

October 2007 Report

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Maxim Property Securities Fund 31 October Unit Price	
NAV	\$1.2939
BUY	\$1.2971
SELL	\$1.2907

Maxim Property Securities Fund Last 4 Distributions	
31 Dec 06	1.5978 cents
31 Mar 07	1.2038 cents
30 Jun 07	13.6856 cents
30 Sep 07	1.1526 cents

Maxim PSF 1 Year Returns	
Income	5.88%
Growth	14.32%
Total	20.20%

Contact Details

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Fund Performance

The Maxim Property Securities Fund (Maxim PSF) returned +0.16% after fees but before Tax, in October whilst the S&P/ASX 300 Property Accumulation Index returned -0.45% over the same period. The Maxim Diversified Property Fund (Maxim DPF), which has a higher exposure to unlisted property securities, returned +0.66% in October. (Refer Page 2 for more details about the individual funds).

Market Review

The general equity market, as measured by the S&P/ASX 200 Accumulation Index returned +2.9% in October, hitting an all time high of 6,792 late in the month before closing at 6,754. Overall, the best two sectors were Telecommunications and Consumer Staples whilst the worst sectors included Utilities and Information Technology.

The Australian Dollar continued to strengthen finishing at US93.15 cents, up from US88.79 cents at the end of the previous month. The 10 Year Bond rate fell 1 basis point, closing out the month at 6.13%. The 90 Bank Bill rate, reflecting the rate rise expected early in November, moved 13 basis points higher to finish the month at 7.01%.

The S&P/ASX 300 Property Accumulation Index under performed the general equity market by 3.3% over the month, whilst on a calendar year to date and 12 month basis, has under performed the broader market by 17.9% and 11.8% respectively. Items of note for the property sector during the month included the approval of the merger of the Centro Shopping America Trust (CSF) with Centro Retail Trust (CER), the announcement by Brookfield of its compulsory acquisition of the outstanding shareholding in Multiplex Group after Brookfield exceeded the 90% ownership level and the announcement by the Investa Group of its intention to sell 13 commercial properties as it endeavours to rationalise its investment portfolio.

There were no capital raisings in the sector for the month of October.

The Retail sub-sector was the best performing group of property securities in the LPT sector in October, returning -0.1% for the month. At the other end of the scale, the Diversified sub-

sector and the Leaders performed worst of all, with both sub sectors returning -1.1% over the period.

The table below lists the property sub-sector returns for October:

Retail	-0.1%
Commercial	-0.2%
Industrial	-0.3%
Leaders	-0.9%
Diversified	-0.9%

The following table lists the top five performing property securities from the S&P/ASX 300 Property Index:

Code	Name	Price	Return %
ILF	ING Re Com Group	145.0	9.02
MLE	Macquarie Leisure	361.0	6.18
MGR	Mirvac Group	578.0	6.06
CHC	Charter Hall Group	305.0	5.54
MOF	Macquarie Office	164.0	4.79

The 5 worst performers in the Index for the month are tabled below:

Code	Name	Price	Return %
RAT	Rubicon America	94.0	-8.74
GPT	GPT Group	462.0	-7.98
AEU	Australian Education	171.0	-5.52
VPG	Valad Property Group	189.0	-5.50
CPA	Commonwealth Prop	158.0	-5.11

Outlook

Looking forward, it is estimated that distributions (5 Year DPS growth) are likely to grow at about 4%. However, the sector is currently trading on a FY08 distribution yield of 5.7% which is some 40 basis points below the yield on 10 Year Bonds and some 130 basis points below the 90 Day Bank Bill rate. However, on a global basis, yields on offer on Australian LPT's are still considered comparatively attractive to Global Property Securities investors who are likely to support a number of our larger, well managed LPT's. In light of expected continued market volatility due to ongoing issues related to the US sub-prime market, we remain cautious in the short term and expect to be very selective in any buying, pending more attractive opportunities presenting themselves whilst also steering clear of the more highly geared entities.

Maxim Property Securities Fund

In October, the Maxim Property Securities Fund (Maxim PSF) returned +0.16% outperforming the S&P/ASX 300 Property Accumulation Index by 0.61% over the period. The table below compares returns of Maxim PSF with the Benchmark Index over a number of various time frames:

	Oct	Oct Quarter	Year to Date	12 Months to 31/10/07	Since Inception
Maxim PSF	+0.16%	+10.79%	+7.36%	+20.20%	+23.16%
Benchmark	-0.45%	+9.81%	+4.91%	+18.48%	+22.42%
Relative	+0.61%	+0.98%	+2.45%	+1.72%	+0.74%

The best five positive contributors to Fund performance over the month are listed below:

Security	Security Name	Basis Points Contribution to Performance	Portfolio Over (+) or Under (-) Weight
CNP	Centro Properties	+0.245	(-)
BEC	Becton Property Grp.	+0.182	(+)
LLC	Lend Lease Corp.	+0.165	(+)
FKP	FKP Property Group	+0.137	(+)
CPA	Commonwealth Prop	+0.095	(-)

Of significant benefit to the portfolio was the Fund's exposure to the (Unlisted) Colonial Diversified Property Pool, which benefited from a number of upward revaluations that took place in September and were reflected in a higher NAV in October.

The detractors from portfolio performance included the Mirvac Group, Macquarie Office and GPT Group.

Portfolio activity during the month was restricted to purchases arising from fund inflows. Monies were used to maintain exposures to target levels with no new additions or reductions to the Fund's stock holdings.

Portfolio Summary

As at October month end, Maxim PFS held investments in 20 listed securities (87.3% of portfolio) and 4 unlisted securities (9.6%). Cash /Liquidity represented 3.1% of the portfolio.

Maxim Diversified Property Fund

The Maxim Diversified Property Fund (Maxim DPF) returned +0.66% in October. For the Quarter ended 31 October, Maxim DPF returned 8.35%. Since Inception (12 July 2007) Maxim DPF has returned 6.20% compared with a return of 5.51% from the S&P/ASX 300 Property Accumulation Index.

Up until now, Maxim DPF has been priced on a monthly basis (as at Month End). Effective from 1 November 2007, Maxim DPF will now be valued and priced on a Wednesday Weekly basis as well as at Month end. A Supplementary Prospectus, which can be downloaded from the website www.maximam.com.au has been issued to allow for this change to occur.

Maxim DPF has an investment in the PFA Diversified Property Trust (PDF) which is listed on the Bendigo Stock Exchange. On 10 October, Mirvac acquired the remaining 50% interest in Property Funds Australia, the Responsible Entity and Manager of the PFA Diversified Property Trust. In due course, it is expected that the Trust will change its name to the Mirvac PFA Diversified Trust.

Portfolio Summary

As at October month end, Maxim DPF held investments in 20 listed securities (36.8% of portfolio) and 3 unlisted securities (59.9%). Cash /Liquidity represented 3.3% of the portfolio.

Contact Details

For additional information about any of the products offered, or for more information on Maxim Asset Management, please contact Maxim either by phone or email:
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Maxim Diversified Property Fund (Maxim DPF) Key Features

These are some of the features of the Maxim Diversified Property Fund.

Investment Strategies

Investment objective	To provide consistent and regular levels of income combined with some capital growth
Investment strategy	The Fund will invest predominantly in a range of Australian property securities, including listed and unlisted securities. The Fund may also have exposure to direct property assets.

Investment into the Fund

Minimum initial investment	\$10,000
Minimum additional investment	\$2,000
Suggested minimum investment period	5 years

Applications/withdrawals

Minimum withdrawal	\$5,000
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Fees and Charges

Management fee	1.28125% (inclusive of GST Net of Reduced Input Tax Credit)
Administration fee	Nil
Entry fee	Nil
Exit fee	3.0% < 0-1 Year; 2.0% < 1-2 years, 1.0% < 2-3 years; Zero after 3 Years
Buy Spread	0.30%
Sell Spread	0.30%

Distributions

Quarterly as at 30 September, 31 December, 31 March and 30 June

The Maxim Diversified Property Fund invests mostly in Australian listed (or soon to be listed) property and property related securities which may be either listed or unlisted.

Maxim Property Securities Fund (Maxim PSF) Key Features

Investment Strategies

Investment objective	To outperform the S&P/ASX300 Property Accumulation Index
Investment strategy	To invest primarily in Australian listed property and property related securities

Investment into the Fund

Minimum initial investment	\$25,000
Minimum additional investment	\$10,000
Suggested minimum investment period	3 years

Applications/withdrawals

Minimum withdrawal	\$10,000
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Fees and Charges

Management fee	Capped by Maxim Asset Management at 0.97375% (including GST)
Administration fee	Nil
Entry fee	Nil
Exit fee	Nil
Buy Spread	0.25%
Sell Spread	0.25%

Distributions

Quarterly as at 30 September, 31 December, 31 March and 30 June

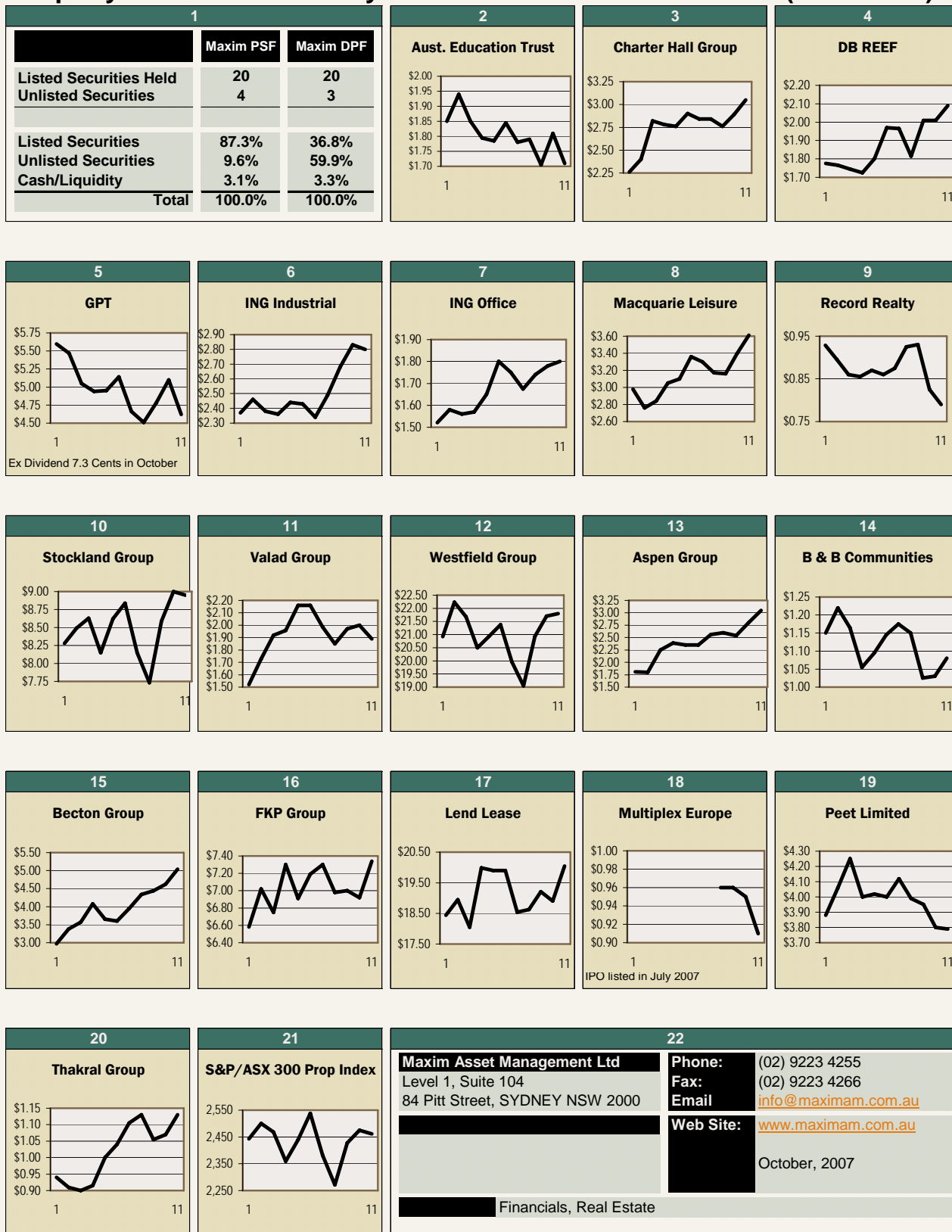
The Maxim Property Securities Fund invests mostly in Australian listed (or soon to be listed) property securities and property related securities but has the ability to invest a small portion of the Fund's assets in unlisted property securities and international property securities as well as cash.

The Fund aims to deliver a yield in excess of the benchmark together with moderate capital growth.

October, 2007

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Property Securities - Monthly Charts from 31 December 2006 (10 Months)



Data: IRESS