank

ARRANGER/JOINT LEAD MANAGER

Australia and New Zealand Banking Group Limited
(ABN 11 005 357 522)

JOINT LEAD MANAGER

Macquarie Bank Limited
(ABN 46 008 583 542)



CO-MANAGER

HSBC Bank plc



Pricing Term Sheet

Tranche Details

Class	Expected Rating	A\$ Amount	Credit Support	WAL	Margin
A	AAA/Aaa/AAA	672,000,000	14.0%	2.5 yrs	1M BBSW + 19
AB	AAA/Aa1/AAA	82,000,000	3.5%	2.5 yrs	1M BBSW + 24
B	AA/Aa2/AA	27,000,000	0.0%	5.0 yrs	1M BBSW + 43
Total		781,000,000			

Key Parties

Trust	FirstMac Mortgage Funding Trust Series 1-2007
Series	Series 1-2007
Issuer	FirstMac Fiduciary Services Pty Limited as trustee of the Trust in respect of Series 1-2007
Originator	FirstMac Assets Pty Ltd and subsidiary companies all being FirstMac Fiduciary Services Pty Ltd (" FirstSubs ") and HSBC Bank Australia Limited (" HSBC ").
Security Trustee	JP Morgan Trust Australia Limited
Servicer/Manager	First Mortgage Company Pty Ltd and FirstMac Limited
Custodian and Standby Servicer	Perpetual Trustee Company Limited
Arranger /Joint Lead Manager	ANZ Investment Bank (" ANZIB "), a division of Australia and New Zealand Banking Group Limited (" ANZ ")
Joint Lead Manager	Macquarie Bank Ltd
Co-Manager	HSBC Bank plc
Interest Rate Swap Provider	ANZ
Rating Agencies	Standard and Poor's (Australia) Pty Limited (" S&P "); Fitch Ratings (" Fitch "); and Moody's Investor Service (" Moody's ").
LMI Providers	PMI Mortgage Insurance Ltd (" PMI "); and Genworth Financial (" Genworth ")

Terms of the Notes

Form of Securities

The Trust will issue prime residential mortgage backed, limited recourse, amortising, floating rate securities secured by the Collateral. The Notes will be divided into 3 tranches; Class A Notes, Class AB Notes and Class B Notes.

Issue Size

\$781,000,000 million

Currency

The securities will be issued in Australian Dollars

Legal Maturity

21 February 2038 – 31 years from the Issue Date.

Expected Maturity Date

21st February 2012.

Ex-Interest

The register will close at 5.00pm (Sydney time) on the date 2 Business Days prior to each Payment Date, for the purpose of calculating Noteholder entitlements.

Classes of Notes

The issue of Notes by FirstMac will comprise three tranches of Notes:

- Class A Notes;
- Class AB Notes; and
- Class B Notes.

The Class A notes will rank in priority in relation to the payment of interest and the repayment of principal.

The Class AB Notes will rank behind the Class A Notes in relation to the payment of interest and pari passu in relation to the repayment of principal (prior to an event of default).

The Class B Notes will rank behind the Class A Notes and the Class AB Notes in relation to the payment of interest and repayment of principal.

Bank Bill Rate

All classes will be benchmarked against One Month BBSW.

Note Margin/s

To be determined on Pricing Date.

Issue Price

At par.

Denominations

All Classes of Notes will be issued in denominations of \$10,000 subject to a minimum purchase consideration of \$500,000

Austraclear Limited

It is expected that the Class A Notes, the Class AB Notes, Class B Notes will be eligible to be lodged into Austraclear. All payments in respect of the Notes lodged into Austraclear.

If Class A Notes, Class AB Notes and Class B Notes are lodged into Austraclear, Austraclear will become the registered holder of those Notes in the Register of Note Holders.

Payment Structure

Class A and AB serial pay (ranking pari passu for





Security

principal). The Class B Notes will be sequential pay (as to the Class A and Class AB Notes).

The obligations of FirstMac in respect of the Notes are secured by a charge granted by FirstMac over the Assets of the Trust in favour of the Security Trustee. The Security Trustee holds the benefit of the charge on trust for (among others) the Noteholders, and any other person who is specified as a "Secured Creditor" in the Transaction Documents.

Business Days

A day (not being a Saturday or Sunday) on which banks are open for general banking business in Sydney, Melbourne and Brisbane.

Governing Law

State of New South Wales

Withholding Tax

The Notes will be issued to comply with the section 128F public offer test provision of the Income Tax Assessment Act 1936 (as amended).

Listing

The Manager intends to list the Class A Notes on the ASX and will use reasonable endeavours to do so after the Closing Date.

Interest Payments

Coupon Payment Dates

The Trust will make disbursements on each Payment Date or if that day is not a Business Day, the next Business Day. For all Notes the 21st day of each month.

First Payment Date

For all Notes 21st March 2007.

Determination Date

The date 4 Business Days prior to a Payment Date.

Coupon Period

The period from and including a Payment date (or in the case of the first Coupon Period, the Issue Date), to but not including the next Payment Date.

Reset Date

The first day of the Coupon Period.

Interest Rate

Class A Notes- the aggregate of the One Month BBSW and the Relevant Margin on the relevant date. Following the Call Date the coupon rate of the Class A Notes will be the aggregate of the One Month BBSW and the relevant Step-Up Margin

Class AB Notes- the aggregate of the One Month BBSW and the Relevant Margin on the relevant date.

Class B Notes- the aggregate of the One Month BBSW and the Relevant Margin on the relevant date.

Step-up Margin Date

The Payment Date occurring in February 2012.

Call Date

FirstMac will be entitled to (but is not obliged to) redeem all the Notes in full on the Call Date.

The Call Date means the earlier to occur of:

- a) the Step-up Margin Date; and
- b) the Payment Date on which the aggregate outstanding amount of receivables of the Trust is equal to or less than 20% of the aggregate initial Invested Amount of Notes.



And each Payment Date thereafter.

If the Notes are not redeemed on the Call Date, then after the Call Date, the Relevant Margin on the Class A Notes will increase by the relevant Step-up Margin. 2 times initial Class A Margin.

Step-up Margin

Principal Repayment Profile

Payment of Principal (pre default)

On each payment date, available principal will be allocated in the following order:

1. Towards the payment of redraws and further advances; and then
2. To the Fast Pay Noteholders (if any) until the Outstanding Principal Balance of the Fast Pay Notes is reduced to zero; and then
3. to the Class A Noteholders and Class AB Noteholders until the Outstanding Principal Balance of the Class A Notes and Class AB Notes is reduced to zero; and then
4. To the Class B Noteholders until the Outstanding Principal Balance of the Class B Notes is reduced to zero.

Expected Prepayment/CPR

Class	Slow (24%)	Expected (28%)	Fast (30%)
A	2.7	2.5	2.3
AB	2.7	2.5	2.3
B	5.0	5.0	4.7

Important Dates

Launch Date	12 February 2007
Pricing Date	23 February 2007
Settlement Date	28 February 2007
Collection Period	Each period commencing on (and including) the first day of a calendar month and ending on (and including) the last day of that calendar month.

Credit Enhancement

Collateral

A portfolio of Australian residential housing loans originated by FirstMac Limited and HSBC Bank Australia Limited in their ordinary course of business.

The majority of the loans have a floating rate of interest, and are repayable on a principal and interest basis or interest only basis. Those payable on an interest only basis will convert to a principal and interest repayment basis post the Interest Only Maturity Date. All loans have a maximum term of 30 years. The borrower may elect to fix a portion of



their loan up to a period of 5 years.

Each loan is secured over a first ranking mortgage over residential property.

The maximum LVR is 80% however a small percentage of loans have an LVR greater than 80% but no higher than 81.35%, (some loans products can capitalise LMI).

Mortgage Insurance

All mortgage loans assigned to the Trustee are individually covered by a primary mortgage insurance policy by one of the two mortgage insurers noted above.

Excess Spread

Excess spread will be utilised to cover any note charge-offs over the term of the transaction.

Subordination

The FastPay Notes (if any) and Class A Notes will benefit from the subordination of the Class AB and Class B Noteholders.

The Class AB Notes will benefit from the subordination of the Class B Noteholders.

Liquidity Support

Threshold Rate Mechanism

The Trust Manager must ensure that the variable mortgage loan interest rates are set to maintain the weighted average interest rate on the mortgage loans at a level at least 0.25% higher than the minimum threshold interest rate. The minimum threshold interest rate satisfies all the obligations of the trust, including interest on the notes, fees and expenses.

Principal Draw

If the Manager determines that there is insufficient income of the Trust to meet required payments on the Payment Date, then principal collections for that period can be used to fund the payment shortfall ("**Principal Draw**").

Fast Pay Notes

In the event that principal collections are insufficient to fund redraws and further advances, Fast Pay Notes may be issued to meet the shortfall. The issuance of Fast Pay Notes is subject to a Rating Affirmation.

If the Invested Amount of a Fast Pay Note is not redeemed in full on or before the Fast Pay Step-up Date, then that Fast Pay Note will be treated in all respects as a Class A Note with effect from that Payment Date immediately following the Fast Pay Step-up Date (except the Relevant Margin will be the Fast Pay Note Step-up Margin).

The Fast Pay Note Step-up Date will be the date that falls on the first year anniversary of the Fast Pay Note issue date.

The Fast Pay Note Step-up Margin will be 0.25%.

Subject to the paragraph below, prior to an Event of Default the Fast Pay Notes will rank in priority to the



Class A Notes in respect of the payment of interest and in respect of the payment of principal.

Post an Event of Default, the Fast Pay Notes will rank equally with the Class A Notes for the payment of interest and principal.

Liquidity Reserve

0.50% of the outstanding balance of the Notes on issue will be retained as a cash reserve to be used to fund any temporary liquidity shortfalls.

Timely payment cover of 24 months is provided on 99.1% of the pool.

Other

Pre-Funding

Pre-Funding will be utilised with an additional \$71m of Notes issued.

The maximum pre-Funded Amount is 10% of the initial invested amount of the Notes. The Pre-funded amount will be available during the Pre-funding period to fund the acquisition or redesignation of mortgage loans by the Trust. Any acquisition or redesignation of mortgage loans will be subject to a rating affirmation.

Pre-Funding Period

3 Months post the Settlement Date.

Interest Rate Swap

The Trustee on behalf of the Trust will enter into an interest rate swap to hedge the basis risk between the floating rate obligations on the Notes and the fixed rate receipts from the mortgage loans. To the extent that the aggregate outstanding amount of the mortgage loans that have a fixed rate of interest is less than or equal to 3% of the aggregate outstanding amount of all mortgage loans, FirstMac will not have any swaps in place.

Further Advances

Further Advances are not to exceed 10% of the aggregate initial Invested amount of all Class A Notes and as a result of the further Advance the weighted average loan to value ratio must not exceed 80% or the original weighted average loan to value ratio as at the Closing Date whichever is lower.

Appendix 1

Overall Pool Statistics (as at 31 January 2007)

LVR and Loan Size tables are presented on a consolidated basis. Other pool statistics (e.g. seasoning, repayment, occupancy) are presented on an individual loan basis given loan characteristics differ for different loans.

Summary Total Pool	
Total Pool Size	706,387,280
Total number of Loans	3,463
Total Number of Consolidated Loans	2,677
Maximum Current Outstanding Balance	2,000,000
Average Loan Size	203,981
Weighted Average Approval LVR	70.03%
Weighted average Current LVR	66.24%
Maximum Current LVR	81.35%
Weighted Average Seasoning (months)	9
Maximum Remaining Term (Years)	30
Weighted Average Remaining Term (Years)	29
Weighted Average Interest Rate (%)	7.89
Percentage of No Doc Loans	44%

Mortgage Pool by Current LVR (consolidated loan basis)

	No. of Loans	% of Total	Value of Loans	% of Total
0% to 50%	688	25.70%	105,996,116	15.01%
50% to 55%	122	4.56%	31,182,806	4.41%
55% to 60%	173	6.46%	52,945,074	7.50%
60% to 65%	182	6.80%	54,019,067	7.65%
65% to 70%	441	16.47%	126,167,498	17.86%
70% to 75%	227	8.48%	70,506,443	9.98%
75% to 80%	664	24.80%	204,415,349	28.94%
80% to 85%	180	6.72%	61,154,928	8.66%
Total	2677	100.00%	706,387,280	100.00%

Mortgage Pool by Loan Size (consolidated loan basis)

	No. of Loans	% of Total	Value of Loans	% of Total
\$0k to \$100k	658	24.57%	20,842,111	2.95%
\$100k to \$200k	687	25.68%	118,654,097	16.80%
\$200k to \$300k	675	25.21%	189,824,834	26.87%
\$300k to \$400k	320	11.96%	131,557,853	18.62%
\$400k to \$500k	172	6.42%	98,032,125	13.88%
\$500k to \$600k	54	2.00%	37,750,476	5.34%
\$600k to \$700k	43	1.60%	34,512,226	4.89%
\$700k to \$800k	29	1.09%	24,811,249	3.51%
\$800k to \$900k	11	0.41%	11,915,414	1.69%
\$900k to \$1000k	15	0.57%	18,293,359	2.59%
>\$1m	13	0.48%	20,193,535	2.86%
Total	2677	100.00%	706,387,280	100.00%

All tables below are quoted on an individual loan basis.

Mortgage Pool by Seasoning

	No. of Loans	% of Total	Value of Loans	% of Total
0 - 3 months	521	15.04%	97,286,170	13.77%
3 - 6 months	757	21.86%	141,610,653	20.05%
6 - 9 months	696	20.10%	139,966,866	19.81%
9 - 12 months	676	19.52%	133,902,975	18.96%
12 - 48 months	812	23.45%	193,240,618	27.36%
48 - 60 months	1	0.03%	380,000	0.05%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Geographic Concentration

	No. of Loans	% of Total	Value of Loans	% of Total
NSW	662	19.12%	152,225,779	21.55%
VIC	566	16.34%	106,889,449	15.13%
QLD	1360	39.27%	281,114,763	39.80%
WA	394	11.38%	88,171,190	12.48%
SA	382	11.03%	58,544,062	8.29%
TAS	24	0.69%	4,423,724	0.63%
ACT	49	1.41%	9,127,047	1.29%
NT	26	0.75%	5,891,266	0.83%
Total	3463	100.00%	706,387,280	100.00%



Mortgage Pool – Metro vs. Non-Metro vs. Inner City

	No. of Loans	% of Total	Value of Loans	% of Total
Metro	2,062	59.54%	430,884,773.45	61.00%
Non metro	1,338	38.64%	258,598,472.73	36.61%
Inner city	63	1.82%	16,904,034.17	2.39%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Originator

	No. of Loans	% of Total	Value of Loans	% of Total
FirstMac	3,246	93.73%	630,389,447.31	89.24%
HSBC	217	6.27%	75,997,833.04	10.76%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool – Loan Documentation

	No. of Loans	% of Total	Value of Loans	% of Total
FULL	7	0.20%	1,033,341	0.15%
Self Certified Docs	1783	51.49%	395,603,209	56.00%
Easy Docs	1673	48.31%	309,750,731	43.85%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Occupancy

	No. of Loans	% of Total	Value of Loans	% of Total
Owner Occupied	1184	34.19%	219,047,696	31.01%
Investment	2279	65.81%	487,339,585	68.99%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Loan Type

	No. of Loans	% of Total	Value of Loans	% of Total
Amortising	796	22.99%	158,676,648	22.46%
Interest Only	2667	77.01%	547,710,632	77.54%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Mortgage Insurer

	No. of Loans	% of Total	Value of Loans	% of Total
Genworth	2537	73.26%	522,571,583	73.98%
PMI	926	26.74%	183,815,698	26.02%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Security Type

	No. of Loans	% of Total	Value of Loans	% of Total
House	2742	79.18%	521,150,391	73.78%
Unit	288	8.32%	67,777,117	9.59%
Land	216	6.24%	41,461,939	5.87%
Other ¹	217	6.27%	75,997,833	10.76%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Remaining Loan Term

	No. of Loans	% of Total	Value of Loans	% of Total
0 - 5 years	1	0.03%	50,236	0.01%
5 - 10 years	2	0.06%	300,964	0.04%
10 - 15 years	8	0.23%	1,013,457	0.14%
15 - 20 years	0	0.00%	1,442,747	0.20%
20 - 25 years	36	1.04%	6,427,733	0.91%
25 - 30 years	3416	98.64%	697,152,145	98.69%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Loan Purpose

	No. of Loans	% of Total	Value of Loans	% of Total
Refinance	1601	46.23%	295,181,535	41.79%
Construction	0	0.00%	0	0.00%
Purchase	1127	32.54%	273,060,524	38.66%
Other	510	14.73%	61,961,171	8.77%
Costs	8	0.23%	186,217	0.03%
Investment	217	6.27%	75,997,833	10.76%
Total	3463	100.00%	706,387,280	100.00%

Mortgage Pool by Interest Type

	No. of Loans	% of Total	Value of Loans	% of Total
Fixed	38	1.10%	9,293,252	1.32%
Variable	3425	98.90%	697,094,028	98.68%
Total	3463	100.00%	706,387,280	100.00%

¹ The Other category relates to the HSBC loans in the portfolio, which do not have a Security Indicator.

Important Note

The repayment of principal, payment of interest and the performance of FirstMac Mortgage Funding Trust Series 1-2007 Trust ("**Series 1-2007**"), each as described in this preliminary term sheet, are not guaranteed by and do not constitute obligations or liabilities of Australia and New Zealand Banking Group Limited ("**ANZ**") or of any related party or associate of ANZ, or Macquarie Bank Ltd ("**Macquarie**") or of any related party or associate of Macquarie (the "**Lead Managers**") or HSBC Bank plc ("**HSBC**") ("**the Co-Manager**") or of any related party or associate of HSBC. Neither Lead Manager or Co-Manager nor any of its directors, officers, employees, representatives, nor those of any related party or associate make any representation or warranty (express or implied) or give any guarantee, warranty or assurance as to the performance of Series 1-2007, the payment of any interest payment on the Series 1-2007 notes issued by Series 1-2007 ("**Notes**"), the repayment of amounts invested or any rate of return. The Notes do not represent a deposit with or any other type of liability of the Lead Managers or Co-Manager or any related party or associate of the Lead Managers or Co-Manager. The Notes are subject to investment risk, including possible delays in repayment, early redemption, loss of income and loss of principal invested.

The information contained in this preliminary term sheet has been made available to the recipient for information purposes only. It is not intended to be, and does not constitute a product disclosure statement, prospectus, short form prospectus, profile statement or any other disclosure document under the Corporations Act 2001. It does not constitute an offer for the issue, sale or purchase of the Notes, or a recommendation in relation to acquiring the Notes. Full details will be set out in the Information Memorandum for the Notes issued by Series 1-2007, which will be available from the Lead Managers and Co-Manager on or about 12 February 2007 ("**Information Memorandum**").

While every care has been taken in the preparation of this preliminary term sheet, the Lead Managers and Co-Manager make no representation or warranty (express or implied) as to the accuracy or completeness of any statement contained in it including, without limitation, any forecast or projection. To the maximum extent permitted by law, each Lead Manager and Co-Manager and its related parties and associates expressly disclaim any and all liability which may arise out of the provision to, or use by, any person of the information contained in, or the omission of any information from, this preliminary term sheet.

Nothing contained in this term sheet constitutes financial product advice and the information has been prepared for the purpose of providing information only without taking account of any particular investor's objectives, financial situation or needs. An investor should, before making any investment decisions, read the Information Memorandum in its entirety and seek independent professional advice, having regard to the investor's objectives, financial situation and needs.

This preliminary term sheet contains information that is confidential to ANZ and/or Series 1-2007 ("**Confidential Information**"). Recipients must not (directly or indirectly) use, disclose or reproduce (or permit the use, disclosure or reproduction of) Confidential Information without the prior consent of the relevant party. ANZ and Series 1-2007 expressly retain all rights with respect to the Confidential Information and do not authorize any use, disclosure or reproduction of the Confidential Information by virtue of such information being contained in this preliminary term sheet.