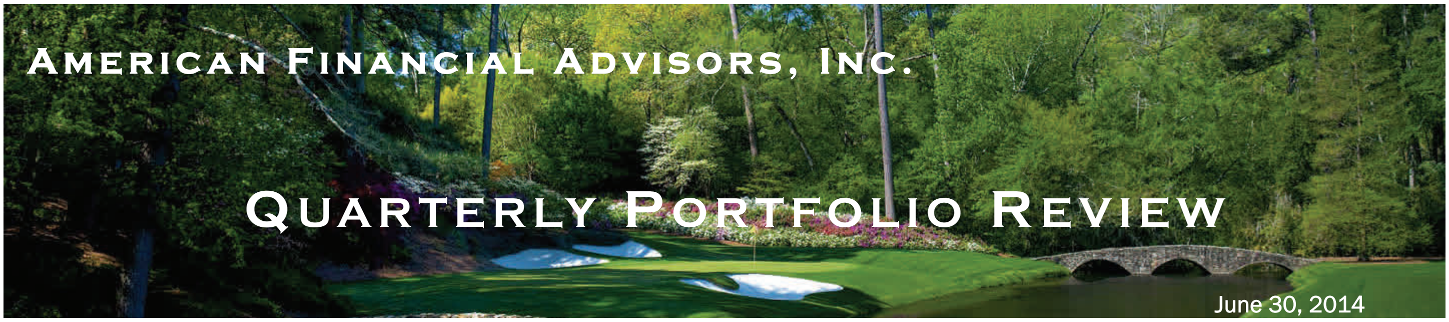

Enjoy the summer and well earned vacation time!

Quarter in Review

As we discuss in our conference calls, anything can happen quarter to quarter.

Consumers are feeling better about the economy in general. Consumer confidence increased in June to its highest levels in 6 (six) years. The increase corresponds with the decline in unemployment rate during the last 2-3 years.

The 30 year and 15 year mortgage rates are resting near their 52 week lows. As of the date of this newsletter the 30 year rate is at 4.10% and the 15 year rate is at 3.25%. The 52 week highs respectively were 4.85% and 3.90%

Fixed income investments have experienced a nice recovery as compared to 2013. Through 6.30.14 the Barclays Aggregate Bond is +3.92%. Through 2013 the Aggregate Bond was –2.03%.

Additionally, we have seen a nice turn around as well in the Emerging Markets. In 2013, our DFA Emerging Markets was down –3.02% but through 6.30.14 was up +6.55%.

These two last examples are reasons why its difficult to guess or time the markets. Well diversified portfolios with a long term focus are a prudent investment methodology.

BENCHMARK CENTRAL 2014 Q2 YTD

Barclay's Aggregate Bond index	3.92%
MSCI EAFE (International Stock index)	3.06%
Russell 1000 Value (US Large Cap Value index)	7.05%
Russell 2000 (US Small Cap index)	2.52%
S&P 500 (US Large Cap index)	6.05%
Wilshire 5000 (US Total Market index)	5.87%
AFA Model Portfolio* (56% Equities/44% Bonds & Cash)	4.45%

* AFA Model Portfolio is a composite of all advisory assets managed by AFA, Inc. and is not indicative of individual results.

WHAT'S GOOD FOR THE GOOSE...

What's good for the goose, may not be good for the gander. We know that you have heard this before but how does this apply to investments and portfolios?

In this investment market place its common to believe that 'Because I'm 40 years old I should be more aggressive than someone who is 50" or conversely "Because I'm 60 I should be more conservative than someone who is 50" or "Because I'm the same age as my friend we should be in a similar risk portfolio". Well, in general yes...but it comes with a few asterisks.

Asterisk #1—How much risk can I tolerate? More specifically, how much market decline is too much for me? This is a critical question to answer because while everyone enjoys the markets when they are rising, it's when the markets are on the decline that an individual's downside "personality" is revealed. You can have similar ages, similar financial situation and two completely different portfolios based on this one question.

Asterisk # 2— What is your current financial situation? If you are out of debt and have a large amount of savings and investments, you may be able to take less risk. However, if you feel you need to catch up due to lost time in the market or lack of current savings, you may want to extend your risk. If you would like to discuss your financial situation in greater detail, please let know and we can provide you with our Personal Financial Policy Statement (PFPS).

Asterisk #3—What can expect to earn in income from my investments, Social Security, or pension? Maintaining the lifestyle you want in retirement is perhaps #1 on the retirement need list. Assuming you have income coming from multiple sources, you may be able to reduce the risk of your portfolio and still maintain your desired retirement lifestyle. If you are unsure about your retirement income needs, please let us know and we can work through our PFPS and Social Security analysis.

IMPORTANT CLIENT CONFERENCE CALL

Starting date: Thursday, July 24, 2014 Starting time: 12:30pm, Eastern Daylight Time

Meeting Number: 191 153 992

Website link: https://www.webex.com/login/attend-a-meeting

To join the teleconference only: US TOLL: +1-415-655-0001

Access code: 191 153 992

If you cannot join us for this important webinar, we will post a recording of the entire presentation on our website at www.afadvisors.com.