INVESTMENT PERFORMANCE SERVICES, LLC

Warehouse Employees Local #730 Welfare Fund

Master Consulting Services Report

Period Ended
December 31, 2016

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Market Discussion Points 4Q | 2016

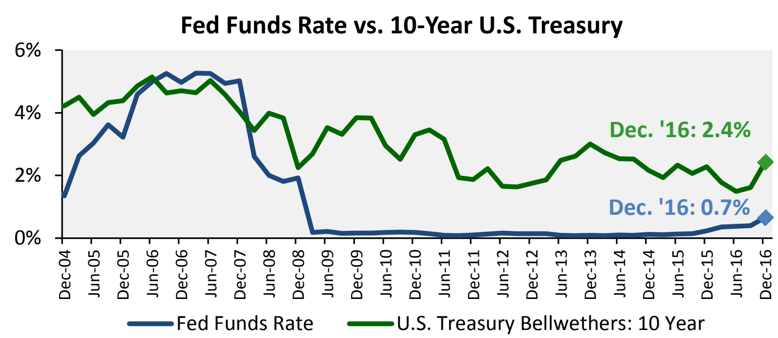
Financial Market Performance

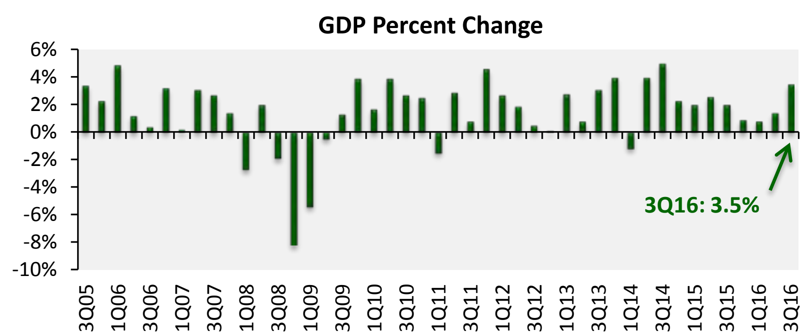
Periods Ending December 31, 2016

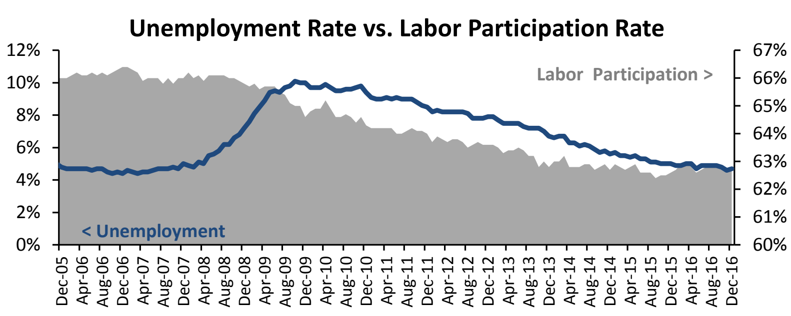
Strategy	Sector	Index	QTR	YTD	2015	2014	2013	2012	2011	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	3.8	12.0	1.4	13.7	32.4	16.0	2.1	12.0	8.9	14.7	7.0	7.7
	US Small Cap	Russell 2000	8.8	21.3	-4.4	4.9	38.8	16.4	-4.2	21.3	6.7	14.5	7.1	8.2
	All Country	MSCI All Country World (net)	1.2	7.9	-2.4	4.2	22.8	16.1	-7.4	7.9	3.1	9.4	3.6	-
	Non-US Developed	MSCI EAFE (net)	-0.7	1.0	-0.8	-4.9	22.8	17.3	-12.1	1.0	-1.6	6.5	0.8	4.2
	Emerging Markets	MSCI EM (net)	-4.2	11.2	-14.9	-2.2	-2.6	18.2	-18.4	11.2	-2.6	1.3	1.8	-
Bonds	**Treasury**	Bloomberg Barclays US Govt	-3.7	1.1	0.9	4.9	-2.6	2.0	9.0	1.1	2.3	1.2	3.9	4.9
	Broad Market	Bloomberg Barclays Aggregate	-3.0	2.7	0.6	6.0	-2.0	4.2	7.8	2.7	3.0	2.2	4.4	5.3
	High Yield	Bloomberg Barclays HY BaB 2% IC	1.1	14.1	-2.7	3.5	6.2	15.0	6.0	14.1	4.7	7.0	7.1	-
	Global Bonds	Citigroup WGBI	-8.5	1.6	-3.6	-0.5	-4.0	1.7	6.4	1.6	-0.8	-1.0	3.0	4.1
Global Tactical Asset		65% MSCI World /35% Citi WGBI	-1.9	5.6	-1.6	3.1	15.1	10.9	-1.2	5.6	2.3	6.5	3.9	5.5
Real Estate	**Core**	NCREIF ODCE Equal Weighted	2.2	9.3	15.1	12.4	13.3	11.0	16.0	9.3	12.2	12.2	5.6	8.9
Hedge Funds	**Diversified FOFs**	HFRI HFOF Composite	1.1	0.7	-0.3	3.4	9.0	4.8	-5.7	0.7	1.3	3.5	1.3	4.6
	Equity Long-Short	HFRI Equity Hedge	1.3	5.5	-1.0	1.8	14.3	7.4	-8.4	5.5	2.1	5.5	2.9	7.9
Commodities	**Commodities**	Goldman Sachs Commodity	5.8	11.4	-32.9	-33.1	-1.2	0.1	-1.2	11.4	-20.6	-13.1	-8.1	-1.9

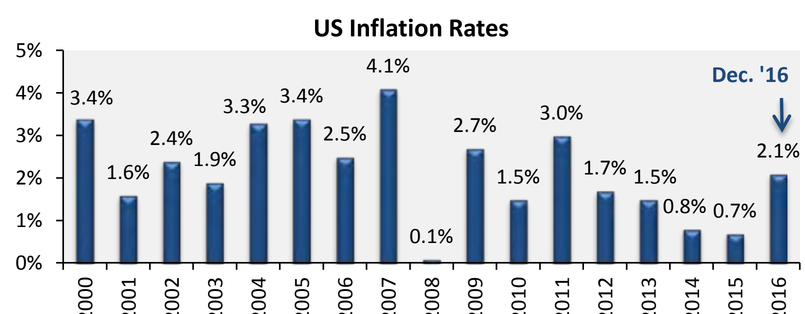
U.S. Economy

We have noted previously that consumer consumption represents the majority of US Gross Domestic Product (GDP) at 69%, with corporate investment at 12%, housing at 4%, government spending at 18% and net exports at a negative 3%. The consumer segment has shown steady and marked improvements across the board; consumer confidence jumped 4.7 points to 98.2, which is the highest level since December of 2007. Employment grew at an average of 200,000 jobs per month during 2016. The official unemployment rate continues to decline slowly and is hovering around 4.5%, which is considered “full employment.” Car sales in 2016 reached the same record in 2015 at 18 million units with light-duty trucks leading sales. Wage growth was about 3% for 2016, with inflation hovering near 2%, so there is real wage growth. The number of people moving from part-time to full-time employment also continues to rise. Household debt service is at all-time lows. Household net worth and the average 401K balance are at all-time highs, up almost 50% from the 2007 prior highs. On the housing front, new home sales are up over 12% for the year, the average price for a single family home hit new highs and the housing affordability index is still very low at 12.4% of household income. The average 30-year fixed rate mortgage moved to 4.2% in December, up from 3.5% earlier this year, but interest rates are still very low by historical standards. The corporate sector of the economy has finally shown a rebound after five quarters of earnings declines. Corporate earnings are projected to increase by 9-10% in 2017. Energy sector earnings, which have been a drag on the S&P 500 since June 2015, turned positive as oil prices have risen and stabilized at the $45-$65 per barrel level. The world has a good level of oil reserves, but supply now equals demand with OPEC and other producers agreeing to limit production. The U.S. government is still providing economic fiscal stimulus with deficit spending, but at only a 3.2% deficit for 2016. Despite two small rate hikes by the Federal Reserve over the past twelve months, interest rates are still very low and still clearly in the “stimulus” range.



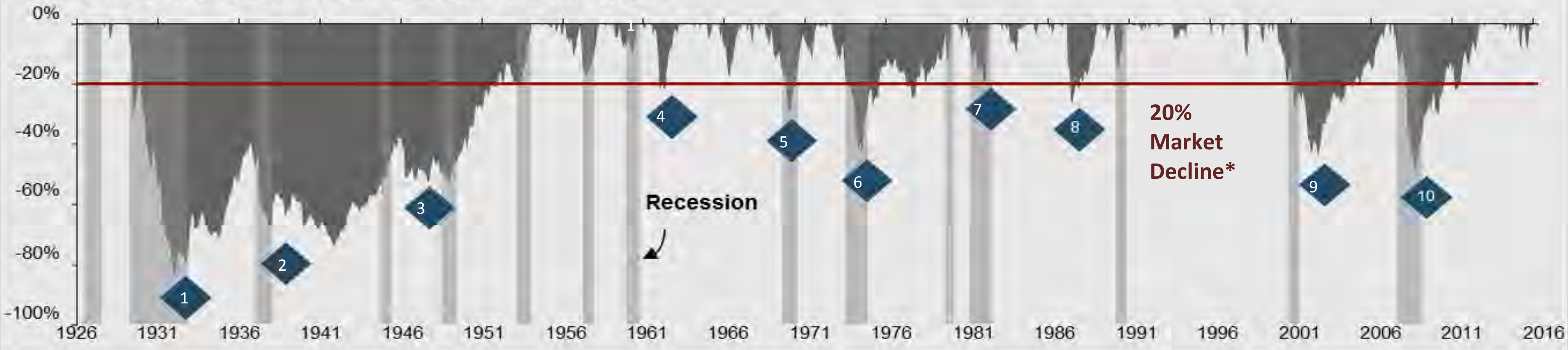






Current Bull Market: Historical Context

S&P 500 composite declines from all-time highs



Characteristics of bull and bear markets

Market Corrections	Market peak	Bear return*	Duration (months)*	Recession	Commodity spike	Aggressive Fed	Extreme valuations	Bull begin date	Bull return	Duration (months)
	Bear markets			Macro environment				Bull markets		
1 Crash of 1929 - Excessive leverage, irrational exuberance	Sep 1929	-86%	33	◆			◆	Jul 1926	152%	38
2 1937 Fed Tightening - Premature policy tightening	Mar 1937	-60%	63	◆		◆		Mar 1935	129%	24
3 Post WWII Crash - Post-war demobilization, recession fears	May 1946	-30%	37	◆			◆	Apr 1942	158%	50
4 Flash Crash of 1962 - Flash crash, Cuban Missile Crisis	Dec 1961	-28%	7				◆	Oct 1960	39%	14
5 Tech Crash of 1970 - Economic overheating, civil unrest	Nov 1968	-36%	18	◆	◆	◆		Oct 1962	103%	74
6 Stagflation - OPEC oil embargo	Jan 1973	-48%	21	◆	◆			May 1970	74%	32
7 Volcker Tightening - Whip Inflation Now	Nov 1980	-27%	21	◆	◆	◆		Mar 1978	62%	33
8 1987 Crash - Program trading, overheating markets	Aug 1987	-34%	3				◆	Aug 1982	229%	61
9 Tech Bubble - Extreme valuations, .com boom/bust	Mar 2000	-49%	31	◆			◆	Oct 1990	417%	115
10 Global Financial Crisis - Leverage/housing, Lehman collapse	Oct 2007	-57%	17	◆	◆	◆		Oct 2002	101%	61
Current Cycle								Mar 2009	231%	95
Averages	-	**-45%**	**25**					-	**154%**	**54**

Source: FactSet, NBER, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.
*A bear market is defined as a 20% or more decline from the previous market high. The bear return is the peak to trough return over the cycle. Periods of "Recession" are defined using NBER business cycle dates. "Commodity spikes" are defined as significant rapid upward moves in oil prices. Periods of "Extreme valuations" are those where S&P 500 last 12 months' P/E levels were approximately two standard deviations above long-run averages, or time periods where equity market valuations appeared expensive given the broader macroeconomic environment. "Aggressive Fed Tightening" is defined as Federal Reserve monetary tightening that was unexpected and/or significant in magnitude.
Guide to the Markets – U.S. Data are as of December 31, 2016.

Asset Class Performance "Quilt"

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RE 13.5%	Fx Inc 8.4%	Fx Inc 10.3%	EM Equity 55.8%	EM Equity 25.6%	EM Equity 34.0%	EM Equity 32.2%	EM Equity 39.4%	Fx Inc 5.2%	EM Equity 78.5%	Small Cap 26.9%	RE 16.0%	EM Equity 18.2%	Small Cap 38.8%	Large Cap 13.7%	RE 15.1%	Small Cap 21.3%
Fx Inc 11.6%	RE 5.7%	RE 5.3%	Small Cap 47.3%	Mid Cap 20.2%	RE 20.2%	Int'l 26.3%	RE 16.1%	RE -10.4%	HY 57.5%	Mid Cap 25.5%	Fx Inc 7.8%	Int'l 17.3%	Mid Cap 34.8%	Mid Cap 13.2%	Large Cap 1.4%	HY 17.5%
Mid Cap 8.3%	HY 4.5%	HFoF 1.0%	Mid Cap 40.1%	Int'l 20.2%	Int'l 13.5%	Small Cap 18.4%	Int'l 11.2%	SD HY -14.0%	Mid Cap 40.5%	EM Equity 18.9%	HY 4.4%	Mid Cap 17.3%	Large Cap 32.4%	RE 12.4%	SD HY 1.2%	Mid Cap 13.8%
HFoF 4.1%	HFoF 2.8%	HY -1.9%	Int'l 38.6%	Small Cap 18.3%	Mid Cap 12.6%	RE 16.2%	HFoF 10.3%	HFoF -21.4%	SD HY 36.1%	RE 16.1%	SD HY 4.4%	Small Cap 16.3%	Int'l 22.8%	Fx Inc 6.0%	Fx Inc 0.6%	Large Cap 12.0%
Small Cap -3.0%	Small Cap 2.5%	EM Equity -6.2%	Large Cap 28.7%	GTAA 13.2%	HFoF 7.5%	Large Cap 15.8%	GTAA 9.9%	GTAA -25.4%	Int'l 31.8%	HY 15.2%	Large Cap 2.1%	Large Cap 16.1%	GTAA 15.3%	Small Cap 4.9%	HFoF -0.3%	EM 11.2%
HY -5.2%	EM Equity -2.6%	GTAA -7.2%	HY 28.1%	RE 12.6%	Large Cap 4.9%	Mid Cap 15.3%	Fx Inc 7.0%	HY -26.4%	Small Cap 27.2%	Large Cap 15.1%	GTAA -0.9%	HY 15.6%	RE 13.3%	HFoF 3.4%	Int'l -0.8%	RE 9.3%
GTAA -8.1%	Mid Cap -5.6%	Int'l -15.9%	GTAA 26.7%	Large Cap 10.9%	Small Cap 4.6%	GTAA 15.1%	Mid Cap 5.6%	Small Cap -33.8%	Large Cap 26.5%	SD HY 11.7%	Mid Cap -1.6%	RE 11.0%	HFoF 9.0%	GTAA 3.0%	GTAA -1.6%	SD HY 8.5%
Large Cap -9.1%	GTAA -10.8%	Mid Cap -16.2%	HFoF 11.6%	HY 10.8%	GTAA 3.6%	HY 11.7%	Large Cap 5.5%	Large Cap -37.0%	GTAA 20.1%	GTAA 9.8%	Small Cap -4.2%	GTAA 10.9%	HY 7.4%	HY 2.5%	Mid Cap -2.4%	GTAA 5.6%
Int'l -14.2%	Large Cap -11.9%	Small Cap -20.5%	RE 9.1%	HFoF 6.9%	HY 2.7%	HFoF 10.4%	SD HY 3.9%	Mid Cap -41.5%	HFoF 11.5%	Int'l 7.8%	HFoF -5.7%	SD HY 10.2%	SD HY 5.6%	SD HY 1.9%	Small Cap -4.4%	Fx Inc 2.7%
EM Equity -30.8%	Int'l -21.5%	Large Cap -22.1%	Fx Inc 4.1%	Fx Inc 4.3%	Fx Inc 2.4%	SD HY 9.9%	HY 2.2%	Int'l -43.4%	Fx Inc 5.9%	Fx Inc 6.5%	Int'l -12.1%	HFoF 4.8%	Fx Inc -2.0%	EM Equity -2.2%	HY -4.6%	Int'l 1.0%
					SD HY 2.4%	Fx Inc 4.3%	Small Cap -1.6%	EM Equity -53.3%	RE -30.7	HFoF 5.7%	EM Equity -18.4%	Fx Inc 4.2%	EM Equity -2.6%	Int'l -4.9%	EM Equity -14.9%	HFoF 0.7%

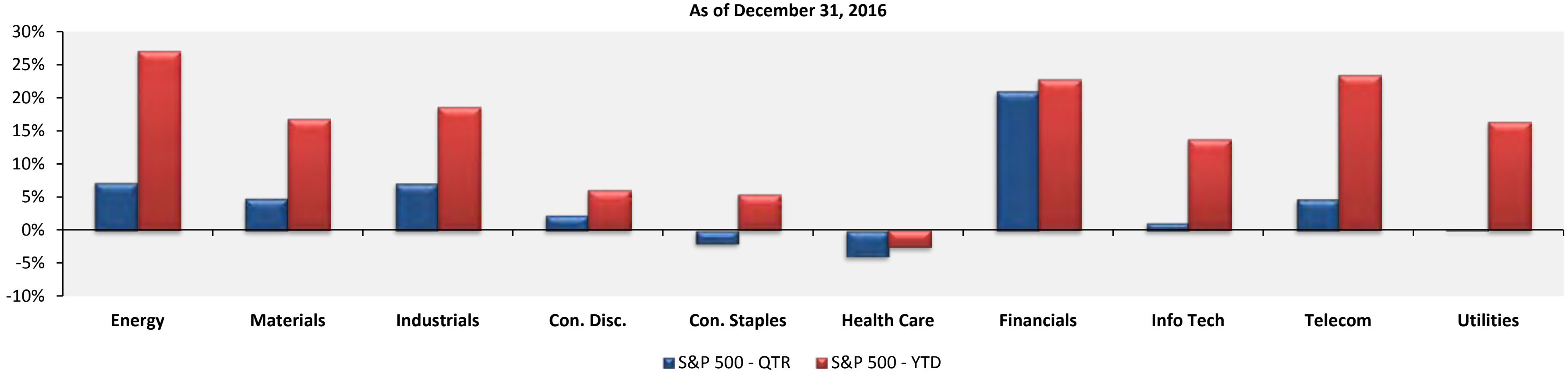
Source: NCREIF, Wilshire. Large Cap Equity: S&P 500 Index, Mid Cap Equity: Russell Midcap Index, Small Cap Equity: Russell 2000 Index, International Equity: MSCI EAFE Index, Emerging Markets: MSCI EM Index, Fixed Income: Barclays Aggregate Index, High Yield Fixed Income: Merrill Lynch High Yield Master II Index, Short Duration High Yield Fixed Income: ML High Yield Cash Pay 1-3 Yr BB Index, Real Estate: NCREIF ODCE Equal Weighted Index, Hedge Fund of Funds: HFRI FOF Index, Global Tactical Asset Allocation: 65%MSCI World Equity/35% Citi World Gov't Bond Index. Inception date for the ML High Yield Cash Pay 1-3 Yr BB Index was January 1, 2005. Past performance is not indicative of future returns.

U.S. Equity Market

The surprise Trump victory in the Presidential election also created a surprise rally in the US stock market. The S&P 500 returned 2.0% in December, pushing the 4th quarter return to 3.8% and the calendar year return to 12%. Strong market rallies are usually led by growth stocks, but this year value stocks clearly dominated with the Russell 1000 Value index returning 17.3% vs. the Russell 1000 Growth up 7.1%. Small cap stocks had the same style tilt, but small cap also dominated large cap with the Russell 2000 Value index up 31.7% for the year vs. the Russell 2000 Growth index up 11.3%. The value rally was driven by three sectors all traditionally considered value-oriented: financials, up 22.8% for the year, benefited from the December interest rate hike; energy rose 27.4% for the year due to the rising price of crude oil; and materials rose 16.7% due to a rebound in most commodity prices. The improved earnings forecast for stocks overall supported gains in most sectors. Healthcare was the exception and was down 2.7% for the year. Healthcare stocks were hurt by the uncertainty of what a repeal of the Affordable Care Act under the Trump administration will mean for the healthcare market. The estimated forward P/E ratio of the S&P 500 at year-end was 16.9 times compared to the 25-year average of 15.9 times, so the market does not appear materially overvalued. The current market rally is now 95 months long (starting in March 2009) and is the second longest and second strongest, exceeded only by the Tech bubble from 1990-2000.

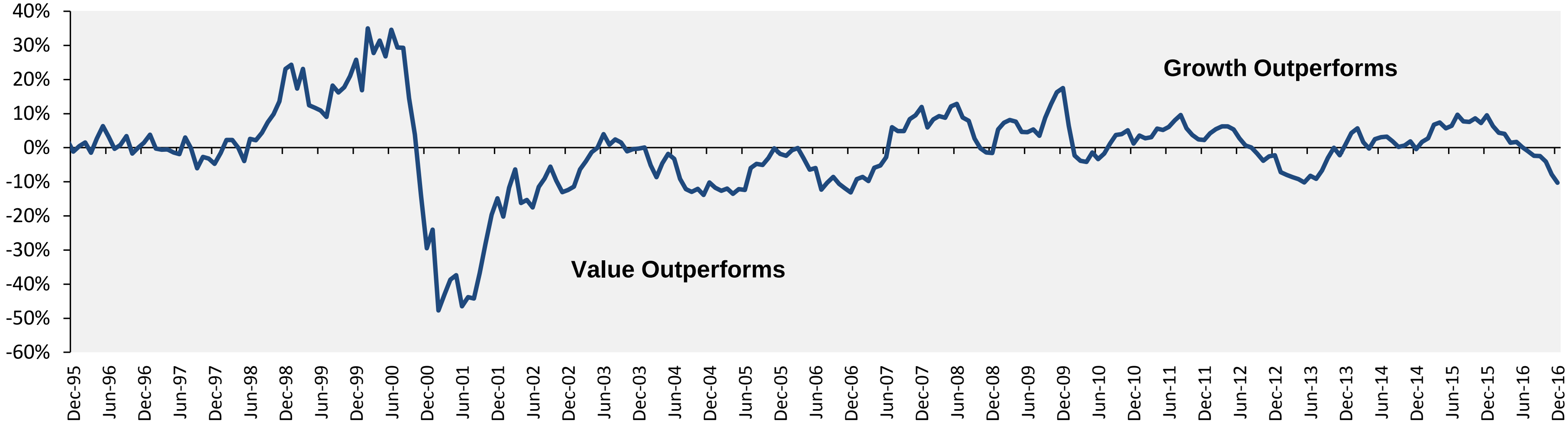
Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	3.8	12.0	1.4	13.7	32.4	16.0	2.1	12.0	8.9	14.7	7.0
	Russell 1000	3.8	12.1	0.9	13.3	33.1	16.4	1.5	12.1	8.6	14.7	7.1
	Russell 1000 Value	6.7	17.3	-3.8	13.5	32.5	17.5	0.4	17.3	8.6	14.8	5.7
	Russell 1000 Growth	1.0	7.1	5.7	13.1	33.5	15.3	2.6	7.1	8.6	14.5	8.3
Mid Cap	Russell Mid-Cap	3.2	13.8	-2.4	13.2	34.8	17.3	-1.6	13.8	7.9	14.7	7.9
	Russell Mid-Cap Value	5.5	20.0	-4.8	14.7	33.5	18.5	-1.4	20.0	9.5	15.7	7.6
	Russell Mid-Cap Growth	0.5	7.3	-0.2	11.9	35.8	15.8	-1.7	7.3	6.2	13.5	7.8
Small Cap	Russell 2000	8.8	21.3	-4.4	4.9	38.8	16.4	-4.2	21.3	6.7	14.5	7.1
	Russell 2000 Value	14.1	31.7	-7.5	4.2	34.5	18.1	-5.5	31.7	8.3	15.1	6.3
	Russell 2000 Growth	3.6	11.3	-1.4	5.6	43.3	14.6	-2.9	11.3	5.1	13.7	7.8
Total Market	Wilshire 5000	4.5	13.4	0.7	12.7	33.1	16.1	1.0	13.4	8.8	14.7	7.2
	Russell 3000	4.2	12.7	0.5	12.6	33.6	16.4	1.0	12.7	8.4	14.7	7.1

Sector Allocations Performance
As of December 31, 2016

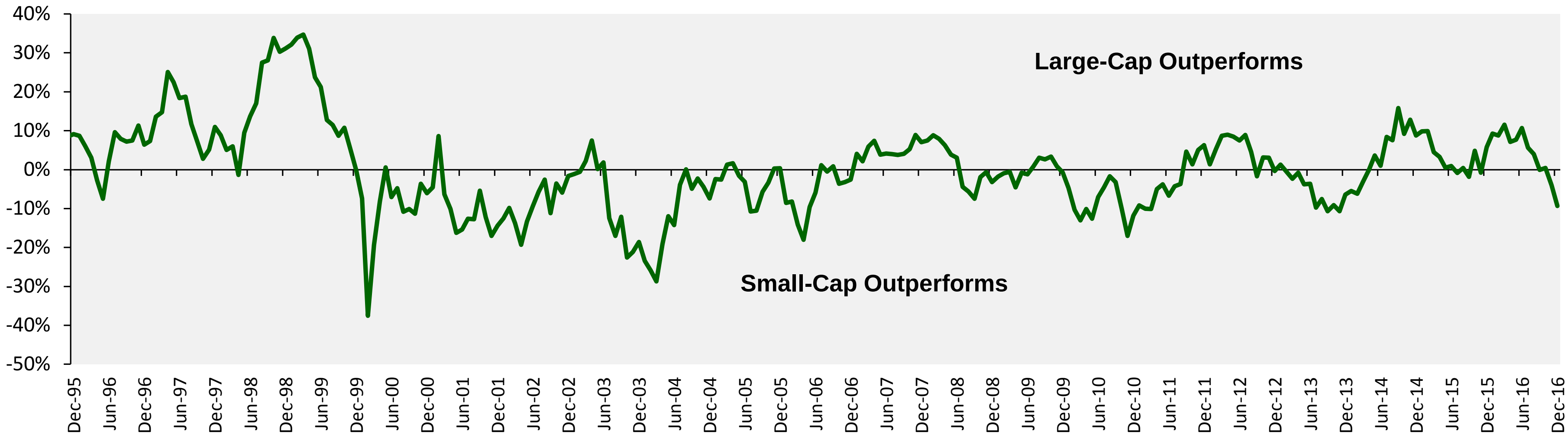


U.S. Equity Market

Russell 1000 Growth vs. Russell 1000 Value
Rolling One-Year Returns



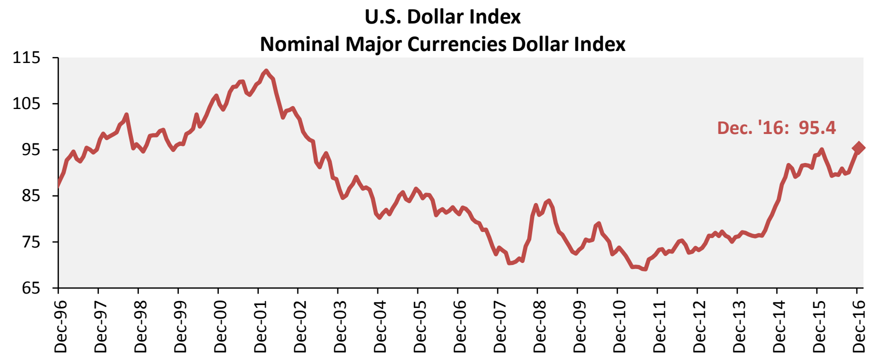
S&P 500 vs. Russell 2000
Rolling One-Year Returns

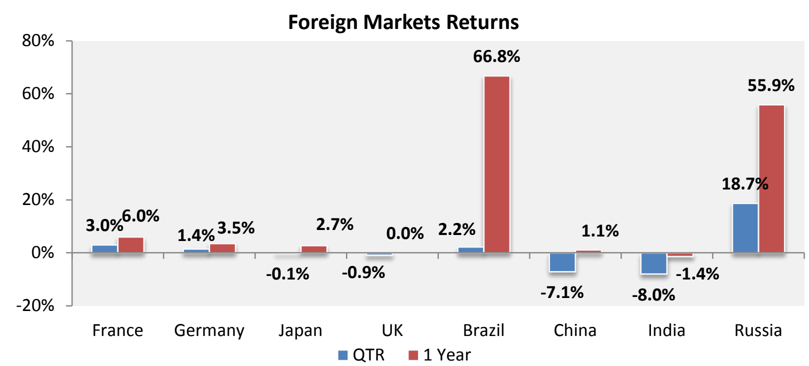


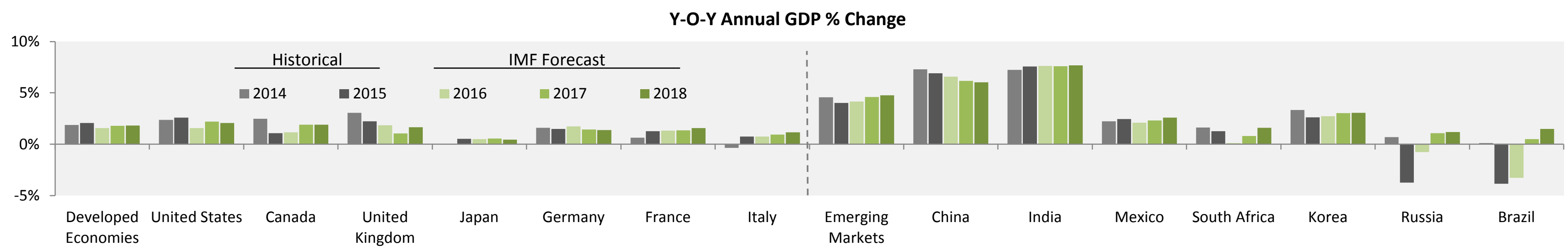
International Equity Market

Developed non-U.S. markets, in particular the Eurozone, are experiencing a slow recovery, reminiscent of where the U.S. was in late 2009 and 2010. In the Eurozone, loan demand is up, GDP is sluggish at 1.4% and unemployment is high but steadily declining. The European central bank is keeping interest rates low and providing additional stimulus through bond buying. Concerns about immigration, political upheaval with Brexit in the UK, Italy's rejection of Prime Minister Renzi's constitutional reforms, OPEC oil production cuts and rising oil prices, and the strong US dollar negatively impacted nearly all of Europe. On a broad scale the MSCI EAFE index was up 1.0% for the year, but there were wide disparities at the country level. The UK market was down 0.1% for the year and the British pound fell 16% against the U.S. Dollar since the Brexit announcement. Developed Europe overall was down 0.6%. Germany showed a bit more resilience and was up 2.8%. Other areas of the world were also mixed, with local politics and local economic activity driving returns. The MSCI Emerging Market Index was up 9.7% but again there were wide disparities in returns by country. In the western hemisphere, Brazil and Chile were up 66% and 22% respectively, but Mexico was down 9% on concerns about the trading relationship with the U.S. post the Trump election. Canada was up 24.6%. Asia was mixed, with China flat at 0.9% for the year, India down 1.4%, Korea up 8.7%, Indonesia up 17% and Thailand up 26.6% for the year.

Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	1.2	7.9	-2.4	4.2	22.8	16.1	-7.4	7.9	3.1	9.4	3.6
	MSCI World Small Cap (net)	1.8	11.6	-1.0	1.8	28.7	18.1	-11.3	11.6	4.0	11.3	5.6
	MSCI World ex US (net)	-1.3	4.5	-5.7	-3.9	15.3	16.8	-13.7	4.5	-1.8	5.0	1.0
	MSCI World ex US Small Cap (net)	-3.5	3.9	2.6	-4.0	19.7	18.5	-18.5	3.9	0.8	7.7	2.9
Developed ex US	MSCI EAFE (net)	-0.7	1.0	-0.8	-4.9	22.8	17.3	-12.1	1.0	-1.6	6.5	0.8
	MSCI EAFE Value (net)	4.2	5.0	-5.7	-5.4	23.0	17.7	-12.2	5.0	-2.1	6.3	-0.2
	MSCI EAFE Growth (net)	-5.5	-3.0	4.1	-4.4	22.6	16.9	-12.1	-3.0	-1.2	6.7	1.6
	MSCI EAFE Small Cap (net)	-2.9	2.2	9.6	-5.0	29.3	20.0	-15.9	2.2	2.1	10.6	3.0
Emerging Markets	MSCI Emerging Markets (net)	-4.2	11.2	-14.9	-2.2	-2.6	18.2	-18.4	11.2	-2.6	1.3	1.8





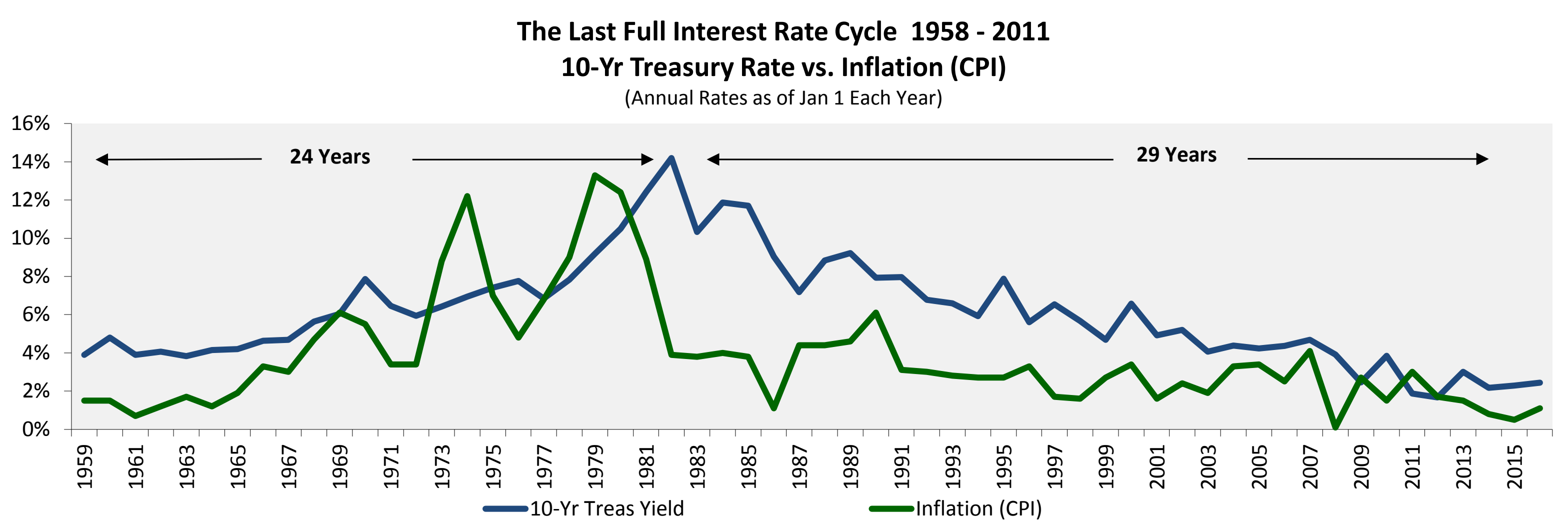


Top left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. **Top right chart:** Data as of December 31, 2016. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. **Source:** International Monetary Fund, World Economic Outlook Database, October 2016.

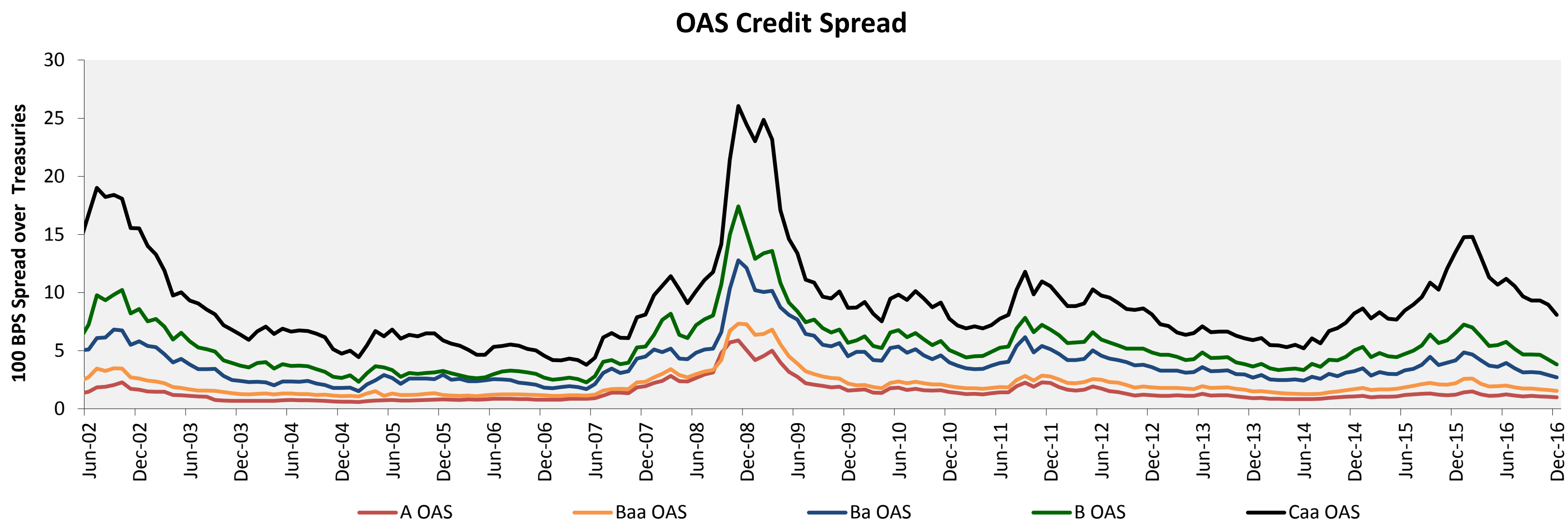
U.S. Bond Market

In the first nine months of 2016, a flattening yield curve rallied bond prices across the board. That trend reversed in the 4th quarter with the 5-year Treasury yield moving from 1.15% to 1.93% and the 10-year Treasury yield moving from 1.60% to 2.44%. With yields moving up, the value of bonds declined and the Bloomberg Barclays Aggregate Bond index posted a 3% loss in the 4th quarter to return 2.7% for the year. The Bloomberg Barclays Aggregate Bond index also continues to extend its duration, moving from 5.68 years at the end of 2015 to 5.89 years at the end of 2016. Duration is a measure of sensitivity to interest rate moves and a longer duration indicates higher volatility relative to interest rate moves. High Yield bonds benefited from the interest rate spreads between high yield bonds and Treasuries narrowing, and prices rallied. The broad Bloomberg Barclays Corporate High Yield index returned 17.1% for the year and the higher quality Bloomberg Barclays High Yield Ba/B 2% Issuer Capped index was up 14.1%. The shorter duration Merrill Lynch BofA High Yield 1-3 year Cash Pay BB index was up 8.5% for the year.

Index	Yield	Duration	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.61	5.9	-3.0	2.7	0.6	6.0	-2.0	4.2	7.8	2.7	3.0	2.2	4.4
Bloomberg Barclays Govt/Credit	2.51	6.4	-3.4	3.1	0.2	6.0	-2.4	4.8	8.7	3.1	3.0	2.3	4.4
Bloomberg Barclays Int Agg	2.37	4.3	-2.1	2.0	1.2	4.1	-1.0	3.6	6.0	2.0	2.4	2.0	4.0
Bloomberg Barclays Int Govt/Credit	2.11	4.1	-2.1	2.1	1.1	3.1	-0.9	3.9	5.8	2.1	2.1	1.9	3.8
Bloomberg Barclays HY Ba/B 2% IC	5.23	4.3	1.1	14.1	-2.7	3.5	6.2	15.0	6.0	14.1	4.7	7.0	7.1
BofA ML HY Cash Pay BB 1-3 Yr.	4.24	1.7	0.9	8.5	1.2	1.9	5.6	10.2	4.4	8.5	3.8	5.4	6.3
Bloomberg Barclays Mortgage	2.85	4.6	-2.0	1.7	1.5	6.1	-1.4	2.6	6.2	1.7	3.1	2.1	4.3
Bloomberg Barclays Treasury	1.89	6.1	-3.8	1.0	0.8	5.1	-2.8	2.0	9.8	1.0	2.3	1.2	4.0
Bloomberg Barclays US TIPS	2.20	4.9	-2.4	4.7	-1.4	3.6	-8.6	7.0	13.6	4.7	2.3	0.9	4.4
BofA ML 91 day T-Bills	0.50	0.2	0.1	0.3	0.1	0.0	0.1	0.1	0.1	0.3	0.1	0.1	0.8



Bond Market


OAS Credit Spread
100 BPS Spread over Treasuries
30
25
20
15
10
5
0
Jun-02
Dec-02
Jun-03
Dec-03
Jun-04
Dec-04
Jun-05
Dec-05
Jun-06
Dec-06
Jun-07
Dec-07
Jun-08
Dec-08
Jun-09
Dec-09
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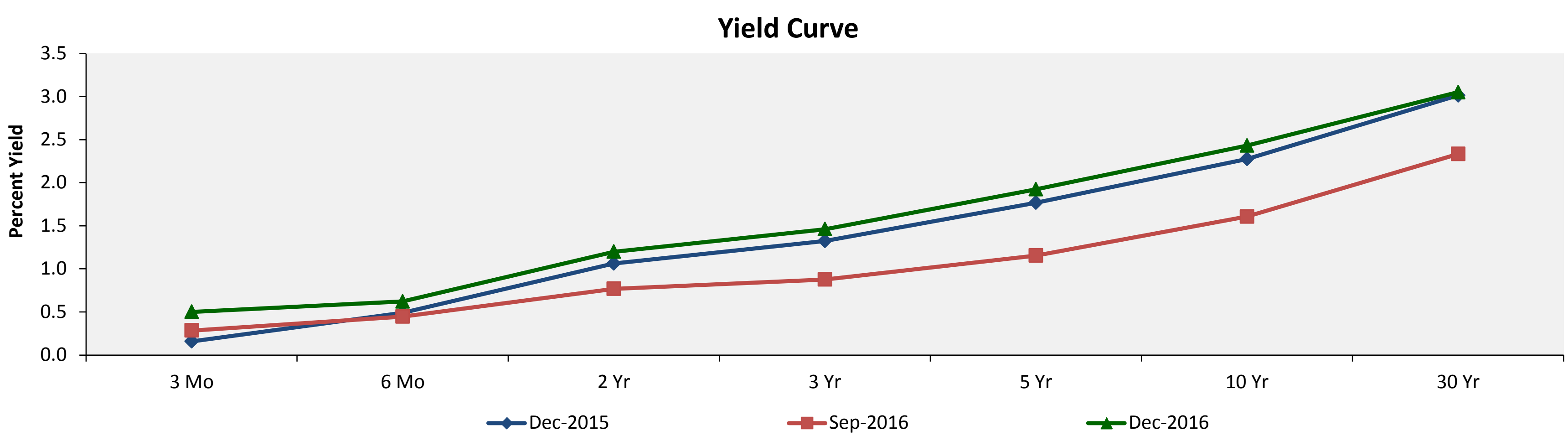
Jun-16
Dec-16
A OAS
Baa OAS
Ba OAS
B OAS
Caa OAS


Yield Curve
Percent Yield
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
3 Mo
6 Mo
2 Yr
3 Yr
5 Yr
10 Yr
30 Yr
Dec-2015
Sep-2016
Dec-2016

Interest Rate Sensitivity

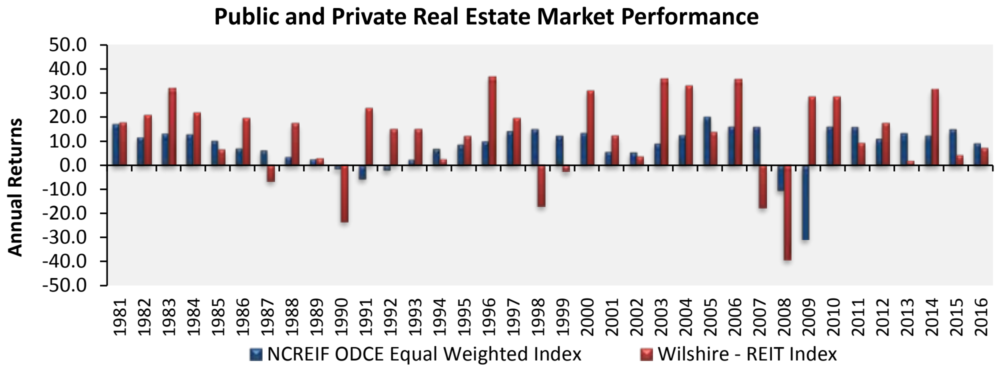
12 Month Holding Period - Annualized Returns as of 12/31/2016							
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.71	11.72	8.19	11.93	4.28	11.37	6.76
-100	11.28	8.68	6.16	8.78	3.33	9.31	5.92
-50	6.86	5.65	4.14	5.64	2.39	7.26	5.08
-25	4.64	4.13	3.12	4.06	1.91	6.23	4.66
0	2.43	2.61	2.11	2.49	1.44	5.20	4.24
25	0.22	1.09	1.10	0.92	0.97	4.17	3.82
50	-2.00	-0.43	0.09	-0.66	0.50	3.15	3.40
100	-6.42	-3.46	-1.94	-3.80	-0.45	1.09	2.56
150	-10.85	-6.50	-3.97	-6.95	-1.40	-0.97	1.72
200	-15.27	-9.53	-5.99	-10.09	-2.34	-3.02	0.88
250	-19.70	-12.57	-8.02	-13.24	-3.29	-5.08	0.04
300	-24.12	-15.60	-10.04	-16.38	-4.23	-7.13	-0.80
350	-28.55	-18.64	-12.07	-19.53	-5.18	-9.19	-1.64
400	-32.97	-21.67	-14.09	-22.67	-6.12	-11.24	-2.48
450	-37.40	-24.71	-16.12	-25.82	-7.07	-13.30	-3.32
500	-41.82	-27.74	-18.14	-28.96	-8.01	-15.35	-4.16
Duration	8.85	6.07	4.05	6.29	1.89	4.11	1.68

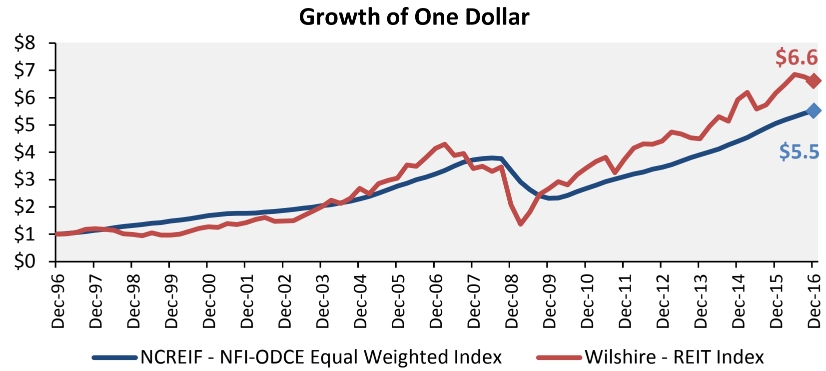
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 12/31/2016 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 12/31/2016 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve. **SOURCE:** PENN Capital Internal Research.

Real Estate Market

The NCREIF ODCE Equal-Weighted index, which is comprised of 33 "core" open-ended real estate funds, posted a 2.2% return for the 4th quarter and was up 9.3% for the year. The return from income was 1.1% for the quarter. Apartment rents were up 3.2% year over year on average, and vacancy rates dropped to 4.0%. The industrial and office sectors also are seeing increased demand as the economy improves, with little speculative supply coming into the market and that is dominated by "build to suit" for company specific needs. Retail seems to be an area of modest concern, especially for shopping centers anchored by large retailers that are impacted adversely by a shift to internet purchases at the expense of their in-store sales. Capitalization rates (the inverse of a “Price to Earnings” ratio) have continued to remain low. With interest rates now in a rising trend, future performance will rely heavily on income and income growth as opposed to lower cap rates. Therefore, future performance may be lower than recent years.

Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.2	9.3	15.1	12.4	13.3	11.0	16.0	9.3	12.2	12.2	5.6
US Public	Wilshire REIT	-2.3	7.2	4.2	31.8	1.9	17.6	9.2	7.2	13.8	12.0	4.8





	Total return (incl. income) 2016	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2016 to 2020 (per year)
National, All Property Types (NPI)	8.3	6.9	5.7	6.4
Office	7.1	6.6	5.5	5.9
Retail	9.4	7.0	5.8	6.9
Industrial	10.9	7.8	6.4	7.3
Apartment	7.6	6.7	5.6	6.1

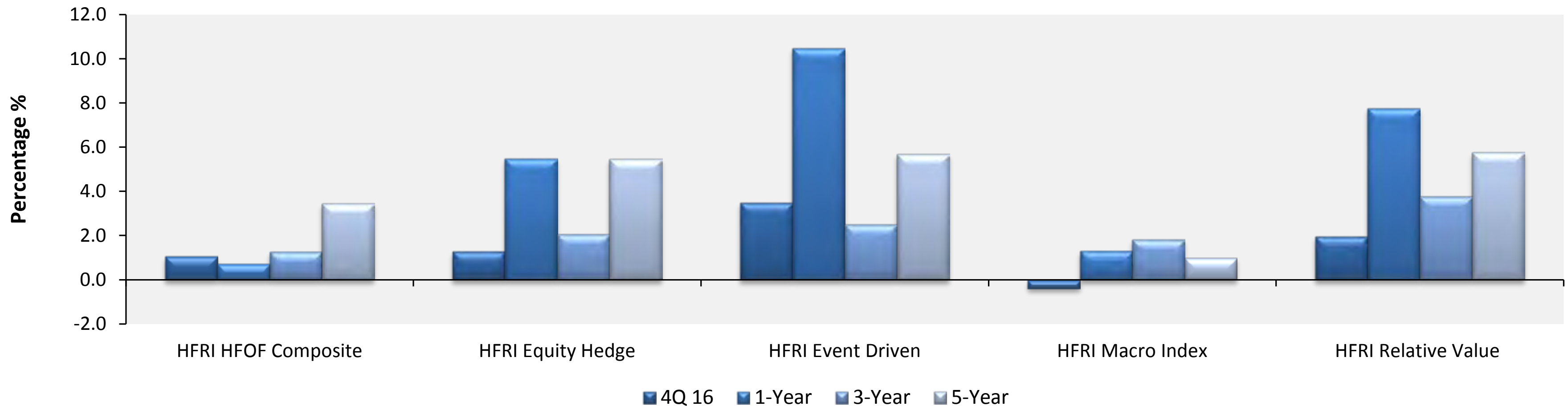
Bottom chart: Average of respondents’ forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q4 2016.

Hedge Fund of Funds Market

Hedge funds generated mostly positive returns during a divergent fourth quarter across several asset classes, as U.S. equities and high yield bonds continued to gain while non-U.S. equities and investment grade bonds largely sold off. The HFRI Fund of Funds Composite rose 1.06% for the quarter, pushing the index into positive territory for the calendar year but up only 71 basis points for 2016. As was the case with traditional active managers, much of the disappointing performance among funds of hedge funds occurred during the first half of 2016. The environment for hedge fund managers appeared to improve in the latter half of the year as equity volatility increased, correlations among sectors and stocks fell, and Treasury yields began to rise, causing losses in the bond market. During the last six months of the year, the HFRI Fund of Funds Composite was up 3.4%, while the Bloomberg Barclays US Aggregate declined 2.5%. Though this is a short-term period, hedge funds have shown long-term negative correlation with bonds, which should be additive to investor portfolios in a rising interest rate environment. The market over the last six months was especially beneficial for long/short equity and event driven strategies; the HFRI Equity Hedge was up 5.9% from July-December and the HFRI Event Driven was up 8.1% over the same period.

Strategy	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	1.1	0.7	-0.3	3.4	9.0	4.8	-5.7	0.7	1.3	3.5	1.3
Equity Long-Short	HFRI Equity Hedge	1.3	5.5	-1.0	1.8	14.3	7.4	-8.4	5.5	2.1	5.5	2.9
Event Driven	HFRI Event Driven	3.5	10.5	-3.6	1.1	12.5	8.9	-3.3	10.5	2.5	5.7	4.1
Global Macro	HFRI Macro Index	-0.4	1.3	-1.3	5.6	-0.4	-0.1	-4.2	1.3	1.8	1.0	2.8
Relative Value	HFRI Relative Value	2.0	7.8	-0.3	4.0	7.1	10.6	0.2	7.8	3.8	5.8	5.2

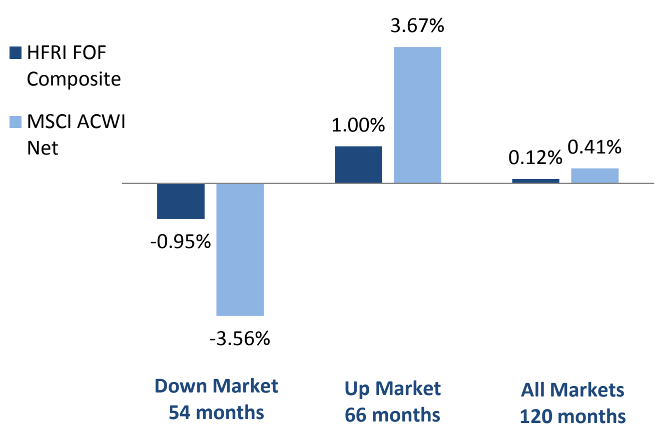
Hedge Fund Strategy Performance



Hedge Fund of Funds Market

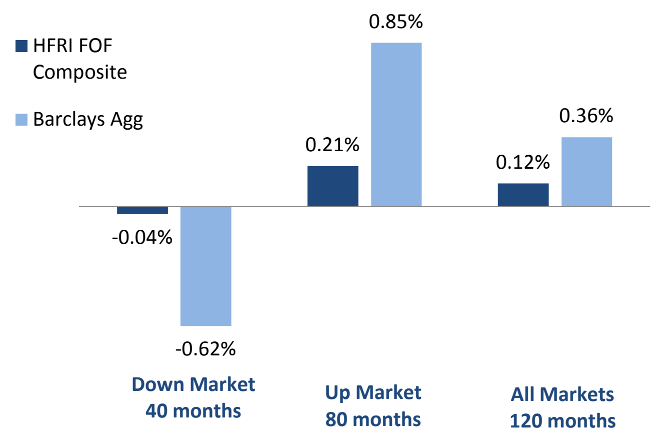
Up/Down Capture vs. Equity

Average Returns
January 2007 - December 2016



Up/Down Capture vs. Bonds

Average Returns
January 2007 - December 2016



Comparison of Long-Term vs. Post Financial Crisis Asset Class Performance

*Represents asset class performance from Jan 1991 - Dec 2015 vs. Jan 2009 - Dec 2015

Source: Corbin Capital Partners

Warehouse Local #730 Welfare Fund

Master Consulting Services Report

Period Ended

December 31, 2016

Total Plan Growth of Assets

Summary of Cash Flows	Fourth Quarter	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	$7,134,938	$9,863,940	$15,220,707	$19,394,994	$18,230,165	$18,400,636
Net Cash Flow	-$184,589	-$3,214,848	-$9,331,244	-$15,159,465	-$16,067,286	-$17,280,969
Net Investment Change	-$36,363	$264,894	$1,024,523	$2,678,458	$4,751,107	$5,794,319
Ending Market Value	$6,913,986	$6,913,986	$6,913,986	$6,913,986	$6,913,986	$6,913,986

- The Fund's fiscal year end is December 31.

Total Plan Performance (Gross of Fees)

	Market Value	% of Portfolio	2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
			Ending December 31, 2016					
Composite	**$6,913,986**	**100.0%**	**-0.5%**	**3.3%**	**3.0%**	**3.7%**	**4.3%**	**3.6%**
Total Investment Grade Fixed Income	**$3,102,718**	**44.9%**	**-2.2%**	**2.2%**	**2.2%**	**1.8%**	**2.7%**	**3.8%**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.0%*	*3.8%*
Total Short Duration High Yield Fixed Income	**$2,735,044**	**39.6%**	**1.0%**	**6.7%**	**2.5%**	**--**	**--**	**--**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*8.5%*	*3.8%*	*5.4%*	*6.1%*	*6.3%*
Total Real Estate	**$766,908**	**11.1%**	**1.2%**	**7.1%**	**11.3%**	**11.5%**	**12.0%**	**--**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	*5.6%*
Total Cash	**$309,316**	**4.5%**	**0.1%**	**0.1%**	**0.1%**	**0.0%**	**0.0%**	**0.7%**
91 Day T-Bills			*0.1%*	*0.3%*	*0.1%*	*0.1%*	*0.1%*	*0.7%*

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
	Fiscal Year Ends December 31										
Composite	**3.3%**	**1.8%**	**3.8%**	**3.7%**	**6.0%**	**5.0%**	**6.2%**	**2.4%**	**-2.7%**	**6.8%**	**7.9%**
Benchmark	*5.1%*	*1.4%*	*4.4%*	*3.8%*	*6.4%*	*6.2%*	*7.7%*	*4.3%*	*-5.1%*	*7.0%*	*7.4%*

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	$3,102,718	44.9%	45.0%	35.0% - 55.0%	-0.1%	-$8,576
Short Duration High Yield Fixed Income	$2,735,044	39.6%	40.0%	30.0% - 50.0%	-0.4%	-$30,551
Real Estate	$766,908	11.1%	5.0%	0.0% - 15.0%	6.1%	$421,209
Cash	$309,316	4.5%	10.0%	0.0% - 20.0%	-5.5%	-$382,083
Total	**$6,913,986**	**100.0%**	**100.0%**			

- Policy targets are effective April 1, 2016.

Asset Allocation

- Asset allocation reviews were presented to the Board of Trustees at the December 5, 2007, April 1, 2009, March 11, 2010, May 2, 2013, March 14, 2014, March 19, 2015, and January 15, 2016 meetings.
- At the September 25, 2014 meeting, Trustees agreed to utilize PENN Capital (high yield) for cash needs to rebalance allocations closer to target.
- An asset allocation review was presented at the March 19, 2015 meeting.
- At the June 19, 2015 meeting, the Trustees elected to redeem $350,000 from ARA (real estate) for cash needs and to rebalance allocations closer to targets. Proceeds were received on September 30, 2015.
- During the 2nd quarter of 2015, $955,000 was transferred to the cash account for benefit payments from the following managers: Wedge ($600,000), Chartwell ($255,000), PENN ($100,000).
- On July 1, 2015, $600,000 was transferred to the cash account from Wedge Capital ($420,000) and Chartwell ($180,000) for benefit obligations.
- At the September 18, 2015 meeting, sources for on-going cash needs were discussed. The Trustees elected to terminate the Fund's investment in SSgA S&P 500 Index Fund and use the proceeds to offset cash needs. On January 6, 2015, SSgA S&P Fund was liquidated. Proceeds of $1.2M were transferred to the PNC cash account.
- An asset allocation review was presented at the January 15, 2016 meeting. Given the continued cash need expectation and following a thorough review of the asset allocation materials, the Trustees adopted asset allocation targets of 45% investment grade fixed income, 40% short duration high yield, 5% real estate, and 10% cash. New targets are effective April 1, 2016. Due to the elimination of HY, the BOT elected to terminate Penn Capital. A full redemption was submitted effective March 31, 2016. PENN proceeds of $983,477 were transferred to the cash account on March 31, 2016.
- To rebalance closer to new targets, $1.4M was transferred to Chartwell (SDHY) from cash ($0.4M) and investment grade fixed income manager Wedge Capital - ($1.0M) on May 5, 2016.
- An asset allocation review will be presented at today's meeting.

Recommendation: None.

Account Information	
Account Name	**Wedge Capital Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**12/31/14**
Account Type	**Fixed**
Benchmark	**BBgBarc US Govt/Credit Int TR**
Universe	**eA US Interm Duration Fixed Inc Gross**

Wedge Capital Management
Ending December 31, 2016

	Fourth Quarter	Inception 12/31/14
Beginning Market Value	$3,172,225	$0
Net Cash Flow	$0	$2,904,590
Net Investment Change	-$69,507	$198,128
Ending Market Value	$3,102,718	$3,102,718

	Gross of Fees									Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Wedge Capital Management	-2.2%	2.2%	--	--	2.2%	1.5%	--	--	--	1.9%	Dec-14
BBgBarc US Govt/Credit Int TR	*-2.1%*	*2.1%*	--	--	*2.1%*	*1.1%*	--	--	--	*1.6%*	*Dec-14*

	Net of Fees								
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012
Wedge Capital Management	-2.3%	2.0%	--	--	2.0%	1.3%	--	--	--
BBgBarc US Govt/Credit Int TR	*-2.1%*	*2.1%*	--	--	*2.1%*	*1.1%*	--	--	--

Warehouse Employees Local #730 Welfare Fund - Wedge Capital Management

Correspondence/Transfer Summary

- On December 1, 2014, manager was funded with $6,814,090 from the termination of Atlanta Capital.
- During the 2nd quarter of 2015, $600,000 was transferred to the cash account for benefit obligations.
- On July 1, 2015, $420,000 was transferred to the cash account for benefit obligations.
- On August 13, 2015, $450,000 was transferred to the cash account for benefit obligations.
- On May 6, 2016, $1.0M was transferred to Chartwell (SDHY) to rebalance closer to targets.

Manager Summary

- IPS conducted due diligence meetings with Wedge Capital on February 6, 2015 and November 24, 2015.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Addition - Brandon Smith was added as an Equity Analyst on the mid cap value team.

Account Information

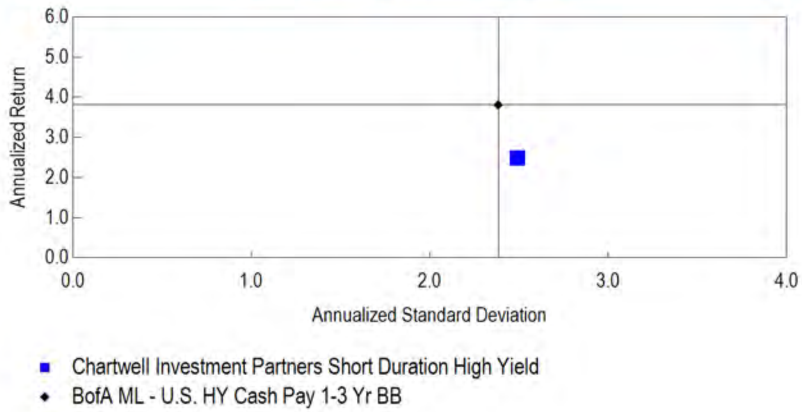
Account Name	Chartwell Investment Partners Short Duration High Yield
Account Structure	Separate Account
Investment Style	Active
Inception Date	8/31/13
Account Type	US Fixed Income High Yield
Benchmark	BofA ML - U.S. HY Cash Pay 1-3 Yr BB
Universe	

Chartwell Investment Partners Short Duration High Yield

Ending December 31, 2016

	Fourth Quarter	Inception 8/31/13
Beginning Market Value	$2,709,071	$0
Net Cash Flow	$0	$2,444,500
Net Investment Change	$25,973	$290,544
Ending Market Value	$2,735,044	$2,735,044

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2016



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners Short Duration High Yield	2.5%	2.5%	73.0%	123.6%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	3.8%	2.4%	100.0%	100.0%

	Gross of Fees									Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Chartwell Investment Partners Short Duration High Yield	1.0%	6.7%	2.5%	--	6.7%	-0.8%	1.6%	--	--	3.1%	Aug-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.9%*	*8.5%*	*3.8%*	--	*8.5%*	*1.2%*	*1.9%*	--	--	*4.2%*	*Aug-13*
BBgBarc 1-3 Yr BB U.S. Constrained Index	*0.8%*	*8.8%*	*3.7%*	--	*8.8%*	*1.1%*	*1.5%*	--	--	*4.0%*	*Aug-13*

	Net of Fees								
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012
Chartwell Investment Partners Short Duration High Yield	0.8%	6.2%	2.0%	--	6.2%	-1.3%	1.1%	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.9%*	*8.5%*	*3.8%*	--	*8.5%*	*1.2%*	*1.9%*	--	--
BBgBarc 1-3 Yr BB U.S. Constrained Index	*0.8%*	*8.8%*	*3.7%*	--	*8.8%*	*1.1%*	*1.5%*	--	--

Warehouse Employees Local #730 Welfare Fund - Chartwell Investment Partners Short Duration High Yield

Correspondence/Transfer Summary

- On August 15, 2013, manager was funded with $3.2M from Atlanta Capital (investment grade fixed income).
- During the 2nd quarter of 2015, $255,000 was transferred to the cash account for benefit obligations.
- On July 1, 2015, $180,000 was transferred to the cash account for benefit obligations.
- On August 12, 2015, $450,000 was transferred to the cash account for benefit obligations.
- On May 6, 2016, $1.4M was received from Chartwell (SDHY) - $1.0M and the cash account -$400,000 to rebalance closer to targets.

Manager Summary

- IPS conducted due diligence meetings with Chartwell on March 24, 2015 and November 20, 2015.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

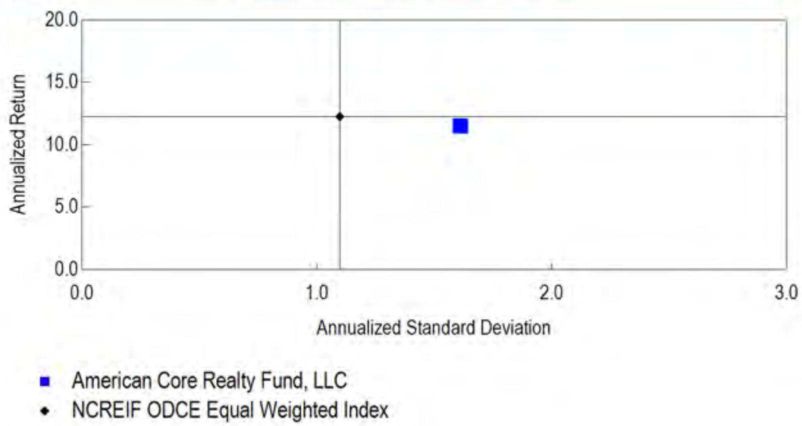
Items of Interest: Acquisition - In an email dated December 6, 2016, Chartwell stated in October, they sent out an announcement of their intention to acquire the Domestic Fixed Income business from Aberdeen Asset Management. The deal was contingent on Aberdeen's ability to deliver a predetermined percentage of client assets and revenues from their clients via consent agreements. The manager stated unfortunately, Aberdeen fell significantly short of the required levels needed to close. Chartwell executive management, along with their parent company TriState Capital, has decided to no longer pursue the acquisition. This action will have no effect on Chartwell's existing business and investment teams. **Personnel Departures -** During the fourth quarter of 2016, John Heffern, Senior Portfolio Manager, and David Reidinger, Portfolio Analyst, both of the Equity Growth team, left Chartwell to pursue other career opportunities. Frank Sustersic joined Chartwell's Equity Growth team as a Senior Portfolio Manager.

Account Information	
Account Name	American Core Realty Fund, LLC
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	7/01/08
Account Type	Real Estate
Benchmark	NCREIF ODCE Equal Weighted Index
Universe	

American Core Realty Fund, LLC
Ending December 31, 2016

	Fourth Quarter	Inception 7/1/08
Beginning Market Value	$759,918	$2,000,000
Net Cash Flow	$0	-$1,188,507
Net Investment Change	$6,991	-$44,585
Ending Market Value	$766,908	$766,908

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2016



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.3%	2.0%	91.3%	--
NCREIF ODCE Equal Weighted Index	12.3%	1.3%	100.0%	--

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.5%	1.6%	92.8%	--
NCREIF ODCE Equal Weighted Index	12.2%	1.1%	100.0%	--

	Gross of Fees									Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
American Core Realty Fund, LLC	1.2%	7.1%	11.3%	11.5%	7.1%	15.4%	11.6%	12.4%	11.3%	4.2%	Jul-08
NCREIF ODCE Equal Weighted Index	*2.2%*	*9.3%*	*12.3%*	*12.2%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*4.6%*	*Jul-08*

	Net of Fees								
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012
American Core Realty Fund, LLC	0.9%	5.9%	10.1%	10.3%	5.9%	14.1%	10.4%	11.1%	10.1%
NCREIF ODCE Equal Weighted Index	*2.2%*	*9.3%*	*12.3%*	*12.2%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*

Warehouse Employees Local #730 Welfare Fund - American Core Realty Fund

Correspondence/Transfer Summary

- On April 1, 2014, $300,000 was transferred to investment grade fixed income (Atlanta Capital) for rebalancing.
- At the June 19, 2015 meeting, the Trustees elected to redeem $350,000 from ARA (real estate) for cash needs and to rebalance allocations closer to targets. Proceeds were received on September 30, 2015.

Manager Summary

- On September 25, 2014, American Realty Advisors (ARA) contacted investors in the American Core Realty Fund ("ACRF") regarding a potential change to the Fund's structure. ARA proposed a change in the Fund's structure from a Delaware Limited Liability Company (LLC) to a Delaware Limited Partnership (LP). ARA stated that this conversion will not affect the rights of any of the existing investors in ACRF, and no changes to the management or performance of the fund are anticipated. A sufficient number of the Fund's Members (66.7%) approved these changes during the fourth quarter of 2014. Effective January 1, 2015, the Core Fund was converted to a limited partnership named American Core Realty Fund, LP, and ACRF Management, LLC, a wholly-owned subsidiary of American, became the Core Fund's General Partner.
- IPS conducted due diligence meetings with American Realty Advisors on October 20, 2015 and July 27, 2016.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: None.

Account Information	
Account Name	**PNC Cash Account**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**1/01/98**
Account Type	**Cash**
Benchmark	**91 Day T-Bills**
Universe	

PNC Cash Account
Ending December 31, 2016

	Fourth Quarter	**Inception 1/1/98**
Beginning Market Value	$493,724	$1,375,630
Net Cash Flow	-$184,589	-$1,240,824
Net Investment Change	$181	$174,510
Ending Market Value	$309,316	$309,316

	Gross of Fees									**Inception**	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
PNC Cash Account	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	1.9%	Jan-98
91 Day T-Bills	*0.1%*	*0.3%*	*0.1%*	*0.1%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*2.0%*	*Jan-98*

Commission Recapture Provider

- ConvergEx Group.

Custody Bank

- The current custodian is PNC Bank.

Investment Policy Statement

- The current investment policy statement was adopted and signed on September 21, 2006.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy. However, all investment managers have verified that the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment.

Warehouse Local #730 Welfare Fund

Appendix

Performance Summary (Gross of Fees) - Annualized

			Ending December 31, 2016						Inception	
	Market Value	% of Portfolio	2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Composite	**$6,913,986**	**100.0%**	**-0.5%**	**3.3%**	**3.0%**	**3.7%**	**4.3%**	**3.6%**	**4.5%**	**Jan-98**
Total Investment Grade Fixed Income	**$3,102,718**	**44.9%**	**-2.2%**	**2.2%**	**2.2%**	**1.8%**	**2.7%**	**3.8%**	**4.5%**	**Jan-98**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.0%*	*3.8%*	*4.7%*	*Jan-98*
Wedge Capital Management	$3,102,718	44.9%	-2.2%	2.2%	--	--	--	--	1.9%	Dec-14
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	--	--	--	--	*1.6%*	*Dec-14*
Total Short Duration High Yield Fixed Income	**$2,735,044**	**39.6%**	**1.0%**	**6.7%**	**2.5%**	**--**	**--**	**--**	**3.1%**	**Aug-13**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*8.5%*	*3.8%*	--	--	--	*4.2%*	*Aug-13*
Chartwell Investment Partners Short Duration High Yield	$2,735,044	39.6%	1.0%	6.7%	2.5%	--	--	--	3.1%	Aug-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*8.5%*	*3.8%*	--	--	--	*4.2%*	*Aug-13*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*8.8%*	*3.7%*	--	--	--	*4.0%*	*Aug-13*
Total Real Estate	**$766,908**	**11.1%**	**1.2%**	**7.1%**	**11.3%**	**11.5%**	**12.0%**	**--**	**4.2%**	**Jul-08**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	--	*4.6%*	*Jul-08*
American Core Realty Fund, LLC	$766,908	11.1%	1.2%	7.1%	11.3%	11.5%	12.0%	--	4.2%	Jul-08
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	--	*4.6%*	*Jul-08*
Total Cash	**$309,316**	**4.5%**	**0.1%**	**0.1%**	**0.1%**	**0.0%**	**0.0%**	**0.7%**	**1.9%**	**Jan-98**
91 Day T-Bills			*0.1%*	*0.3%*	*0.1%*	*0.1%*	*0.1%*	*0.7%*	*2.0%*	*Jan-98*
PNC Cash Account	$309,316	4.5%	0.1%	0.1%	0.1%	0.0%	0.0%	0.7%	1.9%	Jan-98
91 Day T-Bills			*0.1%*	*0.3%*	*0.1%*	*0.1%*	*0.1%*	*0.7%*	*2.0%*	*Jan-98*

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016			
			2016 Q4	1 Yr	3 Yrs	5 Yrs
Composite	**$6,913,986**	**100.0%**	**-0.6%**	**2.9%**	**2.6%**	**3.4%**
Total Investment Grade Fixed Income	**$3,102,718**	**44.9%**	**-2.3%**	**2.0%**	**2.0%**	**1.6%**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*
Wedge Capital Management	$3,102,718	44.9%	-2.3%	2.0%	--	--
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*--*	*--*
Total Short Duration High Yield Fixed Income	**$2,735,044**	**39.6%**	**0.8%**	**6.2%**	**2.0%**	**--**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*8.5%*	*3.8%*	*--*
Chartwell Investment Partners Short Duration High Yield	$2,735,044	39.6%	0.8%	6.2%	2.0%	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*8.5%*	*3.8%*	*--*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*8.8%*	*3.7%*	*--*
Total Real Estate	**$766,908**	**11.1%**	**0.9%**	**5.9%**	**10.1%**	**10.3%**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*
American Core Realty Fund, LLC	$766,908	11.1%	0.9%	5.9%	10.1%	10.3%
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*
Total Cash	**$309,316**	**4.5%**	**0.1%**	**0.1%**	**0.1%**	**0.0%**
91 Day T-Bills			*0.1%*	*0.3%*	*0.1%*	*0.1%*
PNC Cash Account	$309,316	4.5%	0.1%	0.1%	0.1%	0.0%
91 Day T-Bills			*0.1%*	*0.3%*	*0.1%*	*0.1%*

Warehouse Local #730 Welfare Fund Benchmark History

As of December 31, 2016

Composite		
4/1/2016	Present	BBgBarc US Govt/Credit Int TR 45% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 40% / NCREIF ODCE Equal Weighted Index 5% / 91 Day T-Bills 10%
9/1/2013	3/31/2016	S&P 500 10% / BBgBarc US Govt/Credit Int TR 55% / Citi BB/B Ex Split B/CCC Index 10% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 20% / NCREIF ODCE Equal Weighted Index 5%
7/1/2010	8/31/2013	S&P 500 10% / BBgBarc US Govt/Credit Int TR 75% / NCREIF ODCE Equal Weighted Index 5% / Citi BB/B Ex Split B/CCC Index 10%
7/1/2008	6/30/2010	S&P 500 15% / BBgBarc US Govt/Credit Int TR 75% / NCREIF ODCE Equal Weighted Index 10%
7/1/2006	6/30/2008	S&P 500 25% / BBgBarc US Govt/Credit Int TR 75%
7/1/2004	6/30/2006	S&P 500 25% / Citi Treasury Index, 1-3 Y 37.5% / BBgBarc US Govt/Credit Int TR 37.5%
1/1/2004	6/30/2004	S&P 500 20% / Citi Treasury Index, 1-3 Y 40% / BBgBarc US Govt/Credit Int TR 40%
4/1/2001	12/31/2003	S&P 500 10% / Citi Treasury Index, 1-3 Y 45% / BBgBarc US Govt/Credit Int TR 45%
1/1/1998	3/31/2001	S&P 500 10% / Citi Treasury Index, 1-3 Y 90%

Warehouse Local #730 Welfare Fund

FOOTNOTE

- The following composite returns prior to 1st quarter 2010 do not include cash in the calculation of returns.
  - Total Domestic Equity
  - Total Domestic Fixed Investment Grade
  - Total Real Estate

- Net of fee returns are net of investment manager fees and are estimated. Net of fee calculations began 1st quarter 2008 and cannot be calculated for prior time periods.

- Values, flows and returns for all commingled funds, mutual funds and partnerships are provided by the firm managing the assets and cannot be independently verified. Separately managed account returns are calculated by IPS using custodian data.

Index Disclosure

· Barclays Int Govt/Credit – Index listed for illustration purposes.

· Barclays 1-3 Yr BB U.S. Constrained Index – Index listed for illustration purposes.

· NCREIF ODCE Equal Weighted Index - During 2nd Quarter 2014 IPS changed the NCREIF ODCE index to the NCREIF ODCE Equal Weighted Index. The NCREIF ODCE equal weighted index is a better benchmark for comparison in client reports and more representative of the investment opportunities in the real estate class. The cap weighted index is biased and returns are influenced by several large contributors.

ERISA Pension Investment Conference

April 19 – 22, 2016

- The following investment managers and providers attended and helped to defray the cost of IPS' annual ERISA Pension Investment Conference ("EPIC"). EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider who may pay to attend EPIC.

Amalgamated Bank of Chicago
American Realty Advisors
ASB Capital Management
Atlanta Capital Management
Baird Advisors / Baird Inv. Mgmt.
BlackRock Financial Mgmt.
Boyd Watterson
Brown Advisory
Chartwell Investment Partners
Christenson Investment Partners
Columbia Partners
Corbin Capital Partners
Earnest Partners
Eaton Vance Management
EnTrust Capital
Evanston Capital Management
Federated Investors
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management
Great Lakes Advisors
Grosvenor Capital Management
Hamilton Lane Advisors
HGK Asset Management
Intercontinental Real Estate Corp.
Invesco
Janus Capital
Johnston Asset Management
JP Morgan Asset Management
Kearney Capital Management
Loomis, Sayles & Company
Lord Abbett
LSV Asset Management
MacKay Shields
MEPT/Bentall Kennedy
National Investment Services
Nikko Asset Management
Nuveen Asset Management
Patriot Financial Partners
PENN Capital Management
PIMCO
Post Advisory Group
Principal Global Investors
Rainier Investment Management
Rothschild Asset Management
Ryan Labs Asset Management
Segall Bryant & Hamill
Sierra Investment Partners
The Bank of New York Mellon
The Boston Company
The Yucaipa Companies
Ullico Investment Company
Victory Capital Mgmt.
Washington Capital Management
WEDGE Capital Management
Westfield Capital Management
William Blair & Company

ASSET ALLOCATION
AND FUND STRUCTURE REVIEW

Warehouse Local #730
Welfare Fund

March 27, 2017

INVESTMENT PERFORMANCE SERVICES, LLC

Richard Sichel, Jr. – President

10 – 20 Years Annualized Expectations

Equity Asset Class	Return	Risk
U.S. Large Cap	7.25%	16.00
U.S. Mid Cap	7.50%	18.00
U.S. Smid Cap	7.50%	21.00
U.S. Small Cap	7.75%	24.00
International Large Cap	7.75%	18.00
International Small Cap	8.25%	22.00
Emerging Markets	9.75%	25.00
Global Equity	7.50%	17.50

Fixed Income Asset Class	Return	Risk
Cash Equivalents	2.00%	0.50
Short-term Gov /Credit	2.50%	2.50
Intermediate Investment Grade	3.00%	4.00
Core Investment Grade	3.25%	5.00
Mortgages	4.00%	4.00
Short Duration High Quality High Yield	5.50%	6.00
High Quality High Yield	6.00%	9.00
Opportunistic Fixed Income	4.50%	6.00
Short Duration Global Bonds	3.50%	5.50
Core Plus Bonds	3.75%	5.80

Alternatives Asset Class	Return	Risk
Multi-Strategy Hedge Fund of Funds	4.50%	6.00
Opportunistic Hedge Fund of Funds	8.00%	8.50
Long Short Equity Hedge Fund of Funds	6.00%	10.00
Global Tactical Asset Allocation	7.00%	12.50
Core Real Estate	7.75%	7.50
Value -Add Real Estate	9.00%	9.50
REITS	7.75%	21.00
Private Equity FOF	10.00%	16.00
Private Equity Secondaries	10.00%	14.00
Infrastructure	7.00%	13.50
Risk Parity	6.50%	16.00
Commodities	3.75%	18.50

- IPS Investment Committee Jan 2017.
- Inflation expectation 2.50%.
- The above chart represents an annualized return forecast for different asset classes using index returns (net of fees). These forecasts are forward-looking assumptions based on reasonable beliefs of the IPS Investment Committee, but are not a guarantee of future performance. Actual results may differ from the forecast above.

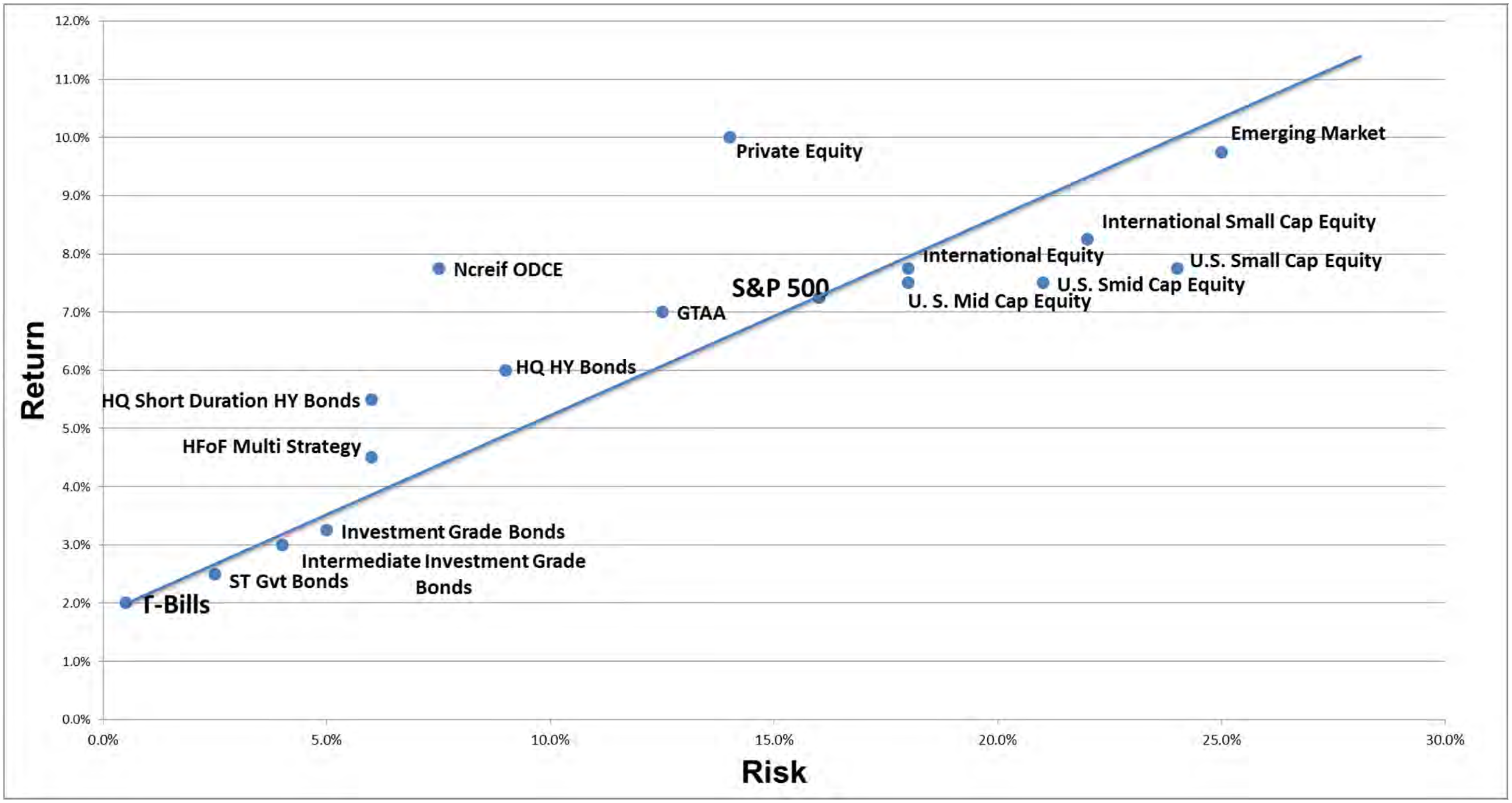
Warehouse Local #730 Welfare Fund
Model Asset Class Constraints

Total Domestic Equity	20% Max
Domestic Large Cap Equity	0% Min
Small, Mid and Smid Cap Equity	0% Max
International Equity Large Cap	0% Max
Fixed Investment Grade	10% Min
High Quality High Yield Bonds	30% Max
Real Estate - Core	15% Max
Real Estate – Value Add	5% Max

The Asset Allocation modeling requires the mathematical construction of an efficient frontier of various portfolios with distinct asset allocations and risk and return characteristics. The modeling process also requires the imposition of constraints, so that the efficient frontier represents a prudently diversified portfolio with adequate consideration of the liquidity needs and investment time horizon. Unconstrained optimization frequently generates allocations that have superior risk/reward characteristics, but the resulting allocations may not be adequately diversified and/or may have high allocations to illiquid investments.

The constraints shown are used for modeling purposes only. They should not be construed as suggested or recommended allocations, or limits on allocations, to any asset class or investment strategy. Each client fund has different facts, circumstances, time horizon, risk tolerance levels, return objectives, investment preferences, cash flows, and liquidity requirements. As such, each client's investment policy may differ materially from the constraints shown above.

IPS 2016 Capital Market Assumptions



Investment Performance Services, LLC
Asset Class Correlations

Assumption table:	Large Stocks	Mid Stocks	Smid Stocks	Small Stocks	REIT	Internt'l	Global Stocks	Emerg	Intern'l Small	T-BILL	ST Gvt/Credit	Interm Inv Grd	Core Inv Grd	SD HY	HY	Mult Fx Inc	SD Global Bnd	RE	VA	PE	HFoF Multi	Opp	HFoF LS	GTAA	Risk Parity	Comm	Infra
Return	7.25	7.50	7.50	7.75	7.75	7.75	7.50	9.75	8.25	2.00	2.50	3.00	3.25	5.50	6.00	4.50	3.50	7.75	9.00	10.00	4.50	8.00	6.00	7.00	6.50	3.75	7.00
Risk	16.00	18.00	21.00	24.00	21.00	18.00	17.50	25.00	22.00	0.50	2.50	4.00	5.00	6.00	9.00	6.00	5.50	7.50	9.50	14.00	6.00	8.50	10.00	12.50	16.00	18.50	13.50
Correlations																											
Large Stocks	1.00																										
Mid Stocks	0.94	1.00																									
Smid Stocks	0.93	0.96	1.00																								
Small Stocks	0.91	0.94	0.97	1.00																							
REITS	0.73	0.77	0.76	0.74	1.00																						
International Stocks	0.88	0.87	0.82	0.78	0.66	1.00																					
Global Stocks	0.94	0.93	0.90	0.86	0.71	0.96	1.00																				
Emerging Markets	0.77	0.79	0.74	0.70	0.58	0.87	0.89	1.00																			
International Small Cap Stocks	0.83	0.84	0.81	0.76	0.63	0.94	0.93	0.86	1.00																		
T-Bill	-0.16	-0.17	-0.16	-0.15	-0.12	-0.12	-0.13	-0.06	-0.18	1.00																	
Short Term Gvt/Credit	-0.08	-0.07	-0.11	-0.14	0.04	0.07	0.01	0.12	0.06	0.42	1.00																
Intermediate Investment Grade	0.03	0.05	-0.01	-0.05	0.25	0.15	0.11	0.20	0.15	0.12	0.78	1.00															
Core Investment Grade	0.02	0.03	-0.02	-0.07	0.26	0.13	0.09	0.18	0.13	0.07	0.71	0.96	1.00														
Short Duration HQ High Yield	0.60	0.67	0.62	0.55	0.55	0.65	0.66	0.67	0.69	-0.16	0.20	0.32	0.29	1.00													
High Quality High Yield	0.68	0.74	0.70	0.65	0.67	0.73	0.74	0.72	0.73	-0.17	0.10	0.27	0.25	0.92	1.00												
Multi Strategy Fixed Income	0.29	0.27	0.22	0.18	0.36	0.46	0.41	0.47	0.46	0.11	0.66	0.75	0.73	0.35	0.35	1.00											
Short Duration Global Bonds	0.32	0.31	0.26	0.22	0.39	0.50	0.45	0.51	0.50	0.10	0.65	0.74	0.72	0.39	0.40	0.98	1.00										
Core Real Estate	0.12	0.09	0.08	0.09	0.11	0.05	0.07	-0.03	0.02	0.09	-0.24	-0.16	-0.13	-0.16	-0.08	-0.08	-0.08	1.00									
Value-Added Real Estate	0.14	0.10	0.10	0.11	0.13	0.07	0.08	-0.02	0.03	0.09	-0.23	-0.15	-0.12	-0.17	-0.08	-0.07	-0.07	0.98	1.00								
Private Equity	0.91	0.94	0.97	0.98	0.74	0.78	0.86	0.70	0.76	-0.15	-0.14	-0.05	-0.07	0.55	0.65	0.18	0.22	0.09	0.11	1.00							
Multi Strategy HFoF	0.71	0.74	0.68	0.63	0.39	0.77	0.78	0.75	0.80	-0.11	-0.06	-0.01	-0.03	0.62	0.65	0.18	0.22	0.12	0.13	0.63	1.00						
Opportunistic	0.72	0.78	0.74	0.69	0.71	0.76	0.78	0.75	0.76	-0.19	0.09	0.25	0.23	0.90	0.97	0.36	0.40	-0.10	-0.10	0.69	0.65	1.00					
Long/Short Equity HFOF	0.86	0.89	0.86	0.81	0.56	0.89	0.92	0.89	0.90	-0.14	-0.03	0.00	-0.03	0.69	0.73	0.28	0.32	0.03	0.04	0.81	0.91	0.76	1.00				
GTAA	0.92	0.89	0.86	0.81	0.72	0.95	0.96	0.86	0.92	-0.09	0.14	0.24	0.22	0.64	0.71	0.56	0.60	0.07	0.08	0.81	0.72	0.75	0.87	1.00			
Risk Parity	0.55	0.52	0.47	0.43	0.53	0.69	0.66	0.67	0.67	0.07	0.52	0.61	0.59	0.45	0.48	0.94	0.94	-0.02	0.00	0.43	0.38	0.50	0.52	0.78	1.00		
Commodities	0.49	0.51	0.47	0.42	0.31	0.58	0.59	0.65	0.58	0.04	0.16	0.11	0.07	0.49	0.50	0.42	0.45	0.12	0.13	0.42	0.60	0.51	0.65	0.60	0.53	1.00	

A Correlation of 1.00 indicates two series move perfectly together while a -1.00 shows they move perfectly opposite one another.

Warehouse Local #730 Welfare Fund

Efficient Frontier Report										
Asset	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7	Portfolio 8	Portfolio 9	Portfolio 10
Large Cap Stocks	0.00	0.00	0.00	3.64	6.83	9.84	12.78	15.83	18.88	20.00
Mid Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Smid Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Small Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
International Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
International Small Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T-Bill	5.00	5.00	5.00	5.00	5.00	3.60	0.00	0.00	0.00	0.00
Short Term Gov't Credit	74.06	68.74	61.19	56.36	45.57	35.98	29.57	17.96	6.35	0.00
Intermediate Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Core Bonds	0.00	0.00	0.00	0.00	7.60	15.58	22.66	31.21	39.77	45.00
Short Duration High Yield Bonds	8.57	11.64	18.81	20.00	20.00	20.00	20.00	20.00	20.00	0.00
High Yield Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.00
Multi Strategy HFoF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Opportunistic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GTAA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real Estate	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Value Add	2.37	4.62	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Private Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Return	3.46	3.72	3.96	4.21	4.45	4.69	4.93	5.16	5.39	5.60
Risk	2.01	2.03	2.12	2.36	2.74	3.19	3.68	4.19	4.72	5.50
Return/Risk	1.72	1.83	1.87	1.79	1.62	1.47	1.34	1.23	1.14	1.02

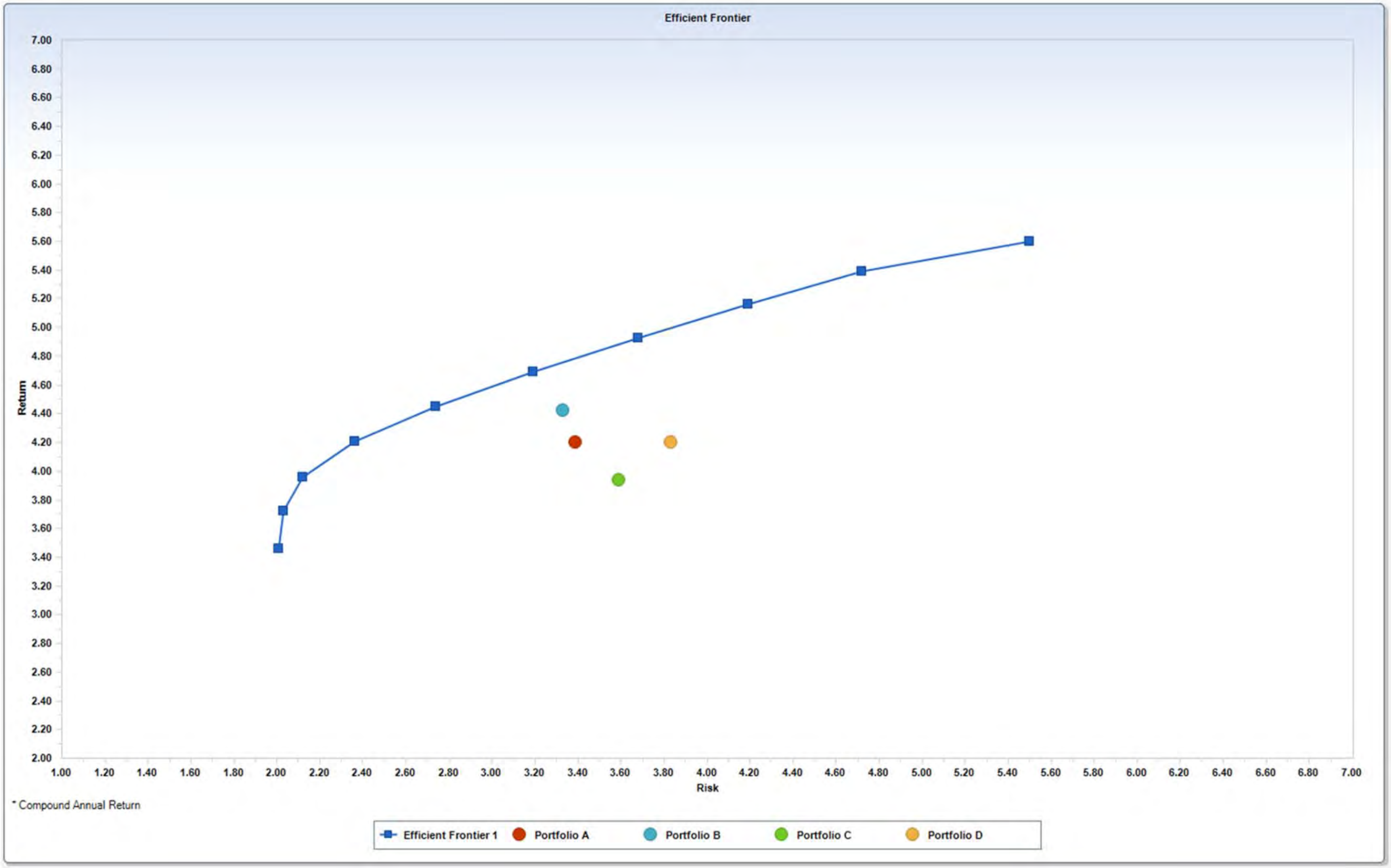
* Compound annual return.

* Returns based on a geometric calculation.

	% Asset Class Target											
	US LC Equity	Fixed Income	Fixed Income Interm	Short Duration HY	High Yield	Real Estate	HFoF-Multi Strategy	GTAA	Cash	Expected Return	Risk	Comments
Warehouse Local #730 Welfare Fund - A	0.0	0.0	45.0	40.0	0.0	5.0	0.0	0.0	10.0	4.20%	3.39	Investment Policy Targets
Actual 1 - B	0.0	0.0	46.1	38.5	0.0	9.4	0.0	0.0	5.9	4.42%	3.33	Current allocation as of December 31, 2016
Scenario 1 - C	0.0	0.0	**50.0**	40.0	0.0	**0.0**	0.0	0.0	10.0	3.94%	3.59	Increase domestic fixed income; eliminate real estate
Scenario 2 - D	0.0	0.0	**40.0**	**50.0**	0.0	**0.0**	0.0	0.0	10.0	4.20%	3.83	Reduce domestic fixed; increase allocation to short duration high yield; eliminate real estate

Scenarios are shown for illustrative purposes.

Warehouse Local #730 Welfare Fund



* Compound Annual Return

Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value

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