Warehouse Local #730 Legal Fund

Investment Performance Analysis

Period Ended
June 30, 2014

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Market Discussion Points

2Q | 2014

INVESTMENT PERFORMANCE SERVICES, LLC

Financial Market Performance

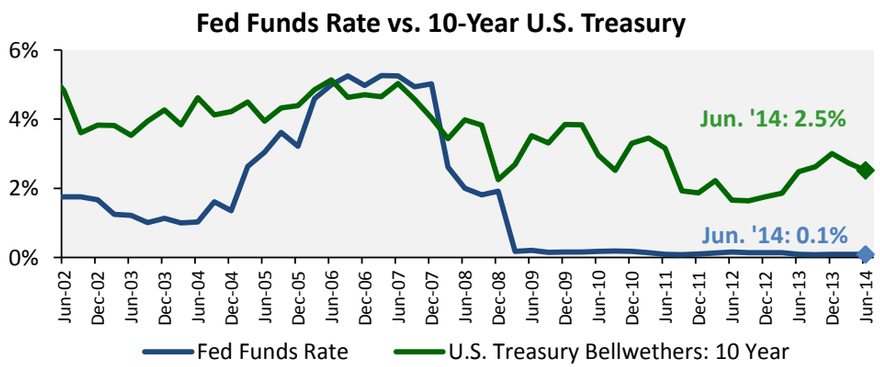
Periods Ending June 30, 2014

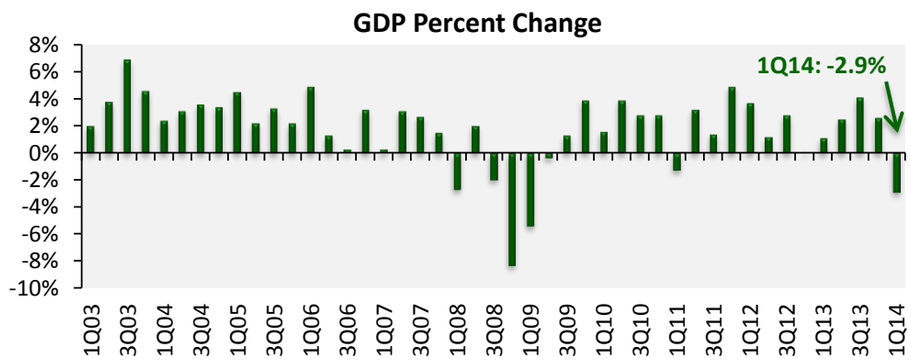
Strategy	Sector	Index	Quarter	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
Stocks	**US Large Cap**	S&P 500 Index	5.2	7.1	32.4	16.1	2.1	15.1	26.4	24.6	16.6	18.8	7.8
	US Small Cap	Russell 2000	2.0	3.2	38.8	16.3	-4.2	26.8	27.2	23.6	14.6	20.2	8.7
	All Country	MSCI All Country World (net)	5.0	6.2	22.8	16.1	-7.3	12.7	34.6	22.9	10.3	14.3	7.5
	Non-US Developed	MSCI EAFE (net)	4.1	4.8	22.8	17.3	-12.1	7.8	31.8	23.6	8.1	11.8	6.9
	Emerging Markets	MSCI EM (net)	6.6	6.1	-2.6	18.2	-18.4	18.9	78.5	14.3	-0.4	9.2	11.9
Bonds	**Treasury**	Barclays US Govt Index	1.3	2.7	-2.6	2.0	9.0	5.5	-2.2	2.1	2.9	3.5	4.4
	Broad Market	Barclays Aggregate	2.0	3.9	-2.0	4.2	7.8	6.5	5.9	4.4	3.7	4.9	4.9
	High Yield	Barclays HY BaB 2% Issuer Cap	2.4	5.4	6.2	15.0	6.0	13.9	45.2	11.2	9.2	12.5	8.3
	Global Bonds	Citigroup WGBI	2.3	5.0	-4.0	1.6	6.4	5.2	2.6	6.8	1.6	3.6	4.8
Global Tactical Asset Allocation (GTAA)		65% MSCI World /35% Citi WGBI	3.9	5.8	15.1	10.9	-1.2	9.8	20.1	17.9	8.3	11.1	6.7
Real Estate	**Core**	NCREIF ODCE Equal Weighted (preliminary)	2.8	5.4	13.3	11.0	16.0	16.1	-30.7	12.3	12.2	9.5	6.7
Hedge Funds	**Diversified FOFs**	HFRI HFOF Composite	1.6	2.2	9.0	4.8	-5.7	5.7	11.5	7.7	3.3	4.3	3.4
	Equity Long-Short	HFRI Equity Hedge	2.2	3.3	14.3	7.4	-8.4	10.5	24.6	12.6	4.8	7.4	5.4
Commodities	**Commodities**	Goldman Sachs Commodity Index	2.7	5.7	-1.2	0.1	-1.2	9.0	13.5	10.4	0.2	3.7	0.1

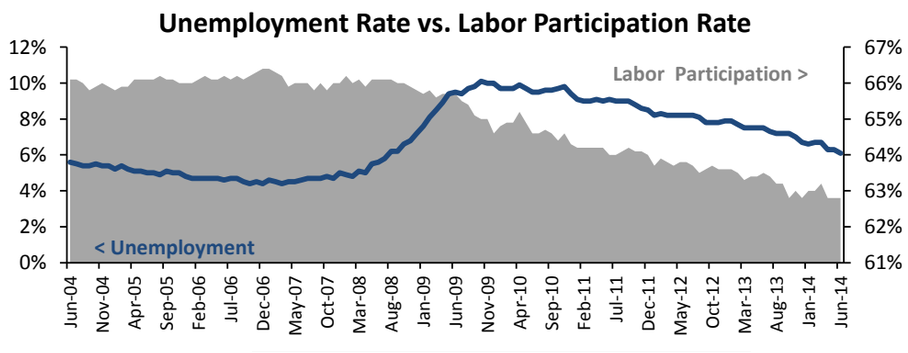
INVESTMENT PERFORMANCE SERVICES, LLC

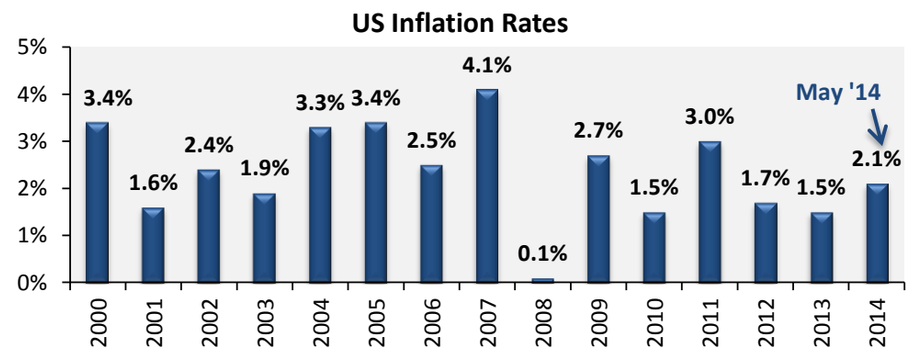
U.S. Economy

The good, the bad and the ugly is an apt description of U.S. economic data for the 2nd quarter of 2014. The good is the Consumer Confidence Index rose to 83, its highest level since December of 2007, according to the Conference Board Survey. GDP growth was just short of 2% for the 2nd quarter, and S&P corporate earnings are up about 9% over the past 12 months, with 74% of companies beating expectations. Retail sales were up, but autos and other durables are lagging expectations. Non-farm payrolls went up by an average of 217,000 per month for the quarter, exceeding expectations. That rate of job creation is still below the number graduating and seeking employment. We are 6+ years into the post-2008 recovery and employment has finally surpassed the pre-2008 peak. From the trough through June 30, 2014, over 6 million jobs were created, but that is still 7.1 million short of the jobs needed to keep up with the available labor force. The official unemployment rate continues to decline slowly and hovers at about 6.1%. However, the long-term unemployed (more than 27 weeks), those that are under-employed, those with one or more part-time jobs and those looking for full-time employment (the U-9 statistic) has declined from 13.4% in May to 12.2% at the end of June, but remains a major drag on the recovery. The labor force participation rate is a dismal 62.8%, the lowest rate in decades. For those aged 16-19 the U-9 unemployment rate is 21.6%, but many large metro areas have unemployment rates for that age group of 30%+, and 1/3 of this age group still live with their parents. In the past 12 months, average hourly wages have risen 2.1%. With higher FICO scores (now averaging 741) and higher down payment requirements, home ownership has slipped to 64.8% from a peak of nearly 70% in 2005. On the other hand, prices for single family homes continue to increase, with a 2% gain year to date. Year over year "headline" CPI is at a low 2.1% while core CPI is at only 1.9%.





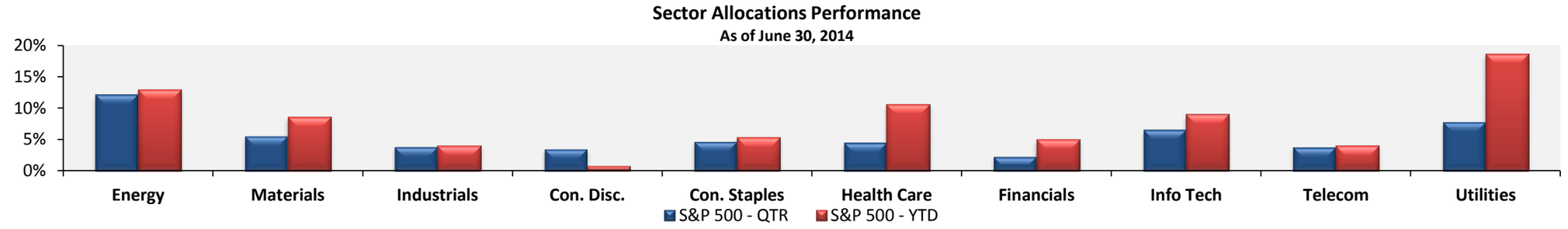


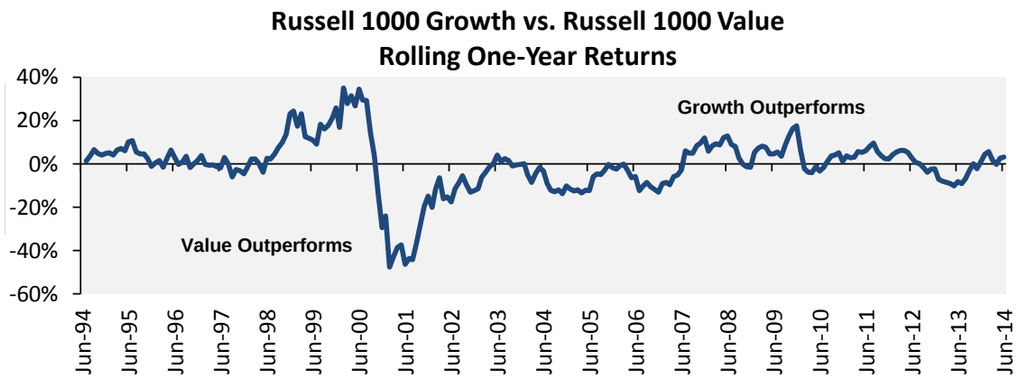


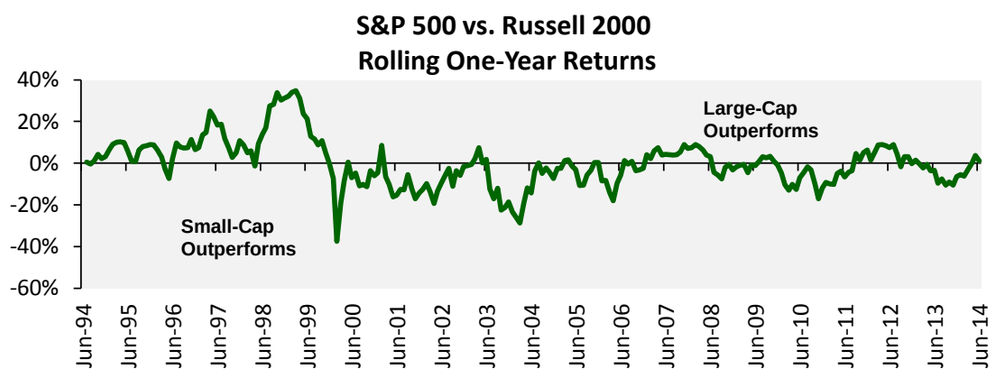
U.S. Equity Market

S&P 500 median corporate earnings growth year over year is 9.2%, beating the the 8.2% expected growth rate. 74% of companies beat their earnings expectations and 59% beat sales expectations. The largest higher earnings surprises came from the energy, industrials and information technology sectors, but there were fewer positive surprises from consumer staples and telecommunications. Expectations for 2014 earnings are at a robust 10% with a 5% sales growth forecast. Retail sales were better than expected for June, but Autos lagged behind expectations. 1,078 companies increased dividends, the largest number since 1979. It was recently reported that there are now only 3,678 publicly-traded companies in the Wilshire 5000 Stock Index (which is a proxy for the entire U.S. stock market). At its peak in 1998 there were 7,562 companies in the Wilshire 5000 Index. Sarbanes-Oxley and other post-2008 compliance and reporting requirements for publicly-traded companies have created an environment where many companies de-listed and went private or were acquired by larger firms. In addition to fewer publicly-traded companies, many companies have had major stock buyback programs. With retail investors moving assets from low-yielding bonds back into the stock market for the first time post-2008, this has driven up stock prices and price-to-earnings multiples. A year ago at this time, the estimated average forward P/E multiple for the S&P 500 was 13.7 times; at the end of March 2014 it was 15.2 times, and as of June 30th the estimated forward P/E ratio is 15.6 times. The 15-year average is 15.8 times and the 20-year average is 15.6 times, so the market does not appear overvalued. The long term average P/E for the S&P 500 is about 15 times. A P/E multiple expansion of 2.0 times translates into about a 10% return. Year to date the value style has outperformed growth in all capitalization ranges, a reversal of growth style dominance in 2013.

		2Q 14	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	5.2	7.1	32.4	16.1	2.1	15.1	26.4	24.6	16.6	18.8	7.8
	Russell 1000	5.1	7.3	33.1	16.4	1.5	16.1	28.4	25.4	16.6	19.3	8.2
	Russell 1000 Value	5.1	8.3	32.5	17.5	0.4	15.5	19.7	23.8	16.9	19.2	8.0
	Russell 1000 Growth	5.1	6.3	33.5	15.3	2.6	16.7	37.2	26.9	16.3	19.2	8.2
Mid Cap	Russell Mid-Cap	5.0	8.7	34.8	17.3	-1.6	25.5	40.5	26.9	16.1	22.1	10.4
	Russell Mid-Cap Value	5.6	11.1	33.5	18.5	-1.4	24.8	34.2	27.7	17.5	23.0	10.7
	Russell Mid-Cap Growth	4.4	6.5	35.8	15.8	-1.7	26.4	46.3	26.1	14.5	21.2	9.8
Small Cap	Russell 2000	2.0	3.2	38.8	16.3	-4.2	26.8	27.2	23.6	14.6	20.2	8.7
	Russell 2000 Value	2.4	4.2	34.5	18.1	-5.5	24.5	20.5	22.5	14.6	19.9	8.2
	Russell 2000 Growth	1.7	2.2	43.3	14.6	-2.9	29.1	34.5	24.7	14.5	20.5	9.0
Total Market	Wilshire 5000	4.9	7.0	33.1	16.1	1.0	17.2	28.3	24.9	16.3	19.1	8.3
	Russell 3000	4.9	6.9	33.6	16.4	1.0	16.9	28.3	25.2	16.5	19.3	8.2



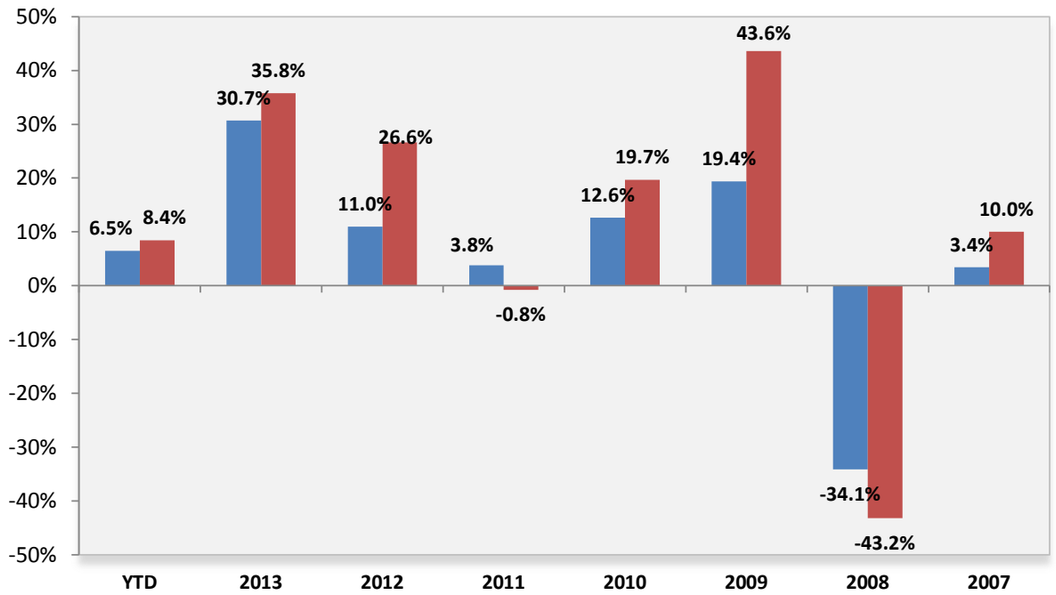


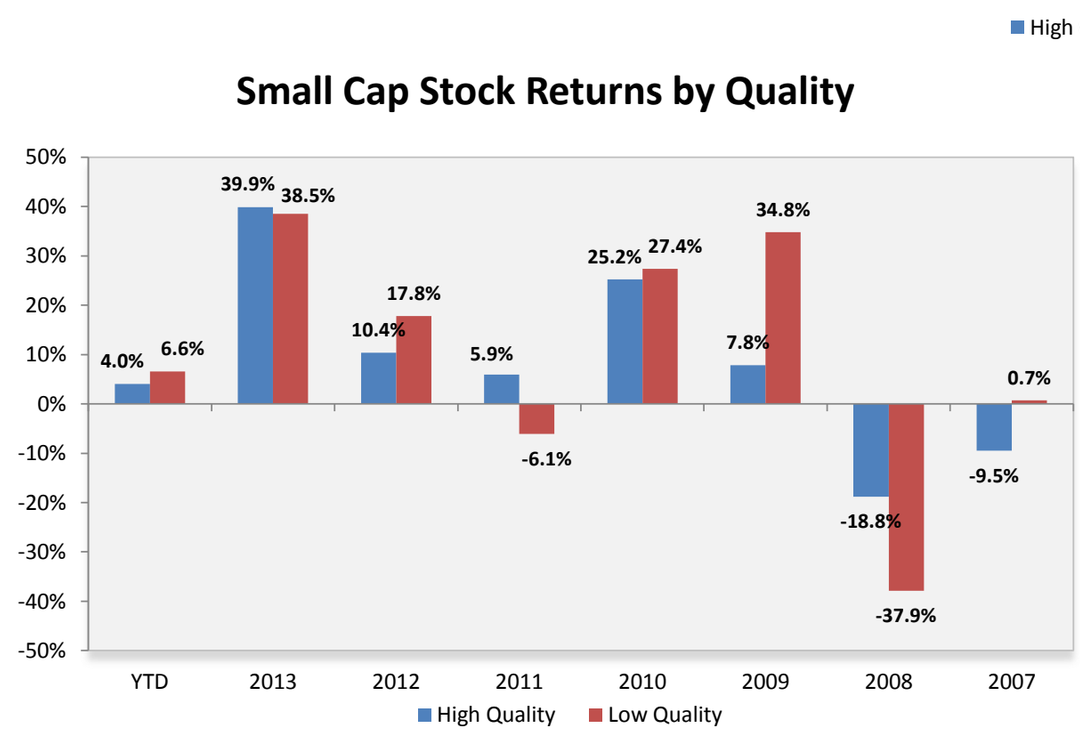


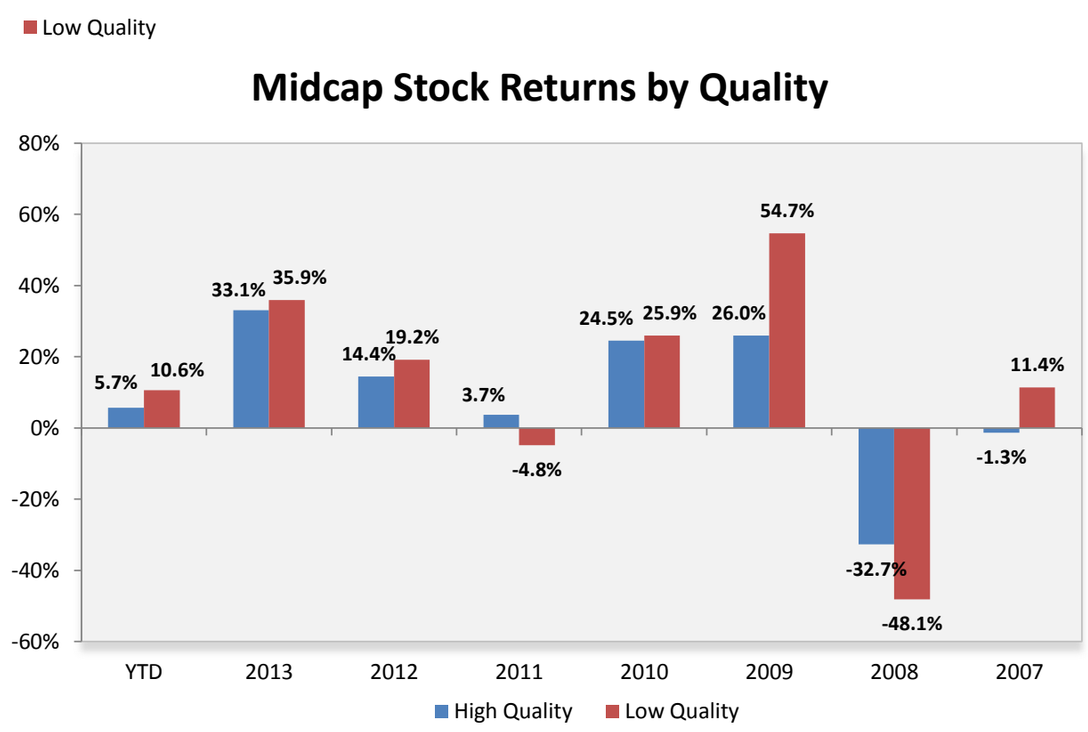
U.S. Stock Returns by Quality

Periods ending June 30, 2014

Large Cap Stock Returns by Quality





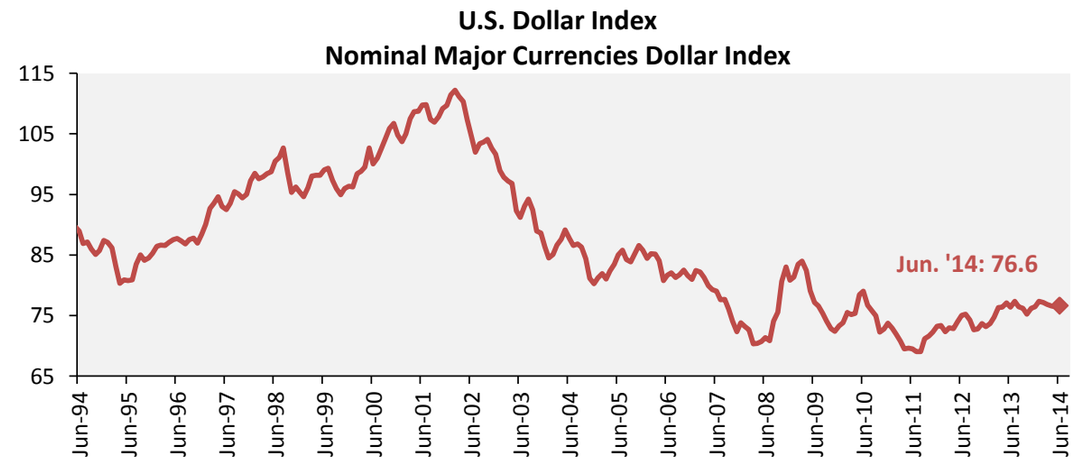


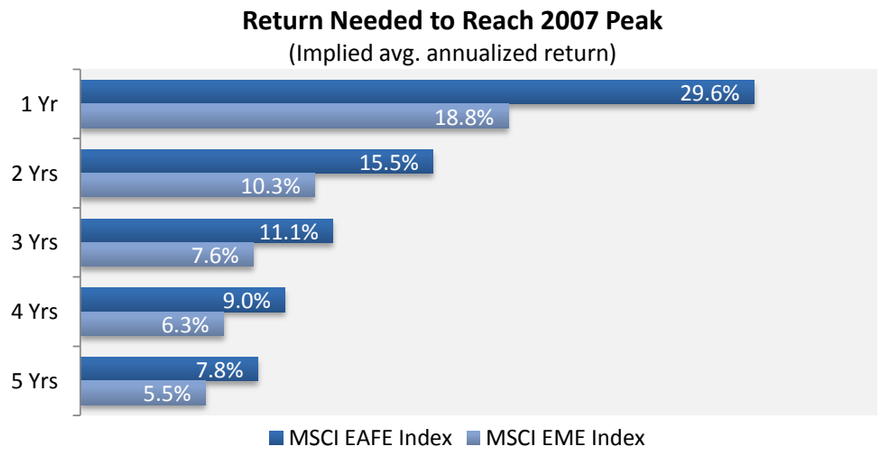
Sources: Standard & Poor's, Wilshire Atlas, Atlanta Capital. Standard & Poor's Quality Rankings are utilized to capture the long-term growth and stability of a company's earnings and dividends in a single measure. The High Earnings Stability and Low Earnings Stability portfolios are provided to compare the aggregate of all companies with B+ or Better S&P Rankings to those with B or Below S&P Rankings. The material is based upon information that S&P, Wilshire and Atlanta Capital considers to be reliable, but neither S&P, Wilshire nor Atlanta Capital warrants its completeness, accuracy or adequacy and it should not be relied upon as such. Rates of return are calculated using a market capitalization weighted-methodology. Performance during certain periods reflects strong stock market performance that is not typical and may not be repeated. Past performance does not predict future results. The information contained herein has been provided for informational and illustrative purposes only and is not intended to be, nor should it be considered, investment advice.

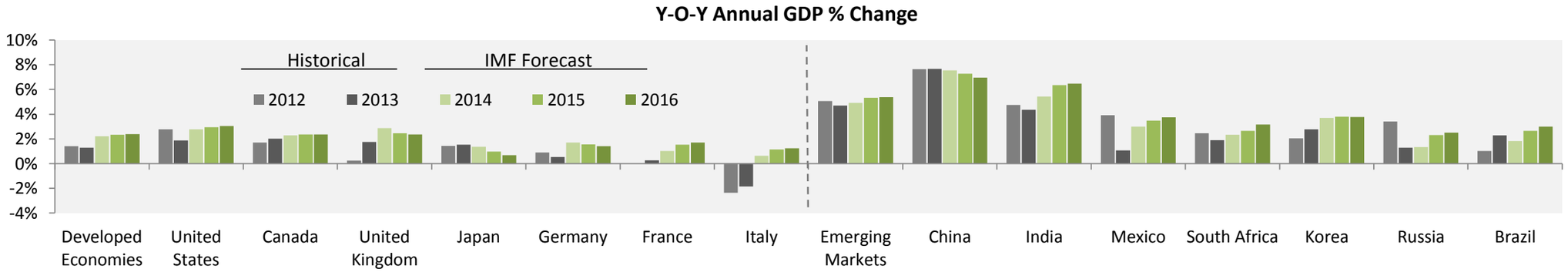
International Equity Market

Developed non-U.S. markets have the same global economic recovery woes as the U.S. Europe has bank health and unemployment issues that are lingering longer and are more serious than the U.S. has experienced post-2008. Their slow recovery has meant slow to no GDP growth and has constrained the recovery of the European stock markets. While the S&P 500 and Dow Jones Industrial Average are setting new highs, the MSCI EAFE Index is still almost 30% shy of its 2007 peak. Virtually all markets globally were up in the 2nd quarter, but disparities are still significant for year-to-date returns. France and the United Kingdom were up more than 5% and Latin America is up 7.4%. Equity markets in global trouble spots have seen recoveries from earlier declines: Russia was up 10.8% in the 2nd quarter, but is still down 5.2% year to date. Eastern Europe rallied 7.4% in the 2nd quarter but is down 3.1% year to date.

		2Q 14	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	5.0	6.2	22.8	16.1	-7.3	12.7	34.6	22.9	10.3	14.3	7.5
	MSCI World Small Cap (net)	3.5	6.5	28.7	18.1	-11.3	26.3	50.1	26.0	11.1	18.1	10.1
	MSCI World ex US (net)	5.0	5.6	15.3	16.8	-13.7	11.2	41.4	21.8	5.7	11.1	7.7
Developed ex US	MSCI EAFE (net)	4.1	4.8	22.8	17.3	-12.1	7.8	31.8	23.6	8.1	11.8	6.9
	MSCI EAFE Value (net)	4.7	6.0	22.9	17.7	-12.2	3.3	34.2	26.9	8.5	11.2	6.7
	MSCI EAFE Growth (net)	3.4	3.6	22.5	16.9	-12.1	12.3	29.4	20.3	7.7	12.2	7.1
	MSCI EAFE Small Cap (net)	2.1	5.5	29.3	20.0	-15.9	22.0	46.8	29.1	9.8	15.2	8.7
Emerging Markets	MSCI Emerging Markets (net)	6.6	6.1	-2.6	18.2	-18.4	18.9	78.5	14.3	-0.4	9.2	11.9





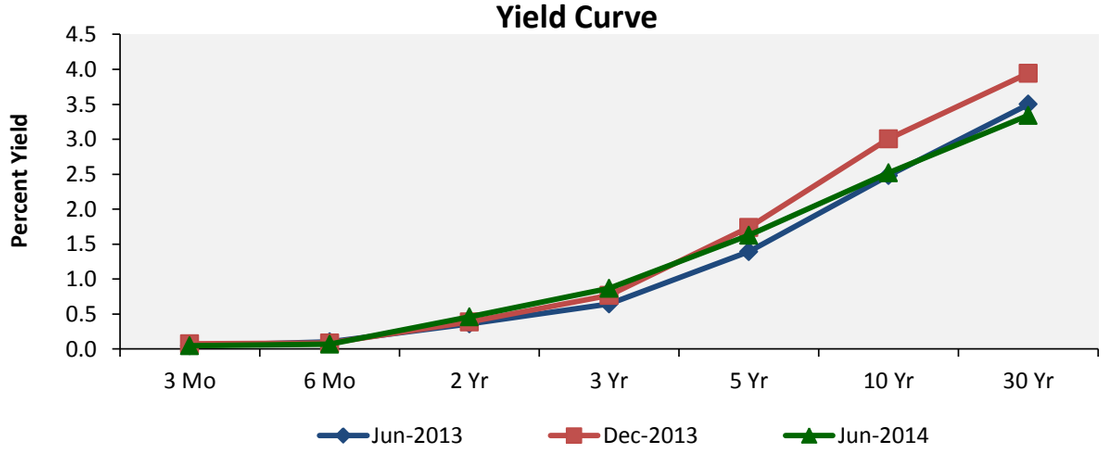


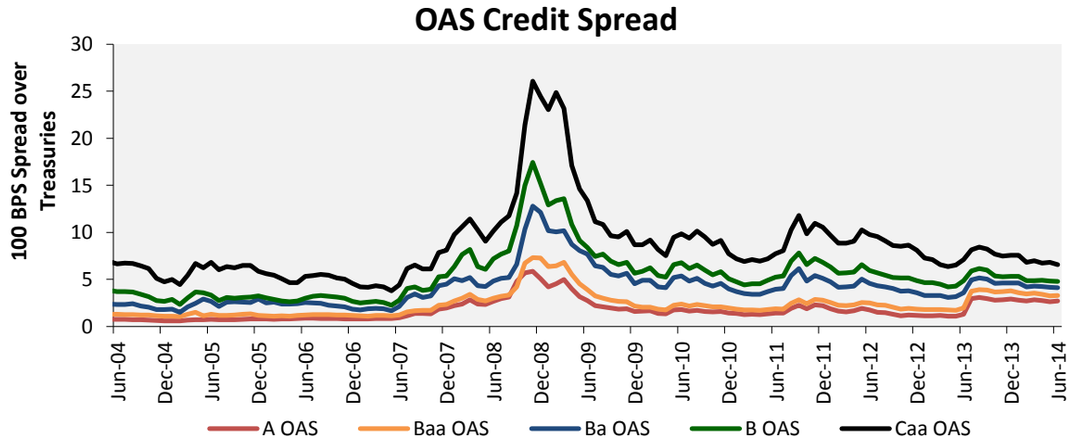
Top right chart: Data as of December 31, 2013. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. **Source:** International Monetary Fund, World Economic Outlook Database, April 2014.

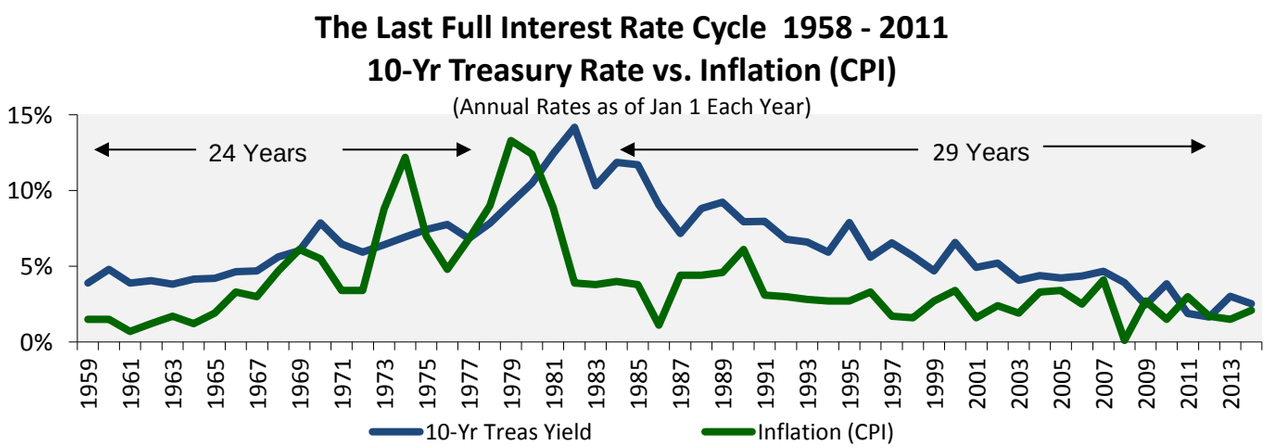
Bond Market

So far this year, a flattening yield curve rallied bond prices across the board. The Barclays Aggregate returned 3.9% through June 30. The composition of the Aggregate has changed with a higher allocation to both U.S. Treasury/Agency and mortgage-backed securities, with the mortgage-backed securities increasingly being traditional 30-year loans. This shift has materially extended the duration of the Aggregate benchmark from about 4.5 years several years ago to 5.6 years currently. The best performing fixed income sectors in the 2nd quarter were emerging market debt, up 4.8% (8.7% YTD) and TIPS, up 3.8% (5.8% YTD). Mortgages also rallied 2.4% in the 2nd quarter for a 4.0% return YTD. Treasuries were up 1.4% for the quarter and are up 2.7% YTD. The Fed's recent discussions with Congress, Fed meeting minutes and the Beige Book reports all point to the stimulus buying ending in October but no immediate plans for increasing interest rates until the economy shows more signs of recovery. Central banks around the world, such as Bank of England, European Central Bank and Bank of Japan have target rates near zero, like the U.S. Federal Reserve.

	Yield	Duration	2Q 14	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
Barclays Aggregate	2.2	5.6	2.0	3.9	-2.0	4.2	7.8	6.5	5.9	4.4	3.7	4.9	4.9
Barclays Govt/Credit	2.0	5.9	1.9	3.9	-2.4	4.8	8.7	6.6	4.5	4.3	4.1	5.1	4.9
Barclays Int Agg	1.9	4.3	1.6	2.8	-1.0	3.6	6.0	6.1	6.5	3.5	2.9	4.2	4.6
Barclays Int Govt/Credit	1.5	3.9	1.2	2.3	-0.9	3.9	5.8	5.9	5.2	2.9	2.8	4.1	4.3
Barclays HY Ba/B2% Capped	4.4	4.2	2.4	5.4	6.2	15.0	6.0	13.9	45.2	11.2	9.2	12.5	8.3
Barclays Mortgage	2.8	5.1	2.4	4.0	-1.4	2.6	6.2	5.4	5.9	4.7	2.8	3.9	4.9
Barclays Treasury	1.4	5.3	1.4	2.7	-2.7	2.0	9.8	5.9	-3.6	2.0	3.1	3.6	4.5
Barclays US TIPS	2.1	7.2	3.8	5.8	-8.6	7.0	13.6	6.3	11.4	4.4	3.6	5.6	5.2
91 day T-Bills	0.0	0.3	0.0	0.0	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	1.6







Interest Rate Sensitivity

12 Month Holding Period - Annualized Returns as of 6/30/2014						
Yield Change (bps)	10 Year Treasury S010	Barclays Aggregate US Aggregate	Barclays Intermd. Gov/Corp US Gov/Credit	Barclays 1-3 yr Gov/Corp US Gov/Credit	ML Defensive US HY BB/B ND H4ND	ML Short Duration US HY BB/B 1-3 yr J1A4
-150	17.53	10.83	7.48	3.63	10.20	5.25
-100	12.60	7.99	5.51	2.64	8.28	4.35
-50	7.67	5.15	3.55	1.65	6.37	3.45
-25	5.21	3.73	2.56	1.16	5.41	3.00
0	2.74	2.31	1.58	0.66	4.45	2.55
25	0.28	0.89	0.60	0.17	3.49	2.10
50	-2.19	-0.53	-0.39	-0.33	2.54	1.65
100	-7.12	-3.37	-2.35	-1.32	0.62	0.75
150	-12.05	-6.21	-4.32	-2.31	-1.30	-0.15
200	-16.98	-9.05	-6.28	-3.30	-3.21	-1.05
250	-21.91	-11.89	-8.25	-4.29	-5.13	-1.95
300	-26.84	-14.73	-10.21	-5.28	-7.04	-2.85
350	-31.77	-17.57	-12.18	-6.27	-8.96	-3.75
400	-36.70	-20.41	-14.14	-7.26	-10.87	-4.65
450	-41.63	-23.25	-16.11	-8.25	-12.79	-5.55
500	-46.56	-26.09	-18.07	-9.24	-14.70	-6.45
Duration	9.860	5.680	3.930	1.980	3.830	1.800

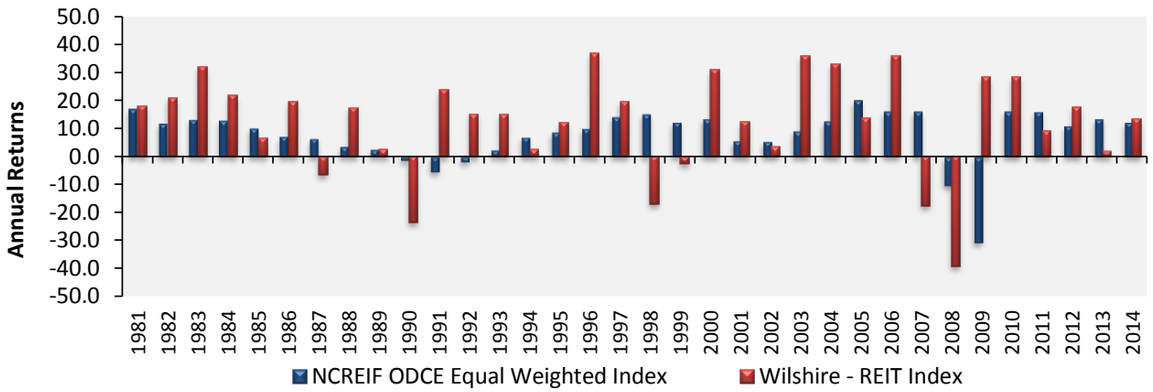
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 6/30/2014 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration as of 3/31/2014 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

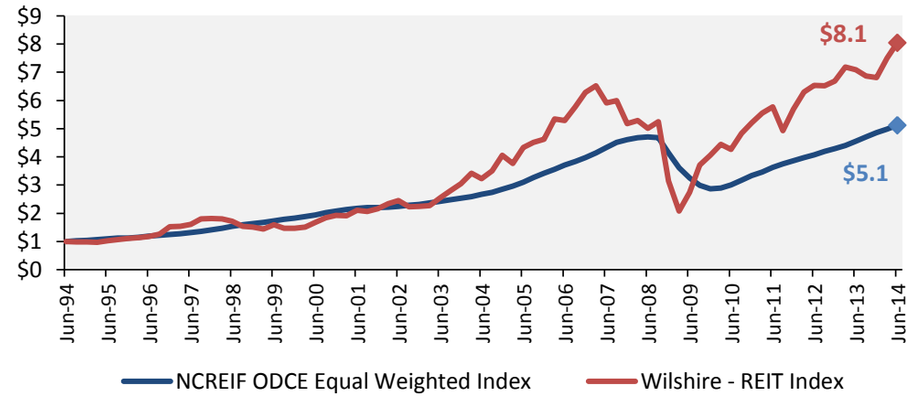
Commercial real estate continues its recovery from 2008-2009 with stable income returns and modest price appreciation. The NCREIF ODCE index of 33 "Core" funds posted an income return of 1.26% in the second quarter, in line with the 1.24% for the 1st quarter of the year. Price appreciation is estimated at 1.56% for the second quarter, compared to 1.36% for the first quarter. The multi-family sector continues to see strong demand due to the higher FICO scores and down payments required for residential mortgages. Apartments also cost about 13% less than home ownership. 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 supply coming on the market, and that is dominated by "build to suit" for company specific needs. Capitalization rates (the inverse of price-to-earnings) have continued to decline. One measure of cap rates' fair value is the "Cap Rate to Corporate Rate Bond Yield Ratio." The long term average of "fair value" is about 109% with a range of about 90%-119%. The current ratio is about 113% as of June 30th and is inching higher to the "undervalued" range, so by this measure commercial real estate in not over-valued. REITs, despite a set back in the early part of 2013, have performed exceptionally well for the quarter, up 7.2% and up 18.1% for the year. One year ago, after a dramatic market correction, REITs were selling at a 3% discount to their underlying NAVs. At the end of the 2nd quarter they were selling for an average of 5% above their underlying NAV. Dividend yields remain high at about 3.9%.

		2Q 14	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.8	5.4	13.3	11.0	16.0	16.1	-30.7	12.3	12.2	9.5	6.7
US Public	Wilshire REIT	7.2	18.1	1.9	17.6	9.2	28.6	28.6	13.5	11.7	24.0	9.6

Public and Private Real Estate Market Performance



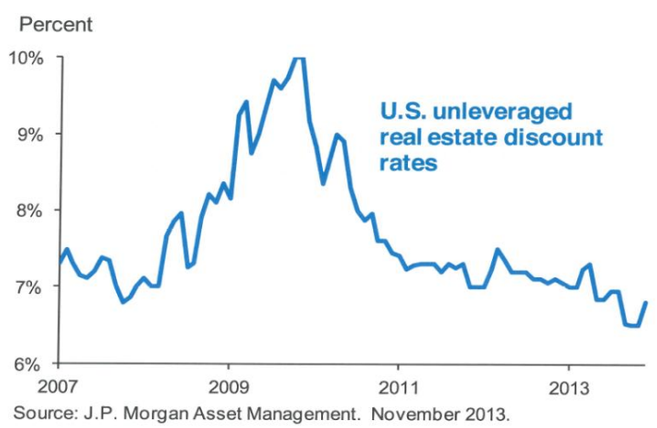
Growth of One Dollar



	Total return (incl. income) 2014	Total return (incl. income) 2015	Total return (incl. income) 2016	Total return (incl. income) 2014 to 2018 (per year)
National, All Property Types (NPI)	9.5	7.9	7.6	8.0
Office	9.1	8.1	7.7	8.0
Retail	10.5	8.0	7.8	8.2
Industrial	10.1	8.6	7.8	8.3
Apartment	8.6	7.1	6.9	7.5

Bottom left 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 NECREIF Property Index Q2 2014.

Discount rates for newly underwritten core real estate transactions



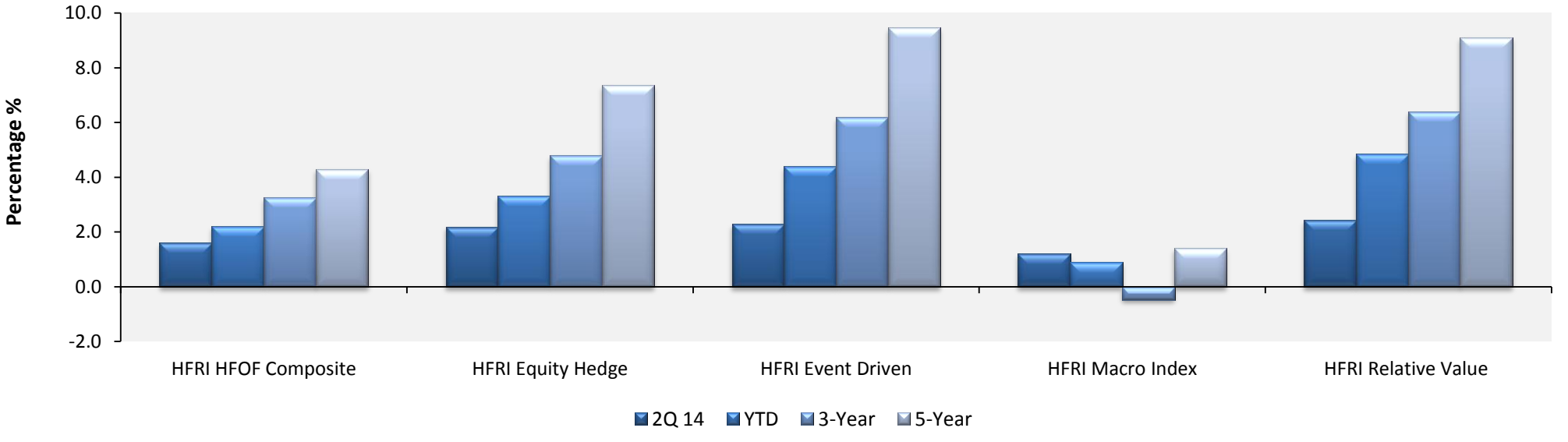
Source: J.P. Morgan Asset Management. November 2013.

Hedge Fund of Funds Market

Funds of hedge funds produced another positive, if somewhat unspectacular quarter of returns in Q2, as the HFRI Fund of Funds Composite rose 1.6% to finish the six-month period up 2.2%. Monthly FOF returns have shown an interesting trend over the past 12-month period, as all positive monthly returns since July 2013 have exceeded 1% (8 of the past 12 mos.), while all negative monthly returns have been in a tight range of roughly down 40-70 bps – with the 12-month return ending at 7.7%. Bonds have had the same number of negative months over this time period, with a comparable drawdown to FOFs – but have lacked the upside potential of funds of hedge funds, even as interest rates have declined in 2014, pushing bond prices higher. We believe FOFs will outperform bonds further should interest rates begin to rise later this year. Q2 returns were relatively consistent across hedge fund strategies, as shown below. Relative value fixed income strategies continued to perform well, as rates continued their decline for the first half of the year. Event driven has also been strong, buoyed by strong deal activity, cheap financing and high corporate cash balances.

Strategy	Index	2Q 14	YTD	2013	2012	2011	2010	2009	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	1.6	2.2	9.0	4.8	-5.7	5.7	11.5	7.7	3.3	4.3	3.4
Equity Long-Short	HFRI Equity Hedge	2.2	3.3	14.3	7.4	-8.4	10.5	24.6	12.6	4.8	7.4	5.4
Event Driven	HFRI Event Driven	2.3	4.4	12.5	8.9	-3.3	11.9	25.0	11.2	6.2	9.5	6.9
Global Macro	HFRI Macro Index	1.2	0.9	-0.4	-0.1	-4.2	8.1	4.3	1.4	-0.5	1.4	4.3
Relative Value	HFRI Relative Value	2.4	4.8	7.1	10.6	0.1	11.4	25.8	8.9	6.4	9.1	6.8

Hedge Fund Strategy Performance



Data gathered from sources deemed to be reliable but not guaranteed. All indexes are trademarked by owner.

Total Plan Growth of Assets

Summary of Cash Flows

Sources of Portfolio Growth	Second Quarter	Year-To-Date	One Year	Three Years	Five Years	Inputted Date 1/1/08
Beginning Market Value	$809,102	$803,598	$804,024	$789,033	$643,810	$521,361
Net Additions/Withdrawals	$5,988	$11,262	$6,428	$972	$106,314	$186,473
Investment Earnings	$6,109	$6,339	$10,747	$31,194	$71,074	$113,365
Ending Market Value	$821,199	$821,199	$821,199	$821,199	$821,199	$821,199

*The fund's fiscal year ends December 31.

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Difference	Difference
Investment Grade Fixed Income	$762,250	92.8%	90.0%	2.8%	$23,171
Cash	$58,949	7.2%	10.0%	-2.8%	-$23,171
Total	**$821,199**	**100.0%**	**100.0%**		

Total Plan Performance (Gross of Fees)

	Market Value	% of Portfolio	Ending June 30, 2014							Inception	
			2014 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Composite	**$821,199**	**100.0%**	**0.5%**	**0.8%**	**1.3%**	**1.3%**	**1.9%**	**2.9%**	**2.8%**	**3.4%**	**Apr-95**
Total Investment Grade Fixed Income	**$762,250**	**92.8%**	**0.5%**	**0.8%**	**1.4%**	**1.4%**	**2.2%**	**--**	**--**	**3.1%**	**Oct-07**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.7%*	*1.2%*	*2.0%*	*1.7%*	*2.8%*	--	--	*3.4%*	*Oct-07*
Atlanta Capital Management	$762,250	92.8%	0.5%	0.8%	1.4%	1.4%	2.2%	--	--	2.2%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.7%*	*1.2%*	*2.0%*	*1.7%*	*2.8%*	--	--	*2.8%*	*Jul-09*
Total Cash	**$58,949**	**7.2%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**--**	**--**	**--**	**Oct-07**
91 Day T-Bills			*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	--	--	--	*Oct-07*
PNC Prime Money Market Fund	$58,949	7.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.8%	1.4%	2.6%	Apr-95
91 Day T-Bills			*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.5%*	*1.5%*	*2.7%*	*Apr-95*

	Fiscal Year Ends December 31												Inception	
	YTD	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	Return	Since
Composite	**0.8%**	**0.3%**	**1.8%**	**2.0%**	**2.8%**	**5.2%**	**3.9%**	**5.2%**	**4.3%**	**1.7%**	**0.6%**	**0.8%**	**3.4%**	**Apr-95**
Total Investment Grade Fixed Income	**0.8%**	**0.3%**	**2.1%**	**2.3%**	**3.3%**	**6.0%**	**4.5%**	**--**	**--**	**--**	**--**	**--**	**3.1%**	**Oct-07**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*1.2%*	*0.3%*	*2.5%*	*3.1%*	*4.2%*	*4.9%*	*4.6%*	*7.3%*	*4.2%*	*1.4%*	*1.8%*	*3.3%*	*3.4%*	*Oct-07*
Atlanta Capital Management	0.8%	0.3%	2.1%	2.3%	3.3%	--	--	--	--	--	--	--	2.2%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*1.2%*	*0.3%*	*2.5%*	*3.1%*	*4.2%*	*4.9%*	*4.6%*	*7.3%*	*4.2%*	*1.4%*	*1.8%*	*3.3%*	*2.8%*	*Jul-09*
Total Cash	**0.0%**	**0.0%**	**0.1%**	**0.1%**	**0.1%**	**0.2%**	**2.5%**	**--**	**--**	**--**	**--**	**--**	**--**	**Oct-07**
91 Day T-Bills	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*5.0%*	*3.2%*	*1.4%*	*1.0%*	*0.4%*	*Oct-07*
PNC Prime Money Market Fund	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	2.5%	4.8%	4.3%	1.7%	0.6%	0.8%	2.6%	Apr-95
91 Day T-Bills	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*5.0%*	*3.2%*	*1.4%*	*1.0%*	*2.7%*	*Apr-95*

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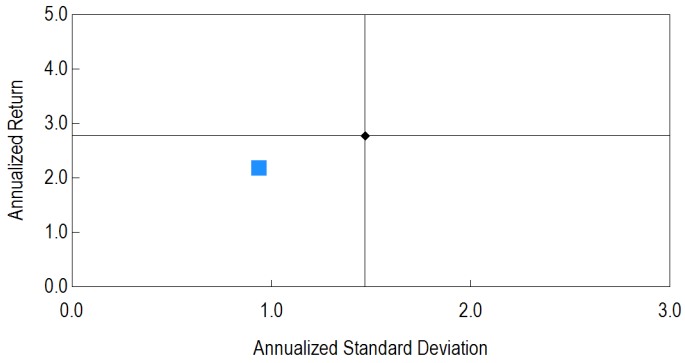
Account Information

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

Sources of Portfolio Growth	Second Quarter	Inception 7/1/09
Beginning Market Value	$756,145	$571,388
Net Additions/Withdrawals	$0	$120,000
Investment Earnings	$6,105	$70,862
Ending Market Value	$762,250	$762,250

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2014



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

Statistics Summary
3 Years Ending June 30, 2014

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Atlanta Capital Management	1.4%	0.7%	68.9%	47.2%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	1.7%	1.1%	100.0%	100.0%

Statistics Summary
5 Years Ending June 30, 2014

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Atlanta Capital Management	2.2%	0.9%	67.5%	45.0%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	2.8%	1.5%	100.0%	100.0%

Gross of Fee Performance

	2014 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2013	Rank	2012	Rank	2011	Rank	2010	Rank	2009	Rank	Inception Return	Inception Since
Atlanta Capital Management	0.5%	52	0.8%	66	1.4%	78	1.4%	66	2.2%	71	0.3%	78	2.1%	60	2.3%	40	3.3%	61	--	--	2.2%	Jul-09
BofA Merrill Lynch US Corp & Gov 1-5 Yrs	*0.7%*	*31*	*1.2%*	*42*	*2.0%*	*44*	*1.7%*	*50*	*2.8%*	*49*	*0.3%*	*80*	*2.5%*	*49*	*3.1%*	*19*	*4.2%*	*33*	*4.9%*	*59*	*2.8%*	*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		
Sources of Portfolio Growth	**Second Quarter**	**Inputted Date 10/1/07**
Beginning Market Value	$52,957	$171,131
Net Additions/Withdrawals	$5,988	-$116,717
Investment Earnings	$4	$4,534
Ending Market Value	$58,949	$58,949

	Gross of Fee Performance										Inception	
	2014 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2013	2012	2011	2010	2009	Return	Since
PNC Prime Money Market Fund	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%	0.1%	0.2%	2.6%	Apr-95
91 Day T-Bills	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*2.7%*	*Apr-95*

Warehouse Local #730 Legal Fund

Appendix

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2014 2014 Q2	YTD	1 Yr	3 Yrs	5 Yrs
Composite	**$821,199**	**100.0%**	**0.5%**	**0.7%**	**1.2%**	**1.1%**	**1.8%**
Total Investment Grade Fixed Income	**$762,250**	**92.8%**	**0.5%**	**0.8%**	**1.3%**	**1.3%**	**2.1%**
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.7%*	*1.2%*	*2.0%*	*1.7%*	*2.8%*
Atlanta Capital Management	$762,250	92.8%	0.5%	0.8%	1.3%	1.3%	2.0%
BofA Merrill Lynch US Corp & Gov 1-5 Yrs			*0.7%*	*1.2%*	*2.0%*	*1.7%*	*2.8%*
Total Cash	**$58,949**	**7.2%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**
91 Day T-Bills			*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*
PNC Prime Money Market Fund	$58,949	7.2%	0.0%	0.0%	0.0%	0.0%	0.1%
91 Day T-Bills			*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*

Warehouse Local #730 Legal Fund

Custom Benchmark

Composite

Start	End	Percent	Description
1-Apr-95	31-Mar-09	100%	BofA Merrill Lynch US Corp & Gov 1-5 Yrs
1-Apr-09	*	10%	91-Day Treasury Bill
		90%	BofA Merrill Lynch US Corp & Gov 1-5 Yrs

*The above benchmark detail represents historical and *current

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.