

MONEYWATCH

ADVISORS

S p e c i a l E d i t i o n

It's tangible, it's solid, it's beautiful. It's artistic, from my standpoint, and I just love real estate.

- Donald Trump

Fund of the
Month
Highlights

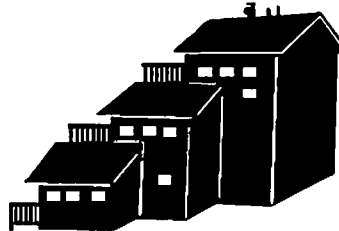
CGM Realty Fund

Symbol: CGMRX

Objective: Income & Growth

Fund Type: Real Estate

Risk: Aggressive



W h a t Y o u O w n & W h y

Over the next several months we will include this 'special edition' along with our usual monthly newsletter. Our goal is to make you a more informed investor; detailing the assets you own, their investment objectives and why we have chosen them for your portfolio. We invite you to offer feedback and ask us any additional questions you may have.

C G M R e a l t y F u n d

We will be adding a new position to further diversify your portfolio, the CGM Realty Fund. The fund normally invests at least 80% of assets in equity securities of companies engaged in some area of the real estate industry. The manager of the fund will not limit his search of appropriate investments based on company size. He is willing to invest in small, medium and large companies which are attractively valued. The manager will sell a security if it is determined that its investment expectations are not being met, better opportunities are available elsewhere or its price objective has been attained.

Mr. Ken Heebner has managed the portfolio since its inception in 1994. The fund has accumulated almost \$1.5 billion in holdings and had an average return of 11.88% over the past five years. Based on this five year return the fund has been ranked number one in the real estate mutual fund category, out of a total of 204 funds. The fund has only suffered a down year in 2 of the last 15 years.

CGM Realty Fund looks to invest in several areas of real estate including; lodging, retail, office & industrial, specialty, healthcare and self storage. The fund will also invest in construction and development companies, long-term mortgages, material companies, real estate brokers or developers and companies with significant real estate holdings.

The real estate industry has suffered some major disruptions, and we continue to see depressed prices. Due to the declines in values we are ready to begin adding exposure to this sector within your portfolios. Buy low, sell high.