



Warehouse Employees Local #730 Welfare Fund

Master Consulting Services Report

**Period Ended
March 31, 2017**

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Market Discussion Points

1Q | 2017



Financial Market Performance

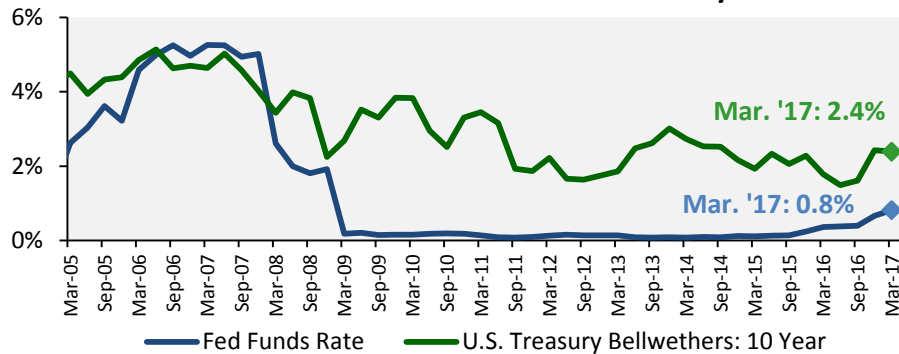
Periods Ending March 31, 2017

<u>Strategy</u>	<u>Sector</u>	<u>Index</u>	<u>QTR</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Yr</u>	<u>3-Yr</u>	<u>5-Yr</u>	<u>10-Yr</u>	<u>20-Yr</u>
Stocks	US Large Cap	S&P 500	6.1	6.1	12.0	1.4	13.7	32.4	16.0	17.2	10.4	13.3	7.5	7.9
	US Small Cap	Russell 2000	2.5	2.5	21.3	-4.4	4.9	38.8	16.4	26.2	7.2	12.4	7.1	8.7
	All Country	MSCI All Country World (net)	6.9	6.9	7.9	-2.4	4.2	22.8	16.1	15.0	5.1	8.4	4.0	-
	Non-US Developed	MSCI EAFE (net)	7.2	7.2	1.0	-0.8	-4.9	22.8	17.3	11.7	0.5	5.8	1.1	4.6
	Emerging Markets	MSCI EM (net)	11.4	11.4	11.2	-14.9	-2.2	-2.6	18.2	17.2	1.2	0.8	2.7	-
Bonds	Treasury	Bloomberg Barclays US Govt	0.7	0.7	1.1	0.9	4.9	-2.6	2.0	-1.3	2.0	1.6	3.8	5.0
	Broad Market	Bloomberg Barclays Aggregate	0.8	0.8	2.7	0.6	6.0	-2.0	4.2	0.4	2.7	2.3	4.3	5.4
	High Yield	Bloomberg Barclays HY BaB 2% IC	2.3	2.3	14.1	-2.7	3.5	6.2	15.0	13.0	4.5	6.5	7.1	-
	Global Bonds	Citigroup WGBI	1.6	1.6	1.6	-3.6	-0.5	-4.0	1.7	-3.7	-1.2	-0.6	3.0	4.4
Global Tactical Asset		65% MSCI World /35% Citi WGBI	4.7	4.7	5.6	-1.6	3.1	15.1	10.9	8.1	3.3	5.9	4.1	5.8
Real Estate	Core	NCREIF ODCE Equal Weighted	1.8	1.8	9.3	15.2	12.4	13.3	11.0	8.6	12.0	12.0	5.4	8.9
Hedge Funds	Diversified FOFs	HFRI HFOF Composite	2.3	2.3	0.5	-0.3	3.4	9.0	4.8	6.2	1.8	3.2	1.2	4.4
	Equity Long-Short	HFRI Equity Hedge	3.8	3.8	5.5	-1.0	1.8	14.3	7.4	11.5	3.0	4.9	3.0	8.0
Commodities	Commodities	Goldman Sachs Commodity	-5.1	-5.1	11.4	-32.9	-33.1	-1.2	0.1	8.5	-22.7	-15.0	-9.0	-1.8

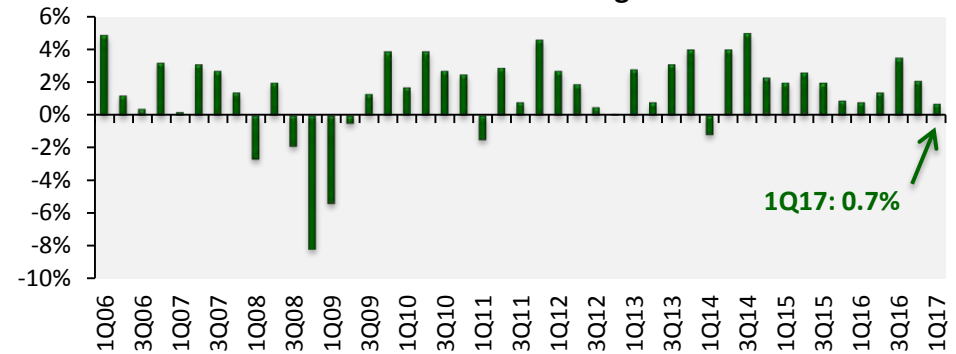
U.S. Economy

Nearly all economic indicators remain positive for the US economy. Inflation, as measured by the Consumer Price Index, continues its slow climb upwards in the first quarter of 2017 at 2.4% for the trailing one-year period. Unemployment remains low at 4.7% while job growth remains robust at 209,000 jobs added per month on average for the first quarter. This combination has resulted in more part-time workers finding full-time jobs and wage growth is moving higher. Housing prices continue to move higher, up 5.7% over the past 12 months. Mortgage rates has moved a bit higher with interest rates, but dropped a bit in March. The Housing Affordability Index remains at all-time lows as a percentage of wages. We are still early in the corporate earnings season, but the earnings growth increases seen in the fourth quarter of 2016 seem to have carried over into the first quarter of 2017.

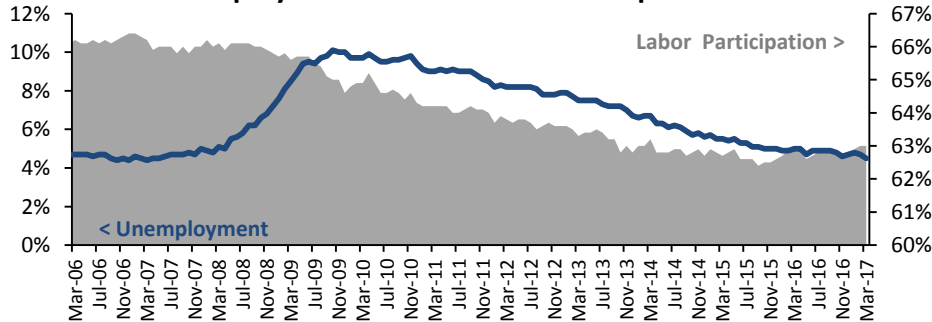
Fed Funds Rate vs. 10-Year U.S. Treasury



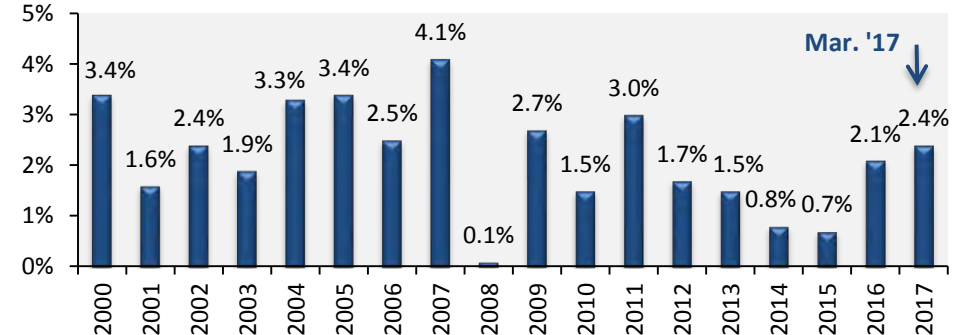
GDP Percent Change



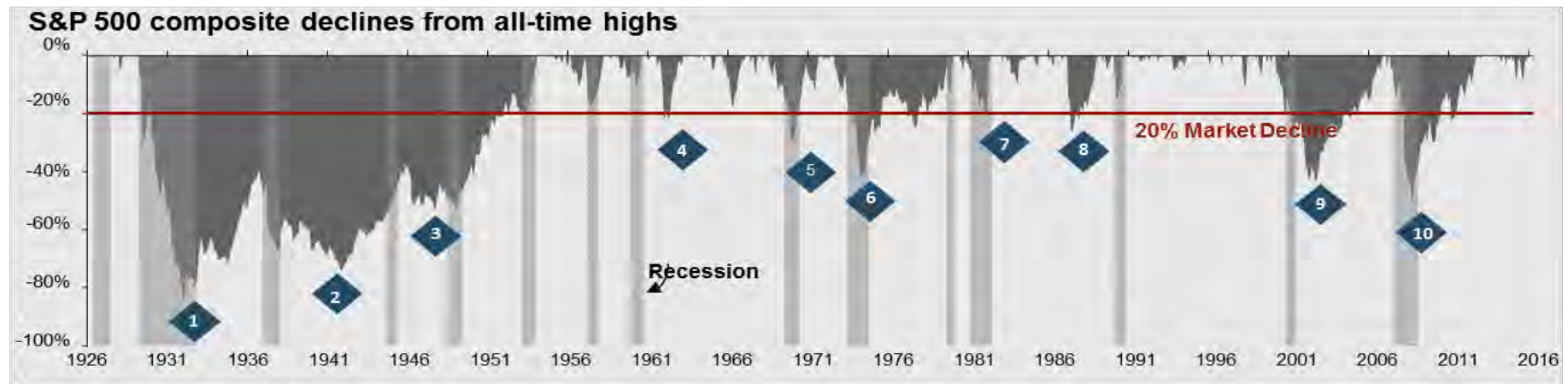
Unemployment Rate vs. Labor Participation Rate



US Inflation Rates



Current Bull Market: Historical Context



Characteristics of bull and bear markets

Market Corrections	Bear markets				Macro environment			Bull markets		
	Market peak	Bear return*	Duration (months)*	Recession	Commodity spike	Aggressive Fed	Extreme valuations	Bull begin date	Bull return	Duration (months)
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	249%	98
Averages	-	-45%	25					-	156%	55

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 March 31, 2017.

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 ODC 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.

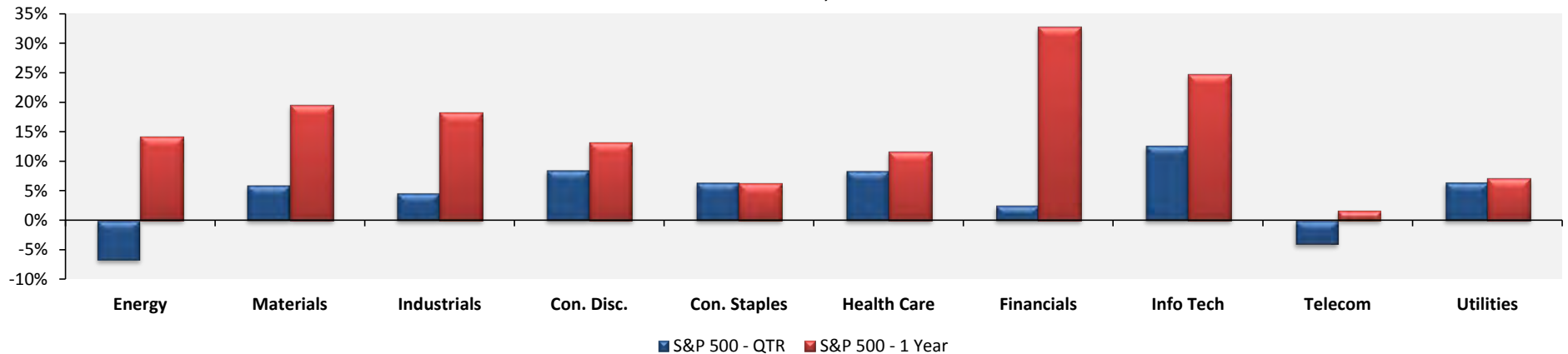
U.S. Equity Market

The fundamentals for the US equity market remain strong and that was reflected in the S&P 500 Index moving up 6.1% in the first quarter of 2017. Small cap stocks, which were up significantly last year, posted a 2.5% return for the quarter. In 2016, the value style significantly outperformed the growth style by wide margins, but reversed in the first quarter of 2017 with the Russell 1000 Growth Index returning 8.9% vs. 3.3% for the Russell 1000 Value Index. Small cap has a similar reversal with the Russell 2000 Growth Index up 5.4 vs. -0.1% for the Russell 2000 Value Index. Some market pundits are worried about market valuations with the Price/Earnings Ratio at about 18 times earnings. This is a bit above the long-term averages, but with increased earnings, the market has the potential to grow by 7-9% without any further P/E Ratio expansion. Nonetheless, it is always wise to remember the stock and bond markets move on emotion and frequently ignore fundamentals.

<u>Sector</u>	<u>Index</u>	<u>1Q 17</u>	<u>YTD</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>10-Year</u>
Large Cap	S&P 500	6.1	6.1	12.0	1.4	13.7	32.4	16.0	17.2	10.4	13.3	7.5
	Russell 1000	6.0	6.0	12.1	0.9	13.3	33.1	16.4	17.4	10.0	13.3	7.6
	Russell 1000 Value	3.3	3.3	17.3	-3.8	13.5	32.5	17.5	19.2	8.7	13.1	5.9
	Russell 1000 Growth	8.9	8.9	7.1	5.7	13.1	33.5	15.3	15.8	11.3	13.3	9.1
Mid Cap	Russell Mid-Cap	5.2	5.2	13.8	-2.4	13.2	34.8	17.3	17.0	8.5	13.1	7.9
	Russell Mid-Cap Value	3.8	3.8	20.0	-4.8	14.7	33.5	18.5	19.8	8.9	14.1	7.5
	Russell Mid-Cap Growth	6.9	6.9	7.3	-0.2	11.9	35.8	15.8	14.1	7.9	12.0	8.1
Small Cap	Russell 2000	2.5	2.5	21.3	-4.4	4.9	38.8	16.4	26.2	7.2	12.4	7.1
	Russell 2000 Value	-0.1	-0.1	31.7	-7.5	4.2	34.5	18.1	29.4	7.6	12.5	6.1
	Russell 2000 Growth	5.4	5.4	11.3	-1.4	5.6	43.3	14.6	23.0	6.7	12.1	8.1
Total Market	Wilshire 5000	5.6	5.6	13.4	0.7	12.7	33.1	16.1	18.4	10.0	13.2	7.6
	Russell 3000	5.7	5.7	12.7	0.5	12.6	33.6	16.4	18.1	9.8	13.2	7.5

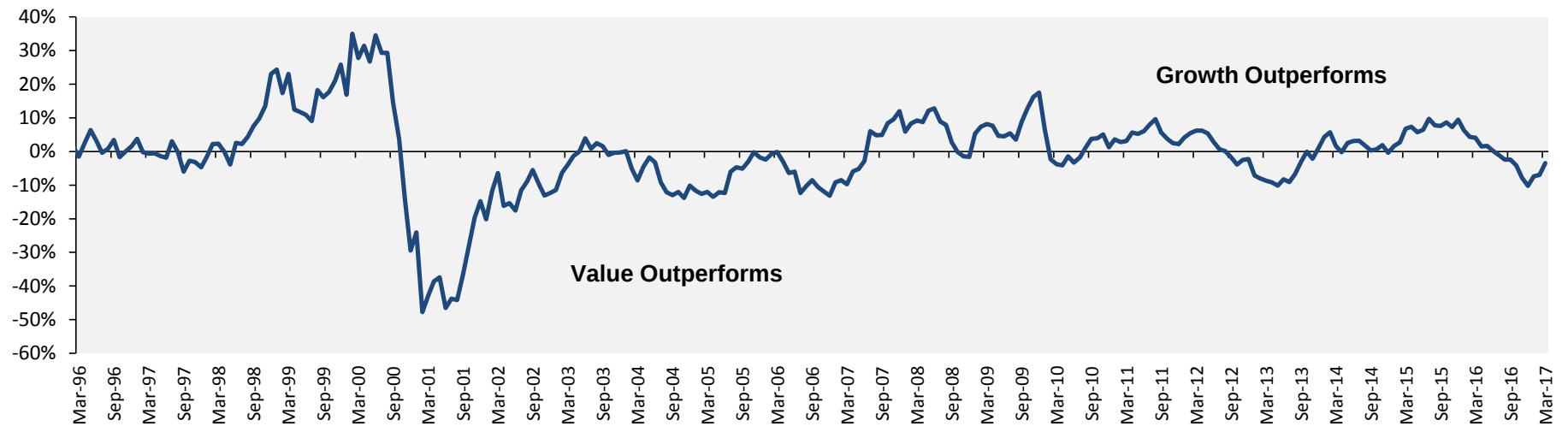
Sector Allocations Performance

As of March 31, 2017

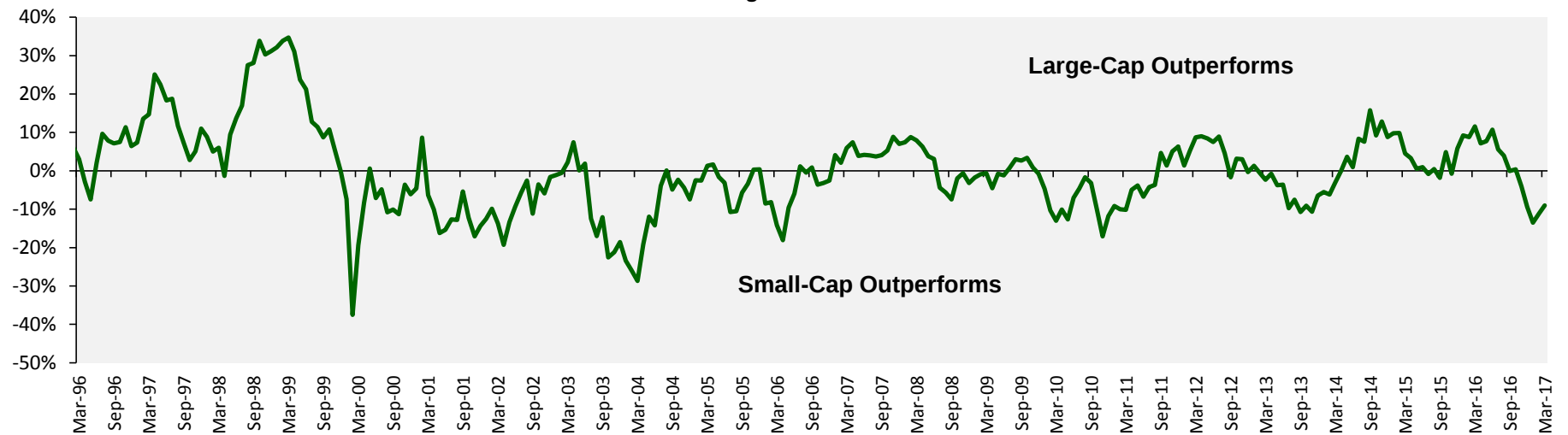


U.S. Equity Market

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



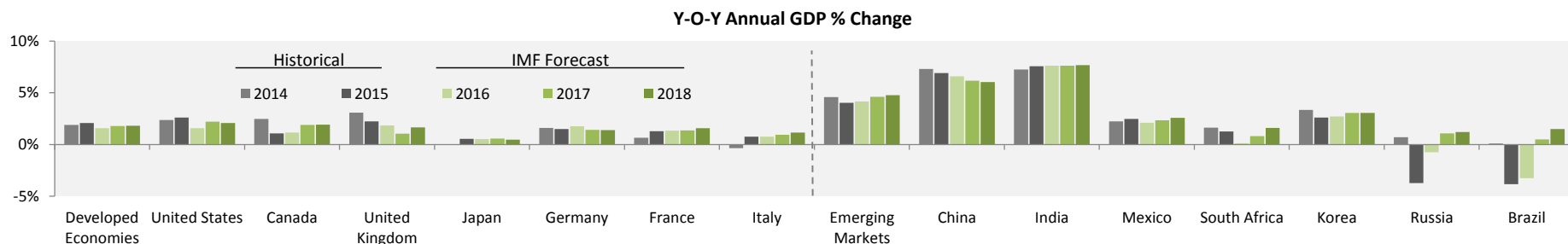
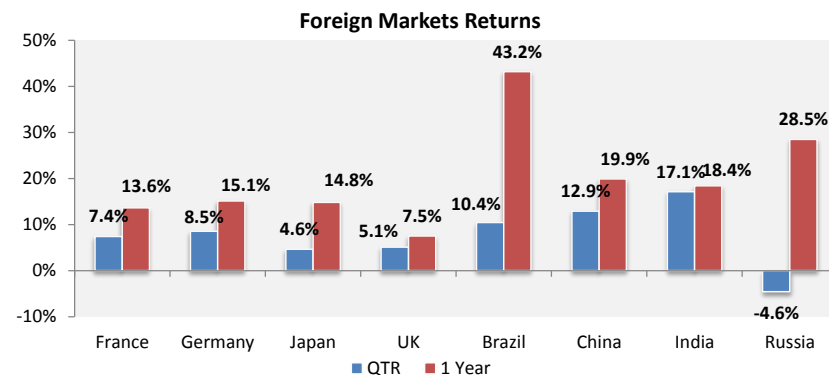
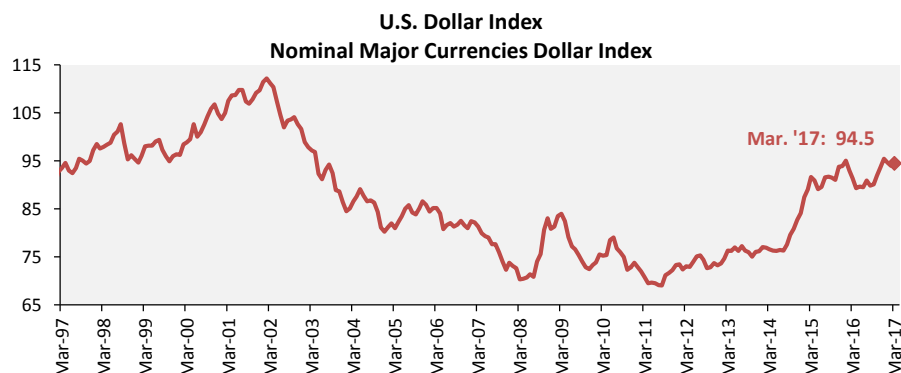
**S&P 500 vs. Russell 2000
Rolling One-Year Returns**



International Equity Market

It appears that Europe and other developed countries have weathered their economic malaise and starting to show material signs of economic recovery in both consumer sentiment and economic indicators. The MSCI EAFE Index was up 7.3% in the first quarter, beating the S&P 500 by a few points. Emerging Markets have also rebounded with the MSCI Emerging Markets Index up 11.4% for the quarter. This is a broad global trend as the Emerging Asia Index was up 13.4% and the Latin American Index was up 12.1%. Emerging Europe was quite mixed. For example, Poland was up 17.7%, but Russia was down 4.6% and Greece down 3.5%.

Sector	Index	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	6.9	6.9	7.9	-2.4	4.2	22.8	16.1	15.0	5.1	8.4	4.0
	MSCI World Small Cap (net)	6.0	6.0	11.6	-1.0	1.8	28.7	18.1	17.5	5.0	9.7	5.7
	MSCI World ex US (net)	7.9	7.9	4.5	-5.7	-3.9	15.3	16.8	13.1	0.6	4.4	1.4
	MSCI World ex US Small Cap (net)	8.8	8.8	3.9	2.6	-4.0	19.7	18.5	12.3	2.5	6.7	3.1
Developed ex US	MSCI EAFE (net)	7.2	7.2	1.0	-0.8	-4.9	22.8	17.3	11.7	0.5	5.8	1.1
	MSCI EAFE Value (net)	6.1	6.1	5.0	-5.7	-5.4	23.0	17.7	16.0	-0.6	5.6	0.1
	MSCI EAFE Growth (net)	8.5	8.5	-3.0	4.1	-4.4	22.6	16.9	7.5	1.5	6.0	2.0
	MSCI EAFE Small Cap (net)	8.0	8.0	2.2	9.6	-5.0	29.3	20.0	11.0	3.6	9.2	3.0
Emerging Markets	MSCI Emerging Markets (net)	11.4	11.4	11.2	-14.9	-2.2	-2.6	18.2	17.2	1.2	0.8	2.7



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.

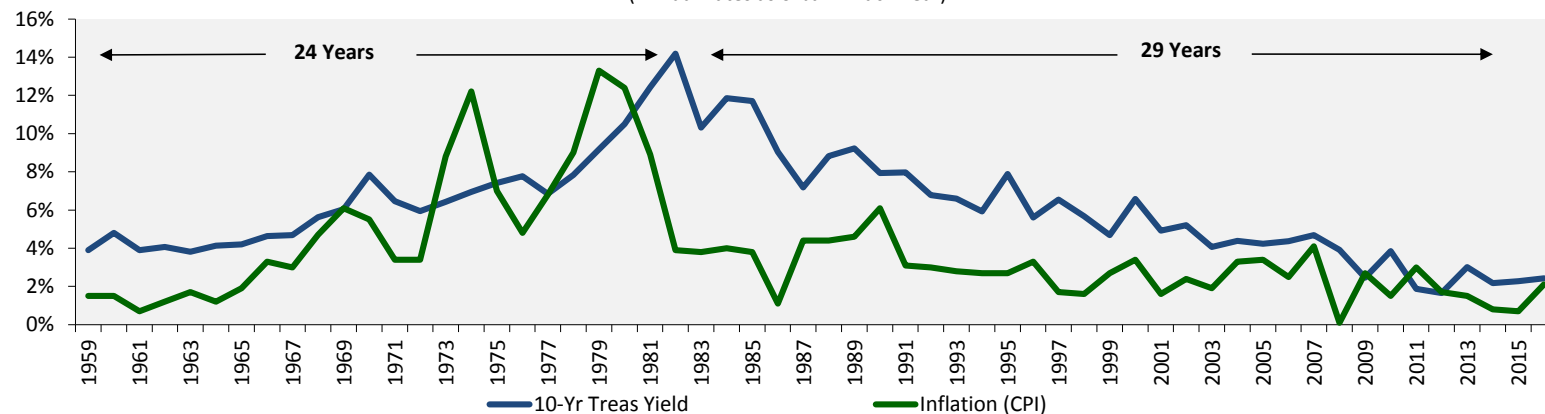
U.S. Bond Market

The Federal Reserve increased the Federal Funds rate by 25 basis points (0.25%) in March. While this increased almost all short-term interest rates by a similar amount, the 5-year Treasury remained unchanged at 1.93% from year-end, but longer term rates actually declined slightly. The 10-year Treasury bond ended the quarter at 2.39% vs. 2.44% at the end of 2016. Interest rate prognosticators are expecting two or three more rate hikes before the end of 2017. Many of the bond indexes had very slight losses in March, but were in positive territory for the quarter. The US Intermediate Govt/Credit Index returned 0.78% for the quarter and the Corporate High Yield Index was up 2.70%. The spread in returns between investment grade and high yield narrowed by 26 basis (0.26%) points during the quarter.

Index	Yield	Duration	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.61	6.0	0.8	0.8	2.7	0.6	6.0	-2.0	4.2	0.4	2.7	2.3	4.3
Bloomberg Barclays Govt/Credit	2.49	6.5	1.0	1.0	3.1	0.2	6.0	-2.4	4.8	0.5	2.7	2.5	4.3
Bloomberg Barclays Int Agg	2.38	4.4	0.7	0.7	2.0	1.2	4.1	-1.0	3.6	0.4	2.3	2.0	3.9
Bloomberg Barclays Int Govt/Credit	2.10	4.1	0.8	0.8	2.1	1.1	3.1	-0.9	3.9	0.4	2.0	1.9	3.8
Bloomberg Barclays HY Ba/B 2% IC	5.10	4.2	2.3	2.3	14.1	-2.7	3.5	6.2	15.0	13.0	4.5	6.5	7.1
BofA ML HY Cash Pay BB 1-3 Yr.	3.86	1.7	1.0	1.0	8.5	1.2	1.9	5.6	10.2	7.2	3.8	4.9	6.3
Bloomberg Barclays Mortgage	2.91	5.0	0.5	0.5	1.7	1.5	6.1	-1.4	2.6	0.2	2.7	2.0	4.2
Bloomberg Barclays Treasury	1.91	6.1	0.7	0.7	1.0	0.8	5.1	-2.8	2.0	-1.4	2.1	1.6	3.9
Bloomberg Barclays US TIPS	2.27	5.7	1.3	1.3	4.7	-1.4	3.6	-8.6	7.0	1.5	2.0	1.0	4.2
BofA ML 91 day T-Bills	0.76	0.2	0.1	0.1	0.3	0.1	0.0	0.1	0.1	0.4	0.2	0.1	0.7

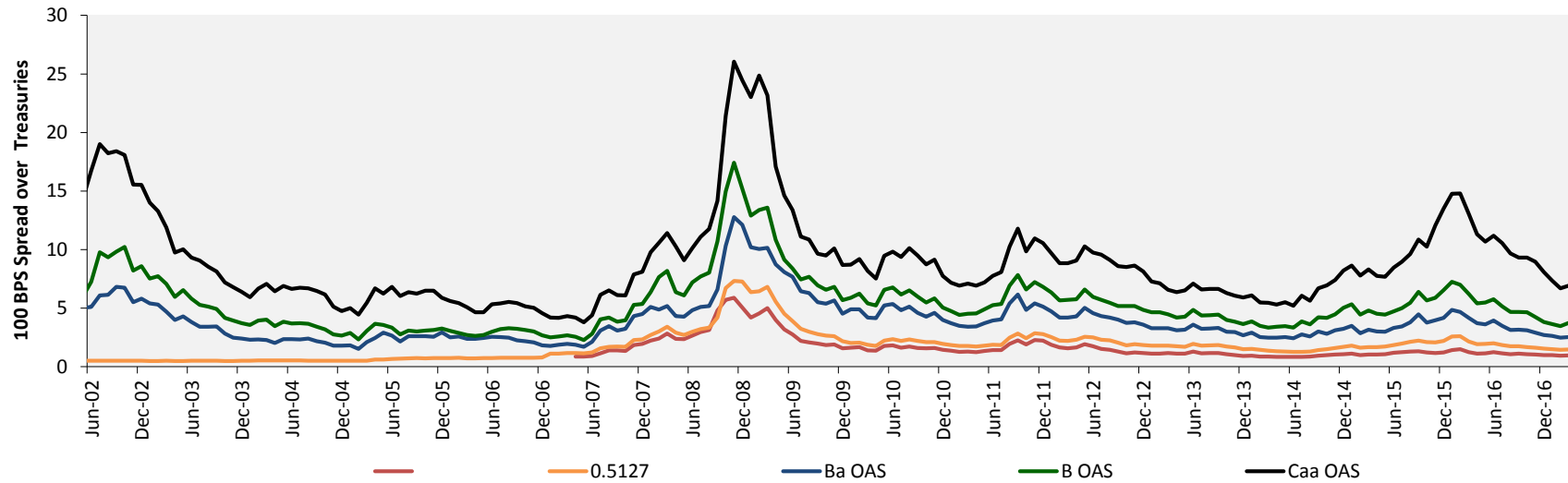
The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)

(Annual Rates as of Jan 1 Each Year)

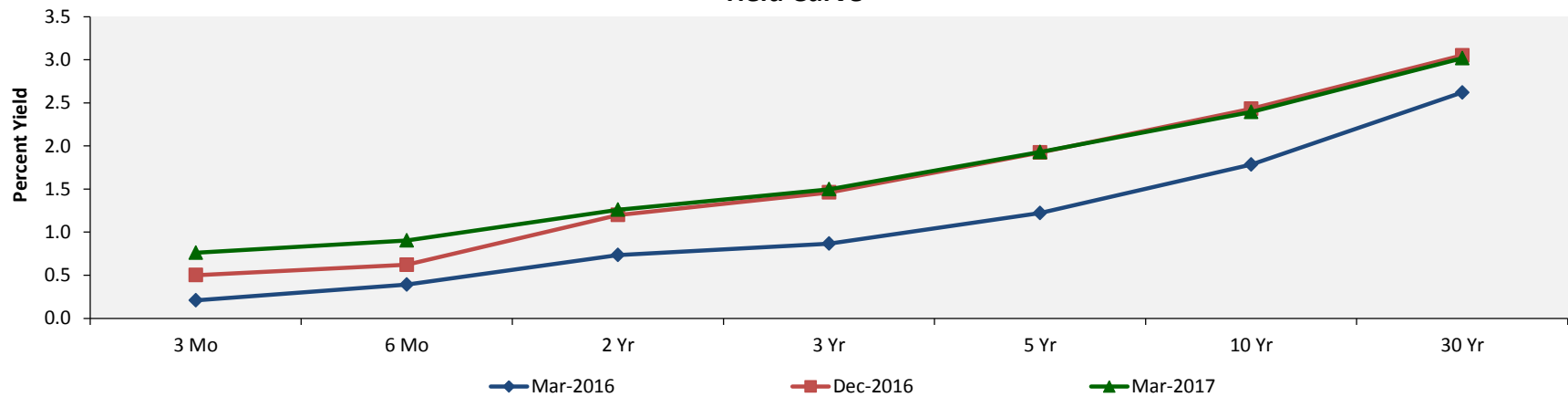


Bond Market

OAS Credit Spread



Yield Curve



Interest Rate Sensitivity

12 Month Holding Period - Annualized Returns as of 3/31/2017

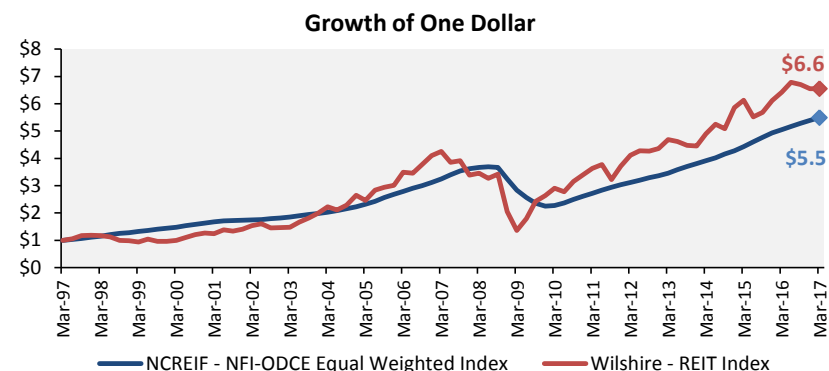
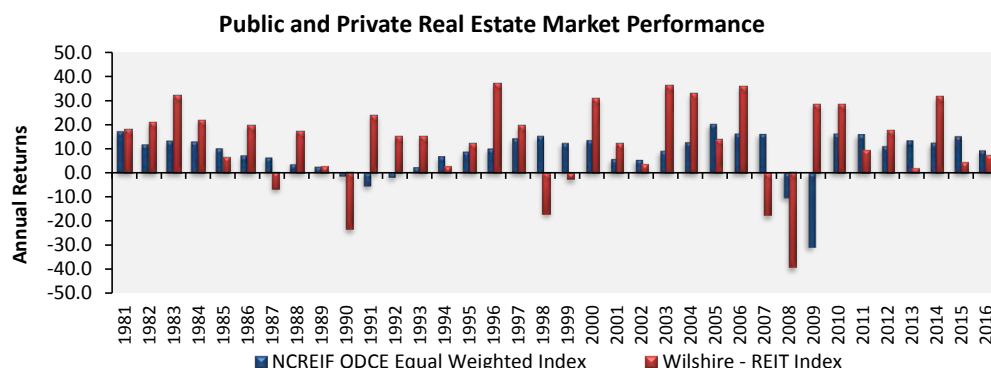
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.55	11.81	8.19	11.97	4.35	11.12	6.35
-100	11.16	8.74	6.16	8.81	3.40	9.11	5.52
-50	6.78	5.68	4.13	5.65	2.45	7.10	4.69
-25	4.58	4.14	3.12	4.07	1.98	6.10	4.28
0	2.39	2.61	2.10	2.49	1.50	5.09	3.86
25	0.20	1.08	1.09	0.91	1.03	4.09	3.45
50	-2.00	-0.46	0.07	-0.67	0.55	3.08	3.03
100	-6.38	-3.52	-1.96	-3.83	-0.40	1.07	2.20
150	-10.77	-6.59	-3.99	-6.99	-1.35	-0.94	1.37
200	-15.15	-9.65	-6.02	-10.15	-2.30	-2.95	0.54
250	-19.54	-12.72	-8.05	-13.31	-3.25	-4.96	-0.29
300	-23.92	-15.78	-10.08	-16.47	-4.20	-6.97	-1.12
350	-28.31	-18.85	-12.11	-19.63	-5.15	-8.98	-1.95
400	-32.69	-21.91	-14.14	-22.79	-6.10	-10.99	-2.78
450	-37.08	-24.98	-16.17	-25.95	-7.05	-13.00	-3.61
500	-41.46	-28.04	-18.20	-29.11	-8.00	-15.01	-4.44
Duration	8.77	6.13	4.06	6.32	1.90	4.02	1.66

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

With the fuel of lower cap rates spent, total returns will depend upon Net Operating Income growth that is driven by the growth of rents. This will be one of the keys for the foreseeable future. Fortunately, the outlook for rent growth is positive. The hottest area is warehousing (Amazon effect), followed by office, retail and apartments. The vacancy rate for warehousing is 8.4%, the lowest since 2000 as reported by CBRE. However, apartment supply is weighing on the market and impacting rents. Over all property types, the occupancy rate is at a 15 year high. Rents in 2017-2018 will also be positively impacted by leases up for renewal with rents coming up to current rates. The environment is favorable for NOI growth. Forecasts of 5-6% are typical for 2017 and 2018 but can vary by manager.

Sector	Index	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	1.8	1.8	9.3	15.2	12.4	13.3	11.0	8.6	12.0	12.0	5.4
US Public	Wilshire REIT	0.0	0.0	7.2	4.2	31.8	1.9	17.6	2.0	10.2	9.8	4.4

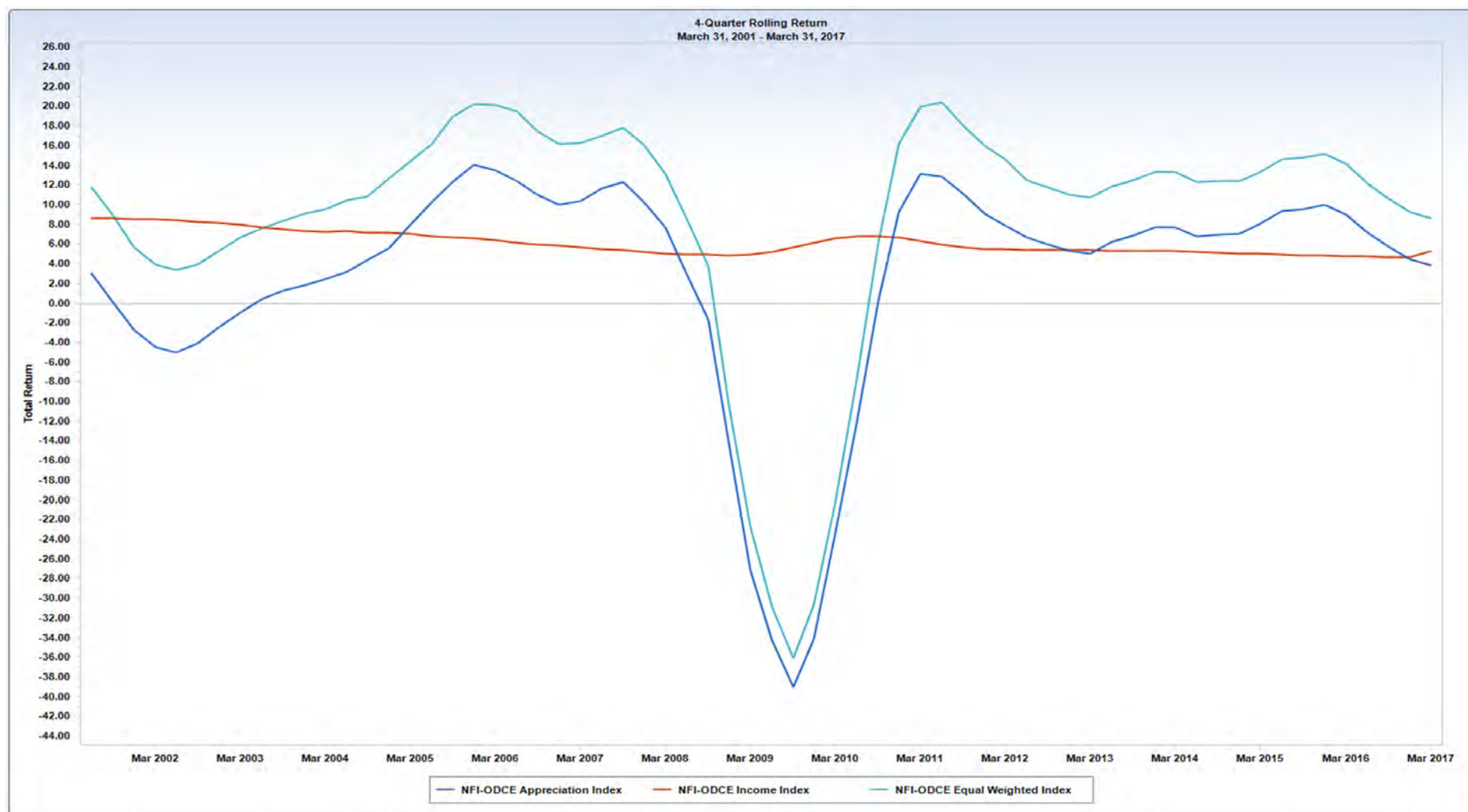


	Total return (incl. income) 2016	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2016 to 2020 (per year)
National, All Property Types (NPI)	8.3	6.9	5.7	6.4
Office	7.1	6.6	5.5	5.9
Retail	9.4	7.0	5.8	6.9
Industrial	10.9	7.8	6.4	7.3
Apartment	7.6	6.7	5.6	6.1

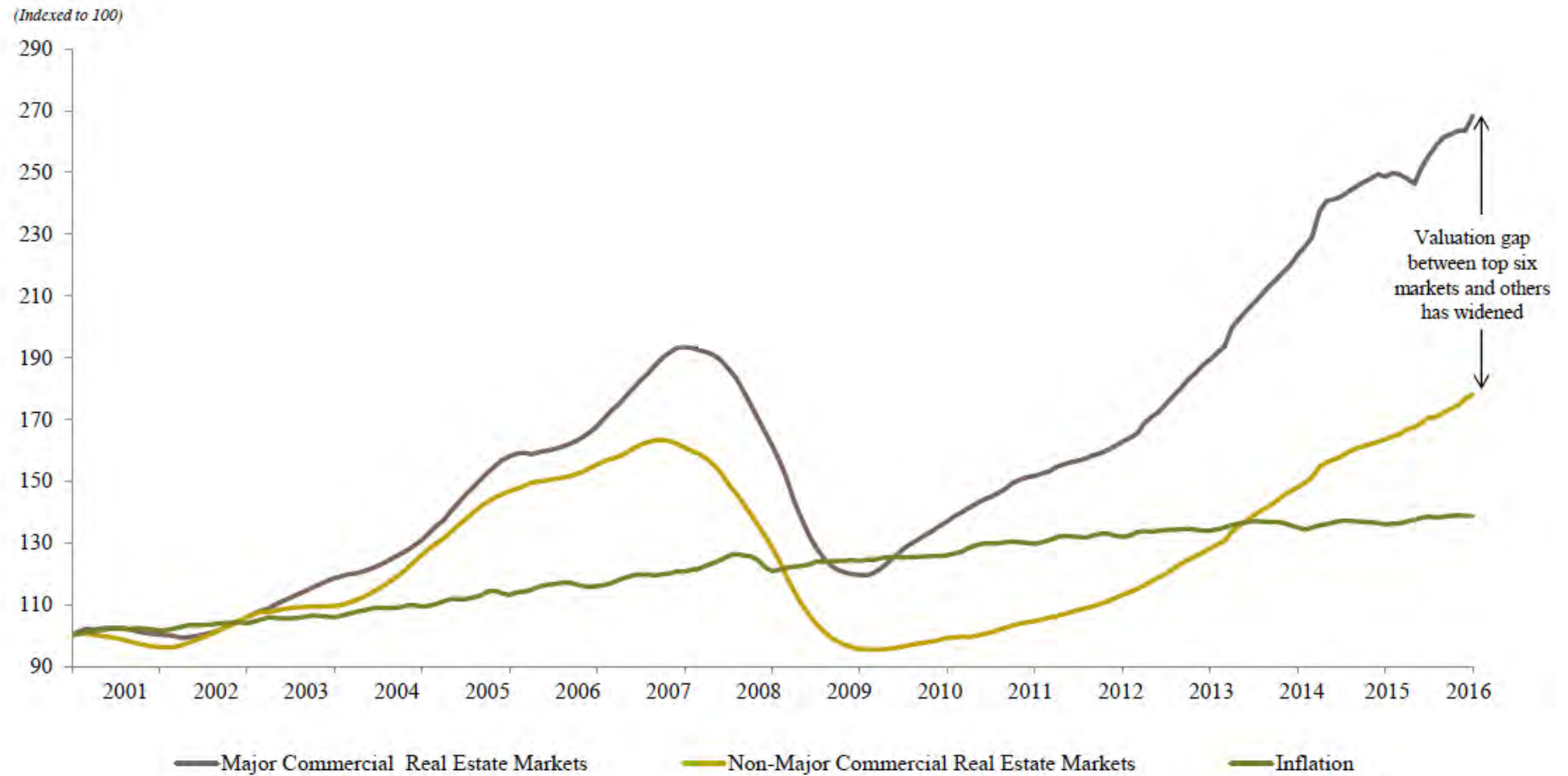
Bottom chart: Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q4 2016.

Real Estate Market

The chart below shows the trend of recent quarters indicating the expected slowdown from the torrid pace of recent years. Most sectors of the institutional real estate market are viewed as fully priced but especially in the gateway markets of New York, San Francisco and Boston. The income stream of real estate has adjusted to the low interest rate environment although spreads against 10-Year Treasury are near historical norms. However, the income rate of return has declined from the 8% level when IPS first focused on real estate as an asset class in the late 1990's to 4½% today.



Real Estate Market

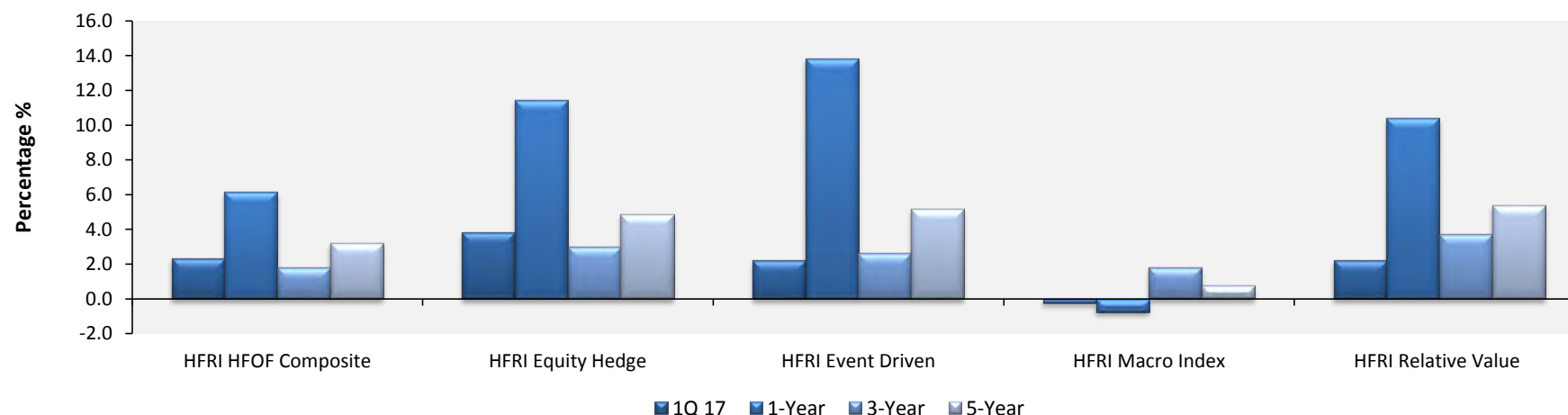


Hedge Fund of Funds Market

Hedge funds are off to a relatively good start in 2017. With a strong first quarter of 2017 and the relatively poor first quarter of 2016 rolling off the past 12-month period, the return of the HFRI Fund of Funds Index for the past year stands at 6.2%, a significant increase from the 0.5% return for the 12-month period ended December 2016. The solid first quarter is not enough to move the needle on longer-term results for the index, but is another step in the right direction for an asset class that has encountered a difficult environment for success in recent years. The historically negative correlation between hedge funds and investment grade bonds appears to be adding value as interest rates began to climb in the latter half of 2016. Over the past six months ended March 2017, the Bloomberg Barclays Aggregate declined by more than 2%, while the HFRI Fund of Funds Composite rose nearly 3% over the same period. Aside from global macro, most broad hedge fund strategies yielded positive returns during the first quarter of 2017. Hedged equity strategies were the strongest performer, benefiting from rising equity markets globally (particularly in international and emerging markets) and declining stock correlations. Increasing dispersion among fixed income securities has also created opportunities for relative value fixed income managers, and the HFRI Relative Value Index rose 2.2% during the quarter. In general, hedge fund managers should continue to benefit from a rising interest rate environment, modest increases in equity volatility and lower correlations / heightened levels of dispersion between securities.

Strategy	Index	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	2.3	2.3	0.5	-0.3	3.4	9.0	4.8	6.2	1.8	3.2	1.2
Equity Long-Short	HFRI Equity Hedge	3.8	3.8	5.5	-1.0	1.8	14.3	7.4	11.5	3.0	4.9	3.0
Event Driven	HFRI Event Driven	2.2	2.2	10.6	-3.6	1.1	12.5	8.9	13.8	2.6	5.2	3.9
Global Macro	HFRI Macro Index	-0.2	-0.2	1.0	-1.3	5.6	-0.4	-0.1	-0.8	1.8	0.8	2.7
Relative Value	HFRI Relative Value	2.2	2.2	7.7	-0.3	4.0	7.1	10.6	10.4	3.7	5.4	5.1

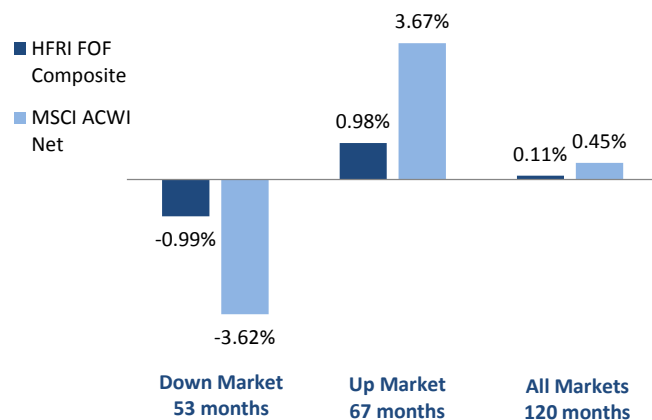
Hedge Fund Strategy Performance



Hedge Fund of Funds Market

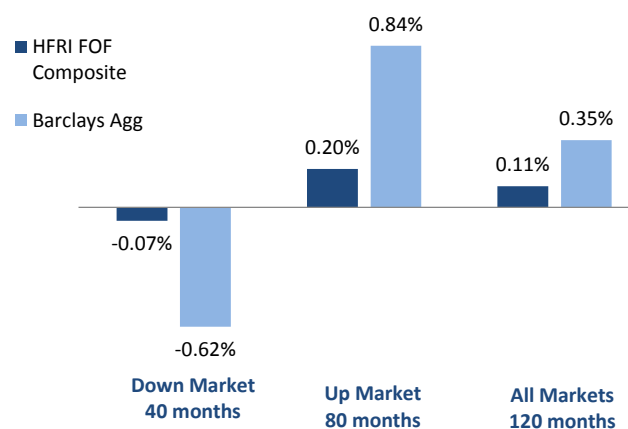
Up/Down Capture vs. Equity

Average Returns
April 2007 - March 2017



Up/Down Capture vs. Bonds

Average Returns
April 2007 - March 2017



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
March 31, 2017

Total Plan Growth of Assets

Summary of Cash Flows						
	First Quarter	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	\$6,913,986	\$8,926,275	\$14,975,382	\$19,403,645	\$18,650,475	\$18,216,317
Net Cash Flow	-\$214,018	-\$2,394,684	-\$9,126,021	-\$14,980,743	-\$16,377,905	-\$17,081,560
Net Investment Change	\$75,744	\$244,121	\$926,350	\$2,352,809	\$4,503,141	\$5,640,955
Ending Market Value	\$6,775,712	\$6,775,712	\$6,775,712	\$6,775,712	\$6,775,712	\$6,775,712

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

Warehouse Local #730 Welfare Fund

Master Consulting Services Report as of March 31, 2017

Total Plan Performance (Gross of Fees)

	Market Value	% of Portfolio	Ending March 31, 2017					
			2017 Q1	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Composite	\$6,775,712	100.0%	1.1%	3.3%	2.9%	3.5%	4.2%	3.6%
Total Investment Grade Fixed Income	\$3,129,295	46.2%	0.9%	0.5%	2.2%	1.9%	2.6%	3.7%
<i>BBgBarc US Govt/Credit Int TR</i>			0.8%	0.4%	2.0%	1.9%	2.9%	3.8%
Total Short Duration High Yield Fixed Income	\$2,768,734	40.9%	1.2%	6.7%	2.6%	--	--	--
<i>BofA ML - U.S. HY Cash Pay 1-3 Yr BB</i>			1.0%	7.2%	3.8%	4.9%	5.5%	6.2%
Total Real Estate	\$782,143	11.5%	2.3%	6.7%	11.0%	11.3%	12.4%	--
<i>NCREIF ODCE Equal Weighted Index</i>			1.8%	8.6%	12.0%	12.0%	13.5%	5.4%
Total Cash	\$95,541	1.4%	0.1%	0.2%	0.1%	0.1%	0.1%	0.6%
<i>91 Day T-Bills</i>			0.1%	0.4%	0.2%	0.1%	0.1%	0.5%

	Fiscal Year Ends December 31											
	YTD	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Composite	1.1%	3.3%	1.8%	3.8%	3.7%	6.0%	5.0%	6.2%	2.4%	-2.7%	6.8%	7.9%
<i>Benchmark</i>	0.9%	5.1%	1.4%	4.4%	3.8%	6.4%	6.2%	7.7%	4.3%	-5.1%	7.0%	7.4%

Warehouse Local #730 Welfare Fund
Master Consulting Services Report as of March 31, 2017

Allocation vs. Targets and Policy						
	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	\$3,129,295	46.2%	45.0%	35.0% - 55.0%	1.2%	\$80,224
Short Duration High Yield Fixed Income	\$2,768,734	40.9%	40.0%	30.0% - 50.0%	0.9%	\$58,449
Real Estate	\$782,143	11.5%	5.0%	0.0% - 15.0%	6.5%	\$443,357
Cash	\$95,541	1.4%	10.0%	0.0% - 20.0%	-8.6%	-\$582,031
Total	\$6,775,712	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, January 15, 2016, and March 27, 2017 meetings.
- 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 was presented at the March 27, 2017 meeting illustrating the impact of eliminating the real estate allocation. The Trustees elected to maintain the current target asset allocation and not rebalance any assets at this time.

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 March 31, 2017		
	First Quarter	Inception 12/31/14
Beginning Market Value	\$3,102,718	\$0
Net Cash Flow	\$0	\$2,904,590
Net Investment Change	\$26,577	\$224,705
Ending Market Value	\$3,129,295	\$3,129,295

	Gross of Fees										Inception	
	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012		Return	Since
Wedge Capital Management	0.9%	0.5%	--	--	2.2%	1.5%	--	--	--		2.0%	Dec-14
BBgBarc US Govt/Credit Int TR	0.8%	0.4%	--	--	2.1%	1.1%	--	--	--		1.7%	Dec-14

	Net of Fees											
	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012			
Wedge Capital Management	0.8%	0.3%	--	--	2.0%	1.3%	--	--	--			
BBgBarc US Govt/Credit Int TR	0.8%	0.4%	--	--	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.
- 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.

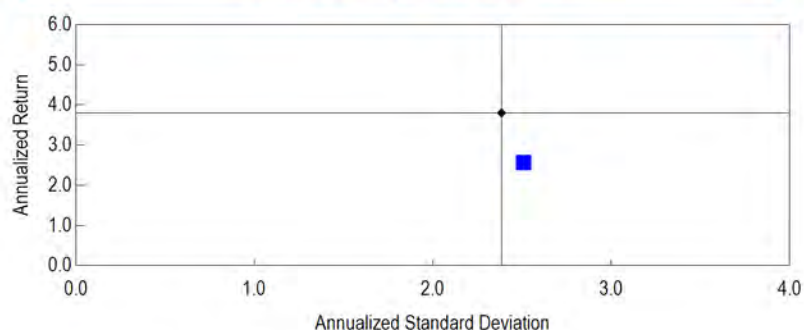
Action to be taken: None.

Items of Interest: **Personnel Departure** - Dennis Tong, mid cap equity analyst, in January 2017. **Retirement** – Michael Gardner, General Partner and Director of Research, retired from the firm effective March 31, 2017. **Ownership Change** - Donald Cleven, lead small cap analyst, was admitted to the partnership effective January 1, 2017. As mentioned, Michael Gardner, General Partner, retired effective March 31, 2017. **Form ADV** - WEDGE's annual amendment to Form ADV was filed on March 31, 2017. Revisions were considered immaterial since the last update on June 15, 2016. WEDGE amended Form ADV again on April 10, 2017 to reflect Michael Gardner's retirement.

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	

Annualized Return vs. Annualized Standard Deviation 3 Years Ending March 31, 2017



- Chartwell Investment Partners Short Duration High Yield
- ◆ BofA ML - U.S. HY Cash Pay 1-3 Yr BB

Chartwell Investment Partners Short Duration High Yield

Ending March 31, 2017

	First Quarter	Inception 8/31/13
Beginning Market Value	\$2,735,044	\$0
Net Cash Flow	\$0	\$2,444,500
Net Investment Change	\$33,690	\$324,234
Ending Market Value	\$2,768,734	\$2,768,734

3 Years Ending March 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners Short Duration High Yield	2.6%	2.5%	75.2%	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

	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Chartwell Investment Partners Short Duration High Yield	1.2%	6.7%	2.6%	--	6.7%	-0.8%	1.6%	--	--	3.2%	Aug-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	1.0%	7.2%	3.8%	--	8.5%	1.2%	1.9%	--	--	4.2%	Aug-13
BBgBarc 1-3 Yr BB U.S. Constrained Index	1.3%	7.3%	3.9%	--	8.8%	1.1%	1.5%	--	--	4.1%	Aug-13

Net of Fees

	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012
Chartwell Investment Partners Short Duration High Yield	1.1%	6.2%	2.1%	--	6.2%	-1.3%	1.1%	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	1.0%	7.2%	3.8%	--	8.5%	1.2%	1.9%	--	--
BBgBarc 1-3 Yr BB U.S. Constrained Index	1.3%	7.3%	3.9%	--	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).
- 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 November 20, 2015 and March 22, 2017.

Recommendation: None.

Compliance Summary

Exceptions: None.

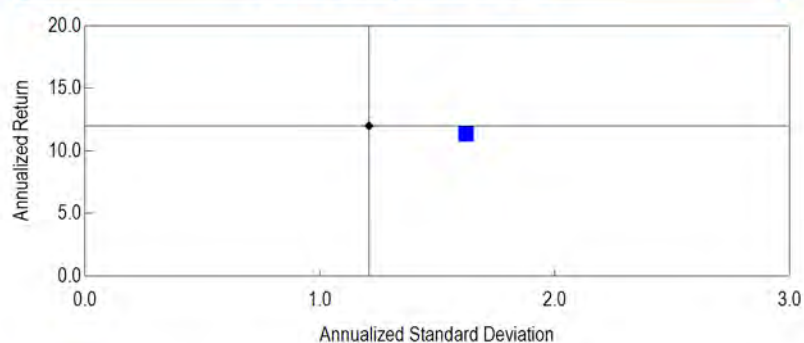
Action to be taken: None.

Items of Interest: Retirement - During the first quarter of 2017, Robert Mory, Southeast Regional Director, retired. **Personnel Departure** - Albert Stewart, Southwest Regional Director, left to pursue another career opportunity within TriState Capital Bank, the manager's parent company. **Form ADV Changes** - The manager stated there were no material changes other than the removal of an affiliate advisor disclosure for Edward Antioian and Zeke Capital Advisors with whom we no longer share office space nor have any contractual affiliation. Since the affiliate broker-dealer, Chartwell TSC Securities Corp. commenced operations in March 2017, the manager added related disclosure in ADV 2A, Item 10, page 11.

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	

Annualized Return vs. Annualized Standard Deviation 5 Years Ending March 31, 2017



- American Core Realty Fund, LLC
- ◆ NCREIF ODCE Equal Weighted Index

American Core Realty Fund, LLC

Ending March 31, 2017

	First Quarter	Inception 7/1/08
Beginning Market Value	\$766,908	\$2,000,000
Net Cash Flow	\$0	-\$1,188,507
Net Investment Change	\$15,234	-\$29,351
Ending Market Value	\$782,143	\$782,143

3 Years Ending March 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.0%	2.0%	90.5%	--
NCREIF ODCE Equal Weighted Index	12.0%	1.4%	100.0%	--

5 Years Ending March 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.3%	1.6%	93.3%	--
NCREIF ODCE Equal Weighted Index	12.0%	1.2%	100.0%	--

Gross of Fees

Inception

	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
American Core Realty Fund, LLC	2.3%	6.7%	11.0%	11.3%	7.1%	15.4%	11.6%	12.4%	11.3%	4.3%	Jul-08
NCREIF ODCE Equal Weighted Index	1.8%	8.6%	12.0%	12.0%	9.3%	15.2%	12.4%	13.3%	11.0%	4.6%	Jul-08

Net of Fees

	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012
American Core Realty Fund, LLC	2.0%	5.5%	9.8%	10.1%	5.9%	14.1%	10.4%	11.1%	10.1%
NCREIF ODCE Equal Weighted Index	1.8%	8.6%	12.0%	12.0%	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 March 31, 2017		
	First Quarter	Inception 1/1/98
Beginning Market Value	\$309,316	\$1,375,630
Net Cash Flow	-\$214,018	-\$1,454,842
Net Investment Change	\$243	\$174,753
Ending Market Value	\$95,541	\$95,541

	Gross of Fees										Inception	
	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012		Return	Since
PNC Cash Account	0.1%	0.2%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%		1.9%	Jan-98
91 Day T-Bills	0.1%	0.4%	0.2%	0.1%	0.3%	0.0%	0.0%	0.0%	0.1%		1.9%	Jan-98

Commission Recapture Provider

- ConvergeEx Group.
- On April 3, 2017, Cowen Group announced the signing of a definitive agreement to acquire ConvergeEx Group. The transaction is expected to close by the end of the second quarter of 2017, following customary closing conditions and regulatory approvals. IPS contacted John Seyler at ConvergeEx to discuss the transaction. Per ConvergeEx, there will be no impact to existing ConvergeEx clients and a consent to assignment is not required. The transaction closed on June 1, 2017. Following the acquisition, the name changed to Cowen Execution Services, LLC.

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.

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Warehouse Local #730 Welfare Fund

Appendix

Warehouse Local #730 Welfare Fund

Master Consulting Services Report as of March 31, 2017

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending March 31, 2017						Inception	
			2017 Q1	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Composite	\$6,775,712	100.0%	1.1%	3.3%	2.9%	3.5%	4.2%	3.6%	4.5%	Jan-98
Total Investment Grade Fixed Income	\$3,129,295	46.2%	0.9%	0.5%	2.2%	1.9%	2.6%	3.7%	4.5%	Jan-98
BBgBarc US Govt/Credit Int TR			0.8%	0.4%	2.0%	1.9%	2.9%	3.8%	4.6%	Jan-98
Wedge Capital Management	\$3,129,295	46.2%	0.9%	0.5%	--	--	--	--	2.0%	Dec-14
BBgBarc US Govt/Credit Int TR			0.8%	0.4%	--	--	--	--	1.7%	Dec-14
Total Short Duration High Yield Fixed Income	\$2,768,734	40.9%	1.2%	6.7%	2.6%	--	--	--	3.2%	Aug-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			1.0%	7.2%	3.8%	--	--	--	4.2%	Aug-13
Chartwell Investment Partners Short Duration High Yield	\$2,768,734	40.9%	1.2%	6.7%	2.6%	--	--	--	3.2%	Aug-13
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			1.0%	7.2%	3.8%	--	--	--	4.2%	Aug-13
BBgBarc 1-3 Yr BB U.S. Constrained Index			1.3%	7.3%	3.9%	--	--	--	4.1%	Aug-13
Total Real Estate	\$782,143	11.5%	2.3%	6.7%	11.0%	11.3%	12.4%	--	4.3%	Jul-08
NCREIF ODCE Equal Weighted Index			1.8%	8.6%	12.0%	12.0%	13.5%	--	4.6%	Jul-08
American Core Realty Fund, LLC	\$782,143	11.5%	2.3%	6.7%	11.0%	11.3%	12.4%	--	4.3%	Jul-08
NCREIF ODCE Equal Weighted Index			1.8%	8.6%	12.0%	12.0%	13.5%	--	4.6%	Jul-08
Total Cash	\$95,541	1.4%	0.1%	0.2%	0.1%	0.1%	0.1%	0.6%	1.9%	Jan-98
91 Day T-Bills			0.1%	0.4%	0.2%	0.1%	0.1%	0.5%	1.9%	Jan-98
PNC Cash Account	\$95,541	1.4%	0.1%	0.2%	0.1%	0.1%	0.1%	0.6%	1.9%	Jan-98
91 Day T-Bills			0.1%	0.4%	0.2%	0.1%	0.1%	0.5%	1.9%	Jan-98

Warehouse Local #730 Welfare Fund

Master Consulting Services Report as of March 31, 2017

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending March 31, 2017				
			2017 Q1	1 Yr	3 Yrs	5 Yrs	7 Yrs
Composite	\$6,775,712	100.0%	1.0%	2.9%	2.5%	3.2%	3.9%
Total Investment Grade Fixed Income	\$3,129,295	46.2%	0.8%	0.3%	1.9%	1.7%	2.4%
BBgBarc US Govt/Credit Int TR			0.8%	0.4%	2.0%	1.9%	2.9%
Wedge Capital Management	\$3,129,295	46.2%	0.8%	0.3%	--	--	--
BBgBarc US Govt/Credit Int TR			0.8%	0.4%	--	--	--
Total Short Duration High Yield Fixed Income	\$2,768,734	40.9%	1.1%	6.2%	2.1%	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			1.0%	7.2%	3.8%	--	--
Chartwell Investment Partners Short Duration High Yield	\$2,768,734	40.9%	1.1%	6.2%	2.1%	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			1.0%	7.2%	3.8%	--	--
BBgBarc 1-3 Yr BB U.S. Constrained Index			1.3%	7.3%	3.9%	--	--
Total Real Estate	\$782,143	11.5%	2.0%	5.5%	9.8%	10.1%	11.2%
NCREIF ODCE Equal Weighted Index			1.8%	8.6%	12.0%	12.0%	13.5%
American Core Realty Fund, LLC	\$782,143	11.5%	2.0%	5.5%	9.8%	10.1%	11.2%
NCREIF ODCE Equal Weighted Index			1.8%	8.6%	12.0%	12.0%	13.5%
Total Cash	\$95,541	1.4%	0.1%	0.2%	0.1%	0.1%	0.1%
91 Day T-Bills			0.1%	0.4%	0.2%	0.1%	0.1%
PNC Cash Account	\$95,541	1.4%	0.1%	0.2%	0.1%	0.1%	0.1%
91 Day T-Bills			0.1%	0.4%	0.2%	0.1%	0.1%

Warehouse Local #730 Welfare Fund Benchmark History

As of March 31, 2017

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

FOOTNOTES

- 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



Warehouse Local #730 Welfare Fund

Preliminary Monthly Performance Analysis

Period Ended
May 31, 2017

Warehouse Local #730 Welfare Fund
Preliminary Monthly Report as of May 31, 2017

Summary of Cash Flows		
	Last Month	Year-To-Date
Beginning Market Value	\$6,779,661	\$6,913,986
Net Cash Flow	\$137,367	-\$115,072
Net Investment Change	\$23,880	\$141,994
Ending Market Value	\$6,940,908	\$6,940,908

Warehouse Local #730 Welfare Fund
Preliminary Monthly Report as of May 31, 2017

Allocation vs. Targets and Policy						
	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	\$3,017,277	43.47%	45.00%	35.00% - 55.00%	-1.53%	-\$106,132
Short Duration High Yield Fixed Income	\$2,646,624	38.13%	40.00%	30.00% - 50.00%	-1.87%	-\$129,740
Real Estate	\$782,143	11.27%	5.00%	0.00% - 15.00%	6.27%	\$435,097
Cash	\$494,865	7.13%	10.00%	0.00% - 20.00%	-2.87%	-\$199,225
Total	\$6,940,908	100.00%	100.00%			

Policy targets are effective 4/1/16.

Warehouse Local #730 Welfare Fund
Preliminary Monthly Report as of May 31, 2017

Performance Summary (Gross of Fees)

	Market Value	% of Portfolio	Ending May 31, 2017	
			1 Mo	YTD
Composite	\$6,940,908	100.0%	0.3%	2.1%
Total Investment Grade Fixed Income	\$3,017,277	43.5%	0.6%	2.1%
BBgBarc US Govt/Credit Int TR			0.5%	1.9%
Wedge Capital Management	\$3,017,277	43.5%	0.6%	2.1%
BBgBarc US Govt/Credit Int TR			0.5%	1.9%
Total Short Duration High Yield Fixed Income	\$2,646,624	38.1%	0.3%	2.3%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			0.5%	2.2%
Chartwell Investment Partners Short Duration High Yield	\$2,646,624	38.1%	0.3%	2.3%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			0.5%	2.2%
BBgBarc 1-3 Yr BB U.S. Constrained Index			0.5%	2.4%
Total Real Estate	\$782,143	11.3%		
American Core Realty Fund, LLC	\$782,143	11.3%		
Total Cash	\$494,865	7.1%	0.1%	0.2%
91 Day T-Bills			0.1%	0.3%
PNC Cash Account	\$494,865	7.1%	0.1%	0.2%
91 Day T-Bills			0.1%	0.3%

Warehouse Local #730 Welfare Fund

FOOTNOTES

- American Realty is valued quarterly. Market values shown are as of 3/31/17.
- 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.

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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
