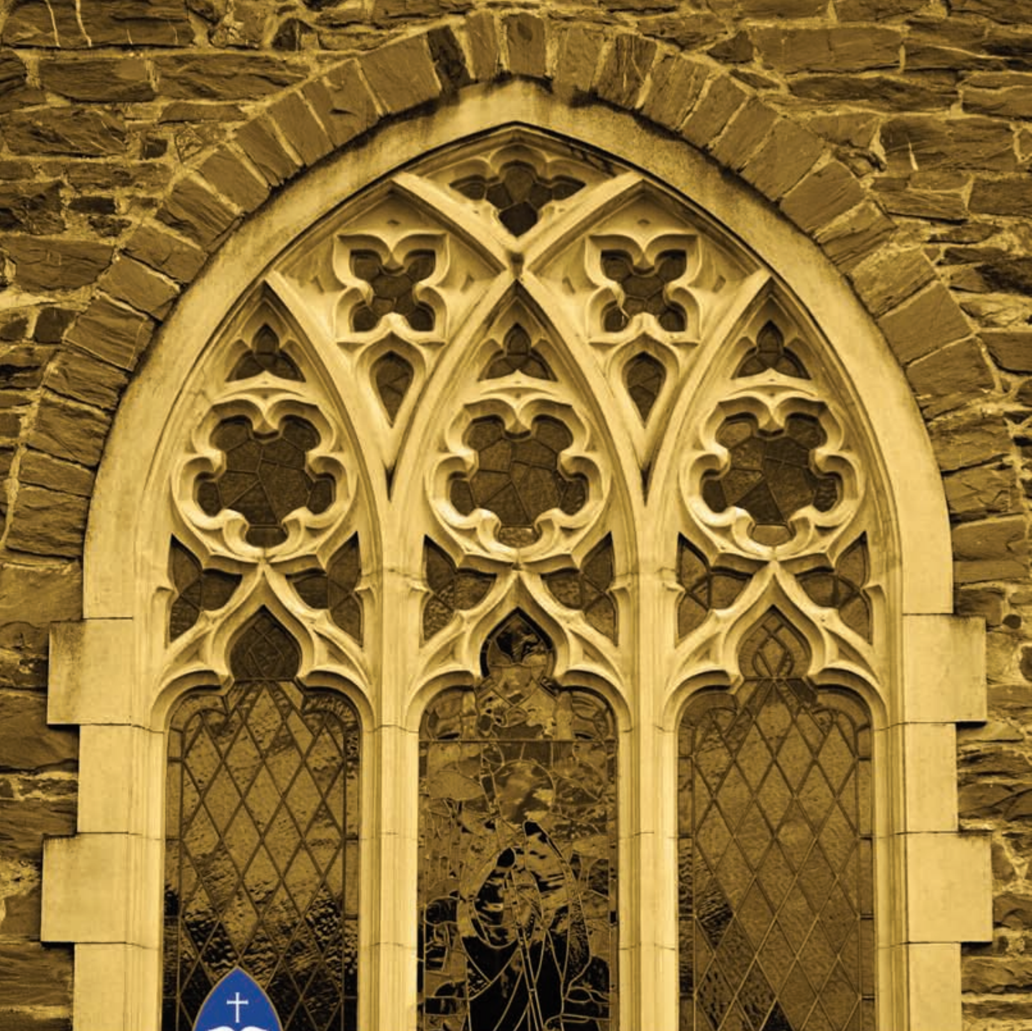


SCHWARTZ INVESTMENT TRUST

AVE MARIA MUTUAL FUNDS

Ave Maria Catholic Values Fund
Ave Maria Growth Fund
Ave Maria Rising Dividend Fund
Ave Maria Opportunity Fund
Ave Maria Bond Fund

Annual Report 2007

Shareholder Accounts
c/o Ultimus Fund
Solutions, LLC
P.O. Box 46707
Cincinnati, OH 45246
(888) 726-9331

Corporate Offices
3707 W. Maple Road
Suite 100
Bloomfield Hills, MI 48301
(248) 644-8500
Fax (248) 644-4250

Dear Shareowner of:

Ave Maria Catholic Values Fund (AVEMX)
Ave Maria Growth Fund (AVEGX)
Ave Maria Rising Dividend Fund (AVEDX)
Ave Maria Opportunity Fund (AVESX)
Ave Maria Bond Fund (AVEFX)
Ave Maria Money Market Account

2007 was an inflection point for the financial markets. At the beginning of the year, the economy was performing well. The Fed's primary focus was on keeping the economy from overheating and holding inflation within acceptable limits. Housing prices were stable. This benign economic picture was reflected in the stock market with low volatility and prices moving generally higher.

Wrinkles in this picture began to appear mid-year when the first inklings of trouble appeared in the form of rapidly rising defaults on sub-prime mortgages. Pools of these sub-prime mortgages had been packaged by Wall Street, and then sold to institutional investors. As the first wave broke, markets staggered but seemed to recover before sliding more precipitously late in the year, as the growing swell of defaults turned into a tsunami sweeping through the banking industry. As it became obvious that there was an oversupply of houses, prices fell and consumers retrenched. Financial services and consumer discretionary stocks came under intense selling pressure. In the bond market, there was a flight to quality, i.e. government bonds, which significantly helped the performance of the Ave Maria Bond Fund.

Within the equity markets, certain sectors dramatically outperformed others. For the first time in several years, large-cap stocks outperformed small-cap stocks, and growth stocks outperformed value stocks. This had a negative effect on performance for our value-oriented Funds but favored the Ave Maria Growth Fund, which had a very good year. (Please read individual portfolio mangers' letters for details on the performance of the individual Funds.)

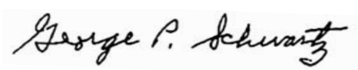
In early 2008, the incredible losses reported by banks have added to the growing prospects of economic recession. Response to this crisis has been rapid. The Fed has taken an aggressive course to reduce short-term interest rates and ensure liquidity in the financial system and provide stimulus to the general economy. The federal government is also implementing tax cuts and rebates (fiscal stimulus) to prod economic activity. The effects of these positive steps should not be underestimated. These measures will work with a lag, but they will work. High levels of liquidity worldwide have also been available to recapitalize banks' balance sheets as necessary. There are reasons for optimism.

It is important to remember that the stock market is a leading economic indicator and anticipates future events. By the time you read about it in the newspaper, it's already in the price. By the time economic recovery is obvious, stock prices will have already advanced significantly. That's why experienced investors have always recognized that stocks are most attractively priced for purchase when the business news is terrible and investors are panicky. With the recent market turmoil, many individual stocks have experienced their own bear markets. Accordingly, stocks of financially sound, well-run companies are selling at bargain prices. Indeed, the degree of pessimism currently evident among both retail and institutional investors leads us to believe that a major stock market bottom is near or recently passed. And in that context, our Fund managers have adjusted their portfolios to reflect changing economic conditions.

More than 20,000 people have invested in the Ave Maria Family of Funds. Many investors have said they were attracted by our MORALLY RESPONSIBLE INVESTING approach. Besides searching for the best investment opportunities, our portfolio managers screen out companies based on moral guidelines established by our Catholic Advisory Board. These screens eliminate from consideration companies which support abortion, pornography, and companies which offer their employees non-marital partner benefits.

Your participation in the Ave Maria Mutual Funds is appreciated and your comments are welcome.

Sincerely,



George P. Schwartz, CFA
President

February 15, 2008

P.S. Shareholders now have the ability to access their account balances and view transaction history online at www.avemariafunds.com. You may call shareholder services toll-free at 1-888-726-9331 for help in accessing your account information.

Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month end, are available at the Ave Maria Funds website www.avemariafunds.com or by calling 1-888-726-9331.

An investor should consider the investment objectives, risks, charges and expenses of the Funds carefully before investing. The Funds' prospectus contains this and other important information. To obtain a copy of the Funds' prospectus please visit our website or call 1-888-726-9331 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Ave Maria Funds are distributed by Ultimus Fund Distributors, LLC.

The Letters to Shareholders seek to describe some of the adviser's current opinions and views of the financial markets. Although the adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. Keep in mind that the information and opinions cover the period through the date of this report.

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AVE MARIA MUTUAL FUNDS
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This report is for the information of shareholders of the Ave Maria Mutual Funds, but it may also be used as sales literature when preceded or accompanied by a current prospectus, which gives details about charges, expenses, investment objectives and operating policies of the Funds. The Ave Maria Mutual Funds are distributed by Ultimus Fund Distributors, LLC.

AVE MARIA CATHOLIC VALUES FUND PORTFOLIO MANAGER COMMENTARY

Dear Fellow Shareowner:

The Ave Maria Catholic Values Fund's return for 2007 was –4.0% compared to 5.5% for the S&P 500 Index and 8.0% for the S&P 400 MidCap Index. Since inception on May 1, 2001, the Fund's return versus its benchmarks is:

	Since 5-01-01 Inception through 12-31-07 Total Returns	
	Cumulative	Annualized
Ave Maria Catholic Values Fund (AVEMX)	79.2%	9.1%
S&P 500 Index	30.4%	4.1%
S&P 400 MidCap Index	80.2%	9.2%

In most years, the Fund's value investment style has generated double-digit returns. 2007 was not one of those years. However, we remained committed to our investment philosophy of buying attractively priced, out of favor stocks of companies with a sustainable competitive advantage, strong management, profitable history and above-average long-term growth potential. In 2007, the market sold down many of these stocks to extraordinarily low prices, indeed lower than the prices at which we judged them to offer great long-term value. Fears that the housing and sub-prime mortgage problems will drive the economy into recession focused investors on near-term deteriorating results, especially in the consumer and financial sectors. This selling was especially magnified in the stocks of smaller companies, as reflected in the Russell 2000 Value Index of small capitalization stocks which produced a –9.8% return in 2007.

Stocks with the most negative impact on the Fund's performance were Pulte Homes, Inc. and The Ryland Group, Inc. (homebuilders), Legg Mason, Inc. and Citizens Republic Bancorp, Inc. (financials), and consumer discretionary issues including Chico's FAS, Inc. (retail), and Brunswick Corporation (leisure products). We believe these and the other stocks in the Fund representing these economic sectors offer outstanding appreciation potential once investors are willing to look beyond this valley of economic weakness toward the inevitable recovery.

Not all of the news was bad last year, as the Fund held a number of stellar performers such as Neogen Corporation, Kinetic Concepts, Inc. and Waters Corporation (all in healthcare), Apollo Group, Inc. (education), and Southwestern Energy Company, all of which made a significant positive contribution to the Fund's results. As always, none of the Fund's investments violated any of the Fund's moral screens regarding abortion, pornography or the offering of non-marital partner employee benefits.

AVE MARIA CATHOLIC VALUES FUND
PORTFOLIO MANAGER COMMENTARY (Continued)

Late in the year, we significantly restructured the portfolio by selling issues which had questionable recovery potential. We reduced exposure to the home furnishing industry through the sale of Leggett & Platt, Inc. and American Woodmark Corporation. Student Loan Corporation and TCF Financial Corporation had loan portfolio quality concerns. Mylan Laboratories, Inc. and Teleflex, Inc. made major acquisitions, which increased their debt loads and reduced their attractiveness. Mine Safety Appliances and Transocean, Inc. appeared fully valued and Alltel Corp. and Manor Care, Inc. were acquired by private investor groups.

Proceeds from these sales were invested into new positions. Belden Inc., Foster Wheeler, Ltd., Lincoln Electric Holdings, Inc. and Trinity Industries, Inc. were purchased for their attractive global energy and transportation infrastructure businesses. Other new holdings include RPM International Inc. (additives), La-Z-Boy, Inc. (furniture) and Rofin-Sinar Technologies, Inc. (scientific testing equipment). We also added some larger companies including Western Union Company and Burlington Northern Santa Fe Corporation.

Thank you for your commitment and support.

Sincerely,

George P. Schwartz

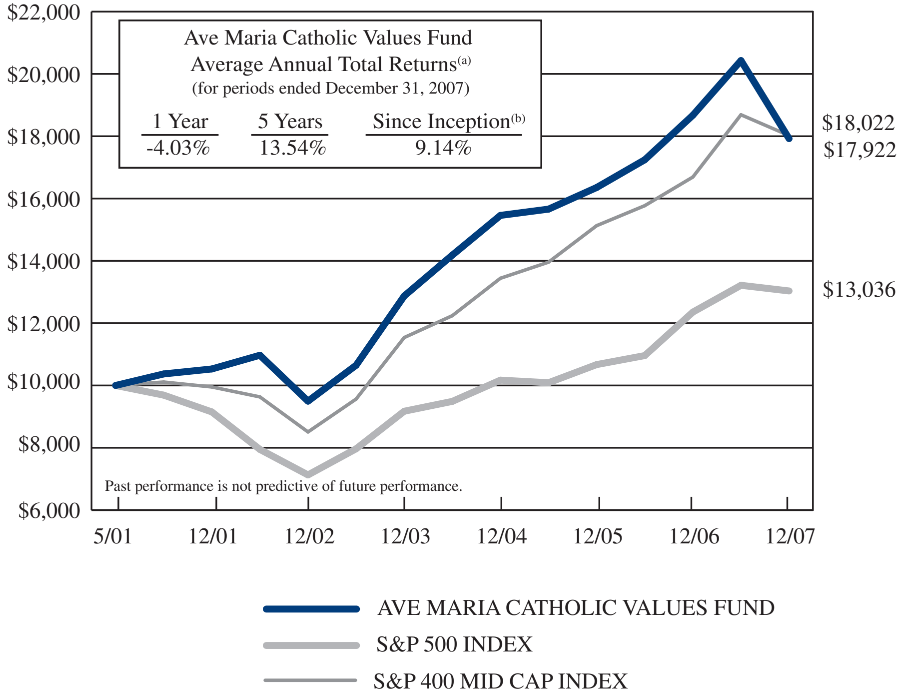
Gregory R Heilman

George P. Schwartz, CFA
Co-Portfolio Manager

Gregory R. Heilman, CFA
Co-Portfolio Manager

AVE MARIA CATHOLIC VALUES FUND PERFORMANCE (Unaudited)

Comparison of the Change in Value of a $10,000 Investment in the Ave Maria Catholic Values Fund, the S&P 500 Index, and the S&P 400 Mid Cap Index



[(a)] The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[(b)] Represents the period from the commencement of operations (May 1, 2001) through December 31, 2007.

AVE MARIA CATHOLIC VALUES FUND ANNUAL TOTAL RATES OF RETURN COMPARISON WITH MAJOR INDICES (Unaudited)

	AVE MARIA CATHOLIC VALUES FUND	S&P 500 INDEX	S&P 400 MID CAP INDEX	S&P 600 SMALL CAP INDEX	NASDAQ COMPOSITE [b]	VALUE LINE COMPOSITE [b]
2001 [a]	5.3%	-8.5%	-0.5%	5.0%	-10.1%	-7.3%
2002	-9.8%	-22.1%	-14.5%	-14.6%	-31.5%	-28.6%
2003	35.6%	28.7%	35.6%	38.8%	50.0%	37.4%
2004	20.1%	10.9%	16.5%	22.7%	8.6%	11.5%
2005	5.8%	4.9%	12.6%	7.7%	1.4%	2.0%
2006	14.2%	15.8%	10.3%	15.1%	9.5%	11.0%
2007	-4.0%	5.5%	8.0%	-0.3%	9.8%	-3.8%

AVERAGE ANNUAL TOTAL RETURNS As of December 31, 2007 (Unaudited)

	AVE MARIA CATHOLIC VALUES FUND	S&P 500 INDEX	S&P 400 MID CAP INDEX	S&P 600 SMALL CAP INDEX	NASDAQ COMPOSITE [b]	VALUE LINE COMPOSITE [b]
3 Years	5.1%	8.6%	10.3%	7.3%	6.8%	2.9%
5 Years	13.5%	12.8%	16.2%	16.0%	14.7%	10.8%
Since Inception	9.1%	4.1%	9.2%	10.0%	3.1%	1.5%

[a] Represents the period from the commencement of operations (May 1, 2001) through December 31, 2001.

[b] Excluding dividends.

AVE MARIA CATHOLIC VALUES FUND
TEN LARGEST EQUITY HOLDINGS
December 31, 2007 (Unaudited)

Shares	Company	Market Value	% of Net Assets
550,000	Gentex Corporation	$9,773,500	4.0%
275,000	Zebra Technologies Corporation - Class A	9,542,500	3.9%
175,000	Kinetic Concepts, Inc.	9,373,000	3.8%
100,000	Waters Corporation	7,907,000	3.2%
475,000	ION Geophysical Corporation	7,495,500	3.0%
500,000	Citizens Republic Bancorp, Inc.	7,255,000	2.9%
80,000	General Dynamics Corporation	7,119,200	2.9%
700,000	Meadowbrook Insurance Group, Inc.	6,587,000	2.7%
170,000	Graco, Inc.	6,334,200	2.6%
75,000	United Technologies Corporation	5,740,500	2.3%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Aerospace & Defense	4.6%
Building Materials & Construction	3.8%
Business Services	2.1%
Consumer - Durables	5.9%
Consumer - Nondurables	5.0%
Consumer - Retail	5.9%
Education	1.3%
Energy & Mining	10.3%
Finance	17.0%
Healthcare	9.4%
Industrial Products & Services	22.4%
Real Estate	0.7%
Technology	6.3%
Transportation	1.5%
Cash Equivalents, Other Assets and Liabilities	3.8%
	100.0%

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
December 31, 2007

Shares	COMMON STOCKS — 96.2%	Market Value
	AEROSPACE & DEFENSE — 4.6%	
75,000	American Science and Engineering, Inc.	$ 4,256,250
80,000	General Dynamics Corporation	7,119,200
		11,375,450
	BUILDING MATERIALS & CONSTRUCTION — 3.8%	
175,000	Champion Enterprises, Inc. *	1,648,500
300,000	Pulte Homes, Inc.	3,162,000
100,000	Ryland Group, Inc. (The)	2,755,000
65,000	Simpson Manufacturing Company, Inc.	1,728,350
		9,293,850
	BUSINESS SERVICES — 2.1%	
25,000	Diebold, Incorporated	724,500
165,000	Neogen Corporation *	4,380,750
		5,105,250
	CONSUMER - DURABLES — 5.9%	
125,000	Brunswick Corporation	2,131,250
278,483	Craftmade International, Inc.	2,297,485
65,000	Harley-Davidson, Inc.	3,036,150
300,000	La-Z-Boy Incorporated	2,379,000
125,000	Thor Industries, Inc.	4,751,250
		14,595,135
	CONSUMER - NONDURABLES — 5.0%	
265,000	Lifetime Brands, Inc.	3,439,700
50,000	RC2 Corporation *	1,403,500
75,000	Sherwin-Williams Company (The)	4,353,000
45,000	VF Corporation	3,089,700
		12,285,900
	CONSUMER - RETAIL — 5.9%	
120,000	Bed Bath & Beyond Inc. *	3,526,800
485,000	Chico's FAS, Inc. *	4,379,550
110,000	Dollar Tree Stores, Inc. *	2,851,200
150,000	Ross Stores, Inc.	3,835,500
		14,593,050
	EDUCATION — 1.3%	
45,000	Apollo Group, Inc. - Class A *	3,156,750

Shares	COMMON STOCKS — 96.2% (Continued)	Market Value
	ENERGY & MINING — 10.3%	
10,000	ConocoPhillips	$ 883,000
20,000	Exxon Mobil Corporation	1,873,800
150,000	Halliburton Company	5,686,500
475,000	ION Geophysical Corporation *	7,495,500
90,000	Patterson-UTI Energy, Inc.	1,756,800
75,000	Southwestern Energy Company *	4,179,000
250,000	TXCO Resources, Inc. *	3,015,000
12,500	XTO Energy Inc.	642,000
		25,531,600
	FINANCE - BANKS & THRIFTS — 3.8%	
15,000	BB&T Corporation	460,050
500,000	Citizens Republic Bancorp, Inc.	7,255,000
75,000	Synovus Financial Corporation	1,806,000
		9,521,050
	FINANCE - INSURANCE — 8.6%	
210,000	American Safety Insurance Holdings, Ltd. *	4,126,500
40,000	Everest Re Group, Ltd.	4,016,000
80,000	Hanover Insurance Group, Inc. (The)	3,664,000
700,000	Meadowbrook Insurance Group, Inc. *	6,587,000
282,945	Unico American Corporation *	2,900,186
		21,293,686
	FINANCE - SERVICES — 4.6%	
120,000	First Marblehead Corporation (The)	1,836,000
65,000	Legg Mason, Inc.	4,754,750
200,000	Western Union Company	4,856,000
		11,446,750
	HEALTHCARE — 9.4%	
30,000	Beckman Coulter, Inc.	2,184,000
175,000	Kinetic Concepts, Inc. *	9,373,000
50,000	Stryker Corporation	3,736,000
100,000	Waters Corporation *	7,907,000
		23,200,000
	INDUSTRIAL PRODUCTS & SERVICES — 22.4%	
90,000	Balchem Corporation	2,014,200
90,000	Belden Inc.	4,005,000
70,000	Caterpillar Inc.	5,079,200
15,000	Foster Wheeler, Ltd. *	2,325,300
550,000	Gentex Corporation	9,773,500
50,000	Genuine Parts Company	2,315,000
170,000	Graco, Inc.	6,334,200
75,000	ITT Corporation	4,953,000
100,000	Johnson Controls, Inc.	3,604,000

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 96.2% (Continued)	Market Value
	INDUSTRIAL PRODUCTS & SERVICES — 22.4% (Continued)	
35,000	Lincoln Electric Holdings, Inc.	$ 2,491,300
20,000	Rofin-Sinar Technologies, Inc. *	962,200
85,000	RPM International Inc.	1,725,500
20,000	Stericycle, Inc. *	1,188,000
100,000	Trinity Industries, Inc.	2,776,000
75,000	United Technologies Corporation	5,740,500
		55,286,900
	REAL ESTATE — 0.7%	
50,000	HCP, Inc.	1,739,000
	TECHNOLOGY — 6.3%	
135,000	ADTRAN, Inc.	2,886,300
15,000	CenturyTel, Inc.	621,900
100,000	Stratasys, Inc. *	2,584,000
275,000	Zebra Technologies Corporation - Class A *	9,542,500
		15,634,700
	TRANSPORTATION — 1.5%	
45,000	Burlington Northern Santa Fe Corporation	3,745,350
	TOTAL COMMON STOCKS (Cost $206,654,697)	$ 237,804,421

Shares	CASH EQUIVALENTS — 4.6%	Market Value
11,372,352	Federated Treasury Obligations Fund - Institutional Shares (Cost $11,372,352)	$ 11,372,352
	TOTAL INVESTMENTS AT MARKET VALUE — 100.8% (Cost $218,027,049)	$ 249,176,773
	LIABILITIES IN EXCESS OF OTHER ASSETS — (0.8%)	(1,981,327)
	NET ASSETS — 100.0%	$ 247,195,446

* Non-income producing security.

See notes to financial statements.

AVE MARIA GROWTH FUND
PORTFOLIO MANAGER COMMENTARY

Dear Fellow Shareholders:

For the year ended December 31, 2007, the Ave Maria Growth Fund had a total return of 11.6% compared with 5.5% for the S&P 500 Index. For the three years ended December 31, 2007, the Fund's total return was 9.0% annualized compared with 8.6% annualized for the S&P 500 Index. Since inception (May 1, 2003), the Fund's total return was 15.3%, annualized compared with 12.7% annualized for the S&P 500. During each period, stock selection within the context of our disciplined approach to portfolio management can be credited for the outperformance.

The top five performing issues in the Ave Maria Growth Fund for 2007 were:

Occidental Petroleum Corporation (Integrated Oil & Gas)	+60.1%
Waters Corporation (Life Sciences Tools & Services)	+58.7%
AMETEK, Inc. (Electronic Instruments & Electromechanical Devices)	+48.5%
Frontier Oil Corporation (Oil Refining & Marketing)	+44.3%
Mettler-Toledo International Inc. (Electronic Instruments & Equipment)	+44.3%

The bottom five performing issues were:

Coach, Inc. (Apparel, Accessories & Luxury Goods)	-44.3%
Harley-Davidson, Inc. (Motorcycle Manufacturer)	-32.3%
Franklin Electric Company, Inc. (Submersible Pumps & Equipment)	-25.1%
Bed Bath & Beyond Inc. (Home Furnishing Retail)	-24.3%
Brown & Brown, Inc. (Insurance Broker)	-16.9%

The Fund is diversified among eight out of eleven S&P 500 economic sectors:

Consumer Staples	6.6%
Consumer Cyclicals	11.5%
Financial	7.6%
Transportation	4.2%
Energy	12.2%
Capital Goods	34.7%
Technology	7.3%
Health Care	15.9%

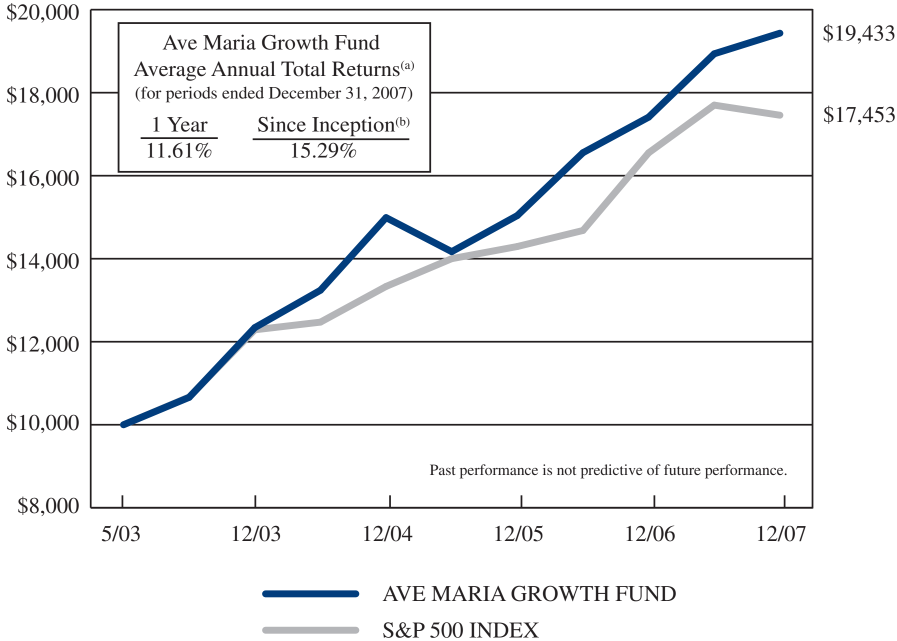
Respectfully,

James L. Bashaw

James L. Bashaw, CFA
Portfolio Manager

AVE MARIA GROWTH FUND
PERFORMANCE (Unaudited)

Comparison of the Change in Value of a $10,000 Investment in the Ave Maria Growth Fund and the S&P 500 Index



(a) The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(b) Represents the period from the commencement of operations (May 1, 2003) through December 31, 2007.

AVE MARIA GROWTH FUND
ANNUAL TOTAL RATES OF RETURN
COMPARISON WITH MAJOR INDICES (Unaudited)

	AVE MARIA GROWTH FUND	S&P 500 INDEX
2003 [a]	23.4%	22.8%
2004	21.5%	10.9%
2005	0.3%	4.9%
2006	15.8%	15.8%
2007	11.6%	5.5%

AVERAGE ANNUAL TOTAL RETURNS
As of December 31, 2007 (Unaudited)

	AVE MARIA GROWTH FUND	S&P 500 INDEX
3 Years	9.0%	8.6%
Since Inception	15.3%	12.7%

[a] Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

AVE MARIA GROWTH FUND
TEN LARGEST EQUITY HOLDINGS
December 31, 2007 (Unaudited)

Shares	Company	Market Value	% of Net Assets
88,800	Varian Medical Systems, Inc.	$4,631,808	4.0%
47,800	C.R. Bard, Inc.	4,531,440	3.9%
56,800	Stryker Corporation	4,244,096	3.6%
129,900	SEI Investments Company	4,178,883	3.6%
100,900	Frontier Oil Corporation	4,094,522	3.5%
77,625	XTO Energy, Inc.	3,986,820	3.4%
60,300	ITT Corporation	3,982,212	3.4%
44,700	Danaher Corporation	3,921,978	3.4%
46,300	Dionex Corporation	3,836,418	3.3%
53,300	Rockwell Collins, Inc.	3,836,001	3.3%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Aerospace & Defense	8.1%
Business Services	4.7%
Consumer - Durables	8.6%
Consumer - Nondurables	4.5%
Consumer - Retail	2.5%
Energy & Mining	12.0%
Finance	7.7%
Food & Tobacco	3.1%
Healthcare	16.9%
Industrial Products & Services	25.2%
Technology	6.4%
Cash Equivalents, Other Assets and Liabilities	0.3%
	100.0%

AVE MARIA GROWTH FUND
SCHEDULE OF INVESTMENTS
December 31, 2007

Shares	COMMON STOCKS — 99.7%	Market Value
	AEROSPACE & DEFENSE — 8.1%	
26,300	Alliant Techsystems, Inc. *	$ 2,991,888
29,200	General Dynamics Corporation	2,598,508
53,300	Rockwell Collins, Inc.	3,836,001
		9,426,397
	BUSINESS SERVICES — 4.7%	
53,000	Accenture Ltd. - Class A	1,909,590
186,000	Rollins, Inc.	3,571,200
		5,480,790
	CONSUMER - DURABLES — 8.6%	
34,000	Black & Decker Corporation (The)	2,368,100
51,300	Harley-Davidson, Inc.	2,396,223
38,200	Polaris Industries, Inc.	1,824,814
63,900	Toro Company (The)	3,478,716
		10,067,853
	CONSUMER - NONDURABLES — 4.5%	
50,000	Coach, Inc. *	1,529,000
98,300	McCormick & Company, Inc.	3,726,553
		5,255,553
	CONSUMER - RETAIL — 2.5%	
60,100	Bed Bath & Beyond Inc. *	1,766,339
46,300	Ross Stores, Inc.	1,183,891
		2,950,230
	ENERGY & MINING — 12.0%	
23,000	Exxon Mobil Corporation	2,154,870
100,900	Frontier Oil Corporation	4,094,522
48,800	Occidental Petroleum Corporation	3,757,112
77,625	XTO Energy, Inc.	3,986,820
		13,993,324
	FINANCE - INSURANCE — 2.9%	
144,200	Brown & Brown, Inc.	3,388,700
	FINANCE - SERVICES — 4.8%	
25,950	FactSet Research Systems, Inc.	1,445,415
129,900	SEI Investments Company	4,178,883
		5,624,298
	FOOD & TOBACCO — 3.1%	
69,700	Kellogg Company	3,654,371

AVE MARIA GROWTH FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 99.7% (Continued)	Market Value
	HEALTHCARE — 16.9%	
29,300	Beckman Coulter, Inc.	$ 2,133,040
47,800	C. R. Bard, Inc.	4,531,440
55,500	Patterson Companies, Inc. *	1,884,225
56,800	Stryker Corporation	4,244,096
88,800	Varian Medical Systems, Inc. *	4,631,808
28,600	Waters Corporation *	2,261,402
		19,686,011
	INDUSTRIAL PRODUCTS & SERVICES — 25.2%	
71,400	AMETEK, Inc.	3,344,376
61,800	CLARCOR, Inc.	2,346,546
44,700	Danaher Corporation	3,921,978
61,400	Donaldson Company, Inc.	2,847,732
49,100	Expeditors International of Washington, Inc.	2,193,788
42,300	Franklin Electric Company, Inc.	1,618,821
88,400	Graco, Inc.	3,293,784
60,300	ITT Corporation	3,982,212
81,900	Johnson Controls, Inc.	2,951,676
67,500	Landstar System, Inc.	2,845,125
		29,346,038
	TECHNOLOGY — 6.4%	
46,300	Dionex Corporation *	3,836,418
31,900	Mettler-Toledo International Inc. *	3,630,220
		7,466,638
	TOTAL COMMON STOCKS (Cost $94,529,944)	$ 116,340,203

Shares	CASH EQUIVALENTS — 0.5%	Market Value
588,695	Federated Treasury Obligations Fund - Institutional Shares (Cost $588,695)	$ 588,695
	TOTAL INVESTMENTS AT MARKET VALUE — 100.2% (Cost $95,118,639)	$ 116,928,898
	LIABILITIES IN EXCESS OF OTHER ASSETS — (0.2%)	(191,624)
	NET ASSETS — 100.0%	$ 116,737,274

* Non-income producing security.

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND PORTFOLIO MANAGER COMMENTARY

Dear Fellow Shareholders:

In 2007, the Ave Maria Rising Dividend Fund had a total return of –0.6%. This compares with –2.1% for the Standard & Poors Dividend Aristocrat Index and 5.5% for the Standard & Poors 500 Index. It was a rough year for stocks generally, and a particularly rough year for dividend-paying stocks. As the accompanying table illustrates, those stocks in the S&P 500 with the highest dividend yields at the beginning of 2007 had the lowest total returns for the year, while those with the lowest dividend yield performed the best.

Returns for S&P 500 Companies by Quintiles

Quintile	Dividend Yield as of 12/31/06	Total Return for 2007
1	0.0%	12.3%
2	0.4%	9.8%
3	1.1%	5.1%
4	1.9%	2.6%
5	3.4%	-4.8%

Source: StockVal

Of course, our Fund doesn't buy stocks that just pay dividends. We focus on companies that pay a rising stream of dividends, and continue to believe that this investment strategy will produce favorable long-term results with below average risks.

Our best performing issues in 2007 included energy-related Exxon Mobil Corporation (+24%), and healthcare issues Stryker Corporation (+36%), Beckman Coulter, Inc. (+23%), and Becton, Dickinson and Company (+21%). Beyond that, Johnson Controls, Inc. (automotive supplier) and W.W. Grainger, Inc. (business supplies and services) were each up 27%.

Driven in large part by the fears that began with the sub-prime mortgage market, financial services stocks performed poorly during the year. The portfolio was negatively affected by Citizens Republic Bancorp, Inc. (–41%), TCF Financial Corporation (–31%), and BB&T Corporation (–26%). Reflecting fear of the slowing economy, consumer discretionary stocks such as Cato Corporation also did poorly, down (–28%).

Even though the Fund had a disappointing year in 2007, most of the portfolio companies continued to raise their dividends. Over 95% of them raised their dividends during the year by an average of 15%.

AVE MARIA RISING DIVIDEND FUND
PORTFOLIO MANAGER COMMENTARY (Continued)

The companies in the Ave Maria Rising Dividend Fund have been selected because of their proven ability to raise their dividends even during turbulent periods. We expect them to continue to do so. For those investors whose time horizon is long-term, we believe the future is bright for this Fund. In our opinion, the current period of investor anxiety has produced opportunities to acquire shares of excellent companies at bargain prices.

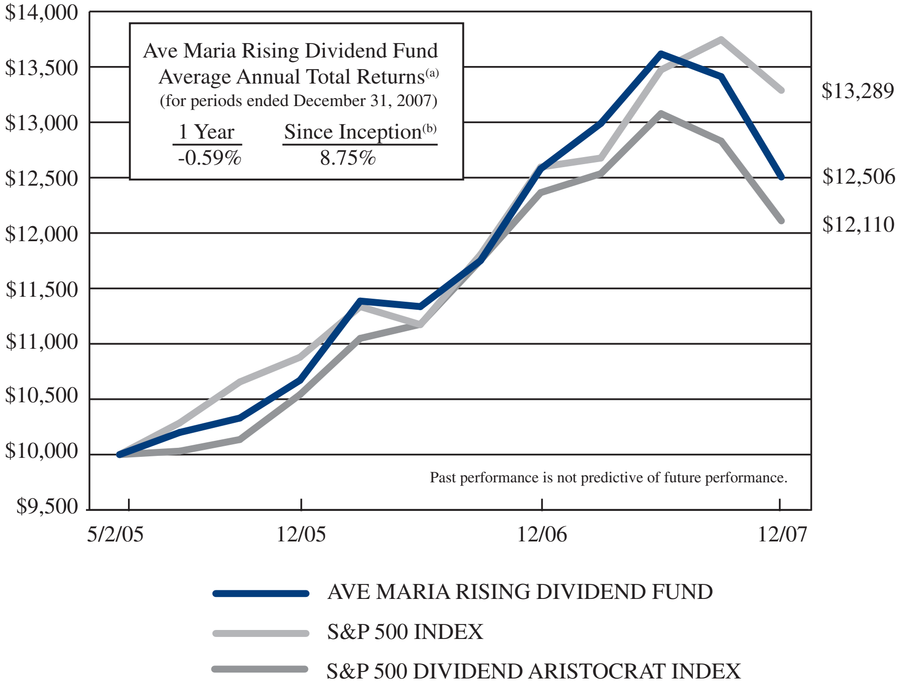
We appreciate your participation in the Fund.

George P. Schwartz, CFA
Co-Portfolio Manager

Richard L. Platte, Jr., CFA
Co-Portfolio Manager

AVE MARIA RISING DIVIDEND FUND PERFORMANCE (Unaudited)

Comparison of the Change in Value of a $10,000 Investment in the Ave Maria Rising Dividend Fund, the S&P 500 Index, and the S&P 500 Dividend Aristocrat Index



(a) The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(b) Represents the period from the commencement of operations (May 2, 2005) through December 31, 2007.

AVE MARIA RISING DIVIDEND FUND
TEN LARGEST EQUITY HOLDINGS
December 31, 2007 (Unaudited)

Shares	Company	Market Value	% of Net Assets
35,000	Exxon Mobil Corporation	$3,279,150	4.0%
150,000	RPM International Inc.	3,045,000	3.7%
75,000	Halliburton Company	2,843,250	3.4%
70,000	Hormel Foods Corporation	2,833,600	3.4%
37,000	Laboratory Corporation of America Holdings	2,794,610	3.4%
105,000	Ross Stores, Inc.	2,684,850	3.2%
70,000	R.R. Donnelley & Sons Company	2,641,800	3.2%
35,000	Legg Mason, Inc.	2,560,250	3.1%
30,000	Burlington Northern Santa Fe Corporation	2,496,900	3.0%
30,000	PartnerRe Ltd.	2,475,900	3.0%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Aerospace & Defense	2.7%
Business Services	1.7%
Consumer - Durables	4.3%
Consumer - Nondurables	4.7%
Consumer - Retail	4.8%
Energy & Mining	9.2%
Finance	18.3%
Food & Tobacco	7.4%
Healthcare	9.1%
Industrial Products & Services	25.4%
Printing & Publishing	3.2%
Transportation	5.7%
Cash Equivalents, Other Assets and Liabilities	3.5%
	100.0%

AVE MARIA RISING DIVIDEND FUND
SCHEDULE OF INVESTMENTS
December 31, 2007

Shares	COMMON STOCKS — 96.5%	Market Value
	AEROSPACE & DEFENSE — 2.7%	
25,000	General Dynamics Corporation	$ 2,224,750
	BUSINESS SERVICES — 1.7%	
50,000	Diebold, Incorporated	1,449,000
	CONSUMER - DURABLES — 4.3%	
50,000	Harley-Davidson, Inc.	2,335,500
35,000	HNI Corporation	1,227,100
		3,562,600
	CONSUMER - NONDURABLES — 4.7%	
40,000	Scotts Miracle-Gro Company - Class A (The)	1,496,800
24,000	Sherwin-Williams Company (The)	1,392,960
15,000	VF Corporation	1,029,900
		3,919,660
	CONSUMER - RETAIL — 4.8%	
81,900	Cato Corporation - Class A (The)	1,282,554
105,000	Ross Stores, Inc.	2,684,850
		3,967,404
	ENERGY & MINING — 9.2%	
35,000	Exxon Mobil Corporation	3,279,150
75,000	Halliburton Company	2,843,250
15,000	Schlumberger Limited	1,475,550
		7,597,950
	FINANCE - BANKS & THRIFTS — 8.5%	
70,000	BB&T Corporation	2,146,900
100,000	Citizens Republic Bancorp, Inc.	1,451,000
80,000	Synovus Financial Corporation	1,926,400
20,000	TCF Financial Corporation	358,600
40,000	United Bankshares, Inc.	1,120,800
		7,003,700
	FINANCE - INSURANCE — 6.7%	
75,000	Arthur J. Gallagher & Co.	1,814,250
25,000	Mercury General Corporation	1,245,250
30,000	PartnerRe Ltd.	2,475,900
		5,535,400

AVE MARIA RISING DIVIDEND FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 96.5% (Continued)	Market Value
	FINANCE - SERVICES — 3.1%	
35,000	Legg Mason, Inc.	$ 2,560,250
	FOOD & TOBACCO — 7.4%	
28,000	ConAgra Foods, Inc.	666,120
70,000	Hormel Foods Corporation	2,833,600
10,000	J.M. Smucker Company (The)	514,400
40,000	Kellogg Company	2,097,200
		6,111,320
	HEALTHCARE — 9.1%	
13,500	Beckman Coulter, Inc.	982,800
15,000	Becton, Dickinson & Company	1,253,700
37,000	Laboratory Corporation of America Holdings *	2,794,610
33,000	Stryker Corporation	2,465,760
		7,496,870
	INDUSTRIAL PRODUCTS & SERVICES — 25.4%	
30,000	Caterpillar Inc.	2,176,800
2,000	Ecolab, Inc.	102,420
100,000	Gentex Corporation	1,777,000
30,000	Genuine Parts Company	1,389,000
65,000	Graco, Inc.	2,421,900
60,000	Johnson Controls, Inc.	2,162,400
25,000	Raven Industries, Inc.	959,750
150,000	RPM International Inc.	3,045,000
25,000	Stanley Works (The)	1,212,000
30,000	United Technologies Corporation	2,296,200
75,000	Waste Management, Inc	2,450,250
12,000	W.W. Grainger, Inc.	1,050,240
		21,042,960
	PRINTING & PUBLISHING — 3.2%	
70,000	R.R. Donnelley & Sons Company	2,641,800
	TRANSPORTATION — 5.7%	
30,000	Burlington Northern Santa Fe Corporation	2,496,900
25,000	CSX Corporation	1,099,500
22,500	Norfolk Southern Corporation	1,134,900
		4,731,300
	TOTAL COMMON STOCKS (Cost $79,111,651)	79,844,964

AVE MARIA RISING DIVIDEND FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	CASH EQUIVALENTS — 3.5%	Market Value
2,894,801	Federated Treasury Obligations Fund - Institutional Shares (Cost $2,894,801)	$ 2,894,801
	TOTAL INVESTMENTS AT MARKET VALUE — 100.0% (Cost $82,006,452)	$ 82,739,765
	OTHER ASSETS IN EXCESS OF LIABILITIES — 0.0%	2,760
	NET ASSETS — 100.0%	$ 82,742,525

* Non-income producing security.

See notes to financial statements.

AVE MARIA OPPORTUNITY FUND
PORTFOLIO MANAGER COMMENTARY

Dear Fellow Shareholders:

Last year was a challenging year for small-cap value investors. While small-cap stocks underperformed their large-cap brethren, value stocks were trounced by growth stocks. Several small-cap value stock indices fell sharply during the year, including the Russell 2000 Value Index, which declined 9.8%. The Ave Maria Opportunity Fund declined 8.5% during 2007, compared to a 1.6% decline for the Russell 2000 Index, and a 0.3% decline for the S&P 600 SmallCap Index. Since inception on May 1, 2006, the Fund's annualized total return is -0.6%, compared to 1.6% for the Russell 2000 Index and 1.1% for the S&P 600 SmallCap Index.

The Fund's less than satisfactory performance in 2007 was primarily attributable to its consumer and financial holdings. Of the Fund's 25 worst performing stocks during the year, nine were financials, and ten were consumer related. These stocks, which looked inexpensive at the time of purchase, continued to get cheaper as the year unfolded. Essentially we underestimated the magnitude of the credit crisis and the collapsing housing market. What began as strictly a sub-prime mortgage problem early last year, has filtered throughout financial markets, negatively impacting housing prices, consumer sentiment, consumer spending, and a broad spectrum of financial institutions and specialty retailers. Consumer and financial related companies that had an outsized negative effect on performance during the year included Chico's FAS, Inc. (women's apparel retailing), Select Comfort Corporation (Sleep Number beds), Smith & Wesson Holding Corporation (firearms), AmTrust Financial Corporation (regional banking), and Citizens Republic Bancorp, Inc. (regional banking). Stocks which contributed positively to performance in 2007 included Sun Hydraulics Corporation (+87%), Raven Industries, Inc. (+45%), Kinetic Concepts, Inc. (+39%), and Harris Corporation (+38%). Unfortunately, the winners were more than offset by the declines in the Fund's consumer and financial stock holdings.

The Fund has been re-positioned in recent months, with a greater emphasis on higher quality and somewhat larger companies. Characteristics of high quality companies include, among others, a long track record of rising sales and profits (in good and poor economic climates), high profit margins owing to proprietary products and services, low capital spending needs resulting in strong free cash flow, and above average returns on equity and capital, with little or no debt leverage. Due to the recent small-cap carnage, we were able to purchase several high quality companies at distressed prices, including AZZ, Inc. (energy infrastructure), CommScope, Inc. (communication and networking equipment), FactSet Research Systems, Inc. (financial data services), RADVision Ltd. (teleconferencing equipment), and Rimage Corporation (DVD-recordable publishing systems).

AVE MARIA OPPORTUNITY FUND
PORTFOLIO MANAGER COMMENTARY (Continued)

Also, on a positive note, the expense ratio for the Fund continues to be below the industry average for small-cap equity funds. According to Morningstar, the average small-cap value equity fund had a total expense ratio of 1.51% as of December 31, 2007, while our Fund had an expense ratio of 1.25% after fee waivers.

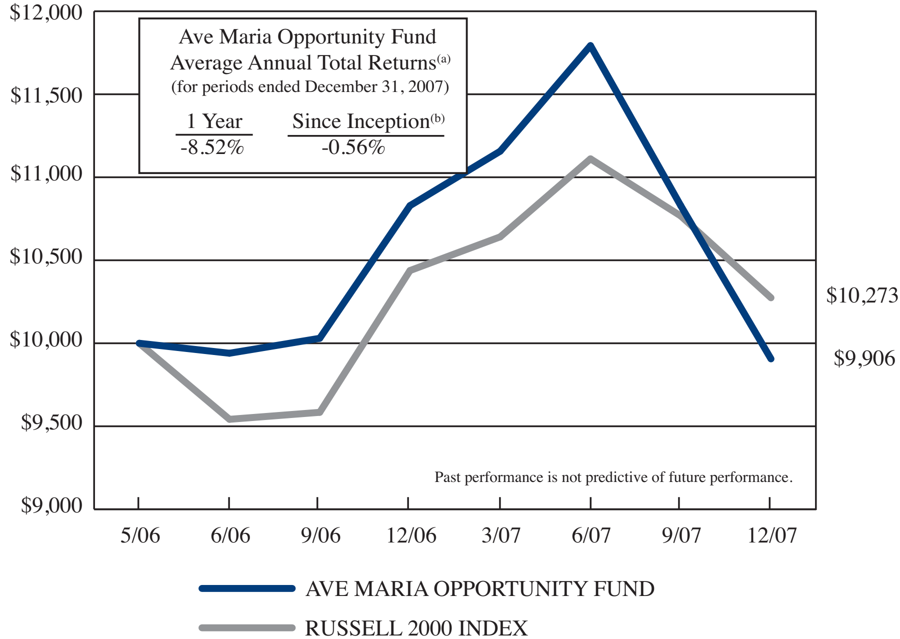
Your continued interest and investment in the Ave Maria Opportunity Fund is greatly appreciated.

With best regards,

Timothy S. Schwartz, CFA
Portfolio Manager

AVE MARIA OPPORTUNITY FUND
PERFORMANCE (Unaudited)

Comparison of the Change in Value of a $10,000 Investment in the Ave Maria Opportunity Fund and the Russell 2000 Index



[a] The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[b] Represents the period from the commencement of operations (May 1, 2006) through December 31, 2007.

AVE MARIA OPPORTUNITY FUND
TEN LARGEST EQUITY HOLDINGS
December 31, 2007 (Unaudited)

Shares	Company	Market Value	% of Net Assets
26,000	Zebra Technologies Corporation - Class A	$902,200	5.0%
14,000	Kinetic Concepts, Inc.	749,840	4.1%
80,000	Chico's FAS, Inc.	722,400	4.0%
16,500	Graco, Inc.	614,790	3.4%
221,600	Continucare Corporation	598,320	3.3%
20,000	Sun Hydraulics Corporation	504,600	2.8%
70,000	Select Comfort Corporation	490,700	2.7%
22,600	ADTRAN, Inc.	483,188	2.7%
8,400	American Science and Engineering, Inc.	476,700	2.6%
30,000	ION Geophysical Corporation	473,400	2.6%

ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Aerospace & Defense	4.8%
Apparel & Textiles	3.0%
Business Services	0.8%
Consumer - Durables	8.6%
Consumer - Nondurables	1.9%
Consumer - Retail	9.9%
Energy & Mining	4.0%
Finance	12.3%
Healthcare	10.0%
Industrial Products & Services	18.9%
Technology	13.8%
Transportation	2.1%
Cash Equivalents, Other Assets and Liabilities	9.9%
	100.0%

AVE MARIA OPPORTUNITY FUND
SCHEDULE OF INVESTMENTS
December 31, 2007

Shares	COMMON STOCKS — 90.1%	Market Value
	AEROSPACE & DEFENSE — 4.8%	
8,400	American Science and Engineering, Inc. *	$ 476,700
6,200	Harris Corporation	388,616
		865,316
	APPAREL & TEXTILES — 3.0%	
4,300	Columbia Sportswear Company	189,587
70,600	Tefron Ltd. *	348,764
		538,351
	BUSINESS SERVICES — 0.8%	
4,600	Courier Corporation	151,846
	CONSUMER - DURABLES — 8.6%	
10,000	HNI Corporation	350,600
16,400	La-Z-Boy Incorporated	130,052
70,000	Select Comfort Corporation *	490,700
35,000	Smith & Wesson Holding Corporation *	213,500
10,000	Thor Industries, Inc.	380,100
		1,564,952
	CONSUMER - NONDURABLES — 1.9%	
15,000	Acme United Corporation	215,250
7,100	K-Swiss, Inc. - Class A	128,510
		343,760
	CONSUMER - RETAIL — 9.9%	
80,000	Chico's FAS, Inc. *	722,400
7,200	Dollar Tree Stores, Inc. *	186,624
2,600	Foot Locker, Inc.	35,516
8,400	Hibbett Sports, Inc. *	167,832
16,500	Ross Stores, Inc.	421,905
30,000	Sally Beauty Holdings, Inc. *	271,500
		1,805,777
	ENERGY & MINING — 4.0%	
30,000	ION Geophysical Corporation *	473,400
12,500	Patterson-UTI Energy, Inc.	244,000
		717,400
	FINANCE - BANKS & THRIFTS — 7.8%	
45	AmTrust Financial Corporation	315,000
2,600	Boston Private Financial Holdings, Inc.	70,408
15,000	Century Bancorp, Inc. - Class A	302,550
10,000	Citizens Republic Bancorp, Inc.	145,100
2,500	Clarkston Financial Corporation *	20,000
5,600	FNBH Bancorp, Inc.	75,600
4,000	Hudson City Bancorp, Inc.	60,080
4,000	Macatawa Bank Corporation	34,360

AVE MARIA OPPORTUNITY FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 90.1% (Continued)	Market Value
	FINANCE - BANKS & THRIFTS — 7.8% (Continued)	
3,789	Oxford Bank Corporation	$ 99,082
4,800	People's United Financial, Inc.	85,440
3,300	PrivateBancorp, Inc.	107,745
9,400	Westfield Financial, Inc.	91,180
		1,406,545
	FINANCE - INSURANCE — 4.5%	
10,000	Fremont Michigan InsuraCorp, Inc. - Class A *	192,000
50,000	Meadowbrook Insurance Group, Inc. *	470,500
15,000	Unico American Corporation *	153,750
		816,250
	HEALTHCARE — 10.0%	
10,000	Computer Programs & Systems, Inc.	227,400
221,600	Continucare Corporation *	598,320
14,000	Kinetic Concepts, Inc. *	749,840
15,300	Psychemedics Corporation	245,565
		1,821,125
	INDUSTRIAL PRODUCTS & SERVICES — 18.9%	
11,300	Applied Industrial Technologies, Inc.	327,926
25,000	Gentex Corporation	444,250
16,500	Graco, Inc.	614,790
5,100	Lincoln Electric Holdings, Inc.	363,018
12,000	Raven Industries, Inc.	460,680
4,400	Rofin-Sinar Technologies, Inc. *	211,684
20,400	RPM International Inc.	414,120
20,000	Sun Hydraulics Corporation	504,600
3,400	Trinity Industries, Inc.	94,384
		3,435,452
	TECHNOLOGY — 13.8%	
22,600	ADTRAN, Inc.	483,188
8,400	Cognex Corporation	169,260
5,400	CommScope, Inc. *	265,734
10,000	MTS Systems Corporation	426,700
2,600	Rimage Corporation *	67,470
2,000	SPSS, Inc. *	71,820
10,000	Stamps.com, Inc. *	121,800
26,000	Zebra Technologies Corporation - Class A *	902,200
		2,508,172
	TRANSPORTATION — 2.1%	
20,200	American Railcar Industries, Inc.	388,850
	TOTAL COMMON STOCKS (Cost $16,525,782)	$ 16,363,796

AVE MARIA OPPORTUNITY FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	CASH EQUIVALENTS — 9.8%	Market Value
844,000	Federated Government Obligations Tax-Managed Fund - Institutional Shares	$ 844,000
843,730	Federated Treasury Obligations Fund - Institutional Shares	843,730
94,730	Federated U.S. Treasury Cash Reserve Fund - Institutional Shares	94,730
	TOTAL CASH EQUIVALENTS (Cost $1,782,460)	$ 1,782,460
	TOTAL INVESTMENTS AT MARKET VALUE — 99.9% (Cost $18,308,242)	$ 18,146,256
	OTHER ASSETS IN EXCESS OF LIABILITIES — 0.1%	17,217
	NET ASSETS — 100.0%	$ 18,163,473

* Non-income producing security.

See notes to financial statements.

AVE MARIA BOND FUND
PORTFOLIO MANAGER COMMENTARY

Dear Fellow Shareholders:

For the year ended December 31, 2007, the Ave Maria Bond Fund (Class R) had a total return of 4.8%, compared to the return of the Lehman Brothers Intermediate U.S. Government/Credit Index of 7.4%.

2007 was a year of dramatic change in the U.S. credit markets. At the beginning of the year, interest rates were relatively high with the yield on the 10 year Treasury note at 4.7%. The yield curve was flat with little difference between the yields on 2, 10 and 30 year Treasuries. Credit spreads were narrow between bonds of differing credit quality. In that environment, the highest quality bonds – U.S. Treasuries – were undervalued, so we significantly overweighted them in the portfolio. During the year, as we expected, interest rates fell across the maturity spectrum with the biggest drop at the short-end, creating an upwardly sloped yield curve. With investors sobered by the melt down in the sub-prime mortgage market, credit spreads widened significantly and U.S. Treasuries outperformed, which helped the Fund.

As these events unfolded, we made a number of changes in the portfolio. When Treasury prices rose in relation to corporate bonds, we sold Treasuries and bought corporates. Responding to falling interest rates, we shortened the average maturity of the bonds in the portfolio to reduce the interest rate risk. Equities represented 15.3% of the portfolio at year-end, versus 17.8% at the start of 2007.

The positive performance of the Fund resulted from falling interest rates which favorably impacted bond prices. The equity portion of the portfolio negatively impacted the Fund by approximately 1.1% largely as a result of financial service companies such as Citizens Republic Bancorp, Inc., BB&T Corporation, and TCF Financial Corporation.

It's becoming increasingly apparent that the U.S. economy has slipped into recession. We expect the Fed to continue its accommodative monetary policy pushing short-term interest rates progressively lower. Credit spreads should continue to widen. If prices on corporate bonds become even cheaper, we anticipate adding to those positions. With the decline in equity prices noted above, many dividend paying stocks are now more attractive for purchase than they have been in many years. We anticipate adding to equity holdings and expect them to make a disproportionately positive contribution to performance on a long-term basis.

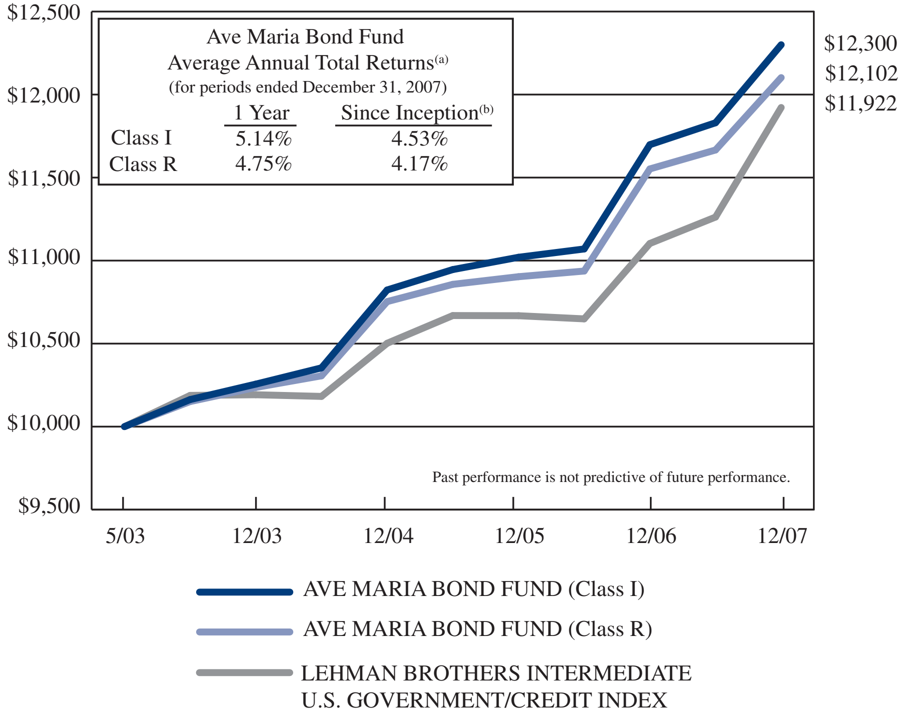
We appreciate your continued participation in the Fund.

Sincerely,

Richard L. Platte, Jr., CFA
Portfolio Manager

AVE MARIA BOND FUND PERFORMANCE (Unaudited)

Comparison of the Change in Value of a $10,000 Investment in the Ave Maria Bond Fund and the Lehman Brothers Intermediate U.S. Government/Credit Index



(a) The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(b) Represents the period from the commencement of operations (May 1, 2003) through December 31, 2007.

AVE MARIA BOND FUND
ANNUAL TOTAL RATES OF RETURN
COMPARISON WITH MAJOR INDICES (Unaudited)

	AVE MARIA BOND FUND CLASS I	AVE MARIA BOND FUND CLASS R	LEHMAN BROTHERS INTERMEDIATE U.S. GOVERNMENT/ CREDIT INDEX
2003 [a]	2.6%	2.4%	1.9%
2004	5.5%	5.1%	3.0%
2005	1.8%	1.4%	1.6%
2006	6.2%	6.0%	4.1%
2007	5.1%	4.8%	7.4%

AVERAGE ANNUAL TOTAL RETURNS
As of December 31, 2007 (Unaudited)

	AVE MARIA BOND FUND CLASS I	AVE MARIA BOND FUND CLASS R	LEHMAN BROTHERS INTERMEDIATE U.S. GOVERNMENT/ CREDIT INDEX
3 Years	4.4%	4.0%	4.3%
Since Inception	4.5%	4.2%	3.8%

[a] Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

AVE MARIA BOND FUND
TEN LARGEST HOLDINGS*
December 31, 2007 (Unaudited)

Par Value	Holding	Market Value	% of Net Assets
$3,000,000	U.S. Treasury Note, 2.625%, due 05/15/08	$2,992,266	6.8%
1,500,000	U.S. Treasury Note, 4.750%, due 01/31/12	1,581,093	3.6%
1,500,000	U.S. Treasury Note, 4.375%, due 08/15/12	1,565,391	3.5%
1,500,000	U.S. Treasury Note, 4.250%, due 08/15/13	1,554,726	3.5%
1,500,000	U.S. Treasury Note, 4.250%, due 10/15/10	1,547,929	3.5%
1,500,000	U.S. Treasury Note, 4.250%, due 11/15/14	1,547,462	3.5%
1,273,910	U.S. Treasury Inflation-Protection Note, 3.875%, due 01/15/09	1,311,530	3.0%
1,034,510	U.S. Treasury Inflation-Protection Note, 2.500%, due 07/15/16	1,103,208	2.5%
1,000,000	ConocoPhillips, 8.750%, due 05/25/10	1,095,559	2.5%
1,008,030	U.S. Treasury Inflation-Protection Note, 2.625%, due 07/15/17	1,087,648	2.5%

* Excludes cash equivalents.

ASSET ALLOCATION (Unaudited)

	% of Net Assets
U.S. GOVERNMENT AND AGENCY OBLIGATIONS	
U.S. Treasuries	39.2%
U.S. Government Agencies	10.4%
CORPORATE BONDS	
Sector	
Consumer Products	4.6%
Finance	4.4%
Food & Tobacco	1.5%
Industrials	13.1%
Utilities	4.7%
COMMON STOCKS	
Sector	
Consumer - Durables	0.6%
Consumer - Retail	0.9%
Finance	5.5%
Industrial Products & Services	2.7%
Printing & Publishing	0.9%
Utilities	4.7%
Cash Equivalents, Other Assets and Liabilities	6.8%
	100.0%

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS
December 31, 2007

Par Value	U.S. GOVERNMENT AND AGENCY OBLIGATIONS — 49.6%	Market Value
	U.S. TREASURIES — 39.2%	
$ 3,000,000	U.S. Treasury Note, 2.625%, due 05/15/08	$ 2,992,266
1,000,000	U.S. Treasury Note, 3.750%, due 05/15/08	1,001,172
1,273,910	U.S. Treasury Inflation-Protection Note, 3.875%, due 01/15/09	1,311,530
1,000,000	U.S. Treasury Note, 3.000%, due 02/15/09	998,750
1,000,000	U.S. Treasury Note, 3.375%, due 10/15/09	1,006,172
1,500,000	U.S. Treasury Note, 4.250%, due 10/15/10	1,547,929
1,500,000	U.S. Treasury Note, 4.750%, due 01/31/12	1,581,093
1,500,000	U.S. Treasury Note, 4.375%, due 08/15/12	1,565,391
1,500,000	U.S. Treasury Note, 4.250%, due 08/15/13	1,554,726
1,500,000	U.S. Treasury Note, 4.250%, due 11/15/14	1,547,462
1,034,510	U.S. Treasury Inflation-Protection Note, 2.500%, due 07/15/16	1,103,208
1,008,030	U.S. Treasury Inflation-Protection Note, 2.625%, due 07/15/17	1,087,648
		17,297,347
	U.S. GOVERNMENT AGENCIES — 10.4%	
1,000,000	Federal Farm Credit Bank, 4.480%, due 08/24/12	1,022,762
1,000,000	Federal Farm Credit Bank, 4.600%, due 12/27/12	1,027,833
500,000	Federal Home Loan Bank, 3.375%, due 07/21/08	497,276
1,000,000	Federal Home Loan Bank, 5.000%, due 09/01/10	1,034,867
1,000,000	Federal Home Loan Bank, 5.815%, due 08/21/13	1,010,663
		4,593,401
	TOTAL U.S. GOVERNMENT AND AGENCY OBLIGATIONS (Cost $21,386,711)	$ 21,890,748

Par Value	CORPORATE BONDS — 28.3%	Market Value
	CONSUMER PRODUCTS — 4.6%	
$ 1,000,000	Harley-Davidson, Inc. - 144A[(a)], 3.625%, due 12/15/08	$ 989,179
1,000,000	Stanley Works, 5.000%, due 03/15/10	1,016,267
		2,005,446
	FINANCE — 4.4%	
1,000,000	Caterpillar Financial Services Corporation, 4.750%, due 02/17/15	966,223
1,000,000	Marshall & Ilsley Bank, 5.250%, due 09/04/12	990,677
		1,956,900
	FOOD & TOBACCO — 1.5%	
600,000	Hormel Foods Corporation, 6.625%, due 06/01/11	643,660

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS (Continued)

Par Value	CORPORATE BONDS — 28.3% (Continued)	Market Value
	INDUSTRIALS — 13.1%	
$ 1,000,000	ConocoPhillips, 8.750%, due 05/25/10	$ 1,095,559
1,000,000	Dover Corporation, 6.500%, due 02/15/11	1,052,012
1,000,000	Halliburton Company, 5.500%, due 10/15/10	1,027,952
500,000	Johnson Controls, Inc., 5.250%, due 01/15/11	501,411
1,000,000	Masco Corporation, 5.875%, due 07/15/12	1,025,044
1,000,000	United Technologies Corporation, 6.350%, due 03/01/11	1,064,788
		5,766,766
	UTILITIES — 4.7%	
1,000,000	FPL Group Capital, Inc., 5.625%, due 09/01/11	1,023,974
1,000,000	Southern Power Company, 6.250%, due 07/15/12	1,046,019
		2,069,993
	TOTAL CORPORATE BONDS (Cost $12,438,024)	$ 12,442,765

Shares	COMMON STOCKS — 15.3%	Market Value
	CONSUMER - DURABLES — 0.6%	
10,000	Newell Rubbermaid Inc.	$ 258,800
	CONSUMER - RETAIL — 0.9%	
15,000	Ross Stores, Inc.	383,550
	FINANCE - BANKS & THRIFTS — 3.0%	
20,000	BB&T Corporation	613,400
25,000	Citizens Republic Bancorp, Inc.	362,750
20,000	TCF Financial Corporation	358,600
		1,334,750
	FINANCE - INSURANCE — 2.5%	
30,000	Arthur J. Gallagher & Co.	725,700
8,000	Mercury General Corporation	398,480
		1,124,180
	INDUSTRIAL PRODUCTS & SERVICES — 2.7%	
6,000	Genuine Parts Company	277,800
45,000	RPM International Inc.	913,500
		1,191,300
	PRINTING & PUBLISHING — 0.9%	
10,000	R.R. Donnelley & Sons Company	377,400

AVE MARIA BOND FUND
SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 15.3% (Continued)	Market Value
	UTILITIES — 4.7%	
15,000	NSTAR	$ 543,300
18,000	Pinnacle West Capital Corporation	763,380
20,000	Southern Company	775,000
		2,081,680
	TOTAL COMMON STOCKS (Cost $7,154,524)	$ 6,751,660

Shares	CASH EQUIVALENTS — 5.7%	Market Value
448,059	Federated Government Obligations Tax-Managed Fund - Institutional Shares	$ 448,059
2,079,164	Federated Treasury Obligations Fund - Institutional Shares	2,079,164
	TOTAL CASH EQUIVALENTS (Cost $2,527,223)	$ 2,527,223
	TOTAL INVESTMENTS AT MARKET VALUE — 98.9% (Cost $43,506,482)	$ 43,612,396
	OTHER ASSETS IN EXCESS OF LIABILITIES — 1.1%	484,222
	NET ASSETS — 100.0%	$ 44,096,618

[a] 144A - This is a restricted security that was sold in a transaction exempt from Rule 144A of the Securities Act of 1933. This security may be sold in transactions exempt from registration, normally to qualified institutional buyers.

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
December 31, 2007

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria Bond Fund
ASSETS					
Investment securities:					
At amortized cost	$ 218,027,049	$ 95,118,639	$ 82,006,452	$ 18,308,242	$ 43,506,482
At market value (Note 1)	$ 249,176,773	$ 116,928,898	$ 82,739,765	$ 18,146,256	$ 43,612,396
Receivable for capital shares sold	199,497	53,577	82,968	30,514	40,576
Dividends and interest receivable	213,234	102,475	131,728	16,228	474,263
Other assets	15,404	13,856	12,326	8,340	10,357
TOTAL ASSETS	249,604,908	117,098,806	82,966,787	18,201,338	44,137,592
LIABILITIES					
Payable for investment securities purchased	1,201,315	—	—	—	—
Payable for capital shares redeemed	441,876	35,416	15,142	41	527
Payable to Adviser (Note 2)	680,924	276,220	172,654	21,184	2,632
Payable to administrator (Note 2)	31,800	14,800	10,700	4,000	4,000
Accrued distribution fees (Note 2)	6,950	9,189	—	—	16,868
Other accrued expenses	46,597	25,907	25,766	12,640	16,947
TOTAL LIABILITIES	2,409,462	361,532	224,262	37,865	40,974
NET ASSETS	$ 247,195,446	$ 116,737,274	$ 82,742,525	$ 18,163,473	$ 44,096,618
NET ASSETS CONSIST OF:					
Paid-in capital	$ 216,400,344	$ 94,927,015	$ 81,828,544	$ 19,119,871	$ 43,991,659
Undistributed/(Distributions in excess of) net investment income	—	—	586	—	(1,019)
Accumulated undistributed net realized gains/(losses) from security transactions	(354,622)	—	180,082	(794,412)	64
Net unrealized appreciation/(depreciation) on investments	31,149,724	21,810,259	733,313	(161,986)	105,914
NET ASSETS	$ 247,195,446	$ 116,737,274	$ 82,742,525	$ 18,163,473	$ 44,096,618
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	15,742,151	6,162,442	7,167,832	1,896,306	
Net asset value, offering price and redemption price per share (Note 1)	$ 15.70	$ 18.94	$ 11.54	$ 9.58	
PRICING OF CLASS I SHARES					
Net assets applicable to Class I shares					$ 9,918,753
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)					978,503
Net asset value, offering price and redemption price per share (Note 1)					$ 10.14
PRICING OF CLASS R SHARES					
Net assets applicable to Class R shares					$ 34,177,865
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)					3,376,073
Net asset value, offering price and redemption price per share (Note 1)					$ 10.12

See notes to financial statements.

AVE MARIA MUTUAL FUNDS
STATEMENTS OF OPERATIONS
For the Year Ended December 31, 2007

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria Bond Fund
INVESTMENT INCOME					
Dividend	$ 4,159,928	$ 1,007,772	$ 1,871,320	$ 362,817	$ 397,915
Interest	25,596	—	36,088	24,533	1,462,678
TOTAL INCOME	4,185,524	1,007,772	1,907,408	387,350	1,860,593
EXPENSES					
Investment advisory fees (Note 2)	2,760,220	1,058,040	595,285	202,586	128,134
Shareholder servicing fees (Note 2)	690,052	264,509	—	—	—
Shareholder servicing fees - Class R (Note 2)	—	—	—	—	70,626
Administration, accounting and transfer agent fees (Note 2)	414,082	158,800	119,171	48,000	48,000
Legal and audit fees	53,799	41,626	35,109	25,298	28,542
Postage and supplies	60,453	33,792	20,535	10,454	17,544
Trustees' fees and expenses	26,068	26,068	26,068	26,068	26,068
Registration fees - Common	16,340	23,945	22,241	24,567	11,297
Registration fees - Class I	—	—	—	—	565
Registration fees - Class R	—	—	—	—	8,585
Custodian fees	27,796	10,903	12,485	8,511	4,207
Insurance expense	19,035	7,416	4,925	2,151	4,644
Reports to shareholders	13,941	7,480	3,895	1,633	2,518
Advisory board fees and expenses	5,267	5,267	5,267	5,267	5,267
Compliance service fees	10,711	4,329	3,598	844	1,744
Other expenses	19,390	10,230	10,632	8,653	13,128
TOTAL EXPENSES	4,117,154	1,652,405	859,211	364,032	370,869
Less fees waived and/or expenses reimbursed by the Adviser (Note 2):					
Common	—	(65,346)	—	(110,801)	(133,206)
Class I	—	—	—	—	(565)
Plus previously waived investment advisory fees and expense reimbursements recouped by the Adviser (Note 2):	23,171	—	44,436	—	—
NET EXPENSES	4,140,325	1,587,059	903,647	253,231	237,098
NET INVESTMENT INCOME/(LOSS)	45,199	(579,287)	1,003,761	134,119	1,623,495
REALIZED AND UNREALIZED GAINS/(LOSSES) ON INVESTMENTS					
Net realized gains/(losses) from security transactions	2,169,395	1,884,422	2,240,936	(763,976)	967,612
Net increase from payment by Adviser due to the disposal of investments in violation of investment restrictions (Note 2)	176,249	—	—	—	—
Net change in unrealized appreciation/(depreciation) on investments	(13,218,975)	9,682,834	(2,669,327)	(1,185,767)	(568,779)
NET REALIZED AND UNREALIZED GAINS/(LOSSES) ON INVESTMENTS	(10,873,331)	11,567,256	(428,391)	(1,949,743)	398,833
NET INCREASE/(DECREASE) IN NET ASSETS FROM OPERATIONS	$(10,828,132)	$ 10,987,969	$ 575,370	$ (1,815,624)	$ 2,022,328

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND
STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2007	Year Ended December 31, 2006
FROM OPERATIONS		
Net investment income/(loss)	$ 45,199	$ (570,434)
Net realized gains from security transactions	2,169,395	10,818,434
Net increase from payment by Adviser due to the disposal of investments in violation of investment restrictions (Note 2)	176,249	—
Net realized gains from in-kind redemptions (Note 1)	—	18,457,383
Net change in unrealized appreciation/(depreciation) on investments	(13,218,975)	4,564,102
Net increase/(decrease) in net assets from operations	(10,828,132)	33,269,485
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(53,179)	—
From net realized gains on investments	(2,073,963)	(10,545,124)
Net decrease in net assets from distributions to shareholders	(2,127,142)	(10,545,124)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	51,156,753	52,002,346
Reinvestment of distributions to shareholders	1,945,841	9,595,000
Payments for shares redeemed	(50,963,533)	(72,685,160)
Net increase/(decrease) in net assets from capital share transactions	2,139,061	(11,087,814)
TOTAL INCREASE/(DECREASE) IN NET ASSETS	(10,816,213)	11,636,547
NET ASSETS		
Beginning of year	258,011,659	246,375,112
End of year	$ 247,195,446	$ 258,011,659
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ —	$ —
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	2,963,771	3,249,139
Shares issued in reinvestment of distributions to shareholders	123,155	578,360
Shares redeemed	(2,985,874)	(4,543,268)
Net increase/(decrease) in shares outstanding	101,052	(715,769)
Shares outstanding, beginning of year	15,641,099	16,356,868
Shares outstanding, end of year	15,742,151	15,641,099

See notes to financial statements.

AVE MARIA GROWTH FUND
STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2007	Year Ended December 31, 2006
FROM OPERATIONS		
Net investment loss	$ (579,287)	$ (220,994)
Net realized gains from security transactions	1,884,422	712,003
Net realized gains from in-kind redemptions (Note 1)	—	2,014,638
Net change in unrealized appreciation/(depreciation) on investments	9,682,834	7,996,624
Net increase in net assets from operations	10,987,969	10,502,271
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net realized gains on investments	(1,717,378)	(711,674)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	37,125,655	27,242,598
Reinvestment of distributions to shareholders	1,588,147	668,695
Payments for shares redeemed	(16,457,823)	(16,052,538)
Net increase in net assets from capital share transactions	22,255,979	11,858,755
TOTAL INCREASE IN NET ASSETS	31,526,570	21,649,352
NET ASSETS		
Beginning of year	85,210,704	63,561,352
End of year	$ 116,737,274	$ 85,210,704
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ —	$ —
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	2,016,293	1,667,583
Shares issued in reinvestment of distributions to shareholders	83,105	38,564
Shares redeemed	(886,636)	(993,409)
Net increase in shares outstanding	1,212,762	712,738
Shares outstanding, beginning of year	4,949,680	4,236,942
Shares outstanding, end of year	6,162,442	4,949,680

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND
STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2007	Year Ended December 31, 2006
FROM OPERATIONS		
Net investment income	$ 1,003,761	$ 376,535
Net realized gains from security transactions	2,240,936	748,365
Net realized gains from in-kind redemptions (Note 1)	—	1,733,646
Net change in unrealized appreciation/(depreciation) on investments	(2,669,327)	2,332,107
Net increase in net assets from operations	575,370	5,190,653
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(1,003,175)	(376,535)
From net realized gains on investments	(2,241,008)	(748,272)
Net decrease in net assets from distributions to shareholders	(3,244,183)	(1,124,807)
FROM CAPITAL SHARE TRANSACTIONS		
Net assets received in conjunction with fund merger (Note 1)	46,890,726	—
Proceeds from shares sold	19,866,356	16,397,640
Reinvestment of distributions to shareholders	2,409,951	711,266
Payments for shares redeemed	(18,806,800)	(11,366,258)
Net increase in net assets from capital share transactions	50,360,233	5,742,648
TOTAL INCREASE IN NET ASSETS	47,691,420	9,808,494
NET ASSETS		
Beginning of year	35,051,105	25,242,611
End of year	$ 82,742,525	$ 35,051,105
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ 586	$ —
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares issued in conjunction with fund merger (Note 1)	3,770,256	—
Shares sold	1,809,315	1,432,894
Shares issued in reinvestment of distributions to shareholders	204,522	59,190
Shares redeemed	(1,518,764)	(972,858)
Net increase in shares outstanding	4,265,329	519,226
Shares outstanding, beginning of year	2,902,503	2,383,277
Shares outstanding, end of year	7,167,832	2,902,503

See notes to financial statements.

AVE MARIA OPPORTUNITY FUND
STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31, 2007	Period Ended December 31, 2006[(a)]
FROM OPERATIONS		
Net investment income	$ 134,119	$ 94,493
Net realized gains/(losses) from security transactions	(763,976)	342,668
Net change in unrealized appreciation/(depreciation) on investments	(1,185,767)	1,023,781
Net increase/(decrease) in net assets from operations	(1,815,624)	1,460,942
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(134,519)	(94,235)
From net realized gains on investments	—	(373,104)
Net decrease in net assets from distributions to shareholders	(134,519)	(467,339)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	8,423,798	18,868,063
Reinvestment of distributions to shareholders	60,986	91,678
Payments for shares redeemed	(6,085,594)	(2,238,918)
Net increase in net assets from capital share transactions	2,399,190	16,720,823
TOTAL INCREASE IN NET ASSETS	449,047	17,714,426
NET ASSETS		
Beginning of period	17,714,426	—
End of period	$ 18,163,473	$ 17,714,426
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	$ —	$ 258
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	778,095	1,880,754
Shares issued in reinvestment of distributions to shareholders	6,346	8,641
Shares redeemed	(567,589)	(209,941)
Net increase in shares outstanding	216,852	1,679,454
Shares outstanding, beginning of period	1,679,454	—
Shares outstanding, end of period	1,896,306	1,679,454

[(a)] Represents the period from the commencement of operations (May 1, 2006) through December 31, 2006.

See notes to financial statements.

AVE MARIA BOND FUND
STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2007	Year Ended December 31, 2006
FROM OPERATIONS		
Net investment income	$ 1,623,495	$ 1,832,732
Net realized gains from security transactions	967,612	260,709
Net change in unrealized appreciation/(depreciation) on investments	(568,779)	704,922
Net increase in net assets from operations	2,022,328	2,798,363
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income, Class I	(571,441)	(1,135,731)
From net investment income, Class R	(1,061,024)	(700,257)
From net realized gains on investments, Class I	(221,533)	(114,092)
From net realized gains on investments, Class R	(746,173)	(146,596)
Net decrease in net assets from distributions to shareholders	(2,600,171)	(2,096,676)
FROM CAPITAL SHARE TRANSACTIONS		
CLASS I		
Proceeds from shares sold	164,508	135,000
Reinvestment of distributions to shareholders	—	16,961
Payments for shares redeemed	(8,035,904)	(30,709,371)
Net decrease in net assets from Class I capital share transactions	(7,871,396)	(30,557,410)
CLASS R		
Proceeds from shares sold	15,304,038	8,193,903
Reinvestment of distributions to shareholders	1,548,186	774,275
Payments for shares redeemed	(5,568,193)	(2,804,300)
Net increase in net assets from Class R capital share transactions	11,284,031	6,163,878
TOTAL INCREASE/(DECREASE) IN NET ASSETS	2,834,792	(23,691,845)
NET ASSETS		
Beginning of year	41,261,826	64,953,671
End of year	$ 44,096,618	$ 41,261,826
DISTRIBUTIONS IN EXCESS OF NET INVESTMENT INCOME	$ (10,410)	$ (1,440)
SUMMARY OF CAPITAL SHARE ACTIVITY		
CLASS I		
Shares sold	16,013	13,478
Shares issued in reinvestment of distributions to shareholders	—	1,689
Shares redeemed	(779,366)	(3,039,466)
Net decrease in shares outstanding	(763,353)	(3,024,299)
Shares outstanding, beginning of year	1,741,856	4,766,155
Shares outstanding, end of year	978,503	1,741,856
CLASS R		
Shares sold	1,483,843	811,940
Shares issued in reinvestment of distributions to shareholders	151,631	76,363
Shares redeemed	(540,087)	(277,651)
Net increase in shares outstanding	1,095,387	610,652
Shares outstanding, beginning of year	2,280,686	1,670,034
Shares outstanding, end of year	3,376,073	2,280,686

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Year

	Year Ended December 31, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004	Year Ended December 31, 2003
Net asset value at beginning of year	$ 16.50	$ 15.06	$ 14.62	$ 12.75	$ 9.47
Income/(loss) from investment operations:					
Net investment income/(loss)	0.00 [a]	(0.04)	(0.04)	(0.05)	(0.03)
Net realized and unrealized gains/(losses) on investments	(0.67)	2.18	0.89	2.61	3.40
Total from investment operations	(0.67)	2.14	0.85	2.56	3.37
Less distributions:					
From net investment income	(0.00)[a]	—	—	—	—
From net realized gains on investments	(0.13)	(0.70)	(0.41)	(0.69)	(0.09)
Total distributions	(0.13)	(0.70)	(0.41)	(0.69)	(0.09)
Net asset value at end of year	$ 15.70	$ 16.50	$ 15.06	$ 14.62	$ 12.75
Total return [b]	(4.0%)[c]	14.2%	5.8%	20.1%	35.6%
Ratios/Supplementary Data:					
Net assets at end of year (000's)	$ 247,195	$ 258,012	$ 246,375	$ 248,070	$ 144,956
Ratio of net expenses to average net assets [d]	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment income/(loss) to average net assets	0.03%	(0.23)%	(0.28)%	(0.44)%	(0.28)%
Portfolio turnover rate	52%	59%	61%	34%	58%

[a] Amount rounds to less than $0.01 per share.

[b] Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[c] During the year ended December 31, 2007, the Fund received a payment from the Adviser of $176,249 for losses realized on the disposal of investments purchased in violation of investment restrictions, which otherwise would have reduced the total return by 0.06% (Note 2).

[d] Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 1.52%, 1.51%, 1.52% and 1.56% for the years ended December 31, 2006, 2005, 2004 and 2003, respectively.

See notes to financial statements.

AVE MARIA GROWTH FUND
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004	Period Ended December 31, 2003[(a)]
Net asset value at beginning of period	$ 17.22	$ 15.00	$ 14.99	$ 12.34	$ 10.00
Income/(loss) from investment operations:					
Net investment loss	(0.09)	(0.04)	(0.05)	(0.03)	(0.02)
Net realized and unrealized gains on investments	2.09	2.40	0.10	2.68	2.36
Total from investment operations	2.00	2.36	0.05	2.65	2.34
Less distributions:					
From net realized gains on investments	(0.28)	(0.14)	(0.04)	—	—
Net asset value at end of period	$ 18.94	$ 17.22	$ 15.00	$ 14.99	$ 12.34
Total return [(b)]	11.6%	15.8%	0.3%	21.5%	23.4% [(c)]
Ratios/Supplementary Data:					
Net assets at end of period (000's)	$ 116,737	$ 85,211	$ 63,561	$ 51,574	$ 15,105
Ratio of net expenses to average net assets [(d)]	1.50%	1.50%	1.50%	1.50%	1.49% [(e)]
Ratio of net investment loss to average net assets	(0.55)%	(0.30)%	(0.34)%	(0.29)%	(0.36)% [(e)]
Portfolio turnover rate	9%	13%	29%	3%	0%

(a) Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

(b) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(c) Not annualized.

(d) Absent investment advisory fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 1.56%, 1.62%, 1.64%, 1.79% and 2.61%[(e)] for the periods ended December 31, 2007, 2006, 2005, 2004 and 2003, respectively.

(e) Annualized.

See notes to financial statements.

AVE MARIA RISING DIVIDEND FUND
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2007	Year Ended December 31, 2006	Period Ended December 31, 2005[a]
Net asset value at beginning of period	$ 12.08	$ 10.59	$ 10.00
Income/(loss) from investment operations:			
Net investment income	0.16	0.14	0.08
Net realized and unrealized gains/(losses) on investments	(0.22)	1.75	0.59
Total from investment operations	(0.06)	1.89	0.67
Less distributions:			
From net investment income	(0.16)	(0.14)	(0.08)
From net realized gains on investments	(0.32)	(0.26)	(0.00)[b]
Total distributions	(0.48)	(0.40)	(0.08)
Net asset value at end of period	$ 11.54	$ 12.08	$ 10.59
Total return[c]	(0.6%)	17.9%	6.7%[d]
Ratios/Supplementary Data:			
Net assets at end of period (000's)	$ 82,743	$ 35,051	$ 25,243
Ratio of net expenses to average net assets[e]	1.14%	1.25%	1.24%[f]
Ratio of net investment income to average net assets	1.26%	1.23%	1.19%[f]
Portfolio turnover rate	41%	65%	21%[f]

[a] Represents the period from the initial public offering (May 2, 2005) through December 31, 2005.

[b] Amount rounds to less than $0.01 per share.

[c] Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[d] Not annualized.

[e] Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 1.31% and 1.43%[f] for the periods ended December 31, 2006 and 2005, respectively.

[f] Annualized.

See notes to financial statements.

AVE MARIA OPPORTUNITY FUND
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2007	Period Ended December 31, 2006 [a]
Net asset value at beginning of period	$ 10.55	$ 10.00
Income/(loss) from investment operations:		
Net investment income	0.07	0.06
Net realized and unrealized gains/(losses) on investments	(0.97)	0.77
Total from investment operations	(0.90)	0.83
Less distributions:		
From net investment income	(0.07)	(0.06)
From net realized gains on investments	—	(0.22)
Total distributions	(0.07)	(0.28)
Net asset value at end of period	$ 9.58	$ 10.55
Total return [b]	(8.5%)	8.3% [c]
Ratios/Supplementary Data:		
Net assets at end of period (000's)	$ 18,163	$ 17,714
Ratio of net expenses to average net assets [d]	1.25%	1.24% [e]
Ratio of net investment income to average net assets	0.66%	0.84% [e]
Portfolio turnover rate	126%	102% [e]

[a] Represents the period from the initial public offering (May 1, 2006) through December 31, 2006.

[b] Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[c] Not annualized.

[d] Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 1.80% and 1.90%[e] for the periods ended December 31, 2007 and 2006, respectively.

[e] Annualized.

See notes to financial statements.

AVE MARIA BOND FUND - CLASS I
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004	Period Ended December 31, 2003[a]
Net asset value at beginning of period	$ 10.26	$ 10.10	$ 10.29	$ 10.09	$ 10.00
Income/(loss) from investment operations:					
Net investment income	0.41	0.38	0.33	0.28	0.16
Net realized and unrealized gains/ (losses) on investments	0.11	0.23	(0.15)	0.27	0.10
Total from investment operations	0.52	0.61	0.18	0.55	0.26
Less distributions:					
From net investment income	(0.41)	(0.38)	(0.33)	(0.28)	(0.16)
From net realized gains on investments	(0.23)	(0.07)	(0.04)	(0.07)	(0.01)
Total distributions	(0.64)	(0.45)	(0.37)	(0.35)	(0.17)
Net asset value at end of period	$ 10.14	$ 10.26	$ 10.10	$ 10.29	$ 10.09
Total return[b]	5.1%	6.2%	1.8%	5.5%	2.6%[c]
Ratios/Supplementary Data:					
Net assets at end of period (000's)	$ 9,919	$ 17,880	$ 48,115	$ 32,458	$ 30,773
Ratio of net expenses to average net assets[d]	0.37%	0.30%	0.30%	0.30%	0.30%[e]
Ratio of net investment income to average net assets	3.96%	3.67%	3.32%	2.77%	2.36%[e]
Portfolio turnover rate	45%	21%	22%	47%	50%[e]

[a] Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

[b] Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[c] Not annualized.

[d] Absent investment advisory fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 0.68%, 0.65%, 0.61%, 0.72% and 0.71%[e] for the periods ended December 31, 2007, 2006, 2005, 2004 and 2003, respectively.

[e] Annualized.

See notes to financial statements.

AVE MARIA BOND FUND - CLASS R
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004	Period Ended December 31, 2003[a]
Net asset value at beginning of period	$ 10.25	$ 10.08	$ 10.28	$ 10.09	$ 10.00
Income/(loss) from investment operations:					
Net investment income	0.38	0.35	0.30	0.24	0.14
Net realized and unrealized gains/ (losses) on investments	0.10	0.24	(0.16)	0.26	0.10
Total from investment operations	0.48	0.59	0.14	0.50	0.24
Less distributions:					
From net investment income	(0.38)	(0.35)	(0.30)	(0.24)	(0.14)
From net realized gains on investments	(0.23)	(0.07)	(0.04)	(0.07)	(0.01)
Total distributions	(0.61)	(0.42)	(0.34)	(0.31)	(0.15)
Net asset value at end of period	$ 10.12	$ 10.25	$ 10.08	$ 10.28	$ 10.09
Total return[b]	4.8%	6.0%	1.4%	5.1%	2.4%[c]
Ratios/Supplementary Data:					
Net assets at end of period (000's)	$ 34,178	$ 23,382	$ 16,839	$ 6,491	$ 1,502
Ratio of net expenses to average net assets[d]	0.65%	0.60%	0.61%	0.70%	0.69%[e]
Ratio of net investment income to average net assets	3.69%	3.37%	3.01%	2.37%	1.96%[e]
Portfolio turnover rate	45%	21%	22%	47%	50%[e]

(a) Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

(b) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

(c) Not annualized.

(d) Absent investment advisory fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 0.96%, 0.94%, 0.92%, 1.31% and 2.49%[e] for the periods ended December 31, 2007, 2006, 2005, 2004 and 2003, respectively.

(e) Annualized.

See notes to financial statements.

1. Significant Accounting Policies

The Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund and the Ave Maria Bond Fund (collectively, the "Funds") are each a diversified series of the Schwartz Investment Trust (the "Trust"), an open-end management investment company registered under the Investment Company Act of 1940 and established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. The Ave Maria Catholic Values Fund commenced the public offering of its shares on May 1, 2001. The public offering of shares of the Ave Maria Growth Fund and the Ave Maria Bond Fund commenced on May 1, 2003. The Ave Maria Rising Dividend Fund commenced the public offering of its shares on May 2, 2005. The Ave Maria Opportunity Fund commenced the public offering of its shares on May 1, 2006. The Funds determine and make available for publication the net asset value of each of its shares on a daily basis.

On March 30, 2007, the Ave Maria Rising Dividend Fund consummated a tax-free merger with the Catholic Equity Fund. Pursuant to the terms of the agreement governing the merger, each share of Class A, Class D and Class I shares of the Catholic Equity Fund was converted into an equivalent dollar amount of shares of the Ave Maria Rising Dividend Fund, based on the net asset value of the Ave Maria Rising Dividend Fund and Class A, Class D and Class I shares of the Catholic Equity Fund as of March 30, 2007 ($12.44 and $10.07, $9.44 and $10.07, respectively), resulting in conversion ratios of 0.809762, 0.758704 and 0.810035 shares of the Ave Maria Rising Dividend Fund for each share of Class A, Class D and Class I shares of the Catholic Equity Fund, respectively. The Ave Maria Rising Dividend Fund thus issued 3,770,256 shares to shareholders of the Catholic Equity Fund. Net assets of the Ave Maria Rising Dividend Fund and the Catholic Equity Fund as of the merger date were $41,688,158 and $46,890,726, including unrealized appreciation of $4,422,856 and $3,015,886, respectively. In addition, the Catholic Equity Fund's net assets included accumulated realized losses of $784,039. Total net assets immediately after the merger were $88,578,884.

The investment objective of the Ave Maria Catholic Values Fund is to seek long-term capital appreciation from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Growth Fund is to seek long-term capital appreciation, using the growth style, from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Rising Dividend Fund is to provide increasing dividend income over time, long-term growth of capital, and a reasonable level of current income from investments in dividend-paying common stocks of companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Opportunity Fund is long-term capital appreciation from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Bond Fund is to seek preservation of principal with a reasonable level of current income. See the Funds' Prospectus for information regarding the investment strategies of each Fund.

The Ave Maria Bond Fund offers two classes of shares: Class I shares (sold subject to a distribution fee of up to 0.10% of the average daily net assets attributable to Class I shares) and Class R shares (sold subject to a distribution fee of up to 0.25% of the average daily net assets attributable to Class R shares). Each class of shares represents an interest in the same assets of the Fund, has the same rights and is identical in all material respects except that: (1) Class R bears the expenses of higher distribution fees; (2) certain other class-specific expenses will be borne solely by the class to which such expenses are attributable; (3) each class has exclusive voting rights with respect to matters relating to its own distribution arrangements; and (4) Class I shares require an initial investment of $10 million. Investment income earned, realized capital gains and losses, and unrealized appreciation and depreciation are allocated daily to each class of shares based upon its proportionate share of total net assets of the Fund. Class-specific expenses are charged directly to the class incurring the expense. Common expenses which are not attributable to a specific class are allocated daily to each class of shares based upon its proportionate share of total net assets of the Fund.

Shares of each Fund are sold at net asset value. To calculate the net asset value, each Fund's assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share are equal to the net asset value per share for each Fund.

The following is a summary of significant accounting policies followed by the Funds:

(a) Valuation of investments – Securities which are traded on stock exchanges are valued at the closing sales price as of the close of the regular session of trading on the New York Stock Exchange ("NYSE") on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price. Securities traded in the over-the-counter market are valued at the last reported sales price or, if there is no reported sale on the valuation date, at the most recently quoted bid price. Securities which are traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. Investments representing primarily capital stock of other open-end investment companies are valued at their net asset value as reported by such companies. Securities (and other assets) for which market quotations are not readily available are valued at their fair value as determined in good faith in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees. Short-term instruments (those with remaining maturities of 60 days or less) are valued at amortized cost, which approximates market value.

(b) Income taxes – It is each Fund's policy to comply with the special provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which a Fund so qualifies and distributes at least 90% of its taxable income, such Fund (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also each Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income and 98% of its net realized capital gains plus undistributed amounts from prior years.

The tax character of distributable earnings at December 31, 2007 was as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria Bond Fund
Undistributed ordinary income	$ —	$ —	$ 511,067	$ —	$ —
Undistributed long-term gains	152,861	—	17,632	—	64
Capital loss carryforward	—	—	(330,285)	(777,264)	—
Net unrealized appreciation/ (depreciation)	30,642,241	21,810,259	715,567	(179,134)	104,895
Total distributable earnings/(deficit)	$ 30,795,102	$ 21,810,259	$ 913,981	$ (956,398)	$ 104,959

As of December 31, 2007, the Ave Maria Rising Dividend Fund had a capital loss carryforward acquired in the merger with the Catholic Equity Fund of $330,285, of which $215,994 expires September 30, 2008, $108,803 expires September 30, 2009 and $5,488 expires September 30, 2010. As of December 31, 2007, the Ave Maria Opportunity Fund had a capital loss carryforward for federal income tax purposes of $777,264, which expires on December 31, 2015. These capital loss carryforwards may be utilized in future years to offset net realized capital gains, if any, prior to distributing such gains to shareholders.

During the year ended December 31, 2007, the Ave Maria Rising Dividend Fund utilized $218,367 of capital loss carryforwards acquired through the Catholic Equity Fund merger to offset current year realized gains.

On July 13, 2006, the Financial Accounting Standards Board ("FASB") released Interpretation No. 48 ("FIN 48") "Accounting for Uncertainty in Income Taxes." FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken in the course of preparing each Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Each Fund incorporated FIN 48 in its Semi-Annual report on June 30, 2007. Based on management's analysis, the adoption of FIN 48 did not have a material impact on the financial statements. The statute of limitations on the Funds' tax returns remains open for the years ended December 31, 2004 through December 31, 2006. Additionally, management does not anticipate FIN 48 having a material impact on the financial statements for the year ended December 31, 2008.

The following information is based upon the federal income tax cost of the investment securities as of December 31, 2007:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria Bond Fund
Gross unrealized appreciation	$ 45,975,586	$ 26,220,281	$ 7,958,012	$ 1,354,525	$ 894,885
Gross unrealized depreciation	(15,333,345)	(4,410,022)	(7,242,445)	(1,533,659)	(789,990)
Net unrealized appreciation/ (depreciation)	$ 30,642,241	$ 21,810,259	$ 715,567	$ (179,134)	$ 104,895
Federal income tax cost	$ 218,534,532	$ 95,118,639	$ 82,024,198	$ 18,325,390	$ 43,507,501

The difference between the federal income tax cost of portfolio investments and the financial statement cost for the Ave Maria Catholic Values Fund, Ave Maria Rising Dividend Fund and the Ave Maria Opportunity Fund is due to certain timing differences in the recognition of capital losses under income tax regulations and accounting principles generally accepted in the United States of America. These “book/tax” differences are temporary in nature and are due to the tax deferral of losses on wash sales. The difference between the federal income tax cost of portfolio investments and the financial statement cost for the Ave Maria Bond Fund is due to certain timing differences in the recognition of the amortization of organizational costs. These “book/tax” differences are also temporary in nature.

For the year ended December 31, 2007, the Ave Maria Catholic Values Fund reclassified $7,980 of distributions in excess of net investment income against paid-in capital; the Ave Maria Growth Fund reclassified $411,914 of its net investment loss against paid-in capital and $167,373 against net realized gains from security transactions; the Ave Maria Rising Dividend Fund reclassified $80 of distributions in excess of net realized gains from security transactions and $179,981 of accumulated net realized losses against paid-in capital; the Ave Maria Opportunity Fund reclassified $142 of distributions in excess of net investment income against paid-in capital; and the Ave Maria Bond Fund reclassified distributions in excess of net investment income of $9,391 and distributions in excess of net realized gains from security transactions of $137 against paid-in capital. These reclassifications are reflected on the Statements of Assets and Liabilities. Such reclassifications, the result of permanent differences between the financial statement and the income tax reporting requirements, have no effect on each Fund’s net assets or net asset value per share.

(c) Security transactions and investment income – Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis. Realized gains and losses on securities sold are determined on a specific identification basis. Discounts and premiums on fixed-income securities purchased are amortized using the interest method.

(d) Dividends and distributions – Dividends from net investment income, if any, are declared and paid annually in December for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria Opportunity Fund. Dividends from net investment income, if any, are declared and paid quarterly for the Ave

Maria Rising Dividend Fund and are declared and paid monthly for the Ave Maria Bond Fund. Each Fund expects to distribute any net realized capital gains annually. Dividends and distributions to shareholders are recorded on the ex-dividend date.

The tax character of distributions paid during the periods ended December 31, 2007 and December 31, 2006 was as follows:

Period Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
Ave Maria Catholic Values Fund:			
December 31, 2007	$ 53,179	$ 2,073,963	$ 2,127,142
December 31, 2006	$ —	$ 10,545,124	$ 10,545,124
Ave Maria Growth Fund:			
December 31, 2007	$ —	$ 1,717,378	$ 1,717,378
December 31, 2006	$ —	$ 711,674	$ 711,674
Ave Maria Rising Dividend Fund:			
December 31, 2007	$ 1,707,552	$ 1,536,631	$ 3,244,183
December 31, 2006	$ 719,951	$ 404,856	$ 1,124,807
Ave Maria Opportunity Fund:			
December 31, 2007	$ 134,519	$ —	$ 134,519
December 31, 2006	$ 467,339	$ —	$ 467,339
Ave Maria Bond Fund - Class I:			
December 31, 2007	$ 604,319	$ 188,655	$ 792,974
December 31, 2006	$ 1,135,731	$ 114,092	$ 1,249,823
Ave Maria Bond Fund - Class R:			
December 31, 2007	$ 1,171,763	$ 635,434	$ 1,807,197
December 31, 2006	$ 700,257	$ 146,596	$ 846,853

(e) Repurchase agreements – The Funds may enter into repurchase agreements (agreements to purchase securities subject to the seller's agreement to repurchase them at a specified time and price) with well-established registered securities dealers or banks. Repurchase agreements may be deemed to be loans by the Funds. It is each Fund's policy to take possession of obligations issued or guaranteed by the U.S. Government or its agencies of instrumentalities as collateral under a repurchase agreement and, on a daily basis, mark-to-market such obligations to ensure that their value, including accrued interest, is at least equal to the amount to be repaid to the Fund under the repurchase agreement.

(f) Estimates – The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(g) Common expenses – Common expenses of the Trust are allocated among the Funds of the Trust based on relative net assets of each Fund or the nature of the services performed and the relative applicability to each Fund.

2. Investment Advisory Agreements and Transactions with Related Parties

The President of the Trust is also the President and Chief Investment Officer of Schwartz Investment Counsel, Inc. (the "Adviser"). Certain other officers of the Trust are officers of the Adviser, or of Ultimus Fund Solutions, LLC ("Ultimus"), the administrative, accounting and transfer agent for the Funds, or of Ultimus Fund Distributors, LLC (the "Distributor"), the Funds' principal underwriter.

Pursuant to Investment Advisory Agreements between the Trust and the Adviser, the Adviser is responsible for the management of each Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Funds. For such services, the Adviser receives from each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria Opportunity Fund a quarterly fee at the annual rate of 1.00% of its average daily net assets. The Adviser receives from the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund a quarterly fee at the annual rate of 0.75% and 0.30%, respectively, of average daily net assets.

The Adviser has contractually agreed to reduce advisory fees or reimburse a portion of operating expenses until at least May 1, 2010 so that: the net expenses of the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund do not exceed 1.50% of average daily net assets; the net expenses of the Ave Maria Rising Dividend Fund and the Ave Maria Opportunity Fund do not exceed 1.25% of average daily net assets; and the net expenses of Class R and Class I shares of the Ave Maria Bond Fund do not exceed 0.70% and 0.40%, respectively, of average daily net assets. For the year ended December 31, 2007, the Adviser waived investment advisory fees of $65,346 with respect to the Ave Maria Growth Fund; waived investment advisory fees of $110,801 with respect to the Ave Maria Opportunity Fund; and waived investment advisory fees of $128,134 and reimbursed $5,637 of other operating expenses (including $5,072 of common expenses and $565 of Class I expenses) with respect to the Ave Maria Bond Fund.

Any fee waivers or expense reimbursements by the Adviser are subject to repayment by the Funds for a period of three years from the time such waivers or reimbursements occurred, provided the Funds are able to effect such repayment and remain in compliance with any undertaking by the Adviser to limit expenses of the Funds. During the year ended December 31, 2007, the Adviser received $23,171 from the Ave Maria Catholic Values Fund and $44,436 from the Ave Maria Rising Dividend Fund in recoupment of fee waivers in prior fiscal periods. As of December 31, 2007, the amount of fee waivers and expense reimbursements available for reimbursement to the Adviser are as follows:

Ave Maria Catholic Values Fund	$ 73,853
Ave Maria Growth Fund	$ 236,511
Ave Maria Opportunity Fund	$ 184,079
Ave Maria Bond Fund	$ 482,562

The Adviser may recapture a portion of the above amounts no later than the dates as stated below:

	December 31, 2008	December 31, 2009	December 31, 2010
Ave Maria Catholic Values Fund	$ 33,160	$ 40,693	$ —
Ave Maria Growth Fund	$ 80,548	$ 90,617	$ 65,346
Ave Maria Opportunity Fund	$ —	$ 73,278	$ 110,801
Ave Maria Bond Fund	$ 170,813	$ 177,978	$ 133,771

Additionally, during the year ended December 31, 2007, the Adviser reimbursed $176,249 to the Ave Maria Catholic Values Fund for losses realized on the disposal of investments purchased in violation of investment restrictions.

The Chief Compliance Officer of the Trust (the "CCO") is an employee of the Adviser. The Trust pays the Adviser $23,500 annually for providing CCO services, of which each Fund pays its proportionate share along with the other series of the Trust.

JLB & Associates, Inc. ("JLB") has been retained by the Adviser to manage the investments of the Ave Maria Growth Fund pursuant to the terms of a Sub-Advisory Agreement. The Adviser (not the Fund) pays JLB a fee at an annual rate of 0.30% of the average value of the Fund's daily net assets. JLB has agreed to reduce its sub-advisory fee, by means of a voluntary waiver, during the period from September 1, 2007 through April 30, 2008, to the annual rate of 0.25% of average daily net assets. JLB cannot recover from the Fund any such fee reductions.

Pursuant to a Mutual Fund Services Agreement between the Funds and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily net asset value per share, maintains the financial books and records of the Funds, maintains the records of each shareholder's account, and processes purchases and redemptions of each Fund's shares. For the performance of these services, the Ave Maria Bond Fund pays Ultimus a monthly fee at an annual rate of 0.10% of its average daily net assets, and each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund and the Ave Maria Opportunity Fund pays Ultimus a monthly fee at an annual rate of 0.15% of its average daily net assets. The fee payable by each Fund is subject to a minimum monthly fee of $4,000.

Pursuant to a Distribution Agreement between the Funds and the Distributor, the Distributor serves as the Funds' exclusive agent for the distribution of each Fund's shares. The Distributor is an affiliate of Ultimus.

The Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria Bond Fund have adopted a Shareholder Servicing Plan (the "Plan") under Section 12(b) of the Investment Company Act of 1940 and Rule 12b-1 thereunder, which allows the Funds to make payments to financial organizations (including the Adviser and other affiliates of each Fund) for providing account administration and personnel and account maintenance services to Fund shareholders. The annual service fee may not exceed an amount equal to 0.25% of each Fund's daily net assets (except that the service fee is limited to 0.10% of the average net assets of the Ave Maria Bond Fund allocable to

Class I shares). During the year ended December 31, 2007, the total expenses incurred pursuant to the Plan were $690,052, $264,509, and $70,626 for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, and Class R shares of the Ave Maria Bond Fund, respectively. No expenses were incurred pursuant to the Plan for Class I shares of the Ave Maria Bond Fund.

3. Investment Transactions

During the year ended December 31, 2007, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, were as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria Bond Fund
Purchases of investment securities	$ 140,727,733	$ 29,991,799	$ 64,176,332	$ 24,703,153	$ 10,902,276
Proceeds from sales of investment securities	$ 132,342,469	$ 9,833,420	$ 29,737,816	$ 21,697,020	$ 4,526,956

4. Contingencies and Commitments

The Funds indemnify the Trust's officers and Trustees for certain liabilities that might arise from their performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

5. New Accounting Pronouncement

In September 2006, the FASB issued Statement on Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The changes to current generally accepted accounting principles from the application of SFAS No. 157 relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. As of December 31, 2007, each Fund does not believe the adoption of SFAS No. 157 will impact the amounts reported in the financial statements, however, additional disclosures may be required about the inputs used to develop the measurements and the effect of the measurements reported on the statement of changes in net assets for a fiscal period.

AVE MARIA MUTUAL FUNDS
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Trustees
Ave Maria Catholic Values Fund, Ave Maria Growth Fund,
Ave Maria Rising Dividend Fund, Ave Maria Opportunity Fund,
and Ave Maria Bond Fund:

We have audited the accompanying statements of assets and liabilities of Ave Maria Catholic Values Fund, Ave Maria Growth Fund, Ave Maria Rising Dividend Fund, Ave Maria Opportunity Fund, and Ave Maria Bond Fund (the "Funds"), including the schedules of investments, as of December 31, 2007, and the related statements of operations for the year ended, and the statements of changes in net assets and financial highlights for the periods presented. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, audits of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2007, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Ave Maria Catholic Values Fund, Ave Maria Growth Fund, Ave Maria Rising Dividend Fund, Ave Maria Opportunity Fund, and Ave Maria Bond Fund as of December 31, 2007, the results of their operations for the year then ended, and the changes in their net assets and the financial highlights for the respective stated periods, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Chicago, Illinois
February 15, 2008

AVE MARIA MUTUAL FUNDS
BOARD OF TRUSTEES AND EXECUTIVE OFFICERS
(Unaudited)

Overall responsibility for management of the Trust rests with the Board of Trustees. The Trustees serve during the lifetime of the Trust and until its termination, or until death, resignation, retirement or removal. The Trustees, in turn, elect the officers of the Trust to actively supervise its day-to-day operations. The officers have been elected for an annual term. The following are the Trustees and executive officers of the Trust:

Trustee/Officer	Address	Age	Position Held with the Trust	Length of Time Served
Interested Trustees:				
* Gregory J. Schwartz	3707 W. Maple Road, Bloomfield Hills, MI	66	Chairman of the Board/Trustee	Since 1992
* George P. Schwartz, CFA	3707 W. Maple Road, Bloomfield Hills, MI	63	President/Trustee	Since 1992
Independent Trustees:				
John E. Barnds	640 Lakeside Road, Birmingham, MI	75	Trustee	Since 2005
Peter F. Barry	3707 W. Maple Road, Bloomfield Hills, MI	80	Trustee	Since 2004
Donald J. Dawson, Jr.	333 W. Seventh Street, Royal Oak, MI	60	Trustee	Since 1993
Joseph M. Grace	4978 Malibu Drive, Bloomfield Hills, MI	71	Trustee	Since 2007
Executive Officers:				
* Richard L. Platte, Jr., CFA	3707 W. Maple Road, Bloomfield Hills, MI	56	Vice President and Secretary	Since 1993
* Timothy S. Schwartz, CFA	3707 W. Maple Road, Bloomfield Hills, MI	36	Treasurer	Since 2000
* Becky S. Renaud	3707 W. Maple Road, Bloomfield Hills, MI	35	Chief Compliance Officer	Since 2006

* Gregory J. Schwartz, George P. Schwartz, Richard L. Platte, Jr., Timothy S. Schwartz and Becky S. Renaud, as affiliated persons of Schwartz Investment Counsel, Inc., the Funds' investment adviser, are "interested persons" of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. Gregory J. Schwartz and George P. Schwartz are brothers and Timothy S. Schwartz is the son of George P. Schwartz and the nephew of Gregory J. Schwartz.

Each Trustee oversees six portfolios of the Trust: the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund, the Ave Maria Bond Fund and the Schwartz Value Fund. The principal occupations of the Trustees and executive officers of the Trust during the past five years and public directorships held by the Trustees are set forth below:

Gregory J. Schwartz is Chairman of Gregory J. Schwartz & Co., Inc., a registered broker-dealer.

AVE MARIA MUTUAL FUNDS
BOARD OF TRUSTEES AND EXECUTIVE OFFICERS
(Unaudited) (Continued)

George P. Schwartz, CFA is President and Chief Investment Officer of Schwartz Investment Counsel, Inc. and is the co-portfolio manager of the Ave Maria Catholic Values Fund and the Ave Maria Rising Dividend Fund.

John E. Barnds is retired First Vice President of National Bank of Detroit (JPMorgan Chase).

Peter F. Barry is retired President of Cadillac Rubber & Plastics Company (a manufacturer of rubber and plastics components).

Donald J. Dawson, Jr. is Chairman of Payroll 1, Inc. (a payroll processing company).

Joseph M. Grace is retired Senior Vice President of National Bank of Detroit (JPMorgan Chase).

Richard L. Platte, Jr., CFA is Executive Vice President and Secretary of Schwartz Investment Counsel, Inc. and is the portfolio manager of the Ave Maria Bond Fund and the co-portfolio manager of the Ave Maria Rising Dividend Fund.

Timothy S. Schwartz, CFA is Vice President and Treasurer of Schwartz Investment Counsel, Inc. and is the portfolio manager of the Ave Maria Opportunity Fund.

Becky S. Renaud is Chief Financial Officer and Chief Compliance Officer of Schwartz Investment Counsel, Inc.

AVE MARIA MUTUAL FUNDS
CATHOLIC ADVISORY BOARD (Unaudited)

The Catholic Advisory Board reviews the companies selected by the Adviser to ensure that the companies operate in a way that is consistent with teachings and core values of the Roman Catholic Church. The Catholic Advisory Board evaluates companies using publicly available information, information from the Adviser, and information from shareholders and other sources in making its recommendations. The following are the members of the Catholic Advisory Board:

Member	Address	Age	Length of Time Served
Lou Holtz	5818 El Camino Real, Carlsbad, CA	71	Since 2007
Lawrence Kudlow	1375 Kings Hwy. East, Suite 260, Fairfield, CT	60	Since 2005
Thomas S. Monaghan	One Ave Maria Drive, Ann Arbor, MI	71	Since 2001
Michael Novak	1150 17th Street, NW, Suite 1100, Washington, DC	74	Since 2001
Paul R. Roney	One Ave Maria Drive, Ann Arbor, MI	50	Since 2001
Phyllis Schlafly	7800 Bonhomme, St. Louis, MO	83	Since 2001

Lou Holtz is the former football coach at University of Notre Dame among others, ESPN college football analyst, author and motivational speaker.

Lawrence Kudlow is the host of CNBC's "Kudlow & Company" and a nationally syndicated columnist.

Thomas S. Monaghan is Chairman of the Ave Maria Foundation (a non-profit foundation supporting Roman Catholic organizations) and Chancellor of Ave Maria University. Prior to December 1998, he was Chairman and Chief Executive Officer of Domino's Pizza, Inc.

Michael Novak is a theologian, author, columnist and former U.S. ambassador. He is Director of Social and Political Studies of the American Enterprise Institute.

Paul R. Roney is Executive Director of the Ave Maria Foundation and President of Domino's Farms Corporation. Prior to December 1998, he was Treasurer of Domino's Pizza, Inc.

Phyllis Schlafly is an author, columnist and radio commentator. She is President of Eagle Forum (an organization promoting conservative and pro-family values).

Additional information regarding the Funds' Trustees, executive officers and Catholic Advisory Board members may be found in the Funds' Statement of Additional Information and is available without charge upon request by calling (888) 726-9331.

AVE MARIA MUTUAL FUNDS
FEDERAL TAX INFORMATION (Unaudited)

In accordance with federal tax requirements, the following provides shareholders with information concerning distributions from net realized gains made by the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund and certain ordinary income dividends paid by the Ave Maria Catholic Values Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund and the Ave Maria Bond Fund during the year end December 31, 2007. On December 28, 2007, the Ave Maria Catholic Values Fund declared and paid an ordinary income dividend of $0.0034 per share and declared and paid a long-term capital gain distribution of $0.1326 per share; the Ave Maria Growth Fund declared and paid a long-term capital gain distribution of $0.2825 per share; the Ave Maria Rising Dividend Fund declared and paid a short term capital gain distribution of $0.1008 per share and declared and paid a long-term capital gain distribution of $0.2199 per share; the Ave Maria Opportunity Fund declared and paid an ordinary income distribution of $0.0713 per share; the Ave Maria Bond Fund declared and paid a short-term capital gain distribution of $0.0336 per share and declared and paid a long-term capital gain distribution per share of $0.1928 per share. Periodically throughout the year, the Ave Maria Rising Dividend Fund paid ordinary income dividends totaling $0.1568 per share. Periodically throughout the year, the Ave Maria Bond Fund paid ordinary income dividends totaling $0.4110 per share for Class I shares and $0.3823 per share for Class R shares. As provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003, 100% of the long-term capital gain distributions of $0.1326, $0.2825, $0.2199 and $0.1928 per share for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund, respectively, 100% of the short-term capital gain distributions of $0.1008 and $0.0336 per share for the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund, respectively, and a percentage (100%, 100%, 100%, and 15.75%) of the ordinary income dividends paid for the Ave Maria Catholic Values Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund and the Ave Maria Bond Fund, respectively, may be subject to a maximum tax rate of 15%. Early in 2008, as required by federal regulations, shareholders received notification of their portion of the Funds' taxable distributions, if any, paid during the 2007 calendar year.

AVE MARIA MUTUAL FUNDS
ABOUT YOUR FUNDS' EXPENSES (Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Funds, you may incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The ongoing costs reflected in the tables below are based on an investment of $1,000 made at the beginning of the most recent semi-annual period (July 1, 2007) and held until the end of the period (December 31, 2007).

The tables that follow illustrate each Fund's costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from each Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with $1,000 in the Funds. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number given for the Funds under the heading "Expenses Paid During Period."

Hypothetical 5% return – This section is intended to help you compare the Funds' costs with those of other mutual funds. It assumes that each Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Funds' actual returns, the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess each Fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Funds do not charge sales loads or redemption fees.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

More information about the Funds' expenses, including historical annual expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Funds' Prospectus.

AVE MARIA MUTUAL FUNDS
ABOUT YOUR FUNDS' EXPENSES (Unaudited) (Continued)

Ave Maria Catholic Values Fund

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 877.30	$7.10
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,017.64	$7.63

* Expenses are equal to the Ave Maria Catholic Values Fund's annualized expense ratio of 1.50% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ave Maria Growth Fund

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$1,026.20	$7.66
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,017.64	$7.63

* Expenses are equal to the Ave Maria Growth Fund's annualized expense ratio of 1.50% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ave Maria Rising Dividend Fund

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 918.40	$5.13
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,019.86	$5.40

* Expenses are equal to the Ave Maria Rising Dividend Fund's annualized expense ratio of 1.06% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ave Maria Opportunity Fund

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$ 840.00	$5.80
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,018.90	$6.36

* Expenses are equal to the Ave Maria Opportunity Fund's annualized expense ratio of 1.25% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ave Maria Bond Fund – Class I

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$1,039.70	$2.06
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,022.99	$2.04

* Expenses are equal to the Ave Maria Bond Fund – Class I's annualized expense ratio of 0.40% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ave Maria Bond Fund – Class R

	Beginning Account Value July 1, 2007	Ending Account Value December 31, 2007	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$1,037.30	$3.44
Based on Hypothetical 5% Return (before expenses)	$1,000.00	$1,021.68	$3.41

* Expenses are equal to the Ave Maria Bond Fund – Class R's annualized expense ratio of 0.67% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

AVE MARIA MUTUAL FUNDS
OTHER INFORMATION (Unaudited)

A description of the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free (888) 726-9331, or on the Securities and Exchange Commission's ("SEC") website at http://www.sec.gov. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free (888) 726-9331, or on the SEC's website http://www.sec.gov.

The Trust files a complete listing of portfolio holdings for each of the Funds with the SEC as of the first and third quarters of each fiscal year on Form N-Q. The filings are available free of charge, upon request, by calling (888) 726-9331. Furthermore, you may obtain a copy of the filings on the SEC's website at http://www.sec.gov. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

Ave Maria Catholic Values Fund

Ave Maria Growth Fund

Ave Maria Rising Dividend Fund

Ave Maria Opportunity Fund

Ave Maria Bond Fund

Ave Maria Mutual Funds
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