



AUCKLAND MORTGAGE TRUST

GROUP INVESTMENT FUND

NEWS OF THE NORTH

The return for the quarter ended 31st December 2008 is **6.36% on an annualised basis before tax but after costs and fees.**

However as the Auckland Mortgage Trust is a PIE tax product, if you are paying more than 30% tax, then your tax bill could be reduced. - For example, a 6.36% per annum pre tax return with tax capped at 30% provides the same pre tax return as 7.30% per annum taxed at 39%.

The Fund continues to maintain a good level of cash, currently over 12.00%. Good maturing loans are being rolled over and we still are receiving new investor funds.

The 2008 year has been a turbulent year for international financial markets, as well as the local New Zealand economy. The worldwide financial turmoil has resulted in considerable uncertainty in the property markets which has affected property values and commercial property yields.

The Reserve Banks decision to lower the Official Cash Rate (OCR) to 5% in early December may be of assistance to existing borrowers or those wishing to borrow funds, as it is hoped that this will restore some confidence and stimulus to property buyers. However, it does little to assist the large number of investors in the marketplace – particularly those relying on the interest income to support their lifestyle.

On the back of the OCR reduction we now see bank retail deposit rates in the 4% to 5% range. Auckland Mortgage Trust recently renewed a \$1.5M liquidity deposit at 5.65% for 60days.

There are also greater numbers unemployed and this is putting some pressure on a small number of borrowers struggling to meet their loan interest payments.

We do not believe that the current situation in the economy will improve in the near future and consequently we are taking prudent steps to increase reserve funds.

As the year draws to a close may we take this opportunity to thank all investors for your continued support over this difficult year, and wish you and your families a happy Christmas and joyous New Year.

OFFICE HOURS OVER CHRISTMAS.

Our office will close from mid day on the 24 December and will reopen on Monday 12 January 2009.



RETURNS FOR QUARTERS ENDED

31 December 2008	6.36% p.a.
30 September 2008	8.75% p.a.
30 June 2008	9.00% p.a.
31 March 2008	9.00% p.a.
31 December 2007	9.00% p.a.
30 September 2007*	8.55% p.a.
31 August 2007	8.50% p.a.

This table illustrates the return from the fund before tax, but after fees and expenses. Past returns do not guarantee future performance.

Full details of the annualized calculation are contained in the current registered prospectus, a copy of which is available by contacting Auckland Mortgage Trust.

Average over the last 12 months 8.28%

* one month only, due to PIE conversion.

LATEST QUARTER RETURN

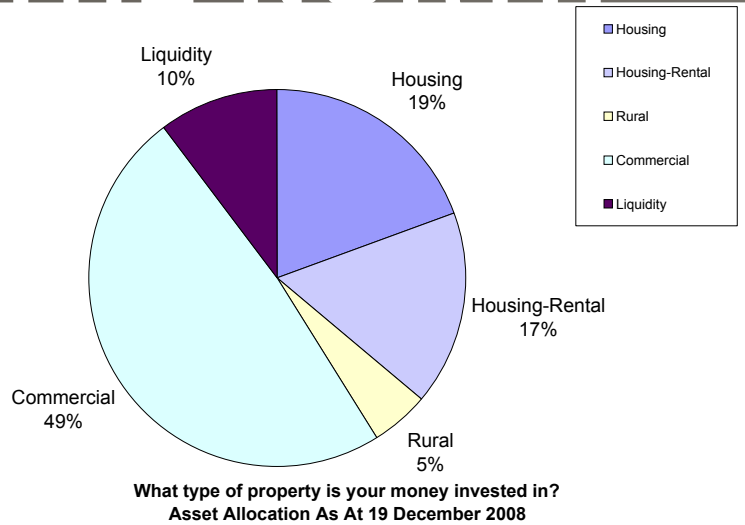
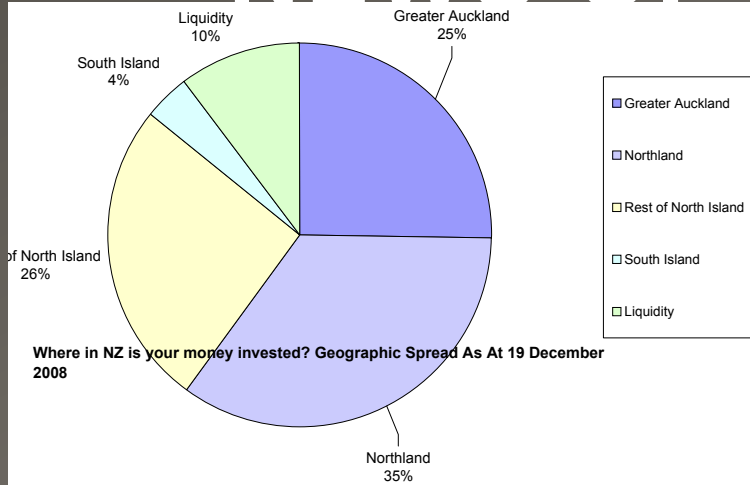
6.36% p.a.

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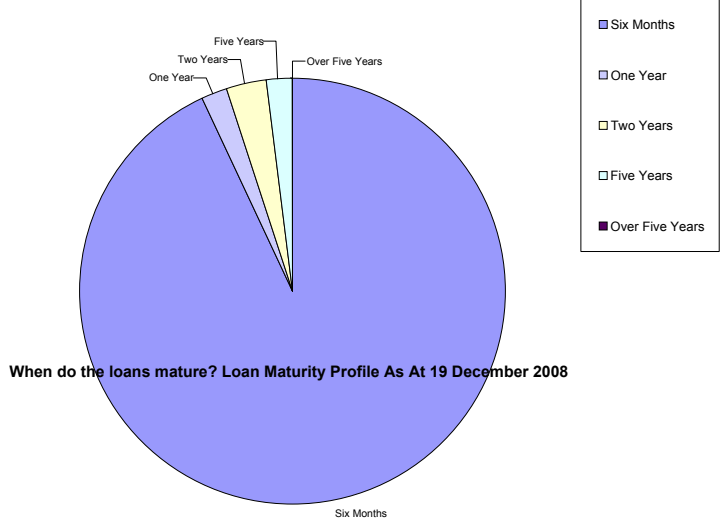
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For units held for less than 2 years, a withdrawal fee of 1%-2% on the withdrawn amount may apply.

NEWS OF THE NORTH

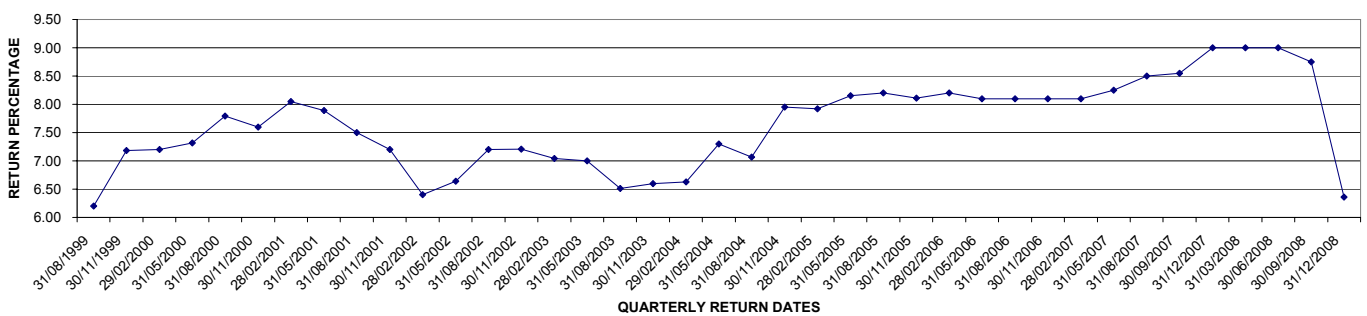


How much is invested in each sector? Portfolio Mix As At 19 December 2008	
Housing	\$ 9,254,953.82
Housing-Rental	\$ 7,900,293.92
Commercial	\$ 23,075,084.24
Rural	\$ 2,327,338.00
Liquidity * (Note 3)	\$ 4,925,769.05
Total to 19/12/2008	47,483,439.03



HISTORY OF RETURNS

RETURN TO INVESTORS



NOTES TO GRAPHS

- All historical information on this page relates to the Auckland Mortgage Trust Unit Trust to 30 September 2001 and for the Auckland Mortgage Trust Group Investment Fund from 01 October 2001.
- These graphs have been prepared as at 19 December 2008, unless otherwise stated.
- Investor returns are paid on the first business day of the month listed. The return to investors is calculated quarterly, after all fees and any expenses have been deducted, and is expressed as a per annum equivalent before tax. Past returns do not guarantee future performance.
 - All graphs are based on audited figures for the six months ending 30 September 2008, and unaudited figures at time of printing.
 - *** Liquidity on all graphs is the difference between the loan and investment portfolios only. It does not include the interest received and held in bank for distribution.



AUCKLAND MORTGAGE TRUST

GROUP INVESTMENT FUND

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