Warehouse Local #730 Legal Fund

Investment Performance Analysis

Period Ended
March 31, 2017

TABLE OF CONTENTS

This page left blank intentionally.

Market Discussion Points 1Q | 2017

INVESTMENT PERFORMANCE SERVICES, LLC

Financial Market Performance

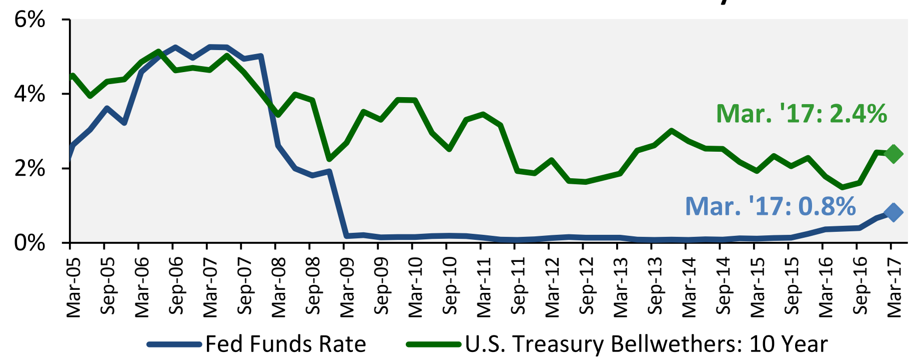
Periods Ending March 31, 2017

Strategy	Sector	Index	QTR	YTD	2016	2015	2014	2013	2012	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
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

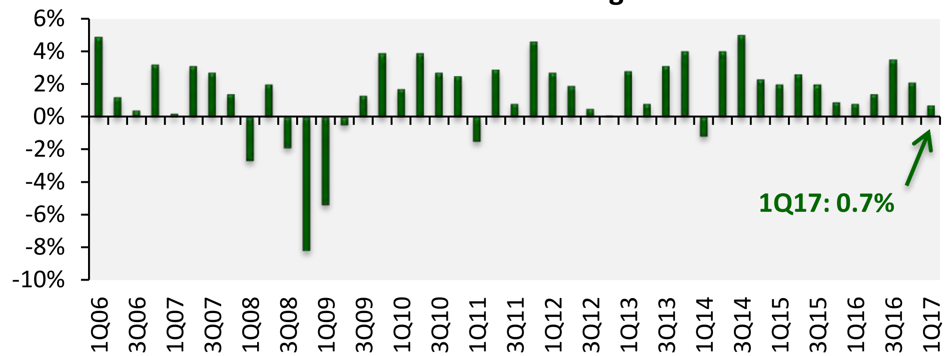
U.S. Economy

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 2.8% 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.

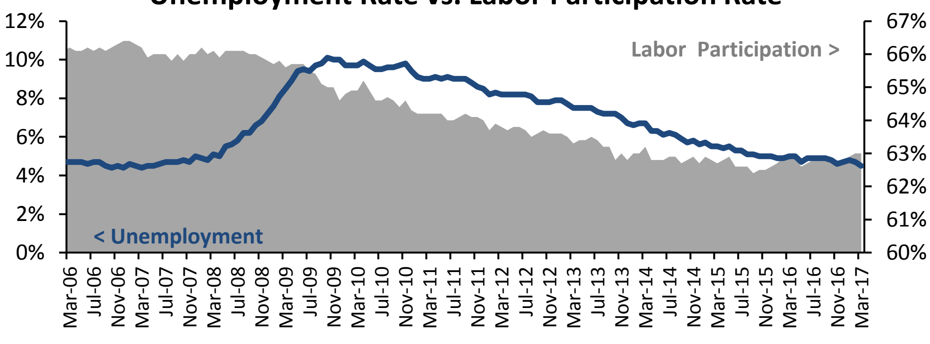
Fed Funds Rate vs. 10-Year U.S. Treasury



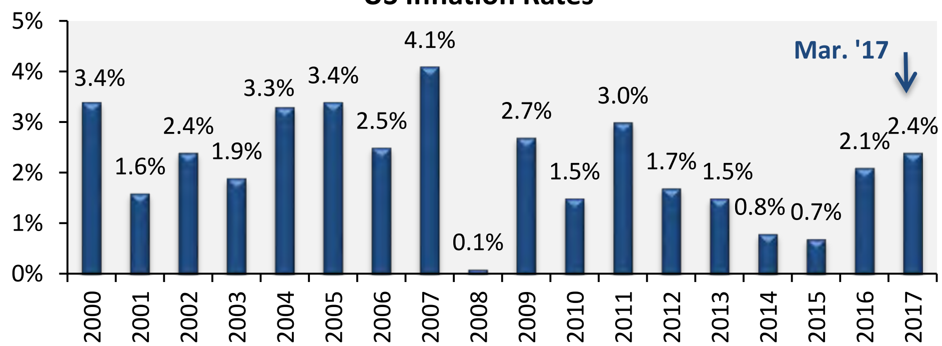
GDP Percent Change



Unemployment Rate vs. Labor Participation Rate

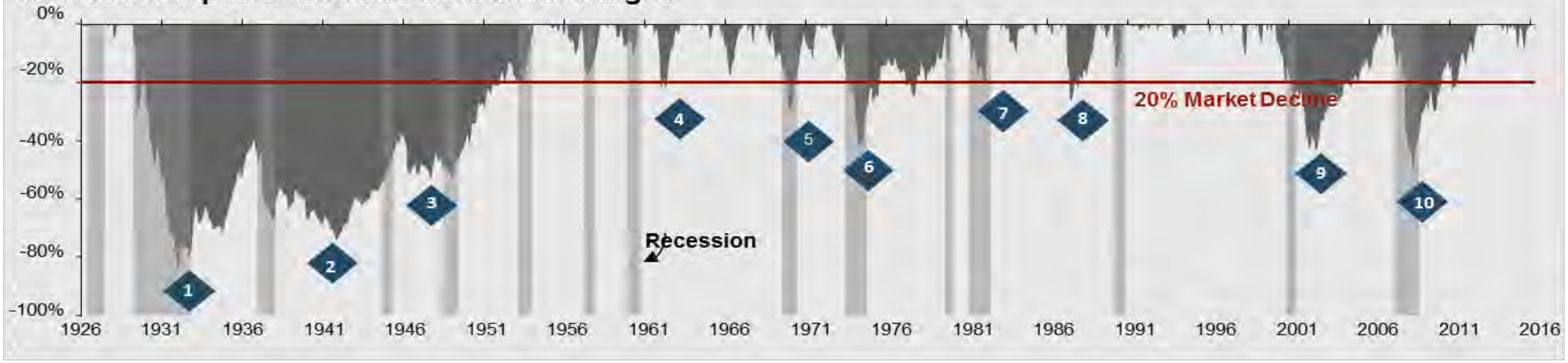


US Inflation Rates



Current Bull Market: Historical Context

S&P 500 composite declines from all-time highs



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"

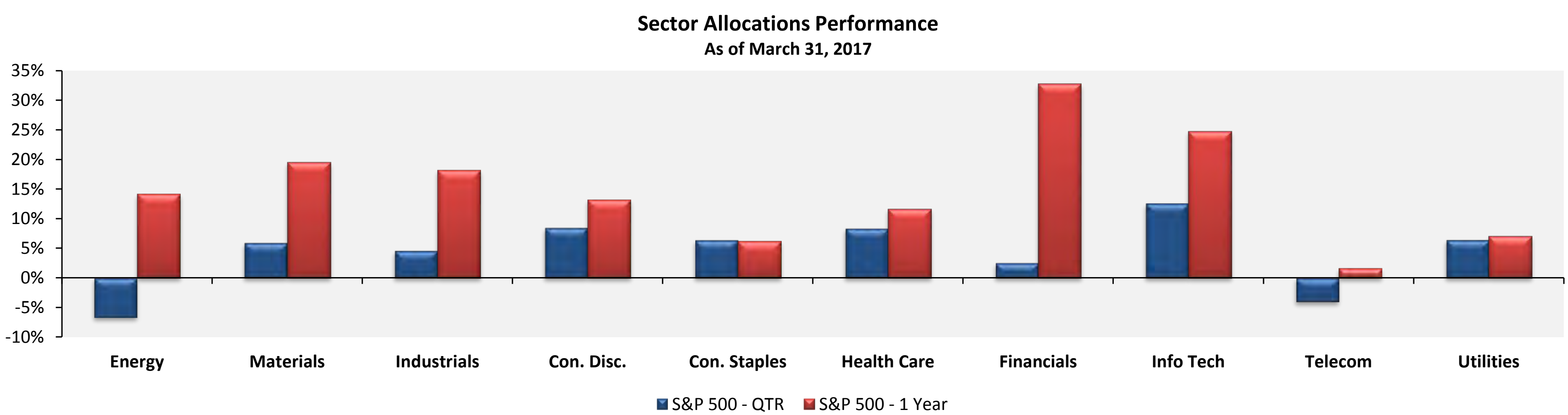
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RE 13.5%	Fx Inc 8.4%	Fx Inc 10.3%	EM Equity 55.8%	EM Equity 25.6%	EM Equity 34.0%	EM Equity 32.2%	EM Equity 39.4%	Fx Inc 5.2%	EM Equity 78.5%	Small Cap 26.9%	RE 16.0%	EM Equity 18.2%	Small Cap 38.8%	Large Cap 13.7%	RE 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 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.

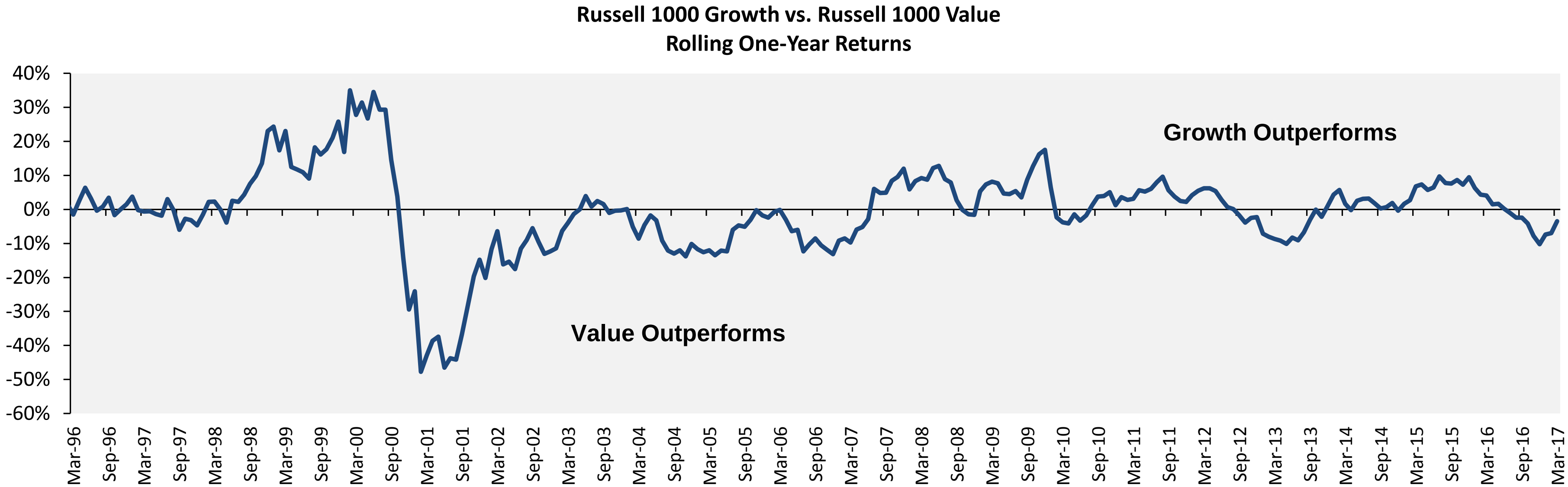
U.S. Equity Market

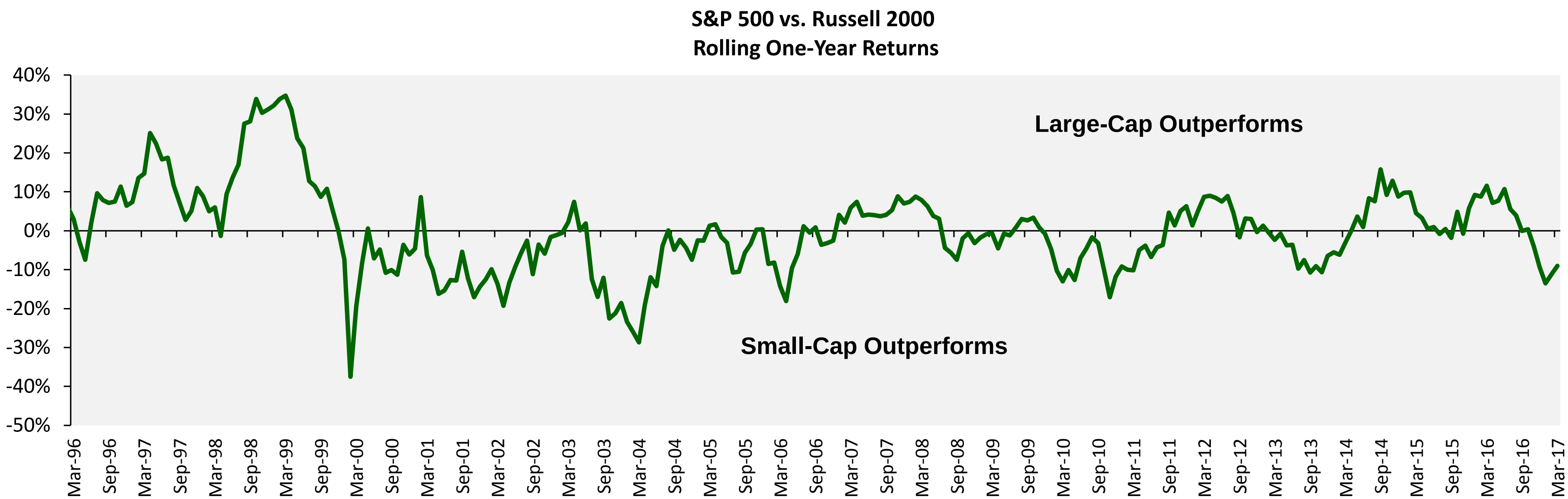
The fundamentals for the US equity market remain strong and that was reflected in the S&P 500 Index moving up 6.1% in the first quarter of 2017. Small cap stocks, which were up significantly last year, posted a 2.5% return for the quarter. In 2016, the value style significantly outperformed the growth 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.

Sector	Index	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
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



U.S. Equity Market

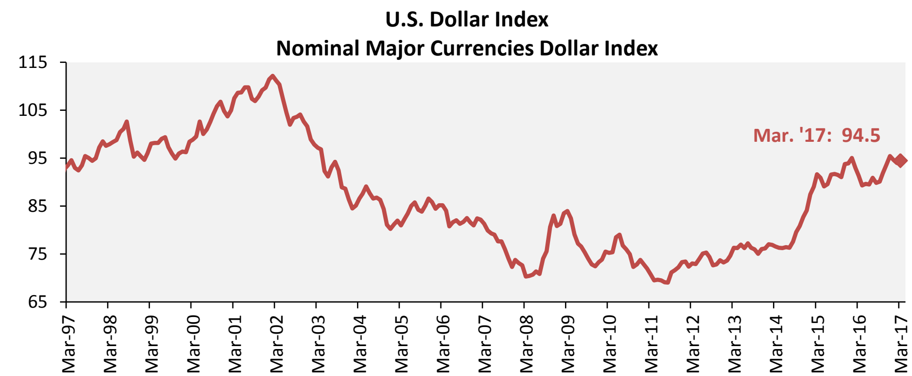


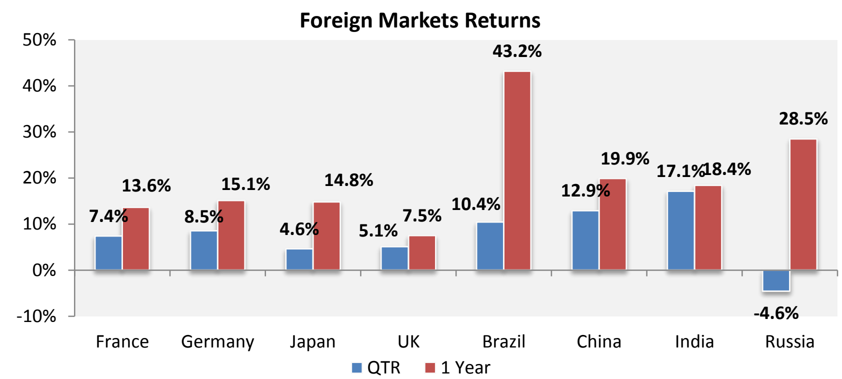


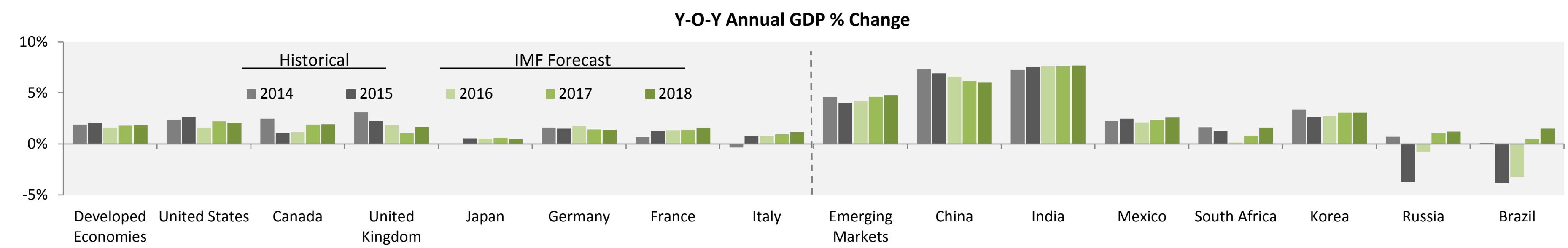
International Equity Market

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







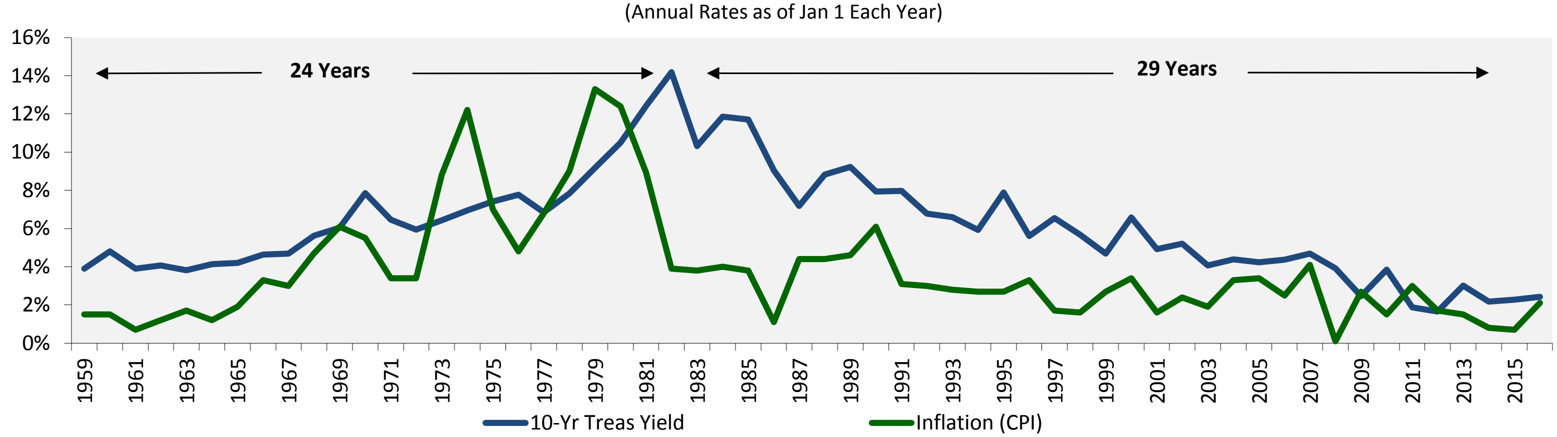
Top left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. **Top right chart:** Data as 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

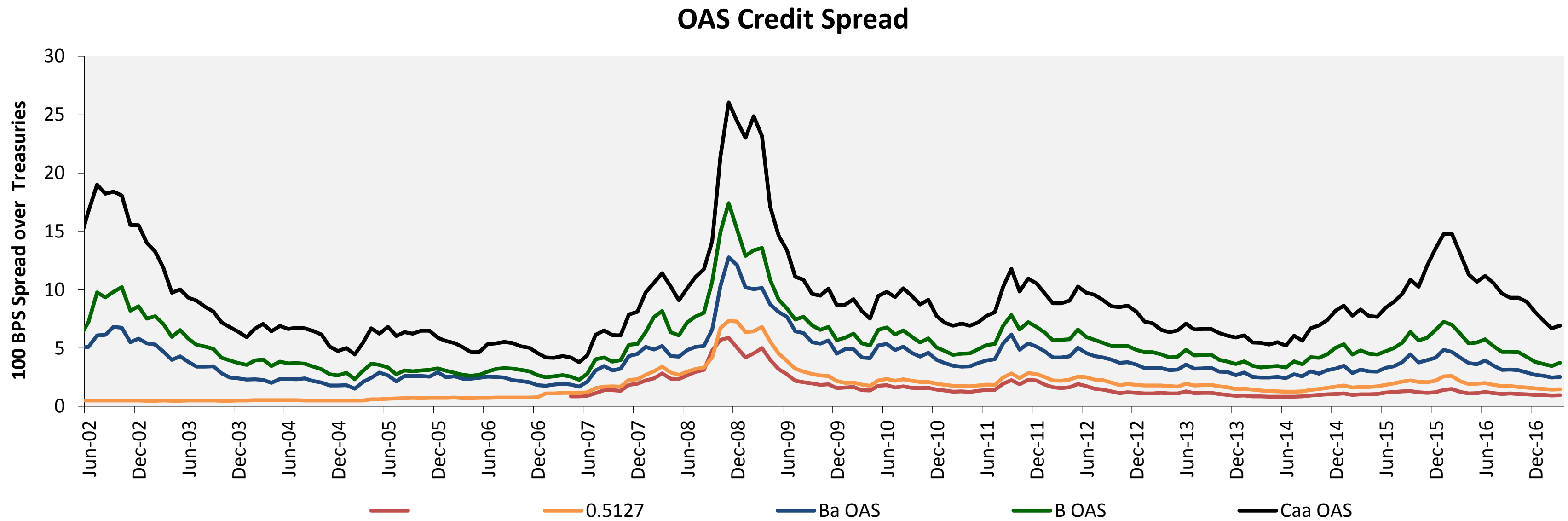
The Federal Reserve increased the Federal Funds rate by 25 basis points (0.25%) in March. While this increased almost all short-term interest rates by a similar amount, the 5-year Treasury remained unchanged at 1.93% from year-end, but longer term rates actually declined slightly. The 10-year Treasury 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.

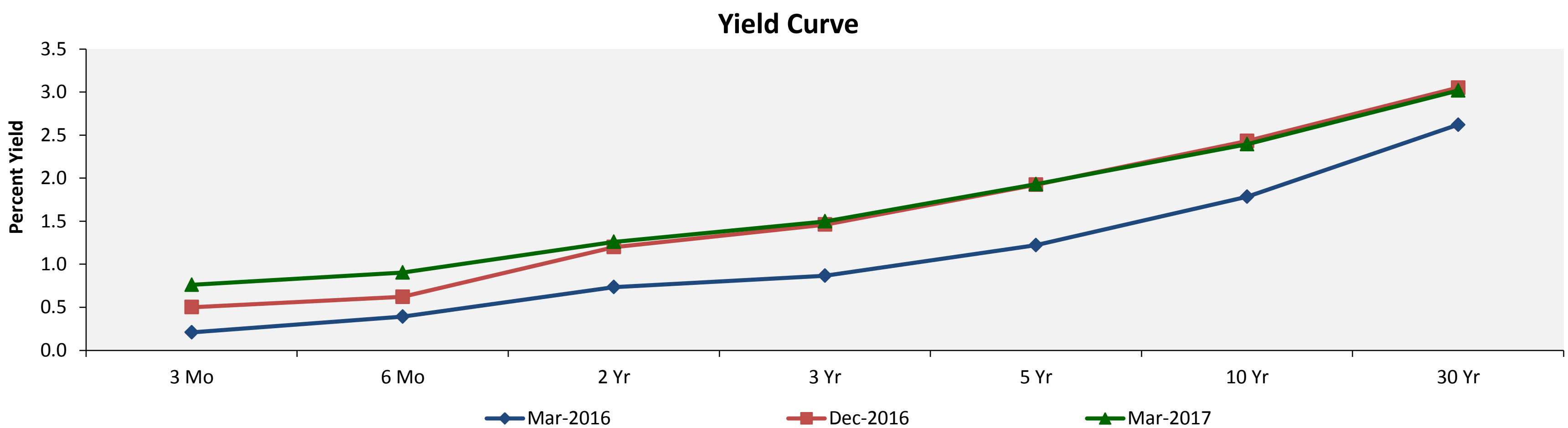
Index	Yield	Duration	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.61	6.0	0.8	0.8	2.7	0.6	6.0	-2.0	4.2	0.4	2.7	2.3	4.3
Bloomberg Barclays Govt/Credit	2.49	6.5	1.0	1.0	3.1	0.2	6.0	-2.4	4.8	0.5	2.7	2.5	4.3
Bloomberg Barclays Int Agg	2.38	4.4	0.7	0.7	2.0	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
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
Jun-10
Dec-10
Jun-11
Dec-11
Jun-12
Dec-12
Jun-13
Dec-13
Jun-14
Dec-14
Jun-15
Dec-15
Jun-16
Dec-16
0.5127
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
Mar-2016
Dec-2016
Mar-2017

Interest Rate Sensitivity

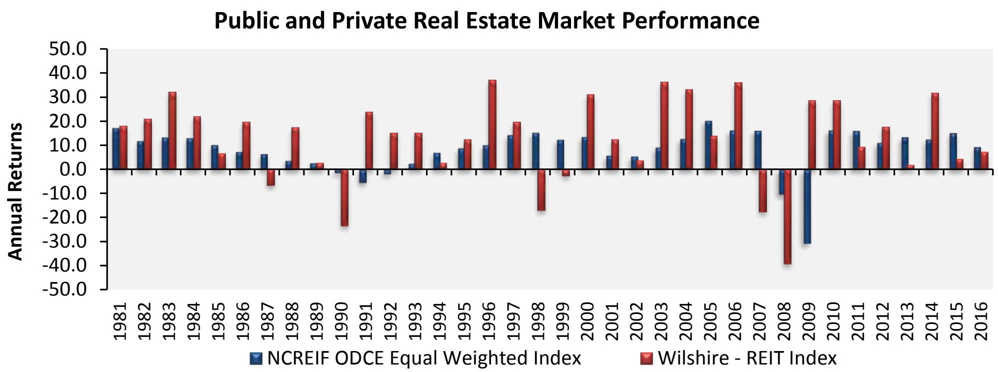
12 Month Holding Period - Annualized Returns as of 3/31/2017							
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-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

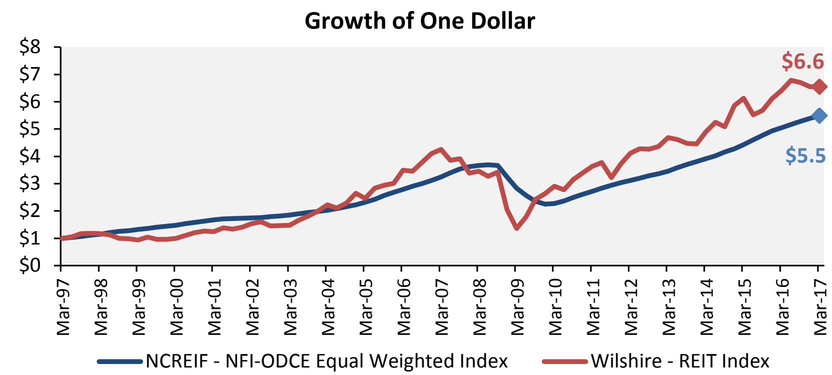
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 12/31/2016 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as 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



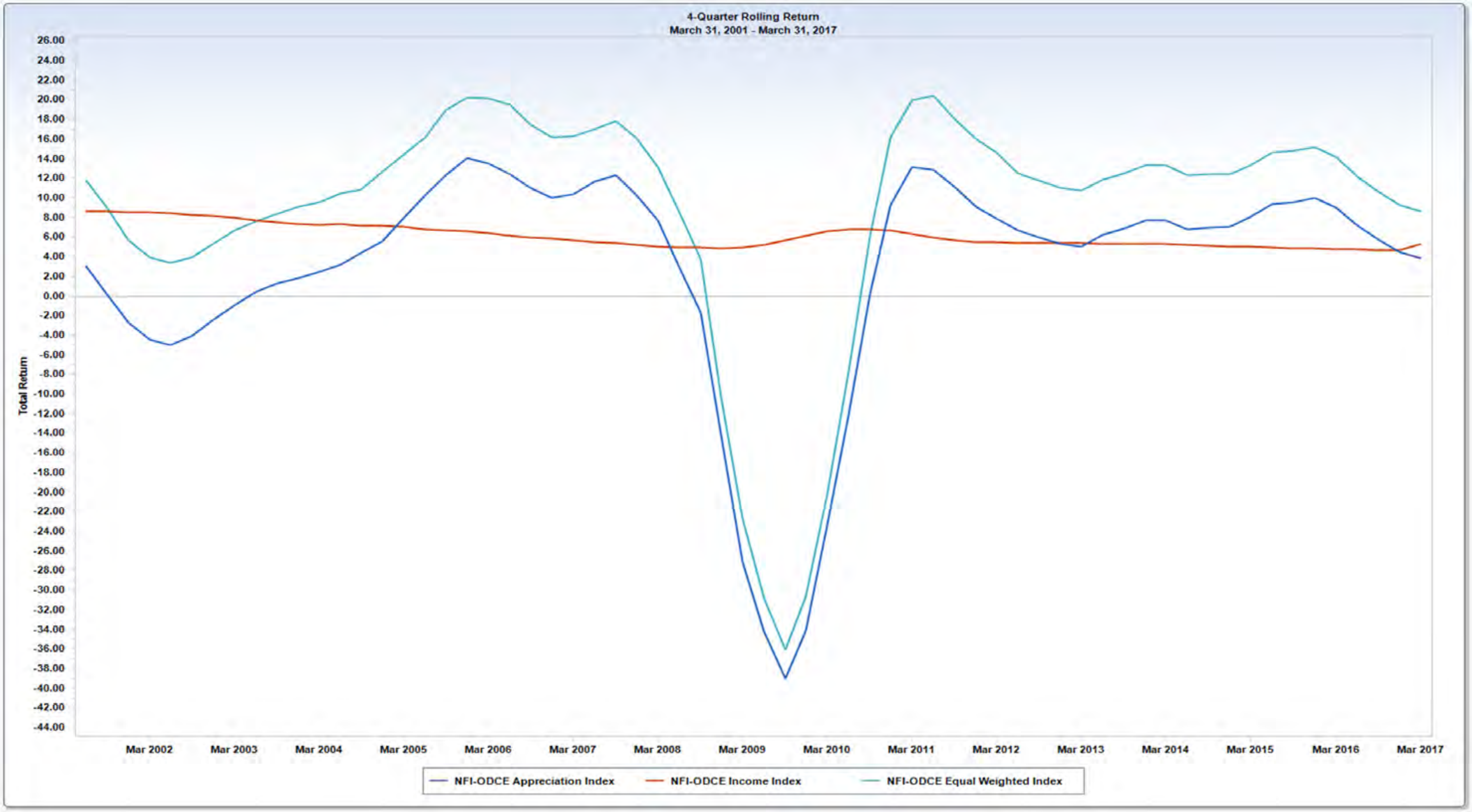


	Total return (incl. income) 2016	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2016 to 2020 (per year)
National, All Property Types (NPI)	8.3	6.9	5.7	6.4
Office	7.1	6.6	5.5	5.9
Retail	9.4	7.0	5.8	6.9
Industrial	10.9	7.8	6.4	7.3
Apartment	7.6	6.7	5.6	6.1

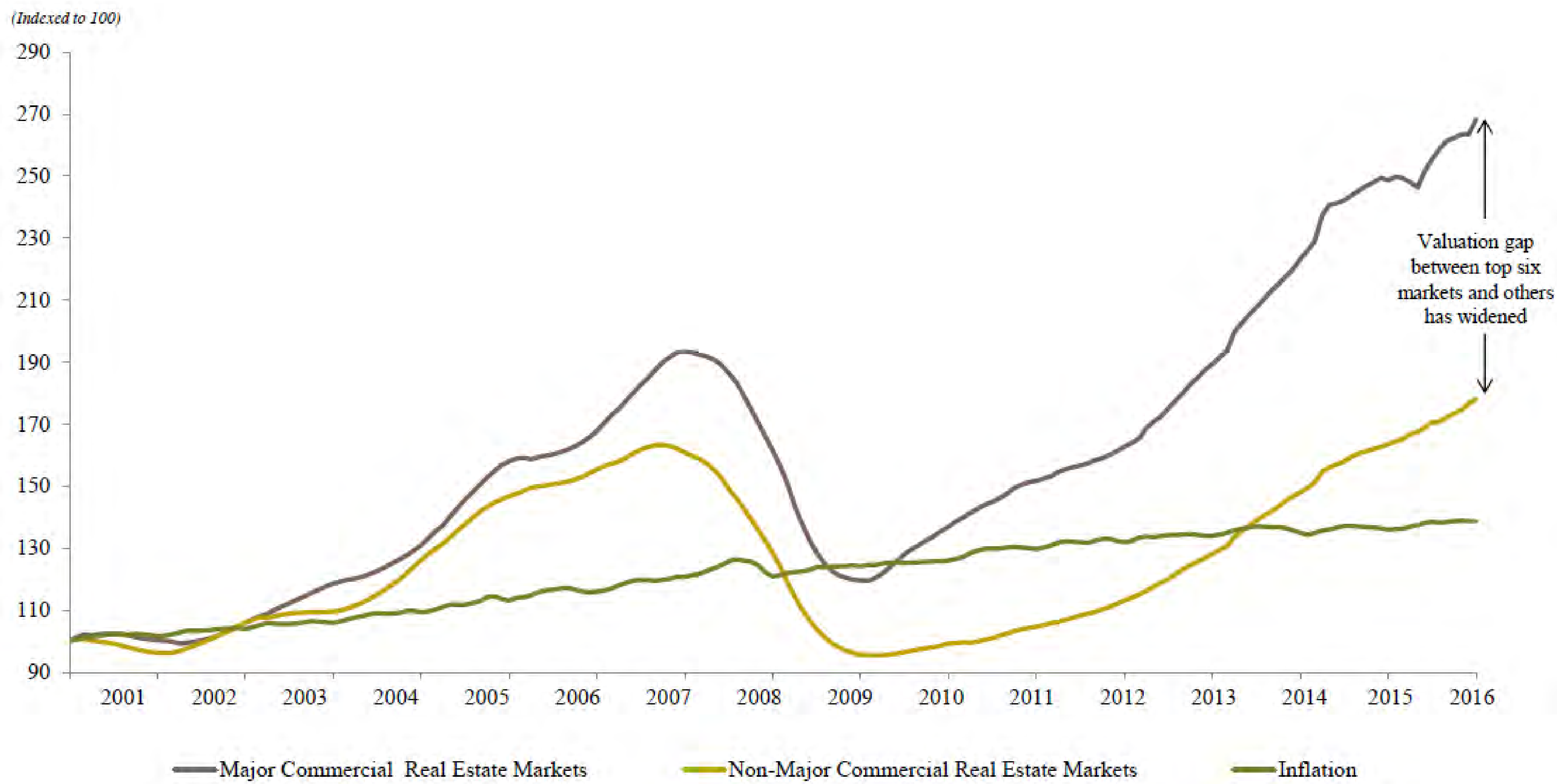
Bottom chart: Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q4 2016.

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.



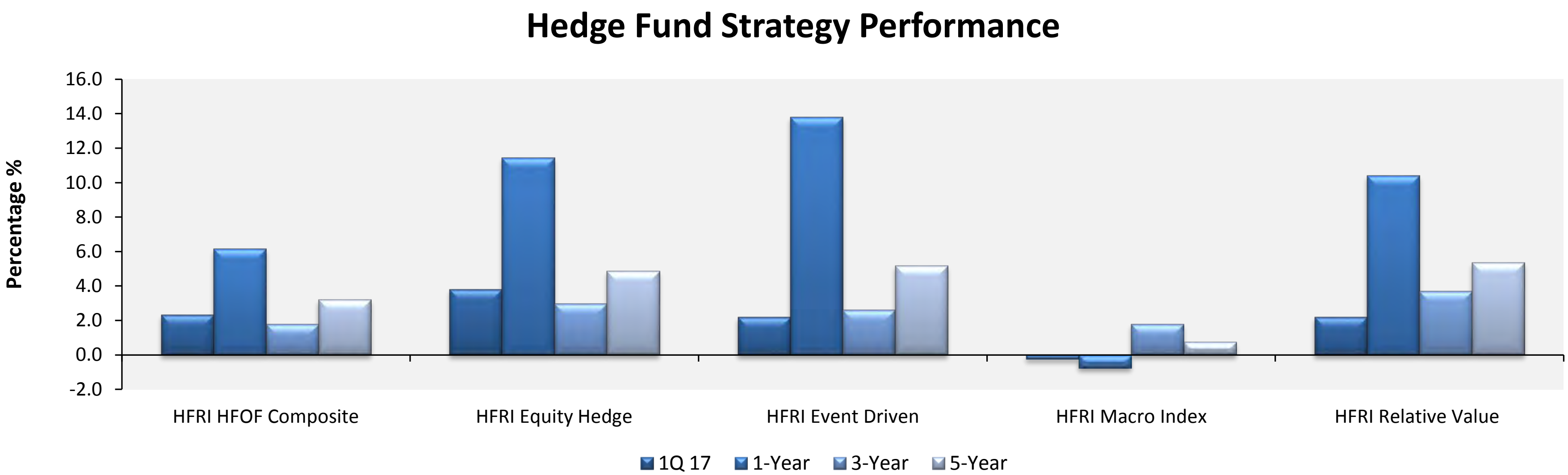
Real Estate Market



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.

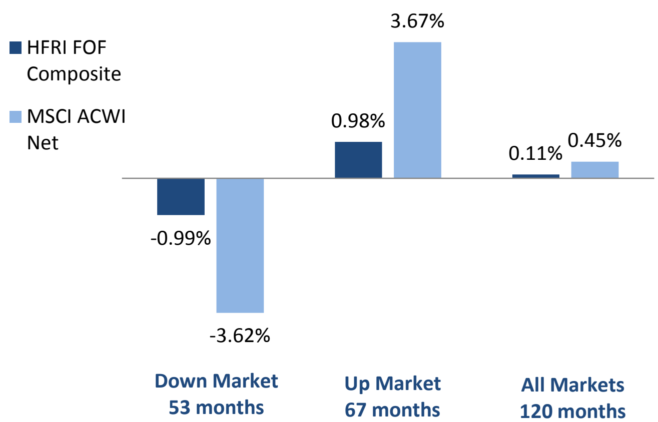
Strategy	Index	1Q 17	YTD	2016	2015	2014	2013	2012	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	2.3	2.3	0.5	-0.3	3.4	9.0	4.8	6.2	1.8	3.2	1.2
Equity Long-Short	HFRI Equity Hedge	3.8	3.8	5.5	-1.0	1.8	14.3	7.4	11.5	3.0	4.9	3.0
Event Driven	HFRI Event Driven	2.2	2.2	10.6	-3.6	1.1	12.5	8.9	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 of Funds Market

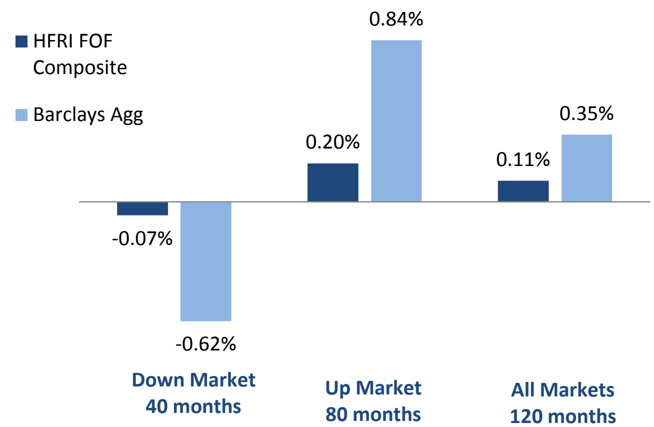
Up/Down Capture vs. Equity

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 Legal Fund

Investment Performance Analysis

Period Ended
March 31, 2017

Total Plan Growth of Assets

Summary of Cash Flows

	First Quarter	One Year	Three Years	Five Years	Seven Years	Since 1/1/08
Beginning Market Value	$1,210,029	$812,985	$809,102	$826,535	$690,702	$521,361
Net Cash Flow	-$355,165	$40,471	$19,243	-$12,411	$90,520	$199,728
Net Investment Change	$3,357	$4,765	$29,876	$44,097	$76,999	$137,132
Ending Market Value	$858,221	$858,221	$858,221	$858,221	$858,221	$858,221

*The fund's fiscal year ends December 31.

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Difference	Difference
Investment Grade Fixed Income	$835,749	97.4%	90.0%	7.4%	$63,350
Cash	$22,472	2.6%	10.0%	-7.4%	-$63,350
Total	**$858,221**	**100.0%**	**100.0%**		

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	Inception Return	Since
Composite	**$858,221**	**100.0%**	**0.3%**	**0.5%**	**1.1%**	**1.1%**	**1.4%**	**2.3%**	**3.1%**	**Apr-95**
Total Investment Grade Fixed Income	**$835,749**	**97.4%**	**0.4%**	**0.6%**	**1.2%**	**1.2%**	**1.6%**	**--**	**2.5%**	**Oct-07**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.6%*	*0.6%*	*1.4%*	*1.4%*	*1.9%*	*--*	*2.8%*	*Oct-07*
Atlanta Capital Management	$835,749	97.4%	0.4%	0.6%	1.2%	1.2%	1.6%	--	1.8%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.6%*	*0.6%*	*1.4%*	*1.4%*	*1.9%*	*--*	*2.2%*	*Jul-09*
Total Cash	**$22,472**	**2.6%**	**0.1%**	**0.2%**	**0.1%**	**0.1%**	**0.1%**	**--**	**--**	**Oct-07**
91 Day T-Bills			*0.1%*	*0.4%*	*0.2%*	*0.1%*	*0.1%*	*--*	*--*	*Oct-07*
PNC Prime Money Market Fund	$22,472	2.6%	0.1%	0.2%	0.1%	0.1%	0.1%	0.6%	2.3%	Apr-95
91 Day T-Bills			*0.1%*	*0.4%*	*0.2%*	*0.1%*	*0.1%*	*0.5%*	*2.4%*	*Apr-95*

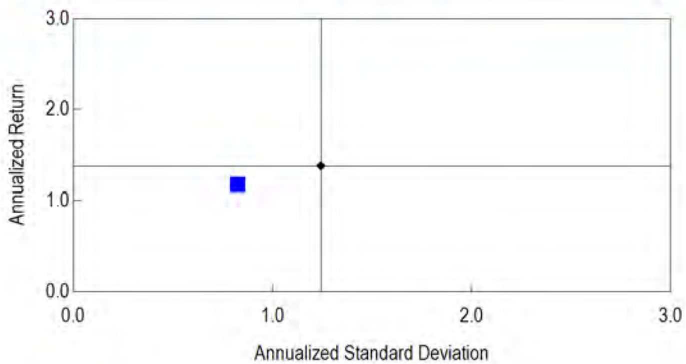
	Fiscal Year Ends December 31 YTD	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Inception Return	Since
Composite	**0.3%**	**1.1%**	**0.9%**	**1.3%**	**0.3%**	**1.8%**	**2.0%**	**2.8%**	**5.2%**	**3.9%**	**5.2%**	**4.3%**	**3.1%**	**Apr-95**
Total Investment Grade Fixed Income	**0.4%**	**1.2%**	**1.0%**	**1.3%**	**0.3%**	**2.1%**	**2.3%**	**3.3%**	**6.0%**	**4.5%**	**--**	**--**	**2.5%**	**Oct-07**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*0.6%*	*1.6%*	*1.0%*	*1.5%*	*0.3%*	*2.5%*	*3.1%*	*4.2%*	*4.9%*	*4.6%*	*7.3%*	*4.2%*	*2.8%*	*Oct-07*
Atlanta Capital Management	0.4%	1.2%	1.0%	1.3%	0.3%	2.1%	2.3%	3.3%	--	--	--	--	1.8%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*0.6%*	*1.6%*	*1.0%*	*1.5%*	*0.3%*	*2.5%*	*3.1%*	*4.2%*	*4.9%*	*4.6%*	*7.3%*	*4.2%*	*2.2%*	*Jul-09*
Total Cash	**0.1%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**0.1%**	**0.1%**	**0.2%**	**2.5%**	**--**	**--**	**--**	**Oct-07**
91 Day T-Bills	*0.1%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*5.0%*	*0.3%*	*Oct-07*
PNC Prime Money Market Fund	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	2.5%	4.8%	4.3%	2.3%	Apr-95
91 Day T-Bills	*0.1%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*5.0%*	*2.4%*	*Apr-95*

Account Information	
Account Name	**Atlanta Capital Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**7/01/09**
Account Type	**US Fixed Income**
Benchmark	**BofA Merrill Lynch US Corp & Gov 1-5 Yrs**
Universe	**eA US Short Duration Fixed Inc Gross**

Atlanta Capital Management
Ending March 31, 2017

	First Quarter	Inception 7/1/09
Beginning Market Value	$732,434	$571,388
Net Cash Flow	$100,000	$170,000
Net Investment Change	$3,315	$94,361
Ending Market Value	$835,749	$835,749

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



■ Atlanta Capital Management
◆ BofA Merrill Lynch US Corp & Gov 1-5 Yrs

3 Years Ending March 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Atlanta Capital Management	1.2%	0.9%	68.8%	49.2%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	1.4%	1.3%	100.0%	100.0%

5 Years Ending March 31, 2017

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Atlanta Capital Management	1.2%	0.8%	70.5%	55.6%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	1.4%	1.2%	100.0%	100.0%

Gross of Fee Performance

	2017 Q1	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Inception Return	Inception Since
Atlanta Capital Management	0.4%	80	0.6%	79	1.2%	62	1.2%	65	1.2%	80	1.0%	44	1.3%	42	0.3%	78	2.1%	60	1.8%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*0.6%*	*42*	*0.6%*	*80*	*1.4%*	*44*	*1.4%*	*50*	*1.6%*	*52*	*1.0%*	*36*	*1.5%*	*31*	*0.3%*	*80*	*2.5%*	*49*	*2.2%*	*Jul-09*

Account Information	
Account Name	**PNC Prime Money Market Fund**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**4/01/95**
Account Type	**Cash**
Benchmark	**91 Day T-Bills**
Universe	

PNC Prime Money Market Fund
Ending March 31, 2017

	First Quarter	**Since 10/1/07**
Beginning Market Value	$477,596	$171,131
Net Cash Flow	-$455,165	-$153,462
Net Investment Change	$41	$4,802
Ending Market Value	$22,472	$22,472

	Gross of Fee Performance									Inception	
	2017 Q1	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
PNC Prime Money Market Fund	0.1%	0.2%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	2.3%	Apr-95
91 Day T-Bills	*0.1%*	*0.4%*	*0.2%*	*0.1%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*2.4%*	*Apr-95*

Warehouse Local #730 Legal Fund

Appendix

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	**$858,221**	**100.0%**	**0.3%**	**0.4%**	**1.0%**	**0.9%**	**1.3%**
Total Investment Grade Fixed Income	**$835,749**	**97.4%**	**0.4%**	**0.4%**	**1.1%**	**1.0%**	**1.4%**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.6%*	*0.6%*	*1.4%*	*1.4%*	*1.9%*
Atlanta Capital Management	$835,749	97.4%	0.4%	0.4%	1.1%	1.0%	1.4%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.6%*	*0.6%*	*1.4%*	*1.4%*	*1.9%*
Total Cash	**$22,472**	**2.6%**	**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 Prime Money Market Fund	$22,472	2.6%	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 Legal Fund Benchmark History

As of March 31, 2017

Composite		
4/1/2009	Present	BofA Merrill Lynch US Corp & Gov 1-5 Yrs 90% / 91 Day T-Bills 10%
4/1/1995	3/31/2009	BofA Merrill Lynch US Corp & Gov 1-5 Yrs

Warehouse Local #730 Legal Fund

FOOTNOTE

- The PNC Prime Money Market Fund transferred $195,000 to the PNC Limited Maturity Bond Fund on 4/15/08.

- Atlanta Capital was funded on 6/19/2009 with $567,765.47 from the PNC Limited Maturity Bond Fund, which as a result was terminated, and $2,234.53 from the PNC Prime Money Market Fund.

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

- 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.

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

This page left blank intentionally.

Warehouse Local #730 Legal Fund

Preliminary Monthly Performance Analysis

Period Ended
May 31, 2017

Summary of Cash Flows

	Last Month	Year-To-Date
Beginning Market Value	$857,797	$1,210,029
Net Cash Flow	-$977	-$358,654
Net Investment Change	$1,857	$7,302
Ending Market Value	$858,677	$858,677

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	$839,674	97.79%	90.00%	0.00% - 100.00%	7.79%	$66,865
Cash	$19,003	2.21%	10.00%	0.00% - 100.00%	-7.79%	-$66,865
Total	**$858,677**	**100.00%**	**100.00%**			

Performance Summary (Gross of Fees)

	Ending May 31, 2017			
	Market Value	% of Portfolio	1 Mo	YTD
Composite	**$858,677**	**100.0%**	**0.2%**	**0.8%**
Total Investment Grade Fixed Income	**$839,674**	**97.8%**	**0.2%**	**0.9%**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.3%*	*1.2%*
Atlanta Capital Management	$839,674	97.8%	0.2%	0.9%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.3%*	*1.2%*
Total Cash	**$19,003**	**2.2%**	**0.1%**	**0.2%**
91 Day T-Bills			*0.1%*	*0.3%*
PNC Prime Money Market Fund	$19,003	2.2%	0.1%	0.2%
91 Day T-Bills			*0.1%*	*0.3%*

Warehouse Local #730 Legal Fund

Footnotes

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