

JULY 1, 2000 - JUNE 30, 2001  
**SUMMARY OF DETAIL ANALYSIS OF INVESTMENTS  
AND RELATED INCOME (AUDITED)**

No.	INVESTMENTS	MARKET VALUE 6/30/00	MARKET VALUE 6/30/2001	MARKET VALUE AS A % OF TOTAL ASSETS 6/30/01	00/01 GAIN (LOSS)		00/01 NET REALIZED/ UNREALIZED GAIN (LOSS) 6/30/01
					AS A % OF TOTAL NET REALIZED/ UNREALIZED GAIN (LOSS)	2000/2001 NET REALIZED/ UNREALIZED GAIN (LOSS)	
SEC. 14	Common & Preferred Stock (Publicly Traded)	\$1,627,819,959.97	\$1,376,605,848.51	51.156%	159.027%	\$(186,183,655.47)	-13.52%
SEC. 15	Mutual Funds/Diversified	61,003,712.70	67,857,761.51	2.522%	-5.854%	6,854,048.81	10.10%
SEC. 16	Insurance Company	0.00	0.00	0.000%	0.000%	0.00	
SEC. 17	Debt/Obligations	291,816,179.46	386,081,206.35	14.347%	-49.526%	57,983,309.68	15.02%
SEC. 19	Equity-Real/Personal	154,391,405.13	192,135,994.31	7.140%	-21.774%	25,491,926.46	13.27%
SEC. 20	Mortgages	175,088,234.80	134,645,176.80	5.004%	-13.476%	15,777,088.38	11.72%
SEC. 20a	Small Bus. Investment-MI	33,076,107.63	39,292,755.82	1.460%	-0.230%	268,997.90	0.68%
SEC. 20d	Basket Clause	202,277,075.85	227,856,575.48	8.467%	9.529%	(11,156,479.56)	-4.90%
SEC. 20k	Foreign Securities	433,597,452.98	279,570,946.03	10.389%	22.303%	(26,111,849.14)	-9.34%
<b>TOTAL INVESTMENTS</b>		<b>\$2,979,070,128.52</b>	<b>\$2,704,046,264.81</b>	<b>100.485%</b>	<b>100.000%</b>	<b>\$(117,076,612.94)</b>	<b>-4.33%</b>
	Cash	3,985,022.89	2,819,153.53	0.105%			
	Accounts Receivable	207,763,958.91	218,264,239.49	8.111%			
	Accounts Payable	(243,028,034.55)	(234,123,576.22)	-8.700%			
<b>TOTAL NET ASSETS</b>		<b>\$2,947,791,075.77</b>	<b>\$2,691,006,081.61</b>	<b>100.000%</b>			
	Less: Investment Expenses					11,001,917.08	
	Investment Loss Before Administrative Expenses					(128,078,530.02)	
	Less: Administrative Expenses					3,149,697.34	
<b>NET INVESTMENT LOSS</b>						<b>\$(131,228,227.36)</b>	

INVESTMENTS

SECTION NO.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/00	ESTIMATED MARKET VALUE 6/30/01	2000-2001 NET REALIZED/UNREALIZED GAIN (LOSS)
14	<b>Stock (Publicly Traded)</b>			
	Common & Preferred .....	1,614,006,657.41	1,359,761,681.12	(187,761,244.40)
	Mesirow Arbitrage Trust .....	13,813,302.56	16,844,167.39	1,577,588.93
	<b>Total Section 14</b> .....	<b>1,627,819,959.97</b>	<b>1,376,605,848.51</b>	<b>(186,183,655.47)</b>
15	<b>Mutual Funds/Bonds</b>			
	TransAmerica T-2 .....	61,003,712.70	67,857,761.51	6,854,048.81
	<b>Total Section 15</b> .....	<b>61,003,712.70</b>	<b>67,857,761.51</b>	<b>6,854,048.81</b>
16	<b>Insurance Company</b>			
B	<b>General Accounts</b>			
	GIC's .....	0.00	0.00	0.00
	<b>Total Section 16</b> .....	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
17	<b>Debt/Obligations</b>			
	Bonds & Notes .....	140,429,827.30	144,503,744.99	38,417,902.08
	(Held by Custodians)			
	Short Term .....	81,485,551.27	157,634,951.33	17,321,110.79
	Escrow A/C on Pro Air .....	5,126,416.17	0.00	81,829.92
	Mortgage Back Securities .....	64,774,384.72	83,942,510.03	2,028,943.13
	Towers Financial .....	0.00	0.00	133,523.76
	<b>Total Section 17</b> .....	<b>291,816,179.46</b>	<b>386,081,206.35</b>	<b>57,983,309.68</b>

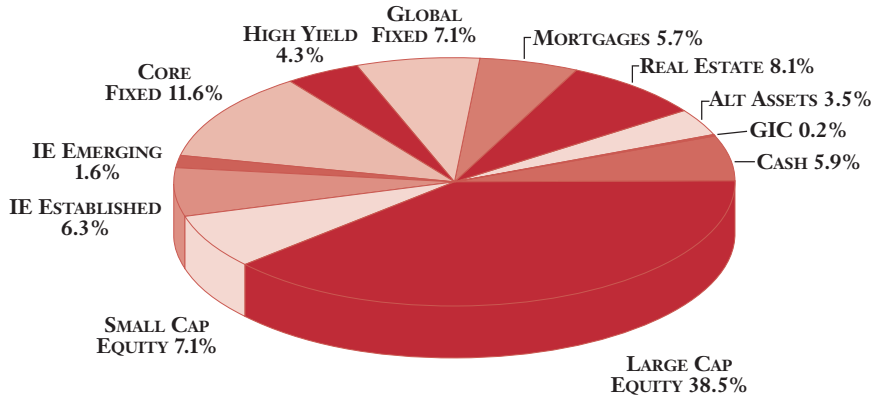
## INVESTMENTS CON'T

SECTION NO.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/00	ESTIMATED MARKET VALUE 6/30/01	2000-2001 NET REALIZED/UNREALIZED GAIN (LOSS)
19	<b>Equity – Real &amp; Personal</b>			
(1)	<b>REITS</b>			
	RREEF .....	20,286,424.00	20,781,417.00	2,136,375.55
	WELLS .....	10,204,081.63	10,204,081.63	732,031.94
	Arch Street (Lend Lease).....	0.00	1,429,008.00	1,244.00
	Prudential Property .....	0.00	5,000,000.00	0.00
	UBS Asset Mgt.....	0.00	5,001,027.40	1,027.40
	<b>Life Insurance Companies</b>			
	New England .....	458,379.08	8,302.63	( 51,160.45)
	<b>Total Section 19 (1)</b> .....	<b>30,948,884.71</b>	<b>42,423,836.66</b>	<b>2,819,518.44</b>
(2)	<b>Including 501 (C) 25 Corps.:</b>			
	- Unleveraged:			
	Equity Direct .....	73,840,688.07	79,955,028.20	11,640,755.50
	- Leveraged:			
	CAP-Bank West .....	7,281,877.00	7,281,877.00	434,446.00
	<b>Limited Partnerships:</b>			
	Walton Street II.....	9,766,543.97	12,785,156.18	1,055,607.08
	Walton Street III.....	0.00	6,183,515.92	923,428.51
	Westbrook .....	10,342,374.00	15,426,148.00	2,124,615.00
	Lend Lease (ERE Yarmouth) .....	22,211,034.38	28,080,432.35	6,309,680.94
	<b>Trusts:</b>			
	M.I. Fund I .....	1.00	0.00	19,414.53
	M.I. Fund II .....	1.00	0.00	19,472.47
	M.I. Fund III .....	1.00	0.00	144,905.69
	Stonemark Equity .....	0.00	0.00	82.30
	<b>Total Section 19 (2)</b> .....	<b>123,442,520.42</b>	<b>149,712,157.65</b>	<b>22,672,408.02</b>
	<b>Total Section 19 (1) &amp; (2)</b> .....	<b>154,391,405.13</b>	<b>192,135,994.31</b>	<b>25,491,926.46</b>
20	<b>Mortgages</b>			
	Direct & Participating .....	92,791,518.30	67,772,784.73	8,404,687.19
	Construction Loans .....	42,296,716.50	26,872,392.07	3,372,401.18
	Midland-Mahgt (Trust) .....	40,000,000.00	40,000,000.00	4,000,000.01
	<b>Total Section 20</b> .....	<b>175,088,234.80</b>	<b>134,645,176.80</b>	<b>15,777,088.38</b>

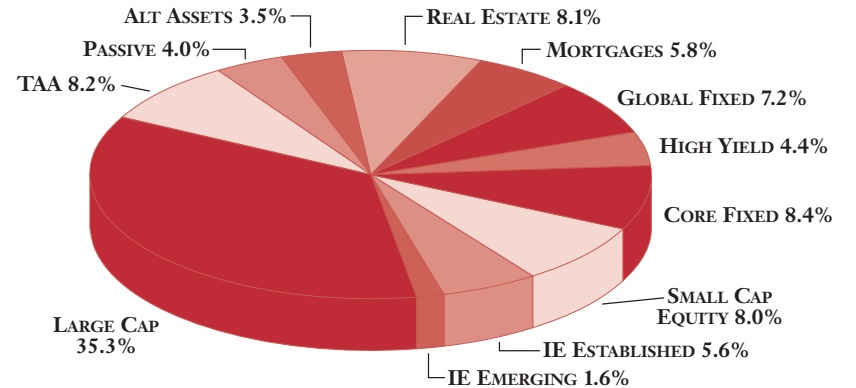
INVESTMENTS CON'T

SECTION No.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/00	ESTIMATED MARKET VALUE 6/30/01	2000-2001 NET REALIZED/UNREALIZED GAIN (LOSS)
<b>20</b>	<b>Small Business Investment</b>			
<b>a</b>	American Rehab .....	1.00 .....	1.00 .....	6.89
	Detroit Center Tool .....	9,870,000.00 .....	8,648,677.12 .....	420,552.05
	Peninsula Capital .....	6,478,842.63 .....	6,920,300.70 .....	919,027.34
	Princeton Capital .....	6,611,823.00 .....	9,061,360.00 .....	(1,352,603.00)
	Windpoint III .....	6,777,614.00 .....	7,129,328.00 .....	890,584.62
	Windpoint IV .....	3,337,827.00 .....	7,533,089.00 .....	(608,570.00)
	<b>Total Section 20a .....</b>	<b>33,076,107.63 .....</b>	<b>39,292,755.82 .....</b>	<b>268,997.90</b>
<b>20</b>	<b>Miscellaneous</b>			
<b>d</b>	Credit Suisse .....	147,709,029.93 .....	119,662,847.31 .....	(18,277,588.69)
	Mount Lucas .....	12,705,716.22 .....	16,527,424.63 .....	3,136,335.52
	Bear Stearns Constellation .....	1,500,000.00 .....	2,061,645.00 .....	(438,355.00)
	John Hancock .....	5,460,721.42 .....	5,357,836.03 .....	525,911.85
	Reams Asset Management .....	3,638,241.63 .....	2,708,229.00 .....	232,555.46
	Mesirow Arbitrage Trust .....	4,338,841.53 .....	3,183,825.61 .....	298,259.98
	CDO Fund II .....	0.00 .....	15,064,712.72 .....	64,712.72
	CAPRI Select Income .....	0.00 .....	4,219,960.00 .....	(282,938.00)
	Greenwich Street .....	7,764,001.50 .....	8,471,007.15 .....	(549,913.35)
	MHR Fund .....	4,575,523.62 .....	7,049,934.03 .....	708,110.41
	Life Care Communities .....	14,585,000.00 .....	33,049,154.00 .....	2,594,314.31
	Midland CAPREIT Tera Venture .....	0.00 .....	10,500,000.00 .....	108,937.50
	CAPRI Credit Enhancement .....	0.00 .....	0.00 .....	699,999.96
	Freedom Park Credit Enhancement .....	0.00 .....	0.00 .....	23,177.77
	<b>Total Section 20d .....</b>	<b>202,277,075.85 .....</b>	<b>227,856,575.48 .....</b>	<b>(11,156,479.56)</b>
<b>20</b>	<b>Foreign Securities</b>			
<b>k</b>	Foreign Stocks .....	324,725,547.24 .....	187,100,571.60 .....	529,477.08
	Foreign Bonds .....	104,701,900.88 .....	88,318,576.03 .....	(4,707,328.31)
	Foreign Currencies .....	4,170,004.86 .....	4,151,798.40 .....	(21,933,997.91)
	<b>Total Section 20k .....</b>	<b>433,597,452.98 .....</b>	<b>279,570,946.03 .....</b>	<b>(26,111,849.14)</b>
	<b>TOTAL ASSETS .....</b>	<b>2,979,070,128.52 .....</b>	<b>2,704,046,264.81 .....</b>	<b>(117,076,612.94)</b>

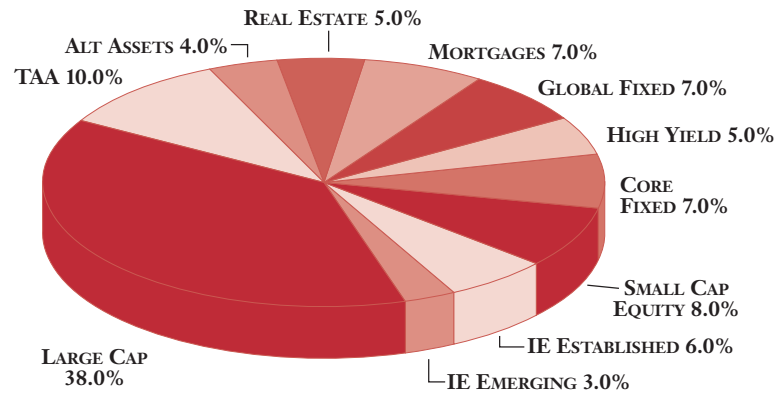
**ASSET ALLOCATION**  
AS OF 6/30/2001



**BY ASSET TYPE**



**BY MANAGER TYPE**



**BY TARGET**

## INVESTMENT MANAGERS

**ASSOCIATED ESTATES REALTY CORPORATION** ..... \$18.4 M  
**CLEVELAND, OHIO**

A real estate advisor which provides investment and asset management services. Investment philosophy is based on in-depth research to target optimal markets.

**ATLANTA CAPITAL MANAGEMENT** ..... \$108.6 M  
**ATLANTA, GEORGIA**

Manages a portfolio of common stocks diversified across all ranges of market capitalization.

**BANK OF IRELAND** ..... \$96.4 M  
**DUBLIN, IRELAND**

Manages a portfolio of international (companies located outside the United States) equities using a combination of bottom-up stock selection and top-down thematic selection.

**BARCLAYS GLOBAL ADVISORS** ..... \$225.6 M  
**SAN FRANCISCO, CALIFORNIA**

Manages a global tactical asset allocation portfolio which is designed to out perform the stock and bond markets by shifting the allocation between stocks and bonds when certain proprietary quantitative models which determine that one asset class is relatively over or under valued relative to the other.

**BARING ASSET MANAGEMENT** ..... \$75.5 M  
**LONDON, ENGLAND**

Manages a global (both U.S. and international) fixed income portfolio utilizing a process which is structured to add value from investment decisions based upon currency, maturity and duration factors.

**BLACKROCK FINANCIAL MANAGEMENT**  
**NEW YORK, NEW YORK**

Manages the Board's short-term cash investments using a process which focuses on sector rotation and security selection without reliance on interest rate forecasting to deliver superior returns.

**THE BOSTON COMPANY** ..... \$159.6 M  
**LOS ANGELES, CALIFORNIA**

Manages a portfolio of equities where the approach is value-oriented and firmly rooted in detailed fundamental analysis.

**CAPOZZOLI ADVISORY FOR PENSIONS** ..... \$73.0 M  
**FARMINGTON HILLS, MICHIGAN**

Performance-based real estate advisor. Real estate assets under management include commercial office buildings, retail shopping centers and mortgages.

**CAPRI CAPITAL** ..... \$36.3 M  
**CHICAGO, ILLINOIS**

A real estate advisor which specializes in multifamily and commercial property mortgages.

**CHAPMAN CAPITAL** ..... \$21.3 M  
**BALTIMORE, MARYLAND**

Manages a "domestic emerging markets" equity portfolio which consists of companies that are located in the U.S. and are either owned or controlled by women and minorities.

**CREDIT SUISSE** ..... \$119.7 M  
**NEW YORK, NEW YORK**

Manages a fixed income portfolio consisting of high yield (below investment grade) bonds utilizing an investment process which relies on in-depth credit analysis coupled with sector analysis to select undervalued securities.

## INVESTMENT MANAGERS CON'T

<p><b>DEUTSCHE ASSET MANAGEMENT</b> ..... \$98.8 M  <b>NEW YORK, NEW YORK</b>            Manages an S&amp;P 500 index fund.</p> <p><b>GE ASSET MANAGEMENT</b> ..... \$93.6 M  <b>STAMFORD, CONNECTICUT</b>            Manages a large capitalization equity portfolio favoring companies with having value as opposed to growth characteristics.</p> <p><b>GLOBALT</b> ..... \$83.7 M  <b>ATLANTA, GEORGIA</b>            Manages a large-cap equity portfolio for which the primary investment focus is U.S. companies with significant exposure to global opportunities.</p> <p><b>JOHN HANCOCK</b> ..... \$58.1 M  <b>BOSTON, MASSACHUSETTS</b>            Manages a bond portfolio which seeks to maximize returns through broad diversification by industry sector.</p> <p><b>HEARTLAND ADVISORS</b> ..... \$46.5 M  <b>MILWAUKEE, WISCONSIN</b>            Manages a small-cap value equity portfolio that utilizes a bottom-up investment approach for security selection. Risk is minimized by limiting the exposure to any one company to 5% and the exposure to any one industry sector to 15% of the portfolio value.</p> <p><b>HLM MANAGEMENT</b> ..... \$43.0 M  <b>BOSTON, MASSACHUSETTS</b>            Manages a small-cap growth equity portfolio consisting of companies with rapid earnings growth prospects and proprietary product franchises.</p>	<p><b>LAZARD ASSET MANAGEMENT</b> ..... \$58.0 M  <b>NEW YORK, NEW YORK</b>            Manages a global fixed income portfolio employing a bottom-up security selection investment philosophy which emphasizes strategic allocation to nontraditional industry sectors.</p> <p><b>LAZARD FRERES ASSET MANAGEMENT</b> ..... \$90.5 M  <b>NEW YORK, NEW YORK</b>            Manages a small-cap equity portfolio that relies on the premise that consistent analysis of historical financial data is infinitely more valuable than forecasting future earnings.</p> <p><b>LOOMIS SAYLES &amp; COMPANY</b> ..... \$17.9 M  <b>BOSTON, MASSACHUSETTS</b>            Manages a small-cap equity portfolio whose companies have a history of superior growth in earnings with the expectation that their superior earnings growth will continue.</p> <p><b>EDGAR LOMAX</b> ..... \$169.9 M  <b>SPRINGFIELD, VIRGINIA</b>            Manages a large-capitalization equity portfolio favoring companies with having value as opposed to growth characteristics.</p> <p><b>MACKEY SHIELDS</b> ..... \$124.5 M  <b>NEW YORK, NEW YORK</b>            Manages a large-cap growth portfolio using a process that combines quantitative discipline and sound fundamental judgment into a strict investment policy.</p>
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## INVESTMENT MANAGERS CON'T

<p><b>MIDLAND MORTGAGE INVESTMENT</b> ..... \$125.5 M  <b>CLEARWATER, FLORIDA</b>  A real estate advisor which specializes in multifamily construction loans as well as intermediate and long-term mortgages. Management style is very conservative with a focus on specialized market segments.</p> <p><b>MORGAN STANLEY DEAN WITTER</b> ..... \$44.7 M  <b>NEW YORK, NEW YORK</b>  Manages an international emerging markets equity portfolio.</p> <p><b>MOUNT LUCAS MANAGEMENT</b> ..... \$16.5 M  <b>PRINCETON, NEW JERSEY</b>  Manages a portfolio of futures positions on commodities, currencies and financial instruments without the use of leverage.</p> <p><b>REAMS ASSET</b> ..... \$104.2 M  <b>NORTHBROOK, ILLINOIS</b>  Manages a core fixed income portfolio using an investment process that combines active duration and yield curve management with bottom-up issue selection.</p> <p><b>RHUMBLINE ADVISORS</b> ..... \$66.1 M  <b>BOSTON, MASSACHUSETTS</b>  Manages an S&amp;P 500 index fund.</p> <p><b>STATE STREET GLOBAL ADVISORS</b> ..... \$43.7 M  <b>BOSTON, MASSACHUSETTS</b>  Manages an S&amp;P 500 index fund.</p>	<p><b>STRATEGIC FIXED INCOME</b> ..... \$63.5 M  <b>ARLINGTON, VIRGINIA</b>  Manages a global fixed income portfolio using an integrated approach which combines fundamental macroeconomic analysis and technical price analysis in a discipline manner.</p> <p><b>TRANSAMERICA INVESTMENT SERVICES</b> ... \$68.9 M  <b>LOS ANGELES, CALIFORNIA</b>  Manages a domestic fixed income portfolio employing a research-driven approach to deliver superior returns by selecting undervalued quality bonds falling within specific maturity guidelines.</p> <p><b>TT INTERNATIONAL</b> ..... \$53.0 M  <b>LONDON, ENGLAND</b>  Manages an international equity portfolio using an investment process which prioritizes country selection ahead of company selection.</p> <p><b>UNION HERITAGE</b> ..... \$21.2 M  <b>DETROIT, MICHIGAN</b>  Manages a large-capitalization equity portfolio using an investment process designed to select companies whose relative value is not fully reflected in the current market price.</p>
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