

**TO INVESTORS**

26 July 2012

**EQUITRUST INCOME FUND ARSN 089 079 854 (“EIF”)  
(RECEIVER APPOINTED) (“The Fund”)**

I refer to my previous reports dated 1 February 2012, 21 February 2012, 27 March 2012, 16 May 2012 and 21 June 2012 and now provide my sixth update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

**1. Receipts and Payments**

I provide below a summary of the Receipts and Payments of the Fund for the period 18 June to 22 July 2012.

<b>Summary of Receipts and Payments for the Period 18 June 2012 to 22 July 2012</b>		
<b>Opening Cash at Bank</b>		<b>1,594,518.08</b>
<b>Receipts</b>		
Loan Recoveries:		
Corymbia Estates Pty Ltd	4,316.62	
Mountbell Pty Ltd	39,548.75	
Rosea Pty Ltd	168,333.33	
Toowoomba (Foundry Shopping Centre) Pty Ltd	146,200.54	358,399.24
<b>Total Receipts</b>		<b>358,399.24</b>
<b>Payments</b>		
Bank Charges		20.80
Distressed Loan funding:		
Corymbia Estates Pty Ltd	17,600.00	
CTP Pty Ltd	11,477.40	
East Coast Pty Ltd	2,750.00	
Morvale Land Pty Ltd	660.00	
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	37,223.71	
Toowoomba (Foundry Shopping Centre) Pty Ltd	16,500.00	
Tweed Central Pty Ltd	23,904.62	



Valencia Grove Pty Ltd	33,976.03	
Western Land Corporation	4,400.00	
Wirrina Corporation Pty Ltd	144,334.73	292,826.49
Insurance		25,298.24
IT expenses		10,347.27
Legal Fees		841.50
Mileage Allowance		325.50
Office Rental charge		7,770.98
Reversal of Prior Period GST remittance (subject to Private Ruling)		(250,689.00)
Statutory Payments - GST & PAYG		43,909.00
Wages & Salaries		34,672.56
<b>Total Payments</b>		<b>165,323.34</b>
<b>Closing Cash at Bank</b>		<b>1,787,593.98</b>

## 2. Realisation of Assets

The realisation of the Fund's assets continues to progress.

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise all sales, contracts on foot, current offers accepted and contracts awaiting execution below:

	\$
Sales completed	8,848,866
Eight contracts on foot	5,780,000
Eleven offers accepted, awaiting executed contracts	4,050,000
One offer under consideration	12,000,000 - 15,000,000

With respect to the information above, I note the following:

- A property settled on 23 July 2012 with gross realisations of \$885,000;
- Four contracts are unconditional with settlements scheduled in August 2012 and gross realisations of approximately \$1.4 million;
- A contract is unconditional in the amount of \$2.25 million with settlement scheduled in September 2012;
- Three contracts are unconditional with settlements scheduled in December 2012 and gross realisations of approximately \$1.03 million;
- A deed of settlement has been executed with \$150,000 received on 18 June 2012 and \$1.1 million to be received on 17 June 2013;