



## WESTCORE MID-CAP VALUE DIVIDEND FUND

### FACT SHEET | June 30, 2017

Institutional class now available.

#### Performance<sup>1,2</sup>

Periods Ended 6/30/17 (%)	Annualized Returns						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Retail Class	-0.96	0.95	13.88	8.87	14.29	5.45	9.46
Institutional Class	-0.92	1.08	14.14	8.98	14.36	5.48	9.48
Russell Midcap® Value Index	1.37	5.18	15.93	7.46	15.14	7.23	10.33
Calendar Year (%)	2016	2015	2014	2013	2012	2011	2010
Retail Class	22.76	-1.50	12.69	30.57	12.39	-0.02	20.18
Institutional Class	22.98	-1.50	12.69	30.57	12.39	-0.02	20.18
Russell Midcap® Value Index	20.00	-4.78	14.75	33.46	18.51	-1.38	24.75

Retail Class Annual Expense Ratio: 1.19% Gross, 1.16% Net

Institutional Class Annual Expense Ratio: 1.06% Gross, 0.91% Net

<sup>1</sup>Performance data quoted represents past performance and does not guarantee future results. Performance information for the institutional class shares prior to their inception is based on the performance of the retail class. Current performance may be lower or higher than the performance quoted. To obtain current performance as of the most recent month-end, visit [www.westcore.com](http://www.westcore.com). Average annual total returns reflect the reinvestment of dividends, capital gains distributions, all fee waivers and expense reimbursements. Without the fee waivers and expense reimbursements, total return figures would have been lower. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Westcore fund shares are not insured by the FDIC, the Federal Reserve Board or any other agency and are subject to investment risk.

<sup>2</sup>Denver Investments (the "Adviser") has contractually agreed to waive certain investment advisory and/or administration fees and/or to reimburse other expenses from April 30, 2017 until at least April 30, 2018. The first waiver/reimbursement applies so that the ratio of expenses to average net assets, as reported in the Fund's financial statements, will be no more than a fixed percentage for the Fund's Retail Class for such period. Please see the Fund's Prospectus for more information. The second waiver/reimbursement applies so that Fund level Other Expenses (as defined in the Fund's financial statements) for the Institutional Class will be in the same proportion as the Retail Class waivers/reimbursements. The third waiver/reimbursement applies so that the institutional class-specific Other Expenses are reimbursed. The Adviser has contractually agreed to waive/reimburse all of these class-specific Other Expenses, but only to the extent that the difference between the net Institutional Class and net Retail Class expense ratios, after applying the waiver/reimbursement, does not exceed 25 basis points. These agreements may not be terminated or modified prior to April 30, 2018 without the approval of the Board of Trustees.

#### STRATEGY

- Focus on dividend-paying mid-cap companies
- Seek to invest in companies generating positive free cash flow and improving returns
- Use integrated investment approach that combines proprietary quantitative screen and original fundamental research
- Emphasize strict adherence to our style and risk control measures

*Investing in mid-cap funds generally will be more volatile and loss of principal could be greater than investing in large-cap funds. Dividends are not guaranteed. A company's future abilities to pay dividends may be limited and a company may cease paying dividends at any time.*

#### FUND INFORMATION

Class	Retail	Institutional
Ticker	WTMCX	WIMCX
Cusip	957904584	957904436
Inception	10/1/1998	4/29/2016

#### PORTFOLIO MANAGEMENT

Mark M. Adelman, CFA, CPA  
Derek R. Anguilm, CFA  
Troy Dayton, CFA  
Lisa Z. Ramirez, CFA  
Alex A. Ruehle, CFA

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#### Top Ten Holdings<sup>3</sup> (%)

Ingredion Inc	2.7
AmTrust Financial Services Inc	2.6
Tyson Foods Inc	2.6
Public Service Enterprise Group Inc	2.5
Realogy Holdings Corp	2.5
Xcel Energy Inc	2.3
Spire Inc	2.2
Uniti Group Inc	2.2
AmerisourceBergen Corp	2.1
Range Resources Corp	2.0
<b>Total</b> (% of portfolio)	<b>23.7%</b>

<sup>3</sup>Top ten holdings do not include any cash or cash equivalents and are subject to change. There are no guarantees that the Fund will continue to remain invested in any particular company or holding and current and future portfolio holdings are subject to risk. For a complete list of holdings, please visit [www.westcore.com](http://www.westcore.com).

#### Sector Allocation<sup>4</sup> (%)

	Mid-Cap Value Dividend	Russell Midcap® Value	Relative Weights
Basic Materials	5.6	5.2	0.4
Capital Goods	12.0	12.0	0.0
Consumer	15.3	15.3	0.0
Energy	7.7	8.0	-0.3
Interest Rate Sensitive	20.3	20.5	-0.2
Medical / Healthcare	8.8	7.1	1.7
REITs	12.8	14.0	-1.2
Technology	8.2	7.3	0.9
Utilities	8.8	10.6	-1.8
Cash & Cash Equivalents	0.5	0.0	0.5

<sup>4</sup>Sector classifications presented are based on the sector categorization methodology of the Adviser to the Funds.

## Portfolio Characteristics<sup>5</sup>

	Mid-Cap Value Dividend	Russell Midcap <sup>®</sup> Value
Total Fund Assets (\$ Mil)	\$83.8	-
Total Strategy Assets (\$ Mil)	\$120.3	-
Weighted Average Market Capitalization (\$ Mil)	\$10,841	\$13,378
Median Market Capitalization (\$ Mil)	\$7,750	\$6,981
Discount to Intrinsic Value	31.7%	-
Price/Cash Flow (1 year trailing)	10.6x	12.1x
Price/Book Value	2.4x	2.3x
Price/Earnings (1 year trailing)	18.4x	19.8x
Return on Assets	5.0%	3.9%
Long-Term Debt/Capital	41.9%	41.3%
Beta (3 Years)	0.97	-
Standard Deviation (3 Years)	11.05%	11.04%
Tracking Error (3 Years)	2.91%	-
Turnover (12 month trailing)	95%	-
Number of Holdings	64	

<sup>5</sup>Standard Deviation, Beta and Tracking Error statistics versus the Russell Midcap<sup>®</sup> Value Index and based on monthly data. Three years. Source: eVestment Alliance.

## Morningstar Ratings<sup>6</sup>

	Morningstar Ratings <sup>TM</sup> As of 6/30/17		Number of Funds in Mid-Cap Value Category
	Retail Class	Institutional Class	
Overall	★★★★	★★★★	356
3 Year	★★★★	★★★★	356
5 Year	★★★★	★★★★	310
10 Year	★★★	★★★	217

<sup>6</sup>Morningstar proprietary ratings reflect historical risk-adjusted performance as of 6/30/17 and are subject to change every month.

Source for Russell Midcap<sup>®</sup> Value Index data, FactSet.

The **Russell Midcap<sup>®</sup> Value Index** is an unmanaged market-weighted total return index that measures the performance of companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values than the threshold determined by the Frank Russell Company. Investors cannot invest directly in the index.

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Lisa Ramirez is a registered representative of ALPS Distributors, Inc. The Morningstar Rating<sup>TM</sup> for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10 year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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## THOMSON REUTERS LIPPER FUND AWARD

Source: Lipper, Inc. The Mid-Cap Value Fund award is granted to the fund in the Mid-Cap Value category with the highest Lipper Leader score for Consistent Return over the 3-year period as of 11/30/2016. The Westcore Mid-Cap Value Dividend Fund was recognized first out of 109 eligible funds in the mid-cap value category for the three-year performance period ended 11/30/2016. Other share classes may have different performance and expense characteristics. Lipper awards are granted annually to the funds in each Lipper classification that achieve the highest score for Consistent Return, a measure of funds' historical risk-adjusted returns, relative to peers.

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## DEFINITION OF TERMS

**Beta:** A measure of a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile.

**Long-Term Debt/Capital:** A measurement of a company's financial leverage, calculated as the company's debt divided by its total capital.

**Market Capitalization:** Represents the total value of a company or stock.

**Price/Book Value:** Used to compare a company's book value to its current market price.

**Price/Cash Flow:** A measure of a firm's stock price relative to its financial performance.

**Price/Earnings:** A stock's per share price divided by its per share earnings over a 12-month period.

**Return on Assets:** A measure of a company's profitability relative to its total assets.

**Standard Deviation:** A statistical measure of the historical volatility of a fund.

**Tracking Error:** A measure of how closely a fund follows the index to which it is benchmarked.

**Weighted Avg Discount to Est. Intrinsic Value:** The measure of a portfolio's estimated value.



## WESTCORE MID-CAP VALUE DIVIDEND FUND

### Manager commentary for the quarter ended June 30, 2017

#### Market Overview

U.S. equity markets experienced a strong start to the year, driven by expectations of accelerated economic growth. In the second quarter, value stocks took a pause as reality did not meet those lofty near-term expectations. Excitement around the pro-business policies of the new administration took a back seat following the failure to pass the American Health Care Act of 2017 and the announced investigation into ties between President Trump's campaign and Russian officials. These issues drove market fears that the new administration would be unable to implement policy changes. At the same time, the outlook for inflation dimmed and other economic indicators began to signal the potential for a slowdown, despite the Federal Reserve's apparent optimism as it raised rates for the fourth time since December 2015. As a result of a more subdued outlook for U.S. economic growth, growth stocks (which have historically been less economically sensitive than value stocks) outperformed value stocks. Additionally, investors shifted assets to larger capitalization companies and to more defensive sectors, such as health care and utilities, and away from more cyclical sectors, such as energy and basic materials.

#### Fund Performance

The Westcore Mid-Cap Value Dividend Fund returned -0.96% for the quarter, underperforming its benchmark, the Russell Midcap® Value Index, which returned 1.37%. The Fund was positioned more heavily in the smaller capitalization portion of the mid-cap universe, where we have found more value over the past few years. As investors' preference shifted toward larger capitalization companies, this created a headwind for the Fund. However, the primary driver of underperformance in the quarter was stock selection.

#### Contributors to Return

The sectors that contributed most to the Fund's return relative to its benchmark in the quarter were capital goods, medical/healthcare, and REITs. The Fund's individual top performers were led by Gramercy Property Trust, an office and industrial real estate company. Stable financial results along with constructive adjustments to Gramercy's portfolio of properties drove its stock in the quarter. Another standout performer within the REIT sector was CyrusOne Inc., a provider of mission-critical data center facilities. As it logged one of its strongest leasing quarters on record, the company announced solid quarterly results, which included increased full-year guidance for earnings estimates. Technology sector holding Lam Research Corp. was another positive contributor. This semiconductor equipment company benefited from robust demand for its 3D NAND flash storage technology, which contributed to strong financial results. Interest rate sensitive sector holding Realogy Holdings Corp. was also among the Fund's strongest contributors in the quarter. Better-than-expected financial results from Realogy, a residential real estate and brokerage company, were driven by recent improvements in technology solutions and talent retention.

#### Detractors from Return

The Fund's weakest sectors relative to the benchmark for the quarter were consumer, interest rate sensitive, and energy. From an individual stock perspective, consumer sector holding Foot Locker Inc., a global retailer of athletic shoes and apparel, was the Fund's largest detractor. The retail environment continued to be challenging and Foot Locker was no exception. After missing quarterly financial estimates, news that Nike had decided to go direct through Amazon added further pressure to Foot Locker's shares. Energy sector holdings SM Energy Co., Noble Energy Inc., and Targa Resources Corp. all contributed to performance headwinds during the quarter. Oil and gas producer SM Energy continued to be pressured from the uncertain oil price environment. We believe the market is overly penalizing the company and are optimistic given its recent Permian Basin asset purchase. Noble Energy, an oil and gas exploration and production company, also succumbed to market uncertainty about oil prices. This was coupled with a competitor incident in Colorado that renewed perception of regulatory risk. Targa Resources, a midstream gatherer and processor of natural gas liquids, grappled with lower commodity prices and lower global demand for its liquid propane gas exports. This resulted in lowered 2017 guidance for earnings estimates and pressured its share price. The Fund's largest detractor within the interest rate sensitive sector was AmTrust Financial Services Inc., a provider of insurance services primarily to small businesses. During the quarter, the Wall Street Journal published a story involving alleged accounting issues at AmTrust in 2013 and 2014. Although this information had formerly been revealed, investors reacted anew and the stock underperformed.

#### Outlook and Positioning

Looking ahead, we are excited about the opportunities that market and sector volatility may produce. As political, economic and market uncertainty continue, we will remain focused on finding dividend-paying stocks that we believe have sound fundamentals and are currently mispriced by the markets.

## Stock Performance (%)

Top 5 Stocks (3 Months Ended 6/30/17)	Average Weight	Contribution to Return	Bottom 5 Stocks (3 Months Ended 6/30/17)	Average Weight	Contribution to Return
Gramercy Property Trust	1.84	0.28	AmTrust Financial Services Inc.	1.93	-0.28
Lam Research Corporation	1.21	0.26	Targa Resources Corp.	1.10	-0.36
CyrusOne, Inc.	2.04	0.22	Noble Energy, Inc.	1.89	-0.36
Navient Corp	0.51	0.21	SM Energy Company	1.24	-0.47
Realogy Holdings Corp.	2.05	0.20	Foot Locker, Inc.	1.20	-0.50

**Past performance does not guarantee future results.** The Manager Commentaries contain certain forward-looking statements about the factors that may affect the performance of the Funds in the future. These statements are based on Fund management's predictions and expectations concerning certain future events and their expected impact on the Funds, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the Funds. Management believes these forward-looking statements to be reasonable, although they are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed.

These stocks do not represent all of the securities purchased, sold or recommended by the Funds' Adviser. The methodology used to construct this chart took into account the weighting of every holding in the Fund that contributed to the Fund's performance during the measurement period. The contribution of each Fund holding was consistently determined by calculating the weight of each holding multiplied by the rate of return for that holding during the measurement period. To request a complete list of the contribution of each Fund holding to overall Fund performance, please call 800.392.CORE (2673) or email [invest@westcore.com](mailto:invest@westcore.com).

### FOR MORE INFORMATION ABOUT WESTCORE FUNDS, PLEASE CONTACT:

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**An investor should consider investment objectives, risks, charges and expenses of the Fund(s) carefully before investing. To obtain a prospectus, which contains this and other important information about the Fund(s), please call 800.392.CORE (2673) or visit [www.westcore.com](http://www.westcore.com). Please read the prospectus carefully before investing.**

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