



August 2008 Report

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Maxim Property Securities Fund 31 August 2008 Unit Price	
NAV	\$0.7859
BUY	\$0.7883
SELL	\$0.7835

Maxim Property Securities Fund Last 4 Distributions	
30 Sep 07	1.1526 cents
31 Dec 07	1.4707 cents
31 Mar 08	1.2283 cents
30 Jun 08	1.8995 cents

Maxim PSF 1 Year Return to 31 August 2008	
Income	+4.56%
Capital	-37.70%
Total	-33.14%

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Fund Performance

The Maxim Property Securities Fund (Maxim PSF) returned +6.02% (after Fees but before Tax) in August 2008 compared with a return of +9.97% from the S&P/ASX 300 A-REIT Accumulation Index. Over the 12 month period ended 31 August 2008 Maxim PSF returned -33.14% (Index -36.69%).

The Maxim Diversified Property Fund (Maxim DPF), which has a higher exposure to unlisted property securities, returned +1.68% (after Fees but before Tax) over the month of August.

Market Review

August was quiet in terms of market activity with turnover below average daily volumes as investors took the opportunity to analyse company results for the 2007-2008 year. With most of the bad news for the property sector relating to lower operating earnings released in June and July by way of market updates, the actual reporting season did not deliver any negative surprises with the major theme being a move by a number of the A-REITs to restrict future distributions to match free cash flow.

In the absence of physical transactional activity, movement in Cap Rates were contained in the main to between 20 to 30 basis points. As this Cap Rate expansion was accompanied by rental growth (nominal in the main) this was sufficient to offset the lower yields generally resulting in small negative property revaluations. With the exception of Australand, which announced a capital raising by way of a 1 for 1 renounceable issue, there were no other announcements of equity issues in the property sector over the reporting period. On the positive side, expectations that the RBA would shortly be looking to reduce official interest rates provided some support for the sector.

The S&P/ASX 300 A-REIT Index rose 9.97% in August outperforming the broader equity market by 6.00%. In the 12 months to 31 August 2008, the Property Index has fallen 36.7% whilst the broader equity market fell 14.5%. The divergence between best and worst performing Index stock over the month was large with the best, Macquarie DDR Trust, rising 40.0% whilst the worst, Record Realty, fell 43.1%. The best performing property sub-sector comprised the Industrials trusts which as a group, rose 22.5%, with its largest constituent, Goodman Group up 24.7% whilst at the other

end of the scale, the Commercial trusts rose a modest 3.7%. **Table 1** lists the various property sub-sectors and their returns:

Table 1 (Source UBS)

Industrials	+22.5%
Leaders	+12.0%
Diversified	+10.9%
Retail	+9.3%
Commercial	+3.7%

Table 2 lists the five best performing S&P/ASX 300 A-REIT Index securities in August.

Table 2

Code	Name	Price 31 Aug 08	Return %
MDT	Macquarie DDR Trust	\$0.350	+40.00
MIX	Mirvac Industrial	\$0.290	+31.82
CDI	Challenger Div.Pro.	\$0.650	+30.00
GMG	Goodman Group	\$3.180	+24.71
MCW	Macquarie Countrywid	\$1.045	+17.42

Source IRESS

Augusts' worst Index stock performers are listed in **Table 3**.

Table 3

Code	Name	Price 31 Aug 08	Return %
RRT	Record Realty	\$0.033	-43.10
REU	Rubicon Europe Trust	\$0.042	-39.13
RJT	Rubicon Japan	\$0.058	-35.56
CNP	Centro Properties	\$0.175	-35.19
AEU	Australian Education	\$0.465	-33.57

Source IRESS

At the end of August, the AUD was trading at US85.79c, having fallen 8.44 cents over the month, whilst 10 Year Bond rates rallied 50 basis points to end the month at 5.72%. The 90 Day Bank Bill Rate also rallied 50 basis points to close at 7.25%.

Outlook

Based on Maxim's assessment, the A-REIT sector as at the end of August is trading on a FY2009 yield of 8.5% which is close to 250 basis points above bonds and about 150 basis points above cash. Whilst these margins are considered attractive, investors are likely to remain cautious over the shorter term.

We expect flows into the property sector to pick up and prices start to improve as official cash rates decline over the medium term and as investor confidence slowly starts to turn positive.

Maxim Property Securities Fund

ARSN 116 193 563 APIR Code COL0001AU

The Maxim Property Securities Fund (Maxim PSF) returned +6.02% in August compared with the S&P/ASX 300 A-REIT Accumulation Index which returned +9.97%.

Over the 12 month period ended 31 August 2008, Maxim PSF exceeded its Benchmark by 3.55%.

Table 4 compares Maxim PSF's returns against its Benchmark Index over a number of different time frames.

Table 4

	Aug-08	Aug-08 Quarter	1/2 Year to Aug 08	1 Year	2 years	Since Inception
Maxim PSF	+6.02%	-11.17%	-15.90%	-33.14%	-9.77%	-0.45%
A-Reit 300 Index	+9.97%	-7.28%	-12.04%	-36.69%	-12.14%	-2.19%
Relative	-3.96%	-3.89%	-3.88%	+3.55%	+2.36%	+1.74%

Since Inception Date – 17 October 2005

In August, positive contributors to performance included exposure to Goodman Group, GPT Group, Mirvac and Babcock & Brown Communities Group, whilst detracting from performance was the Fund's underweight to the Westfield Group and Zero exposures to Macquarie Office, Dexus and ING Industrial Fund.

Portfolio Summary

At month end, Maxim PFS held investments in 18 listed securities representing 86.4% of the portfolio and 4 unlisted securities accounting for 10.4% of the portfolio. Exposure to Cash /Liquidity represented 3.2% of portfolio exposure.

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Maxim Diversified Property Fund

ARSN 123 372 047 APIR Code COL0005AU

The Maxim Diversified Property Fund (Maxim DPF) returned +1.68% in August 2008. Over the 6 month period ended 31 August 2008, the Fund has returned -9.29%, compared with an Index return of -12.04% over the same period.

In the year ended 31 August 2008, Maxim DPF exceeded its Benchmark by 16.76%, returning -19.92% compared to the Index return of -36.69%.

Table 5 compares the returns of Maxim DPF with the S&P/ASX 300 A-REIT Accumulation Index over a number of different time frames.

Table 5

	Aug-08	Aug-08 Quarter	1/2 Year to 31 Aug 08	1 Year 31 Aug 08	Since Inception
Maxim DPF	+1.68%	-7.02%	-9.29%	-19.92%	-9.20%
A-REIT 300 Index	+9.97%	-7.28%	-12.04%	-36.69%	-25.44%
Relative	-8.29%	+0.26%	+2.75%	+16.76%	+16.24%

Since Inception Date 5 July 2007

Portfolio Summary

The number of listed securities held in the portfolio at the end of August remained steady at 18 with Listed Securities representing 24.8% of portfolio exposure, whilst Unlisted Securities accounted for 68.4% of the portfolio. Cash /Liquidity represented 6.8% of the portfolio.

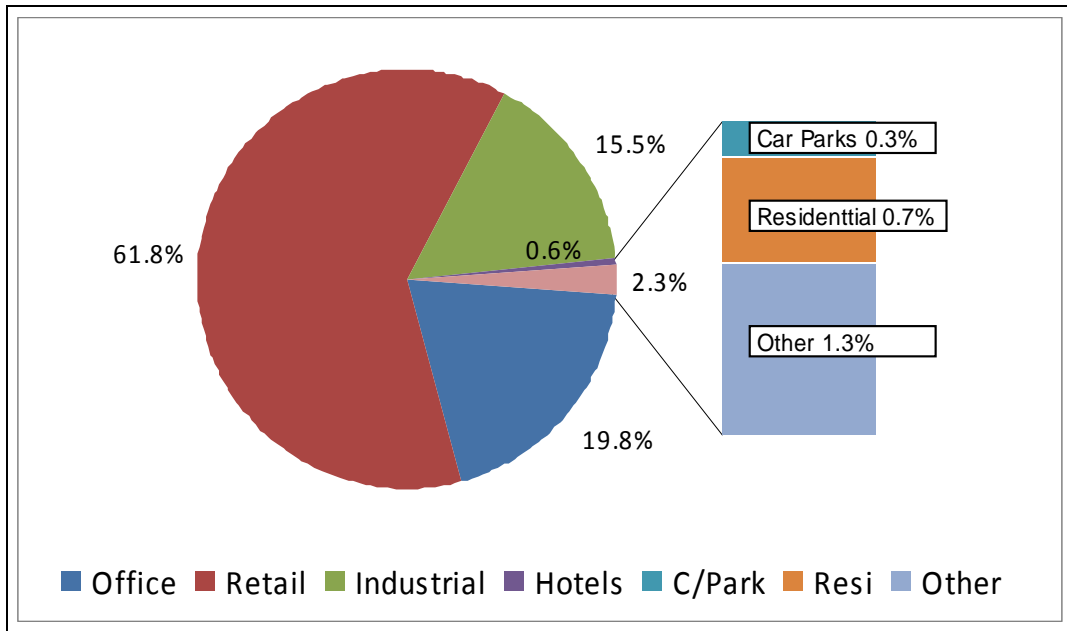
Contact Details

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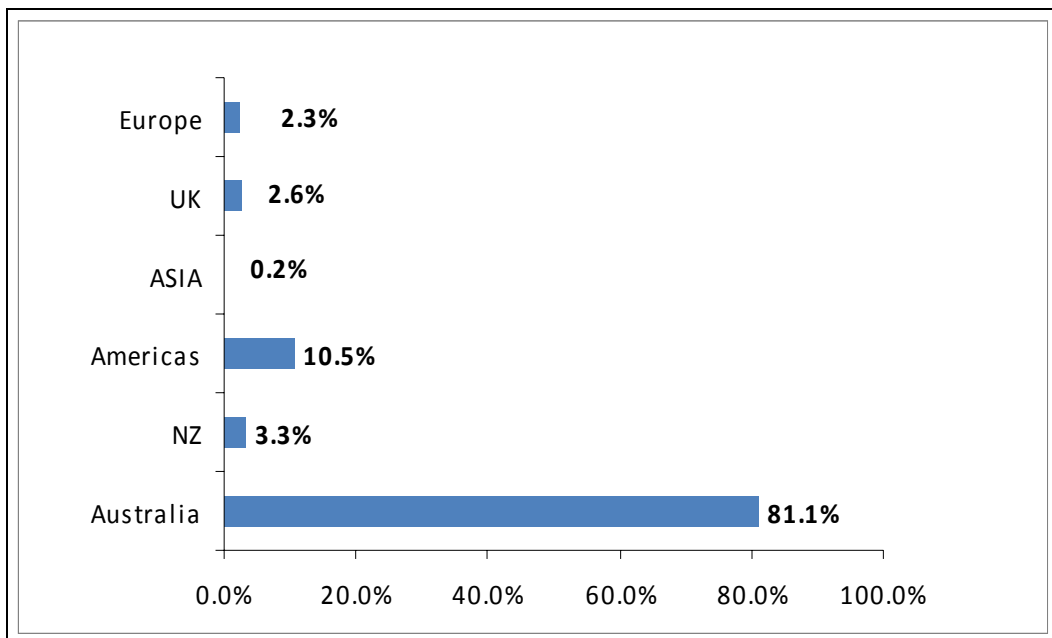
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Maxim Property Securities Fund-Exposures as at 31 August 2008

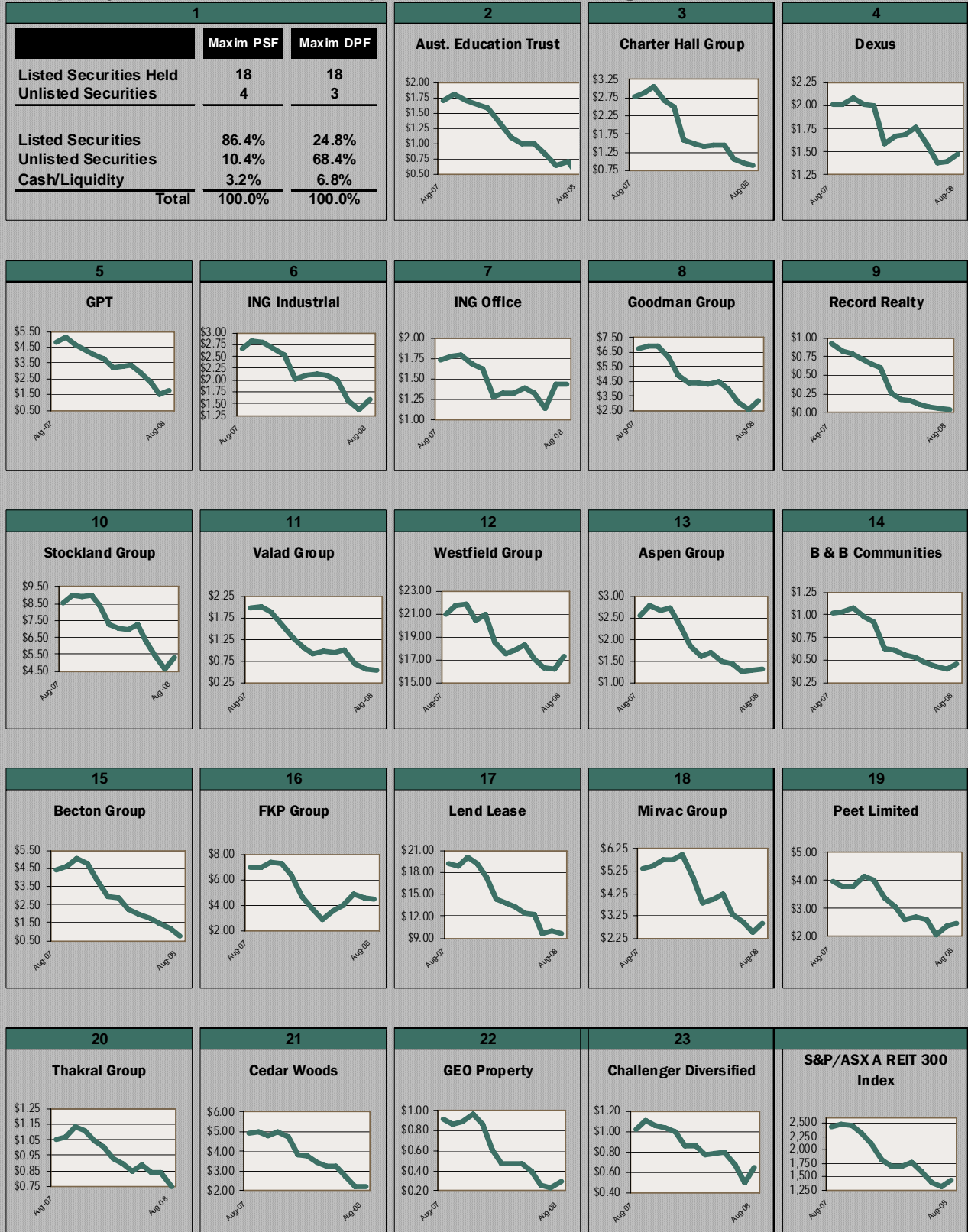


Maxim Property Securities Fund-Geographic Exposures as at 31 August 2008



August, 2008

Property Securities - Monthly Charts from 31 August 2007



Data: IRESS