

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
SECOND QUARTER
2012**

ADMINISTRATIVE MANAGER'S REPORT

SECOND QUARTER 2012
CONTRIBUTIONS

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
CAPITAL HILTON	\$1.5000	09-15-10	270	\$177,737	118,491
CAPITOL SKYLINE HOTEL	1.5000	09-15-10	51	28,937	19,291
FOUR POINTS HOTEL BY SHERATON	1.5000	09-15-10	44	28,439	18,959
HAY-ADAMS HOTEL	1.5000	09-15-10	145	102,371	68,247
HILTON WASH. EMBASSY ROW HOTEL	1.5000	09-15-10	57	36,516	24,344
HYATT REGENCY WASHINGTON ON CAPITOL HILL	1.5000	09-15-10	368	247,523	165,015
L'ENFANT PLAZA HOTEL	1.5000	09-15-10	179	123,057	82,038
MARRIOTT WARDMAN PARK	1.5000	09-15-10	643	425,937	283,958
OMNI-SHOREHAM HOTEL	1.5000	09-15-10	435	271,869	181,246
RENAISSANCE MAYFLOWER HOTEL	1.5000	09-15-10	297	182,376	121,584
ST. REGIS WASHINGTON D.C.	1.5000	09-15-10	140	96,176	64,117
WASHINGTON HILTON HOTEL & TOWERS	1.5000	09-15-10	686	367,266	244,844
W HOTEL	1.5000	09-15-10	231	139,862	93,241
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	1.5000	09-15-10	140	83,328	55,552
FAIRFAX AT EMBASSY ROW	1.5000	09-15-10	123	77,283	51,522
HOLIDAY INN GEORGETOWN	1.5000	09-15-10	36	25,233	16,822
JEFFERSON HOTEL	1.5000	09-15-10	66	41,955	27,970
LIAISON CAPITOL HILL	1.5000	09-15-10	149	102,326	68,217
MADISON HOTEL	1.5000	09-15-10	161	107,960	71,973
MANDARIN ORIENTAL	1.5000	09-15-10	243	153,074	102,049
PHOENIX PARK HOTEL	1.5000	03-15-08	33	24,248	16,165
WASHINGTON COURT HOTEL	1.5000	09-15-10	131	82,101	54,734
INDEPENDENTS					
ARAMARK @ VERIZON CENTER ¹	1.8000	12-02-13	6	2,663	1,614
BEACON HOTEL	1.5000	09-15-10	35	25,664	17,109
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	1.5000	10-15-10	271	155,864	103,909
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	1.5000	10-15-10	67	44,306	29,537
HARRINGTON HOTEL	1.5000	09-15-10	35	25,976	17,317
HILTON MCLEAN TYSONS CORNER	1.5000	10-15-10	210	136,626	91,084
HOTEL AND RESTAURANT TEMPS	1.5000	10-01-13	60	1,230	820
LEVY RESTAURANTS AT VERIZON CENTER	1.3000	12-02-12	19	7,407	5,698
NATIONAL DEMOCRATIC CLUB	1.0000	02-28-10	20	8,158	8,158
POWERSCOURT RESTAURANT	1.5000	03-15-08	17	6,777	4,518
RESTAURANT ASSOC./KENNEDY CENTER	1.5000	07-15-11	111	56,601	37,734
SHERATON PREMIERE HOTEL AT TYSONS CORNER	1.5000	11-15-10	126	87,099	58,066
UNITE HERE LOCAL 23	1.6100		2	1,674	1,040
UNITE HERE LOCAL 25	1.6100		15	11,708	7,272
UNITE HERE LOCAL 25 TEMP. EMP.	1.5000		9	4,455	2,970
WOODNER HOTEL	1.5000	11-30-07	8	6,083	4,055

¹ RATE INCREASE EFFECTIVE JUNE 1, 2012

5,639	\$3,507,865	2,341,280
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AVG HR CONTRIBUTION \$1.498

AVG HRS PER MONTH
PER PARTICIPANT 138.40

SECOND QUARTER 2012 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$1,788,800	\$0.764	92.273%
DEATH BENEFITS	20,000	0.009	1.032%
SUBTOTAL	\$1,808,800	\$0.773	93.305%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$126	\$0.000	0.0065%
ACTUARIAL FEE	16,609	\$0.007	0.8568%
ADMINISTRATION	57,357	\$0.024	2.9587%
BANK FEE	3,768	\$0.002	0.1944%
BREDHOFF & KAISER	4,927	\$0.002	0.2542%
INVESTMENT MGMT. FEES	29,972	\$0.013	1.5461%
MEETING	347	\$0.000	0.0179%
POSTAGE	3,048	\$0.001	0.1572%
PRINTING	4,011	\$0.002	0.2069%
SEYFARTH SHAW	9,625	\$0.004	0.4965%
SUBTOTAL	\$129,790	\$0.055	6.695%
TOTAL EXPENSES	\$1,938,590	\$0.828	100.00%

RETIREEES	1,766	AVERAGE MONTHLY PAYOUT	\$337.64
DEATH CLAIMS	10	AVERAGE COST/CLAIM	\$2,000.00

SECOND QUARTER 2012
QUARTERLY RECAP

	FIRST 2012	SECOND 2012	THIRD 2012	FOURTH 2012	TOTAL
CONTRIBUTIONS	\$3,109,303	\$3,507,865			\$6,617,168
MISCELLANEOUS INCOME ¹	63,908	10,882			74,790
INTEREST & DIVIDENDS	156	100			256
INVESTMENT INCOME	10,606,236	(5,134,207)			5,472,029
WITHDRAWAL LIABILITY					0

TOTAL INCOME	\$13,779,603	(\$1,615,360)			\$12,164,243
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BENEFIT EXPENSES					
PENSION BENEFITS	\$1,849,903	\$1,788,800			\$3,638,703
DEATH BENEFITS	16,000	20,000			36,000
SUBTOTAL	\$1,865,903	\$1,808,800			\$3,674,703

OPERATING EXPENSES					
ADMINISTRATION	\$55,971	\$57,357			\$113,328
MISCELLANEOUS	160,391	72,433			232,824
SUBTOTAL	\$216,362	\$129,790			\$346,152

TOTAL EXPENSES	\$2,082,265	\$1,938,590			\$4,020,855
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TOTAL INCOME	\$13,779,603	(\$1,615,360)			\$12,164,243
TOTAL EXPENSES	2,082,265	1,938,590			4,020,855
SURPLUS (DEFICIT)	\$11,697,338	(\$3,553,950)			\$8,143,388

TOTAL PARTICIPANTS	5,374	5,639		
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¹ MISCELLANEOUS INCOME: MANDARIN ORIENTAL HOTEL AUDIT \$6,708.52 AND INTEREST \$1,673.93. L'ENFANT PLAZA HOTEL WITHDRAWAL LIABILITY FEE PAYMENT \$1,250.00.
ARAMARK@VERIZON CENTER WITHDRAWAL LIABILITY FEE PAYMENT \$1,250.00.

2011
RECAP

	FIRST 2011	SECOND 2011	THIRD 2011	FOURTH 2011	TOTAL
CONTRIBUTIONS	\$3,092,322	\$3,475,440	\$3,352,451	\$3,339,911	\$13,260,124
MISCELLANEOUS INCOME	57,256	14,773	0	22,355	94,384
INTEREST & DIVIDENDS	309	138	165	201	813
INVESTMENT INCOME	3,474,531	1,128,358	(8,800,423)	5,364,178	1,166,644
WITHDRAWAL LIABILITY	62,621	62,621	1,102,401	0	1,227,643

TOTAL INCOME	\$6,687,039	\$4,681,330	(\$4,345,406)	\$8,726,645	\$15,749,608
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BENEFIT EXPENSES					
PENSION BENEFITS	\$1,698,329	\$1,779,199	\$1,813,161	\$1,828,638	\$7,119,327
DEATH BENEFITS	26,389	28,000	14,000	10,000	78,389
SUBTOTAL	\$1,724,718	\$1,807,199	\$1,827,161	\$1,838,638	\$7,197,716

OPERATING EXPENSES					
ADMINISTRATION	\$47,794	\$43,801	\$104,179	\$51,397	\$247,171
MISCELLANEOUS	166,676	94,493	191,406	113,283	565,858
SUBTOTAL	\$214,470	\$138,294	\$295,585	\$164,680	\$813,029

TOTAL EXPENSES	\$1,939,188	\$1,945,493	\$2,122,746	\$2,003,318	\$8,010,745
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TOTAL INCOME	\$6,687,039	\$4,681,330	(\$4,345,406)	\$8,726,645	\$15,749,608
TOTAL EXPENSES	1,939,188	1,945,493	2,122,746	2,003,318	8,010,745
SURPLUS (DEFICIT)	\$4,747,851	\$2,735,837	(\$6,468,152)	\$6,723,327	\$7,738,863

TOTAL PARTICIPANTS	5,415	5,518	5,296	5,552
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¹ MISCELLANEOUS INCOME: HILTON WASHINGTON EMBASSY ROW PAYROLL AUDIT \$13,340.91, INTEREST \$1,223.92, LEGAL FEE \$4,165.46 AND LIQUIDATED DAMAGES \$335.00. POWERSCOURT RESTAURANT PAYROLL AUDIT \$2,730.88 AND INTEREST \$496.18. EMBASSY SUITES CRYSTAL CITY PAYROLL AUDIT \$3.92 AND INTEREST \$58.46.

SECOND QUARTER 2012
HOURLY RECAP

	FIRST 2012	SECOND 2012	THIRD 2012	FOURTH 2012	AVG. TOTAL
CONTRIBUTIONS	\$1.5000	\$1.4982			\$1.4991
MISCELLANEOUS INCOME	0.0308	0.0046			\$0.0177
INTEREST PNC	0.0001	0.0000			\$0.0001
WITHDRAWAL LIABILITY	0.0000	0.0000			\$0.0000

TOTAL INCOME	\$1.5309	\$1.5028			\$1.5169
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BENEFIT EXPENSES					
PENSION BENEFITS	\$0.891	\$0.764			\$0.828
DEATH BENEFITS	0.008	0.009			0.009
SUBTOTAL	\$0.899	\$0.773			\$0.837

OPERATING EXPENSES					
ADMINISTRATION	\$0.027	\$0.024			\$0.026
MISCELLANEOUS	0.077	0.031			0.054
SUBTOTAL	\$0.104	\$0.055			\$0.080

TOTAL EXPENSES	\$1.003	\$0.828			\$0.917
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TOTAL INCOME	\$1.531	\$1.503			\$1.517
TOTAL EXPENSES	1.003	0.828			0.917
SURPLUS (DEFICIT)	\$0.528	\$0.675			\$0.600

SECOND QUARTER 2012 DELINQUENT EMPLOYERS

EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
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NONE TO REPORT			
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HERE 25 PENSION FUND

Balance Sheet

June 30, 2012

ASSETS

Current Assets		
UNITED BANK BENEFIT ACC	\$	669,557.82
MEPT-MM		<u>2,305.30</u>
Total Current Assets		671,863.12
Total Property and Equipment		0.00
Other Assets		
LONGVIEW CORP STOCK		14,337,997.21
CORPORATE STOCKS VALUATION		19,617,607.30
PNC SHORT TERM INVEST / MM		3,342,745.99
STIF MSD&T 3338209		153,935.57
BUILDING INVESTMENT TRUST		6,163,095.83
HOUSING INVESTMENT TRUST		3,491,577.54
LONGVIEW 600 SMALL CAP		2,124,422.09
MV APPR LONGVIEW 600		2,782,020.08
MANNING & NAPIER		6,673,370.27
MV APPR MANNING & NAPIER		(549,984.60)
PIMCO FDS		13,743,416.85
MV APPR PIMCO FDS		595,270.33
VANGUARD		5,094,582.08
MV APPR VANGUARD		81,542.53
SHMDX STONE HARBOR		4,255,555.56
SHMDX STONE HARBOR MARKET VALU		(24,458.61)
SHLMX STONE HARBOR		2,815,217.39
SHLMX STONE HARBOR MARKET VALU		(113,610.32)
DFA EMERGING EQUITY		3,515,944.82
DFA EMERGING EQUITY MV		(485,625.99)
VONTOBEL GLOBAL EMERGING MARKE		3,500,000.00
ULLICO PREFERRED 8%		1,947,577.52
CORPORATE STOCK VALUATION		(385,241.92)
MULTI. EMP TRUST		2,448,916.51
MULTI. EMP. TRUST VAL		2,868,089.74
ARITO GLOBAL INVESTORS		6,640,849.31
INTL EQUITY II GT VALUATION A		(792,011.86)
WESTERN ASSET CORE BONDS		7,703,518.87
WESTERN ASSET CORE BONDS MV		220,761.96
ACCRUED INT. AND OTHER		<u>39,571.96</u>
Total Other Assets		<u>111,806,654.01</u>
Total Assets		<u>\$ 112,478,517.13</u>

LIABILITIES AND CAPITAL

Current Liabilities		
DUE TO/FROM LEGAL	\$	<u>250.00</u>
Total Current Liabilities		250.00
Total Liabilities		250.00
Capital		
RETAINED EARNINGS		105,665,293.27
Net Income		<u>6,812,973.86</u>
Total Capital		<u>112,478,267.13</u>
Total Liabilities & Capital		<u>\$ 112,478,517.13</u>

HERE 25 PENSION FUND
Income Statement
For the Six Months Ending June 30, 2012

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 80,602.08	\$ 123,063.97
HAY - ADAMS HOTEL	97,742.44	158,094.06
RENAISSANCE MAYFLOWER	179,998.00	291,269.22
PHOENIX PARK HOTEL	22,750.79	35,605.73
HILTON WASH. EMBASSY ROW	46,297.35	56,540.85
HARRINGTON HOTEL	25,311.38	34,719.76
L'ENFANT PLAZA HOTEL	116,140.89	182,312.64
WASHINGTON HILTON	356,484.38	547,201.13
HYATT REGENCY	227,048.79	369,735.17
WOODNER HOTEL	6,497.62	10,311.36
NATIONAL DEMOCRATIC	7,541.80	12,841.78
RESTAURANT ASSOC./KENNEDY CTR	57,115.00	93,349.24
BEACON HOTEL	26,484.60	39,573.38
HOLIDAY INN ON THE HILL	100,472.60	157,770.92
LEVY@VERIZON CENTER	6,814.84	12,541.03
HOLIDAY INN-GEORGETOWN	24,621.79	35,819.09
ST. REGIS WASHINGTON	93,061.30	149,157.56
OMNI-SHOREHAM HOTEL	273,630.17	392,616.44
CAPITAL HILTON	174,771.41	265,005.17
MADISON HOTEL	104,129.06	156,010.69
FOUR POINTS HOTEL BY SHERATON	20,242.64	37,862.51
CAPITOL SKYLINE HOTEL	16,253.66	26,229.68
FAIRFAX AT EMBASSY ROW	76,817.24	123,386.22
JEFFESON HOTEL	44,343.20	68,806.33
MARRIOTT WARDMAN PARK	453,929.70	680,213.70
UNITE HERE LOCAL 25	16,839.44	25,420.61
ARAMARK@VERIZON CENTER	4,097.43	6,959.05
POWERSCOURT RESTAURANT	6,498.42	9,813.11
SHERATON PREMIER@TYSON	88,150.20	132,618.26
MANDARIN ORIENTAL	162,288.25	242,338.18
EMBASSY SUITES CONV CTR	110,315.81	134,193.21
HOTEL AND RESTAURANT	682.50	802.50
W HOTEL	166,274.36	203,652.28
HILTON MCLEAN @ TYSON CORNER	129,769.55	169,803.35
DOUBLETREE HOTEL	174,660.39	229,624.52
UNITE HERE LOCAL 23	1,777.44	2,807.84
OTHER INCOME	854.82	899.82
INTEREST & DIV. INC.	363,054.60	650,937.72
UNREALIZED G/L ON INV	(5,499,964.58)	1,695,534.21
REALIZED GAIN LOSS	2,803.22	3,125,813.79
P/R AUDIT INCOME	6,708.52	45,176.41
HILTON EMBASSY CRYSTAL CITY	28,419.75	54,351.76
WITHDRAWAL LIABILITY FEE	2,500.00	3,750.00
PAYROLL AUDIT INTEREST INCOME	1,673.93	14,802.80
Total Revenues	(1,593,493.22)	10,809,337.05
Gross Profit	(1,593,493.22)	10,809,337.05
Expenses		
PENSIONS PAID TO MEMBERS	1,824,864.50	3,691,374.77
INVESTMENT MANAGEMENT FEES	4,895.55	9,511.24
INV. CUSTODIAL FEES	3,844.67	3,844.67
INVESTMENT CONSULTANT	24,999.99	41,666.65
ACTUARIAL FEES	16,609.25	16,609.25
ADMINISTRATOR FEES	57,356.52	110,709.87
LEGAL FEE	14,552.36	24,806.21
INSURANCE AND BONDING	0.00	85,707.37
IFEBP	0.00	855.00
MEETING EXPENSE	694.88	694.88
BANK FEE	1,917.57	2,985.56
PRINTING, POSTAGE & OFFICE	7,184.28	7,597.72
Total Expenses	1,956,919.57	3,996,363.19
Net Income	(\$ 3,550,412.79)	\$ 6,812,973.86