Maxim Property Securities Fund

Monthly Report
January 2007

Contents

Distributions
30 Jun 06 2.2404 cents
30 Sep 06 1.2598 cents
31 Dec 06 1.5978 cents

Unit Price	31 Jan 07
NAV	$1.3806
Buy	$1.3840
Sell	$1.3771

12 months Return	
Income	4.79 %
Growth	30.45 %
Total	35.24%

Contact Details

For additional information about the Maxim Property Securities fund, or for more information on Maxim Asset Management, please contact us either by phone or email:
Phone: 02 9223 4255
Email: info@maximam.com.au

Fund Performance

The Maxim Property Securities Fund (Maxim PSF) returned 1.25% in January, compared with the S&P/ASX 300 Property Accumulation Index which generated a 2.37% return. For the 12 months ended 31 January 2007 year, the Maxim PSF returned 35.24%.

Market Update

Following on the strong returns in December, the S&P/ASX 300 Property Accumulation Index continued to rise in January, outperforming the broader equity market by 0.53%.

The table below sets out January's property sub-sector returns:

Retail	+4.5%
Commercial	+2.6%
Diversified	+1.2%
Industrial	-1.6%
Leaders	+2.1%
International	+5.9%

On the back of the strength in the US prime commercial markets, Tishman Speyers Office Fund was the best performing security in January delivering a 17.3% return, followed by Valad Property Group which returned 13.6% and Multiplex which rose 11.5% after the news of an approach to the Roberts family by an unnamed party (later identified as Toronto based Brookfield Asset Management) was made known. On the negative side, the worst performing securities included Macquarie Goodman and GPT.

Portfolio Activity

During the month exposure to Commonwealth Office Property Trust was increased whilst exposure to the Westfield Group was reduced through the exercise of the call option contracts previously sold as well as the sale of some stock as its share price rose.

Exposure to the Valad Property Group was re-introduced following Maxim's research update subsequent to the announcement of management changes and our resultant positive review of the group.

At the end of January, liquidity represented 4.5% of the portfolio.

Outlook

Based on month end market levels, the sector is trading at around a 14% premium to its NPV and the CY07 prospective yield is a historically low 5.5%, which is below both the cash rate and the long term bond rate. Never the less, February brings with it the start of the reporting season which is likely to provide positive news flow for the sector in general. In this regard, valuations are expected to show upward momentum and provide support for the market in the event of any meaningful pullback.

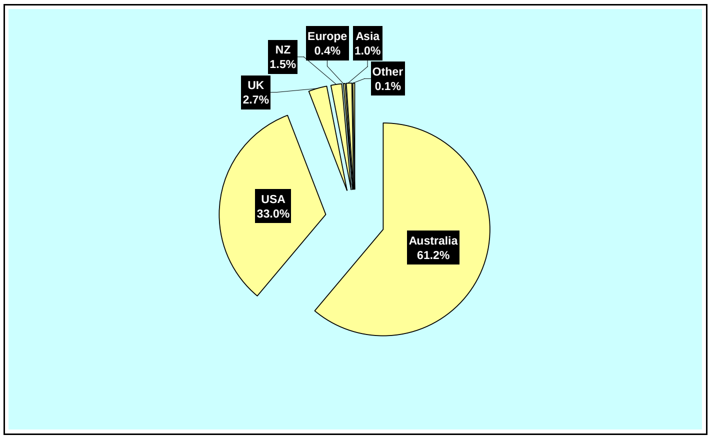
Having regard to current market levels, there is a strong likelihood of an increase in the number of capital raisings for both new floats as well as existing securities, particularly as investors will be in receipt of cash flowing from the payment of close to $3 billion in distributions at the end of February.

Strategy

The high level at which the property securities market is currently trading at is considered to be, in part, a reflection of the higher growth expectations attributable to stapled securities coupled with higher valuations brought about by corporate activity evident in the global property market and in particular the USA. In addition, the interest rate outlook now looks to be more settled with low prospects of an interest rate rise over the course of 2007. Given this scenario, whilst we continue to be cautious, we expect support for the sector to continue and propose maintaining cash levels around the 2% to 5% levels.

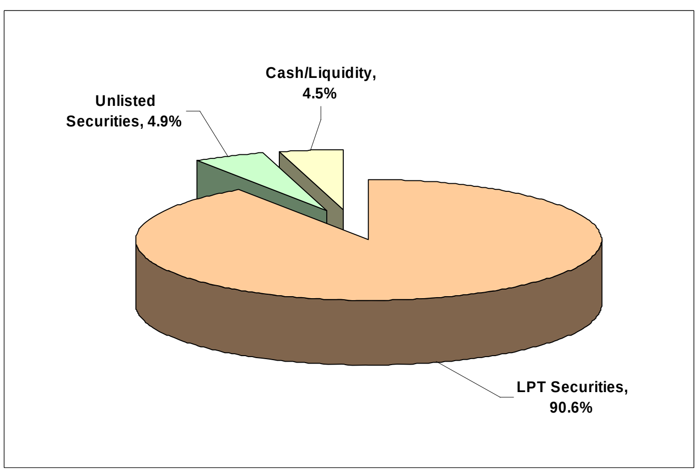
Maxim Asset Management Ltd ABN 25 104 512 978 AFSL 238349 Level 1, Suite 104, 84 Pitt Street, Sydney NSW 2000

Geographic Exposure - 31 January 2007



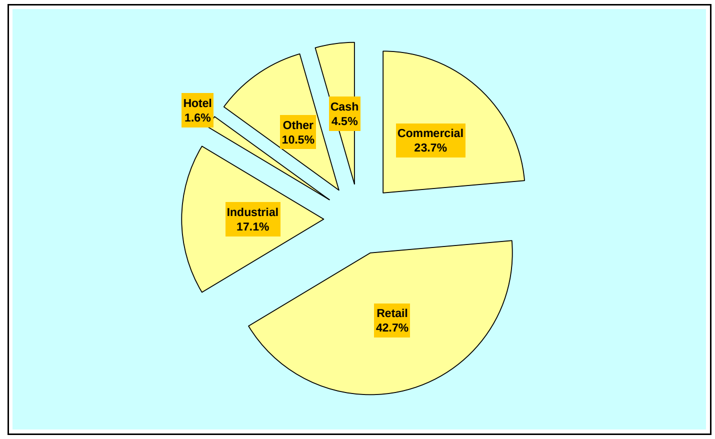
AT present, Maxim PSF does not (directly) hold any investments which are domiciled (listed) offshore. The international exposure depicted in the above chart is a consequence of the international exposures inherent in the Australian domiciled investments (e.g. Westfield Group, Centro Properties Group, ING Industrial Fund etc).

Asset Exposure - 31 January 2007



Portfolio Exposure - 31 January 2007

The Property Sub-Sector Exposure graph tabled below has been generated by breaking up each individual security's exposure into the relevant property sub-sectors.



Performance of the S&P/ASX 300 Property Accumulation Index relative to the S&P/ASX 200 Accumulation Index since inception of Maxim Property Securities Fund: