

**JULY 1, 2003 - JUNE 30, 2004
SUMMARY OF INVESTMENTS
AND RELATED INCOME (UNAUDITED)**

No.	INVESTMENTS	MARKET VALUE 06/30/03	MARKET VALUE 06/30/04	06/30/04 MARKET VALUE AS A % OF TOTAL ASSETS	(1) 06/30/04 INCOME AS A % OF TOTAL INCOME	(2) 03-04 INCOME (INCLUDES MARKET GAIN)	(1) 06/30/04 INCOME AS A % OF MARKET VALUE
Section 14	Stock (Publicly Traded)	\$1,086,650,257.95 ..	\$1,389,313,393.45	44.493%	65.517%	\$280,465,374.81	20.187%
Section 17	Debt/Obligations	673,320,461.92	615,799,583.10	19.721%	2.416%	10,344,318.74	1.680%
Section 19(1)	Equity – Reit’s & Pooled	112,153,003.20	105,459,364.42	3.377%	2.670%	11,428,373.50	10.837%
Section 19(2)	Equity Real Estate	122,075,235.42	134,568,974.68	4.310%	3.196%	13,681,535.01	10.167%
Section 20	Mortgages	187,992,172.51	191,416,878.29	6.130%	3.315%	14,191,517.12	7.414%
Section 20a	Small Business						
	Investments – MI	57,093,436.44	65,667,742.44	2.103%	0.264%	1,128,573.65	1.719%
Section 20d	Basket Clause	265,526,064.88	243,356,812.54	7.794%	4.348%	18,610,831.12	7.648%
Section 20k	Foreign Securities	313,401,212.50	309,841,736.04	9.923%	18.275%	78,229,978.05	25.248%
TOTAL INVESTMENTS ..		\$2,818,211,844.82 ..	\$3,055,424,484.96	97.851%	100.000%	\$428,080,502.00	14.011%
	Cash		1,259,681.43	0.040%			
	Accounts Receivables		110,636,772.00	3.543%			
	Accounts Payables		(45,370,062.95)	-1.453%			
	Capital Assets		569,142.00	0.018%			
NET ASSETS AVAILABLE FOR BENEFITS			\$3,122,520,017.44	100.000%			
	Less: Investment Expenses					(12,379,318.80)	
	Investment Income Before Administrative Expenses					415,701,183.20	
	Less: Administrative Expenses					(3,727,680.00)	
NET INVESTMENT INCOME						\$411,973,503.20	

(1) Percentage Factor is Calculated Using Gross Income.
(2) Income May Be Net of Expenses Per Contract Agreements.

JULY 1, 2003 - JUNE 30, 2004
**DETAIL SCHEDULE OF INVESTMENTS
AND RELATED INCOME**

NO.	INVESTMENTS	MARKET VALUE 06/30/03	MARKET VALUE 06/30/04	06-04 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 14 STOCK (PUBLICLY TRADED)				
	Common & Preferred Stock	\$1,063,130,998.70	\$1,367,251,745.51	\$280,328,260.17
(c)	Mesirow Arbitrage Trust	23,102,202.22	21,550,641.99	0.00 (c)
	MIG – P&F Fund, Inc.	417,057.03	511,005.95	137,114.64
Total Section 14		\$1,086,650,257.95	\$1,389,313,393.45	\$280,465,374.81
SECTION 17 Debt/Obligations				
	Bonds & Notes	\$489,348,466.82	\$478,444,679.75	\$8,212,597.90
(b)	Short-Term Investments	68,905,578.59	71,444,466.84	452,213.35 (b)
	Mort.-Backed Securities	115,066,416.51	65,910,436.51	1,679,507.49
Total Section 17		\$673,320,461.92	\$615,799,583.10	\$10,344,318.74
SECTION 19(1) Equity Real Estate-Pooled (Reits)				
(a)	Reits Held by Custodian	\$23,472,362.00	\$28,522,442.50	\$4,482,373.31 (a)
	CNL Hospitality Reit	15,873,015.87	15,873,015.87	1,272,037.40
	Inland Retail Trust	10,700,000.00	10,700,000.00	889,323.20
	Midland Multifamily Equity	20,725,971.00	20,435,341.00	2,118,506.63
	RREEF America Reit II	20,548,321.00	20,960,478.00	2,041,163.63
	Wells Reit	20,833,333.33	8,968,087.05	624,969.33
Total Section 19(1)		\$112,153,003.20	\$105,459,364.42	\$11,428,373.50

No.	INVESTMENTS	MARKET VALUE 06/30/03	MARKET VALUE 06/30/04	06-04 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 19(2) Equity Real Estate-Direct & LP				
	Equity Direct	\$77,075,396.00	\$88,390,271.99	\$8,632,795.14
	AERC Courtney Chase, LLC-Cost	3,857,366.00	4,245,862.00	692,342.15
	AERC-DPF Georgia Ventures (LP)	9,948,651.00	9,838,154.00	144,503.00
	Canyon-Johnson Urban Fund	2,302,675.00	3,805,420.00	140,898.29
	Con. Cap Johnstown-Wash	10,467,607.00	11,991,897.00	1,624,290.00
	Fidelity Real Estate Fund, LP	7,507,422.64	5,964,439.23	1,059,751.92
	Walton Street Reit III	10,916,117.78	10,332,930.46	1,386,954.51
	Total Section 19(2)	\$122,075,235.42	\$134,568,974.68	\$13,681,535.01
SECTION 20 Mortgages				
	Direct & Participating	\$45,009,303.25	\$33,293,091.25	\$3,436,903.28
	Construction Loans	59,080,449.06	76,847,097.33	2,953,411.07
	Aim-85	2,680,000.00	1,245,000.00	(155,000.00)
	Aim-88	995,000.00	0.00	53,750.00
	Krupp Insured III	227,420.20	31,689.70	(173,361.30)
	Midland-MAHGT (Trust)	80,000,000.00	80,000,000.00	8,075,814.07
	Total Section 20	\$187,992,172.51	\$191,416,878.29	\$14,191,517.12
SECTION 20a Investments-Michigan				
	Atheneum Hotel Stock	\$5,158,062.44	\$5,158,062.44	\$0.00
	Fred Silber Co.	205,000.00	180,000.00	0.00
	MCA Financial Note	0.00	0.00	981,574.65
	Princeton Capital Fund	1,946,049.00	1,946,049.00	0.00
	Romulus Disposal L.P. & Note	34,219,998.00	36,393,044.00	0.00
	Touchstone Opportunity LTD	6,823,471.00	14,380,223.00	1,601,852.00
	Wind Point IV	8,740,856.00	7,610,364.00	(1,454,853.00)
	Total Section 20a	\$57,093,436.44	\$65,667,742.44	\$1,128,573.65

JULY 1, 2003 - JUNE 30, 2004
**DETAIL SCHEDULE OF INVESTMENTS
AND RELATED INCOME CON'T**

No.	INVESTMENTS	MARKET VALUE 06/30/03	MARKET VALUE 06/30/04	06-04 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 20d Basket Clause				
	Capri Select Income	\$22,933,744.00	\$18,084,280.00	\$3,425,399.00
	Columbia Management Company ...	34,074,733.84	31,235,880.08	\$2,558,384.09
	Credit Suisse	97,276,878.26	91,889,543.04	8,395,131.47
	Crescent Gate	1,532,641.00	1,532,641.00	0.00
	Entercitement Note	1,336,995.00	1,336,995.00	0.00
	Everest Energy Fund	20,000,000.00	20,000,000.00	0.00
	GSC Partners	25,671,995.00	23,365,526.00	(2,306,469.00)
	GSC Partners II	14,774,597.00	13,739,341.00	551,765.00
	India Hydropower	4,336,681.00	4,915,968.00	579,287.00
	Liberty Mutual Energy I	2,565,558.00	2,102,748.00	(39,330.00)
	Liberty Mutual Energy II	5,959,944.00	4,900,712.00	(1,059,232.00)
	Liberty Mutual Energy III	5,877,877.00	6,386,440.00	680,098.00
	Liberty Mutual Energy CIV	4,747,776.00	4,834,762.00	334,009.00
	(c) Mesirow Arbitrage Trust	15,560,532.78	16,693,459.42	3,281,366.41 (c)
	Provender Opportunities Fund	8,876,112.00	2,338,517.00	93,917.08
	Solitron-Unsecured Claim	0.00	0.00	27,069.45
	Credit Enhancement Fees	0.00	0.00	2,089,435.62
Total Section 20d		\$265,526,064.88	\$243,356,812.54	\$18,610,831.12

No.	INVESTMENTS	MARKET VALUE 06/30/03	MARKET VALUE 06/30/04	06-04 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 20k	Foreign Securities			
	Foreign Bonds/Notes	\$0.00	\$0.00	\$61,131.97
	Foreign Equities	309,512,389.51	309,841,736.04	79,399,054.62
	Foreign Currencies	3,888,822.99	0.00	(1,230,208.54)
	Total Section 20k	\$313,401,212.50	\$309,841,736.04	\$78,229,978.05
	Total Investments	\$2,818,211,844.82	\$3,055,424,484.96	\$428,080,502.00

(a) Income included with income from bonds and notes.

(b) Short-term income includes income from securities lending.

(c) A portion of this investment is in qualified common stock. That portion is in Section 14. Income cannot be segregated.

INVESTMENT MANAGERS

<p>ADVENT CAPITAL MANAGEMENT \$45.7 M NEW YORK, NEW YORK Invests exclusively in convertible securities market with a value orientation with respect to the underlying equity.</p>	<p>COLUMBIA MANAGEMENT \$33.2 M PORTLAND, OREGON Manages a fixed income portfolio of high-yield bonds.</p>
<p>ASSOCIATED ESTATES REALTY CORP. \$37.6 M CLEVELAND, OHIO A real estate advisor which provides investment and asset management services.</p>	<p>CREDIT SUISSE \$97.5 M NEW YORK, NEW YORK Manages a fixed income portfolio of high-yield bonds.</p>
<p>BLACKROCK \$46 M NEW YORK, NEW YORK Manages domestic small-cap equities using a growth-oriented style.</p>	<p>DIMENSIONAL FUND ADVISORS \$92.8 M SANTA MONICA, CALIFORNIA Manages a broadly diversified portfolio of international equities having relatively low turnover</p>
<p>BNY ASSER MANAGEMENT \$107.7 M NEW YORK, NEW YORK Manages a portfolio which is designed to track and outperform the MSCI EAFE international equity index utilizing American Depository receipts (ADRs)</p>	<p>EARNEST PARTNERS \$54.7 M ATLANTA, GEORGIA Manages domestic large-cap equities using a value-oriented style.</p>
<p>CALAMOS ASSET MANAGEMENT \$73.2 M NAPERVILLE, ILLINOIS Manages a portfolio of mid-cap growth equities</p>	<p>FISHER INVESTMENTS \$128.2 M WOODSIDE, CALIFORNIA Manages domestic large-cap equities comprising all market sectors utilizing both growth and value styles.</p>
<p>CAPITAL GUARDIAN \$70.3 M LOS ANGELES, CALIFORNIA Manages domestic small-cap growth equities using a value-oriented style.</p>	

INVESTMENT MANAGERS CON'T

INCOME RESEARCH AND MANAGEMENT \$94.5 M BOSTON, MASSACHUSETTS A fixed income manager that specializes in the less efficient sectors of the investment grade fixed income markets, primarily corporate bonds.	MUNIMAE MIDLAND INVESTMENT CORPORATION \$187 M CLEARWATER, FLORIDA A real estate advisor which specializes in multifamily construction loans as well as intermediate and long-term mortgages.
KENNEDY CAPITAL \$219.8 M ST. LOUIS, MISSOURI Manages domestic small-cap equities using a growth-oriented style.	OPPENHEIMER CAPITAL \$90.2 M NEW YORK, NEW YORK Manages a portfolio of international equities
THE KENWOOD GROUP \$61.7 M CHICAGO, ILLINOIS Manages domestic mid-cap equities using a value-oriented style	PAYDEN & RYGEL \$172.4 M LOS ANGELES, CALIFORNIA Manages the System's short-term cash equivalents plus a portfolio of US government securities.
LOOMIS SAYLES & COMPANY \$99.6 M BLOOMFIELD HILLS, MICHIGAN Manages a core fixed income portfolio which favors corporate bonds.	PUGH CAPITAL \$24.2 M SEATTLE, WASHINGTON Manages a portfolio of domestic mortgage-backed fixed income securities.
MAYFIELD GENTRY \$106 M DETROIT, MICHIGAN Manages a real estate development project in the city of Detroit.	REINHART, MAHONEY & BRYDEN \$93.3 M BIRMINGHAM, MICHIGAN Manages domestic mid-cap equities using a value-oriented style.
MERRILL LYNCH ASSET MANAGEMENT \$350.1 M NEW YORK, NEW YORK Manages an equity portfolio constructed to replicate the performance of the Standard & Poors 500 Index.	
MESIROW ARBITRAGE TRUST \$38.2 M CHICAGO, ILLINOIS Manages a portfolio of equity and fixed income securities constructed to take advantage of price arbitrage opportunities.	

INVESTMENT MANAGERS CON'T

RHUMBLINE INVESTMENTS \$104.5 M BOSTON, MASSACHUSETTS Manages an equity portfolio constructed to replicate the performance of the Russell 1000 Index.	TT INTERNATIONAL \$140.4 M LONDON, ENGLAND Manages an international equity portfolio.
STEWARD CAPITAL \$26.5 M BIRMINGHAM, MICHIGAN Manages a large-cap equity portfolio of companies with both growth and value characteristics.	UNION HERITAGE CAPITAL MANAGEMENT \$28 M DETROIT, MICHIGAN Manages domestic large-cap equities using a value-oriented style.
TRANSAMERICA INVESTMENT SERVICES \$141 M LOS ANGELES, CALIFORNIA An active fixed income manager which uses a research-driven approach to acquire undervalued quality bonds which fall within specific maturity guidelines.	WOODFORD CAPITAL \$44 M LOS ALTOS, CALIFORNIA Manages domestic equities encompassing all market sectors with a strategy which favors companies exhibiting superior growth characteristics.
TRUST COMPANY OF THE WEST \$57.7 M LOS ANGELES, CALIFORNIA Manages a portfolio of domestic mortgage-backed fixed income securities.	