



Coastal Community Foundation's Investment Long Term Pool

Coastal Community Foundation's primary **investment objective** of the assets invested in its Long Term Pool is to provide for long-term growth of capital, without undue exposure to risk. This objective is accomplished by investing in a mix of equities, including hedged equity, fixed income, real assets, absolute return vehicles, and cash equivalents that allow participation in rising markets while providing reasonable protection in falling markets.

Our Investment Committee has established an **asset allocation** of 57% Global Equities, 18% Global Fixed Income, 15% Real Assets, and 10% Diversifying Absolute Return strategies. We believe this reflects a prudent risk level and effectively balances the community's need to address current issues with endowing future grants to the community.

Our **specific performance objectives** are:

- For returns to exceed spending amount plus anticipated inflation (currently 7.5%)
- For returns to exceed the Consumer Price Index (CPI) by 5.0% annualized
- For returns to exceed the market weighted index
- For returns to exceed broad policy index

Performance objectives are measured over a moving 5-year measurement period.

Average Annual Returns (as of 12/31/2011)

	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
Total Foundation - Pooled	-3.5%	12.7%	1.9%	5.4%
<i>Market Weighted Index</i>	-1.6%	11.9%	1.0%	4.8%

Current Investments

Coastal Community Foundation Long Term Pool is currently invested in the following funds:

Vanguard Windsor II Fund	Harbor Capital Appreciation Fund
CRM Small Cap Value Fund	Pimco All Asset Fund
iShares Russell 2000 Growth Fund	American Funds – Euro-Pacific Growth Fund
Templeton Foreign Equity Fund	DFA Emerging Markets Value Fund
DFA International Small Cap Fund	Dodge & Cox Income Fund
PIMCO Total Return Fund	Vanguard Inflation Protected Securities Fund
Seix Floating Rate High Income Fund	Cohen and Steers Int'l Realty Fund
Commonsense Long Biased Fund	Asian Century Quest Fund
Eton Park Fund	Fine Capital Fund
Graham Global Investment Fund	Kayne Anderson MLP
VIA Energy Fund II	CVE Kauffman Fellows Fund II
WCP Real Estate Fund III	