

JULY 1, 1999 - JUNE 30, 2000  
**SUMMARY OF DETAIL ANALYSIS OF INVESTMENTS  
AND RELATED INCOME (AUDITED)**

No.	INVESTMENTS	MARKET VALUE 6/30/99	MARKET VALUE 6/30/2000	MARKET VALUE AS A % OF TOTAL ASSETS 6/30/00	99/00 GAIN (LOSS)		99/00 NET REALIZED/ UNREALIZED GAIN (LOSS)	99/00 NET REALIZED/ UNREALIZED GAIN (LOSS) AS A % OF MARKET VALUE 6/30/00
					AS A % OF TOTAL NET REALIZED/ UNREALIZED GAIN (LOSS)	NET REALIZED/ UNREALIZED GAIN (LOSS)		
SEC. 14	Common & Preferred Stock (Publicly Traded)	\$1,467,846,948.82	\$1,632,158,801.50	55.369%	55.709%	\$151,524,438.48	9.28%	
SEC. 15	Mutual Funds/Diversified	58,396,256.15	61,003,712.70	2.069%	0.959%	2,607,456.55	4.27%	
SEC. 16	Insurance Company	0.00	0.00	0.000%	0.000%	0.00		
SEC. 17	Debt/Obligations	508,581,735.33	291,816,179.46	9.899%	7.379%	20,070,256.30	6.88%	
SEC. 19	Equity-Real/Personal	113,294,584.83	154,391,405.13	5.238%	4.660%	12,674,347.45	8.21%	
SEC. 20	Mortgages	160,524,657.63	175,088,234.80	5.940%	5.616%	15,275,011.59	8.72%	
SEC. 20a	Small Bus. Investment-MI	21,237,506.22	33,076,107.63	1.122%	0.228%	618,835.95	1.87%	
SEC. 20d	Basket Clause	214,232,715.13	197,938,234.32	6.715%	2.782%	7,566,522.56	3.82%	
SEC. 20k	Foreign Securities	356,838,728.01	433,597,452.98	14.709%	22.669%	61,657,159.33	14.22%	
<b>TOTAL INVESTMENTS</b>		<b>\$2,900,953,132.12</b>	<b>\$2,979,070,128.52</b>	<b>101.061%</b>	<b>100.000%</b>	<b>\$271,994,028.21</b>	<b>9.13%</b>	
	Cash	4,835,682.14	3,985,022.89	0.135%				
	Accounts Receivable	389,275,633.76	207,763,958.91	7.048%				
	Accounts Payable	(449,201,621.89)	(243,028,034.55)	-8.244%				
<b>TOTAL NET ASSETS</b>		<b>\$2,845,862,826.13</b>	<b>\$2,947,791,075.77</b>	<b>100.000%</b>				
	Less: Investment Expenses					13,240,418.63		
	Investment Income Before Administrative Expenses					258,753,609.58		
	Less: Administrative Expenses					3,700,684.78		
<b>NET INVESTMENT INCOME</b>						<b>\$255,052,924.80</b>		

INVESTMENTS

SECTION NO.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/99	ESTIMATED MARKET VALUE 6/30/00	1999-2000 NET REALIZED/UNREALIZED GAIN (LOSS)
14	<b>Stock (Publicly Traded)</b>			
	Common & Preferred .....	1,451,803,976.84	1,614,006,657.41	149,415,266.37
	Mesirow Arbitrage Trust .....	16,042,971.98	18,152,144.09	2,109,172.11
	<b>Total Section 14</b> .....	<b>1,467,846,948.82</b>	<b>1,632,158,801.50</b>	<b>151,524,438.48</b>
15	<b>Mutual Funds/Bonds</b>			
	TransAmerica T-2 .....	58,396,256.15	61,003,712.70	2,607,456.55
	<b>Total Section 15</b> .....	<b>58,396,256.15</b>	<b>61,003,712.70</b>	<b>2,607,456.55</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 .....	253,565,718.92	140,429,827.30	3,300,358.82
	(Held by Custodians)			
	Short Term .....	131,096,189.41	81,485,551.27	14,995,466.42
	Escrow A/C on Pro Air .....	0.00	5,126,416.17	126,416.17
	Mortgage Back Securities .....	123,919,827.00	64,774,384.72	1,372,621.05
	Towers Financial .....	0.00	0.00	275,393.84
	<b>Total Section 17</b> .....	<b>508,581,735.33</b>	<b>291,816,179.46</b>	<b>20,070,256.30</b>

## INVESTMENTS CON'T

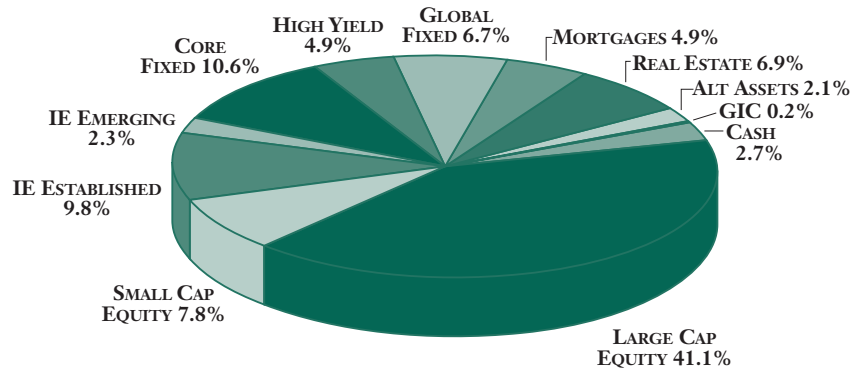
SECTION NO.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/99	ESTIMATED MARKET VALUE 6/30/00	1999-2000 NET REALIZED/UNREALIZED GAIN (LOSS)
19	<b>Equity – Real &amp; Personal</b>			
(1)	<b>REITS</b>			
	RREEF .....	0.00	20,286,424.00	1,266,628.77
	WELLS .....	0.00	10,204,081.63	348,382.48
	<b>Life Insurance Companies</b>			
	J. Hancock Apt Fund .....	1,745,622.00	0.00	(5,881.95)
	J. Hancock Acre .....	32,288.95	0.00	499.35
	New England .....	1,228,528.29	458,379.08	(3,113.21)
	<b>Total Section 19 (1)</b> .....	<b>3,006,439.24</b>	<b>30,948,884.71</b>	<b>1,606,515.44</b>
(2)	<b>Including 501 (C) 25 Corps.:</b>			
	-Unleveraged:			
	Equity Direct .....	80,756,481.03	73,840,688.07	5,841,961.63
	-Leveraged:			
	CAP-Bank West .....	6,503,629.00	7,281,877.00	811,423.00
	<b>Limited Partnerships:</b>			
	Walton Street .....	6,298,093.04	9,766,543.97	1,271,395.44
	Westbrook .....	4,711,969.00	10,342,374.00	1,048,305.00
	Lend Lease (ERE Yarmouth) .....	11,746,075.13	22,211,034.38	1,755,671.99
	<b>Trusts:</b>			
	M.I. Fund I .....	22,330.66	1.00	
	M.I. Fund II .....	75,579.92	1.00	475,013.78
	M.I.S.S.I. ....	41,654.75	0.00	(3,895.02)
	M.I. Fund III .....	132,333.06	1.00	(132,332.06)
	Stonemark Equity .....	0.00	0.00	288.25
	<b>Total Section 19 (2)</b> .....	<b>110,288,145.59</b>	<b>123,442,520.42</b>	<b>11,067,832.01</b>
	<b>Total Section 19 (1) &amp; (2)</b> .....	<b>113,294,584.83</b>	<b>154,391,405.13</b>	<b>12,674,347.45</b>
20	<b>Mortgages</b>			
	Direct & Participating .....	93,151,311.60	92,791,518.30	8,164,991.04
	Construction Loans .....	27,373,346.03	42,296,716.50	3,099,061.64
	Midland-Mahgt (Trust) .....	40,000,000.00	40,000,000.00	4,010,958.91
	<b>Total Section 20</b> .....	<b>160,524,657.63</b>	<b>175,088,234.80</b>	<b>15,275,011.59</b>

INVESTMENTS CON'T

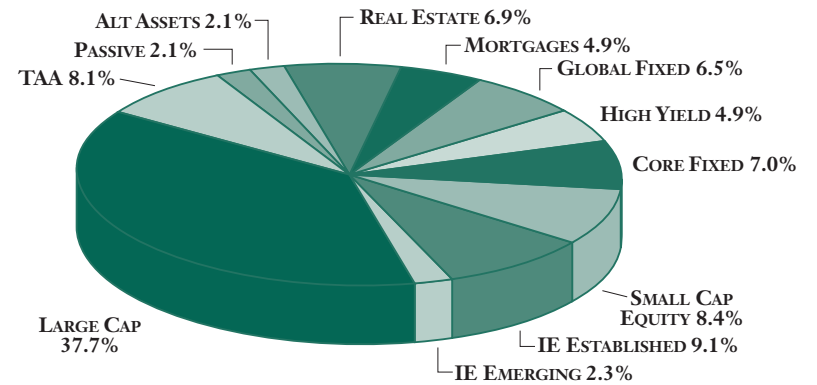
SECTION No.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/99	ESTIMATED MARKET VALUE 6/30/00	1999-2000 NET REALIZED/UNREALIZED GAIN (LOSS)
<b>20</b>	<b>Small Business Investment</b>			
<b>a</b>	American Rehab .....	343,137.70	1.00	(363,130.81)
	Detroit Center Tool .....	9,870,000.00	9,870,000.00	240,000.00
	Metropolitan Realty .....	1,464,888.64	0.00	762,157.44
	Peninsula Capital .....	2,500,000.00	6,478,842.63	403,288.46
	Princeton Capital .....	998,674.88	6,611,823.00	711,163.12
	Windpoint III .....	6,060,805.00	6,777,614.00	(547,344.27)
	Windpoint IV .....	0.00	3,337,827.00	(587,297.99)
	<b>Total Section 20a</b> .....	<b>21,237,506.22</b>	<b>33,076,107.63</b>	<b>618,835.95</b>
<b>20</b>	<b>Miscellaneous</b>			
<b>d</b>	Credit Suisse .....	147,099,794.46	147,709,029.93	2,875,240.81
	Mount Lucas .....	11,885,617.93	12,705,716.22	1,271,140.68
	Bear Stearns Constellation .....	0.00	1,500,000.00	
	Scudder, Steven & Clark .....	7,053,730.34	0.00	88,807.07
	Loomis, Sayles & Co. ....	15,190,695.00	0.00	210,508.66
	John Hancock .....	6,257,293.77	5,460,721.42	269,483.91
	Reams Asset Management .....	21,131,965.00	3,638,241.63	208,616.30
	Greenwich Street .....	3,736,246.09	7,764,001.50	485,778.41
	MHR Fund .....	897,372.54	4,575,523.62	151,762.02
	Life Care Communities .....	980,000.00	14,585,000.00	996,490.08
	Prutech Project .....			58,656.33
	CAPRI Credit Enhancement .....	0.00	0.00	807,490.40
	Freedom Park Credit Enhancement .....	0.00	0.00	142,547.89
	<b>Total Section 20d</b> .....	<b>214,232,715.13</b>	<b>197,938,234.32</b>	<b>7,566,522.56</b>
<b>20</b>	<b>Foreign Securities</b>			
<b>k</b>	Foreign Stocks .....	269,594,302.52	324,725,547.24	75,389,900.11
	Foreign Bonds .....	83,896,056.52	104,701,900.88	1,074,998.76
	Foreign Currencies .....	3,348,368.97	4,170,004.86	(14,807,739.54)
	<b>Total Section 20k</b> .....	<b>356,838,728.01</b>	<b>433,597,452.98</b>	<b>61,657,159.33</b>
	<b>TOTAL ASSETS</b> .....	<b>2,900,953,132.12</b>	<b>2,979,070,128.52</b>	<b>271,994,028.21</b>

**ASSET ALLOCATION**  
AS OF 6/30/2000

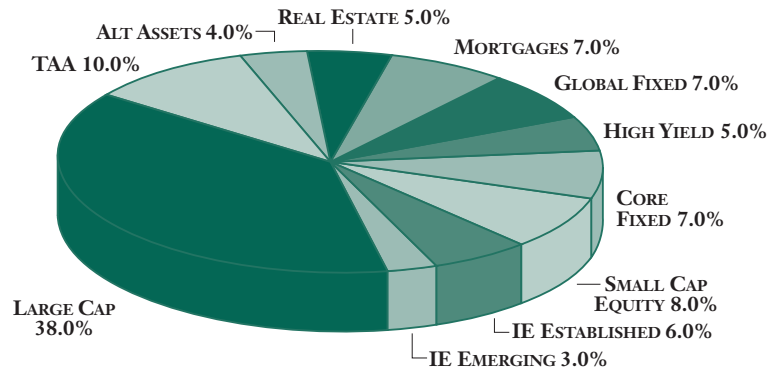
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**BY ASSET TYPE**



**BY MANAGER TYPE**



**BY TARGET**

## INVESTMENT MANAGERS

<b>ATLANTA CAPITAL MANAGEMENT</b> ..... \$145.1 M <b>ATLANTA, GEORGIA</b> Manages a portfolio of common stocks diversified across all ranges of market capitalization.	<b>THE BOSTON COMPANY</b> ..... \$161.3 M <b>LOS ANGELES, CALIFORNIA</b> Manages a portfolio of equities where the approach is value-oriented and firmly rooted in detailed fundamental analysis.
<b>BANK OF IRELAND</b> ..... \$182.3 M <b>DUBLIN, IRELAND</b> 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.	<b>CAPOZZOLI ADVISORY FOR PENSIONS</b> ..... \$71.9 M <b>FARMINGTON HILLS, MICHIGAN</b> Performance based real estate advisor. Real estate assets under management include commercial office buildings, retail shopping centers and mortgages.
<b>BARCLAYS GLOBAL ADVISORS</b> ..... \$246.5 M <b>SAN FRANCISCO, CALIFORNIA</b> 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.	<b>CAPRI CAPITAL</b> ..... \$16.0 M <b>CHICAGO, ILLINOIS</b> A real estate advisor which specializes in multi-family and commercial property mortgages.
<b>BARING ASSET MANAGEMENT</b> ..... \$77.4 M <b>LONDON, ENGLAND</b> Manages a global (both US and international) fixed income portfolio utilizing an process which is structured to add value from investment decisions based upon currency, maturity and duration factors.	<b>CHAPMAN CAPITAL</b> ..... \$30.1 M <b>BALTIMORE, MARYLAND</b> Manages a “domestic emerging markets” equity portfolio which consists of companies which are located in the US and are either owned or controlled by women and minorities.
<b>BLACKROCK FINANCIAL MANAGEMENT</b> <b>NEW YORK, NEW YORK</b> 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.	<b>CREDIT SUISSE</b> ..... \$147.7 M <b>NEW YORK, NEW YORK</b> 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.
	<b>DEUTSCHE ASSET MANAGEMENT</b> ..... \$115.8 M <b>NEW YORK, NEW YORK</b> Manages an S&P 500 index fund.

## INVESTMENT MANAGERS CON'T

<b>GE ASSET MANAGEMENT</b> ..... \$97.7 M <b>STAMFORD, CONNECTICUT</b> Manages a large capitalization equity portfolio favoring companies with having value as opposed to growth characteristics.	<b>LAZARD ASSET MANAGEMENT</b> ..... \$54.7 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.
<b>GLOBALT</b> ..... \$145.3 M <b>ATLANTA, GEORGIA</b> Manages a large cap equity portfolio for which the primary investment focus is US companies with significant exposure to global opportunities.	<b>LAZARD FRERES ASSET MANAGEMENT</b> ..... \$75.1 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.
<b>JOHN HANCOCK</b> ..... \$58.7 M <b>BOSTON, MASSACHUSETTS</b> Manages a bond portfolio which seeks to maximize returns through broad diversification by industry sector.	<b>LOOMIS SAYLES &amp; COMPANY</b> ..... \$31.6 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.
<b>HEARTLAND ADVISORS</b> ..... \$40.1 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.	<b>EDGAR LOMAX</b> ..... \$133.4 M <b>SPRINGFIELD, VIRGINIA</b> Manages a large capitalization equity portfolio favoring companies with having value as opposed to growth characteristics.
<b>HLM MANAGEMENT</b> ..... \$76.9 M <b>BOSTON, MASSACHUSETTS</b> Manages a small cap growth equity portfolio consisting of companies with rapid earnings growth prospects and proprietary product franchises.	<b>MACKEY SHIELDS</b> ..... \$201.6 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.

INVESTMENT MANAGERS CON'T

**MIDLAND MORTGAGE INVESTMENT ..... \$125.0 M  
CLEARWATER, FLORIDA**

A real estate advisor which specializes in multi-family construction loans as well as intermediate and long-term mortgages. Management style is very conservative with a focus on specialized market segments.

**ASSOCIATED ESTATES REALTY  
CORPORATION ..... \$43.1 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.

**MORGAN STANLEY DEAN WITTER ..... \$71.1 M  
NEW YORK, NEW YORK**

Manages an international emerging markets equity portfolio.

**MOUNT LUCAS MANAGEMENT ..... \$13.3 M  
PRINCETON, NEW JERSEY**

Manages a portfolio of futures positions on commodities, currencies and financial instruments without the use of leverage.

**RHUMBLINE ADVISORS ..... \$77.1 M  
BOSTON, MASSACHUSETTS**

Manages an S&P 500 index fund.

**STATE STREET GLOBAL ADVISORS ..... \$40.8 M  
BOSTON, MASSACHUSETTS**

Manages an S&P 500 index fund.

**STRATEGIC FIXED INCOME ..... \$65.8 M  
ARLINGTON, VIRGINIA**

Manages a global fixed income portfolio using an integrated approach which combines fundamental macroeconomic analysis and technical price analysis in a discipline manner.

**TRANSAMERICA INVESTMENT SERVICES ... \$61.0 M  
LOS ANGELES, CALIFORNIA**

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.

**TT INTERNATIONAL ..... \$93.0 M  
LONDON, ENGLAND**

Manages an international equity portfolio using an investment process which prioritizes country selection ahead of company selection.

**UNION HERITAGE ..... \$20.6 M  
DETROIT, MICHIGAN**

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.