

MODEL B- MODERATELY CONSERVATIVE

Model B is a moderately conservative investment approach and is designed for the investor whose goal is to provide income with a little bit of growth. This model provides relatively low volatility and is comprised of 60% bonds, 35% stocks, and 5% alternatives. The bonds in the portfolio track high quality US investment grade bonds, keep up with inflation using TIPS, and capture potential rising interest rates with a Short Term Bond fund. The stock portion in the portfolio captures US stocks with the MSCI US Broad Market index and a FTSE index to capture foreign stocks. The alternatives are in Real Estate in the form of a REIT (real estate investment trust).

Historically (1926-2014) similar models **averaged** 7.5%- 8% returns, however, past performance does not predict future results.

Rebalancing alerts are sent out to those who subscribe to this model when any of the recommended index funds/ETFs are out of balance from the target threshold. It doesn't make sense to rebalance at an arbitrary time such as quarterly, semiannually, or on your birthday. We send the rebalancing alerts when they are needed. It helps take the emotion out of investing and ensures you're buying low and selling high.

