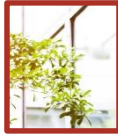


3rd Quarter News

The Three Pillars:
Managing Long-Term Cycle
Deviations



**Vera Lloyd Presbyterian
Family Services and TPF:**
Creating Transformative Sanctuaries



Investment Update:
Year-End Gifts and Appreciated
Securities



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TPF Fund Performance as of 09-30-2018

	3rd Q	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
TPF Balanced Fund	2.8%	5.3%	9.6%	10.5%	7.4%	8.6%
Lipper MATA Moderate Index	2.7%	2.5%	5.7%	8.5%	6.5%	7.1%
TPF Large Cap Equity Fund	6.5%	16.1%	24.2%	18.4%	14.0%	13.4%
Lipper Large Cap Core Index	7.3%	9.3%	16.2%	16.7%	12.6%	11.0%
TPF Growth Equity Fund	7.3%	25.5%	33.9%	21.5%	15.3%	15.1%
Lipper Large Cap Growth Index	7.6%	17.4%	25.0%	19.0%	15.0%	12.9%
TPF Value Equity Fund	5.5%	6.4%	14.2%	15.0%	12.4%	11.9%
Lipper Large Cap Value Index	6.1%	5.5%	11.5%	14.6%	10.8%	9.9%
TPF Intl Equity Fund	1.0%	-2.8%	1.5%	8.8%	4.7%	7.6%
Lipper International Index	0.6%	-2.1%	1.7%	9.4%	4.8%	5.8%
TPF Emerging Mkts Fund	-2.4%	-11.0%	-6.7%	8.5%	1.2%	4.2%
Lipper Emerging Mkt Index	-2.0%	-8.8%	-2.9%	11.8%	3.3%	5.0%
TPF Small Cap Equity Fund	5.3%	14.1%	20.6%	20.3%	13.3%	14.7%
Lipper Small-Cap Index	4.5%	10.8%	15.7%	16.2%	10.4%	11.4%
TPF Fixed Income Fund	0.3%	-1.3%	-0.9%	2.1%	2.4%	4.3%
Lipper Core Bond Index	0.2%	-1.5%	-1.2%	1.7%	2.4%	4.6%
TPF Money Market Fund	0.4%	1.1%	1.3%	0.7%	0.5%	0.4%
Lipper INSTI MMF Avg	0.5%	1.2%	1.4%	0.8%	0.5%	0.3%
TPF Real Estate Inv Fund	1.7%	3.0%	4.7%	5.2%	5.5%	1.4%
NCREIF NFRI-ODCE (Net)	1.8%	3.5%	7.2%	8.3%	9.8%	6.2%
TPF Real Assets Fund	-1.3%	-0.8%	1.0%	5.9%	-0.6%	N/A
Real Assets Custom Blend	0.6%	0.9%	4.7%	5.7%	-0.5%	N/A
TPF Defensive Strategies Fund	2.7%	2.0%	4.5%	3.5%	3.3%	N/A
Lipper Long Short Equity Index	2.1%	1.7%	4.6%	4.8%	3.4%	N/A

Past performance is not necessarily indicative of future investment results. The report shows total returns for periods less than one year and compounded annual rates of return for longer periods. The returns are net of all operating expenses, totaling approximately 0.60% annually, including fees of outside investment managers.

*Lipper Moderate Index is the most appropriate Mixed Asset Target Allocation of the Lipper MATA indices.
**The Blended Real Assets Index is comprised of 40% MSCI AC World Index (Net), 40% Blmgb. Barc. U.S. TIPS, 20% Bloomberg Commodity Index Total Return.

Please access www.tpf.org for additional information.



The Three Pillars:

Managing Long-Term Cycle Deviations

By Michael C. Wright, Senior Vice President and Senior Consultant for Segal Marco Advisors

Here in Dallas, the seasonal indicators of Fall are all around us. Friday night lights from the stadium, a drop in the mosquito bite count you get venturing out at dusk, increases in the displays of potted mums at the stores. Your favorite team may be performing slightly better or worse, the weather is a little warmer or cooler, the amount of rain varies every year. These are deviations over what we all know is a long-term cycle for each.

Over that cycle the average annualized results, whether it is win/loss ratio or average temperature, are the measures we use as the track record to explain performance. Investment markets also cycle through phases. The TPF team of staff and advisors evaluate the short-term results and diligently evaluate the portfolio and our managers' positions as the cycle progresses. Our portfolios experience gains and losses around the long-term trend.

10 years ago in September of 2008, the S&P 500 experienced one of the largest monthly declines in the stock market. The year 2008 came in at -37% for stocks. In 2008 a broad bond index returned +7.3% confirming the benefit of a balanced, diversified, investment portfolio such as the TPF Balanced Fund. Even during the pain of 2008, we recognized the pattern from prior cycles. The performance fit within the range of expected returns we use when setting the mix of stocks and bonds in the TPF Balanced Fund.

The average annualized US S&P 500 return since 1926 is 10.2%. For the 10 years ending September 2018, the U.S. S&P 500 is +11.9% average annualized return and a diversified bond index has been +3.7% annualized. We fully expect the continued cycle of volatility. A famous investor, Sir John Templeton, stated, the four most dangerous words in investing are "this time it's different."

The TPF Balanced Fund has returned +8.6% annualized average versus its benchmark at +7.1% over the last 10 years.

The focus on the long term, the diversification across asset classes, and the selection of superior, active managers are the three pillars of success that have rewarded TPF over the positive and negative periods of the market cycle.



Vera Lloyd Presbyterian Family Services and TPF:

Creating Transformative Sanctuaries

A sanctuary can exist in various forms. For some of us, it's a safe, comfortable structure we call home. For others, it's the passion that drives us to create and love. Vera Lloyd Presbyterian Family Services (Vera Lloyd) remains resolute in their efforts to provide both for those they serve in Arkansas. Dedicated to sharing Christ's healing love with children, youth, and families in crisis, this organization strives to be recognized as the model for transforming and empowering the young lives of those they serve.

Many of these kids have not always had a sanctuary. Of any kind. A resident at the home in Monticello, Laci came to Vera Lloyd at the age of 15 from a place of darkness and uncertainty.

After years of suffering, Laci was finally removed from this situation and placed in care at Vera Lloyd. Gradually, Laci began to thrive in the unconditional love and acceptance she found at her new home. As her relationships and trust of others continued to grow, Laci not only began to excel academically, but she also found her other true sanctuary—art. Guitar and piano lessons, along with her painting, gave new meaning to her life and allowed her to not only express her emotions, but increased her confidence and trust in others. This is when she truly began to heal.

Together, TPF and Vera Lloyd work to ensure that they continue to change the lives of other kids just like Laci. According to Kathy French, Vera Lloyd's Director of Development, "Texas Presbyterian Foundation stewards the resources of incredible donors who allow these kind of success stories every day. Together, we can not only address problems, we can beat them!"



Year-End Gifts: Appreciated Securities

Do you want to make a year-end gift, but you don't want to deplete your cash holdings? Individuals may directly transfer appreciated securities to TPF to process as a charitable gift to his or her church/institution in order to eliminate the payment of capital gains tax incurred at the time of sale.

Contact your TPF administrator today to find out more about this simple gifting opportunity!

Welcome to the Newest Member of our TPF Staff!

TPF is pleased to welcome Marisa Perez to our TPF family.



As a Relationship Manager, Marisa will be responsible for the administration and management of the accounts belonging to our Texas institutions.

Visit www.tpf.org to learn more about our dedicated TPF staff.



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