



DISCLOSURE

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Income from tax-exempt Funds may be subject to state and local taxes and a portion of income may be subject to the federal alternative minimum tax for certain investors.

The Alpine Ultra Short Tax Optimized Income Fund is permitted to invest in Asset Backed and Mortgage-Backed Securities. Investments in these securities include additional risks that investors should be aware of and are more fully described in the prospectus. The Alpine Ultra Short Tax Optimized Income Fund has never invested in, does not currently hold, nor has any plans to invest in such securities.

An investment in the Alpine Municipal Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

Please click the link below for standardized performance for ATOIX and AMUXX -

<http://www.alpinefunds.com/default.asp?P=442562&S=444732>

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate, and when sold, your investment may be worth more or less than its original cost. Performance current to the most recent month-end may be lower or higher than performance quoted and can be obtained by calling 1(888)785.5578. Performance data shown does not reflect the 0.25% redemption fee imposed on shares of the Alpine Ultra Short Tax Optimized Income Fund held for fewer than 30 days. If it did, total returns would be reduced.

Any tax or legal information provided is merely a summary of our understanding and interpretation of some of the current income tax regulations and is not exhaustive. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation. Neither the Fund nor any of its representatives may give legal or tax advice.

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



DISCLOSURE (continued)

Alpine Municipal Money Market Fund as of 9/30/09

Top Ten Holdings *

Danville, Kentucky Commercial Paper 2.000% 10/06/2009	3.91%
BlackRock Liquidity Funds MuniCash Portfolio 0.430% 10/01/2009	3.42%
Gainesville, Florida Utilities System Revenue Bonds Series A 0.450% 10/01/2009	3.23%
California Infrastructure & Economic Development Revenue Bonds Pacific Gas Electric Series A 0.200% 10/01/2009	2.88%
Citizens Property Insurance Corporation of Florida Senior Secured High Risk Notes Series A-2 4.500% 6/01/2010	2.54%
Charlotte-Mecklenburg Hospital Authority Health Care System Revenue Bonds Series E 0.320% 10/01/2009	2.52%
Michigan State Hospital Finance Authority Revenue Bonds Oaklawn Hospital 0.370% 10/01/2009	2.52%
West Orange Healthcare District of Florida Revenue Bonds Series B 1.500% 10/01/2009	2.44%
Orange County, Florida Health Facilities Authority Revenue Bonds Adventist Long Term Care 2.650% 10/01/2009	2.15%
Knox County Health Educational & Housing Facilities Revenue Bonds Webb School Knoxville 0.850% 10/07/2009	2.03%

The Alpine Municipal Money Market Fund is placed in the Tax-Exempt Money Market Funds category as reported by Lipper Analytical Services.

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



DISCLOSURE (continued)

Alpine Ultra Short Tax Optimized Income fund as of 9/30/09

Top Ten Holdings ^{*}

Michigan State Housing Development Rental Housing Revenue Bonds Series A 3.750% 10/07/2009	3.27%
Pennsylvania State Higher Education Assistance Revenue Bonds 3.250% 10/01/2009	3.03%
Bay Medical Center Hospital Revenue Bonds 3.000% 10/07/2009	2.75%
Michigan State Housing Development Single Mortgage Revenue Bonds Series A 5.000% 10/07/2009	2.62%
New Jersey Economic Development Authority Revenue Bonds 0.330% 10/01/2009	2.30%
Montgomery County Public Building Authority Pooled Financing Revenue Bonds 0.300% 10/01/2009	2.07%
Sevier County Tennessee Public Building Authority Revenue Bonds 0.850% 10/01/2009	2.04%
BlackRock Liquidity Funds MuniCash Portfolio 0.430% 10/01/2009	1.88%
West Baton Rouge Louisiana Parish Commercial Paper 3.500% 10/01/2009	1.77%
Crestwood Illinois Tax Increment Revenue Bonds 135th & Cicero Redevelopment 3.000% 10/01/2009	1.75%

The Alpine Short Tax Optimized Income Fund - Investor Class is placed in the Short Municipal Debt Funds category as reported by Lipper Analytical Services.

As of 9/30/09, the Alpine Municipal Money Market and Ultra Short Tax Optimized Income Funds did not hold any shares of Lehman Brothers. *Current and future portfolio holdings are subject to risk.*

Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

The SEC does not endorse, indemnify, or guarantee any firm's business practices, selling methods, the class or type of security offered, or any specific security.

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



DISCLOSURE (continued)

FitchRatings is a leading global rating agency committed to providing the world's credit markets with independent, timely and prospective credit opinions. Fitch requires a weighted average maturity (WAM) of all assets on a dollar-weighted basis to be 60 days or less for an "AAA" rating. Credit quality ratings provide a relative assessment of the combined credit quality of the portfolio. The fund rating links its credit quality to the weighted average default probability of the underlying holdings and is not based on fund performance.

Opinions expressed are subject to change at any time, are not guarantee and should not be considered investment advice.

As of 9/30/09, the Alpine Municipal Money Market Fund ranked 1 among 100 tax exempt money market funds and 1 among 82 money market funds for the 1 and 5 year time periods, based on total returns.

Lipper Averages are compiled by Lipper, Inc., an independent mutual fund research and rating service. Each Lipper average represents a universe of funds with similar investment objectives. Lipper rankings are based on total return and do not include the effect of a sales charge. Rankings are only for the classes listed. Rankings of other classes will vary.

Authorized for distribution only when accompanied or preceded by a current prospectus for the Alpine Mutual Funds, which contains more complete information including charges and expenses. Please read it carefully before you invest.

The Alpine Funds are distributed by Quasar Distributors, LLC (11/09)

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



Transcript of Alpine Funds Low Duration Strategies October 26, 2009

Vcall
601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com

Participants

Marc Rappaport, Senior Managing Director
Steven C. Shachat, Managing Director, Senior Portfolio Manager

Presentation

Operator

Greetings and welcome to the Alpine Funds webcast. At this time all participants are in a listen only mode. A brief question and answer session will follow the formal presentation. As a reminder this conference is being recorded. It is now my pleasure to introduce your host, Mr. Marc Rappaport, Senior Managing Director. Thank you Mr. Rappaport, you may begin.

Marc Rappaport – Alpine Funds – Senior Managing Director

Thank you Scott and good afternoon everyone. This is Marc Rappaport, Senior Managing Director of the Alpine Funds and I am delighted that Steve Shachat, Managing Director and Senior Portfolio Manager of two municipal income funds. The Alpine Municipal Money Market Fund and the Alpine Ultrashort Tax Optimized Income Fund, is here again with us on a semi-annual call to talk about the municipal market. Steven runs both funds and has since inception. Steven is with better than 25 years of experience, how timely is it right now given a 42 year low recently in muni rates that Steven would be on the call sharing his thoughts, his insights on today's municipal security market place. Steven?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Thank you. I appreciate the opportunity. We're doing this call to be proactive versus reactive, because we have seen a huge change in the market, mainly the municipal markets over the last year and we're trying to not only inform our shareholders as to what's going on in the marketplace and in our funds but educate them as to what we're seeing and how we're taking this information and changing our strategies accordingly. We're going to talk about both of the funds that I run, which are the Alpine Municipal Money Market fund and the Alpine Ultrashort Tax Optimized Income Fund.

First let me talk about what's going on in the money market fund arena. Interestingly, a year ago at this time, the markets were really feeling a lot of panic, as such we started to see the treasury put in some type of insurance program for all money market funds to guard against the \$1 NAV stability and interestingly enough, now that the markets have calmed down dramatically, we have seen that program expire and now all the money market funds are on their own again. The interesting thing that we



**Transcript:
Alpine Funds
Low Duration Strategy
October 26, 2009**

are seeing that is really unprecedented in the money market fund arena over the last six months is really how the markets are functioning from a supply demand point of view. And the reason why I bring that up is because primarily in the money market fund world for tax free securities, they've always been supply and demand oriented, i.e. the more supply that comes onto the market place, historically the higher the rates got. And as funds were losing money and more securities were coming back onto the market the rates would also stay high. Subsequently when we saw a lot of money go into the market, or the supply go down, we saw the rates historically go down with them. But the interesting thing about 2009 is that that has not been the case.

What has been the case is that money market funds, typically right now the tax free money market funds, have lost about \$80 billion in assets from different fund complexes. As a result, one would think that we would see the rates on these types of securities shoot way up, hence the supply and demand imbalance. But that has not been the case. In fact quite to the contrary we seen the rates of those securities go down to historically low levels and there is several reasons for why we're seeing that. First and foremost is because to some degree there has been a lack of supply on the market place. Because we've seen yields on municipal securities overall at a 42 year low, we've seen a lot of the issuers issuing paper on the longer end of the curve and not so much on the shorter end of the curve. Secondly there has been less credit enhancements, i.e. letter of credits that have become available for several reasons, whether it be through the consolidation of banks or just because of the downgrade in the ratings of banks that less letter of credits or credit enhancements have become available so that there is not as many securities available for these funds to go out and buy eligible securities. So this is a really interesting time that we're in because on one hand we see a huge exodus out of the tax free money market funds, yet on the other hands we're seeing rates at historically low levels. That is a little bit discomfoting for me and the simple reason that the less names that are out there, the more selective that we have to be in choosing the proper securities for our fund.

Now the good thing is that despite these lower yields, the performance of our funds has maintained the tremendous track record that we have had since the inception of the fund, and in fact for the one year period ending September 30th, 2009, our fund continued to be the highest yielding retail tax free money market fund in the country. Going forward, we probably will not see a change in the landscape of what is going on in tax free money market funds until we see two things happen. First the Feds start to increase rates on Fed funds and they start to tighten the monetary supply so that we start to see rates start to go back up again. And secondly we start to see the increase of issuance of money market fund eligible securities. At that time we'll make the appropriate adjustments on the fund to take advantage of these changes as we see them come to the marketplace and with an average maturity of the fund right now of 9 days and a tremendous amount of liquidity and flexibility in the fund, I don't feel that that would be a problem going forward. Unfortunately these low yields are something that all money market funds, both taxable and tax exempt have been living with and probably will be living with for some time to come until we see some type of major change from the Federal Reserve.

Now as far as the Ultrashort Tax Optimized Income fund that is where we have seen the greatest change in the marketplace and we've seen it come from several different

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399

Fax: 804-327-7554

info@vcall.com

www.vcall.com

www.investorcalendar.com



**Transcript:
Alpine Funds
Low Duration Strategy
October 26, 2009**

areas of which I'd like to touch upon every one. Primarily the reason that we want to talk about this fund in great detail is because we've seen huge growth in the fund and we're trying to be as transparent about, as to what we are doing so as to keep our investors educated as to what we see going on in the marketplace and what we're doing to strategize with the variables that we see out there. There are 4 key points from our perspective as to what's effecting the marketplace the most. And that is issuance, interest rates, liquidity and credit quality. And I'll go into each point so that you really have a better understanding about where we're coming from.

As far as the issuance is concerned, we've seen the issuance of municipal securities in 2009 decrease 17% from a year ago. You couple that with the fact that of that amount that has gotten issued, 17% of that has come in the form of BAB bonds, the Build America Bonds which are federally taxable. So that has made real tax exempt securities that much more desirable. So we have an anemic supply. Then we go into interest rates. Very simply, they're at a 42 year low. The last time interest rates were this low was 1967. Now granted the market has backed off a little bit in the last week but for the most part we're at historic lows. You couple all that with the fact that the liquidity in the market is somewhat anemic and what I mean by that is that yes, if you have large blocks of very high quality bonds, there seems to be somewhat of a healthy appetite for those securities, but our observations have been that right now the trading desks have had a stellar year from a performance point of view and they're not about to put their balance sheets on the line to be a hero in this type of marketplace. They're going to try to do as many riskless trades as possible and from our perspective, the liquidity is marginal at best. Now that brings us into our last point, or one of our last points, which is credit quality and the credit quality is a really interesting thing from our perspective because we can not find, or we can find very few states or municipalities or credit enhancements that are in better shape this year than they were a year ago. So from our perspective, we're paying more money for lower rated quality securities today than we were a year ago when the markets were in complete turmoil.

So we take all these factors into consideration which is an anemic amount of issuance, a huge amount of demand from the retail community whether it's buying the securities directly or buying the securities through the funds. Coupled with an anemic amount of liquidity in the marketplace or marginal liquidity, historically low interest rates and credit quality that is worse today than a year ago and what that all adds up for us is a very, very unappealing marketplace. We don't see any opportunities out on the long end of the curve and we see very, very few opportunities on the short end of the curve. All you have to do is look at where these deals are coming in the marketplace and we're starting to see deals that have anywhere, you know they're yielding anywhere from 1 to 2% in the first five years of the yield curve, it's very unappealing from our perspective. So what we've been doing to counteract this is staying on the sidelines and staying as liquid as possible and as flexible as possible so that eventually and it will happen, when the markets turn around, meaning either the interest rates start to increase or the issuance of real tax exempt security starts to increase, we will be able to take advantage of those changes as we see them come to the marketplace and adjust the portfolio accordingly. The bottom line is this portfolio has always been designed to take advantage of the markets as they change over the course of any period of time and the way that we've run the fund five years ago, three

Vcall
601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



**Transcript:
Alpine Funds
Low Duration Strategy
October 26, 2009**

years ago or a year ago, could be completely different than the way we're going to run the fund next year or two years from now or three years from now. The bottom line is, we're going to try to maintain our two objectives which are minimizing NAV fluctuation and trying to generate as much income as possible while maintaining that NAV fluctuation.

I also want to point out that because we also focus on the money market fund arena, it gives us a bigger sandbox to play in, in investing our available assets in the tax optimized fund. So to that degree we have been taking advantage of some opportunities in the money market fund arena which has preserved the NAV on the fund while also generating somewhat of a healthy income. And as I said, when we see the environment change and as that could be either the Feds start tightening or the increase in municipal securities, we will then act accordingly and because we have so much liquidity and so much flexibility in the fund right now, I think that we're in a ripe opportunity to take advantage of those changes when we see them come to the marketplace. The interesting thing is we've seen the market really back off a little bit in the month of October. And our fund has really performed exactly as expected during that month. We've seen minimal if any NAV fluctuation despite the fact that some of our competitors NAV s had backed off dramatically.

The other thing I would like to point out is we are not running this fund for total return purposes this year and in fact we haven't generated any capital gains in 2009 and I don't anticipate generating any capital gains unless there is some type of credit problem that we'll have to deal with going down the line. From our perspective that goes against two of our objectives which is generating capital gains for the shareholders and diluting our income stream going forward. So to that degree I just want to conclude by saying yes, we've seen the yield of the fund go down, yes we've seen huge changes in the marketplace, but I think that we're counteracting them by staying conservative, by staying liquid, by staying flexible and not by having the markets dictate to us what types of moves we make in the fund. The bottom line is we don't let the funds adapt to us, we adapt to the changes in the marketplace. So as we see those changes take place, we will adjust the composition of the portfolio accordingly and the best thing that could happen to a fund like ours going forward, is if we see the Feds start to tighten significantly. And if we see the issuance of municipal securities increase dramatically. Those could be great opportunities for us. And in the meantime, if that does not take place in the short-term then we're going to maintain the same type of composition of the portfolio that we have now which is stay short, stay liquid, stay flexible.

Marc Rappaport – Alpine Funds – Senior Managing Director

Steven thank you. All the participants on the call, I'll remind you, you could ask your questions via the web by clicking on the Q&A or "ask a question" button and I should love to read them to Steven as they come in. And if you include your name, I think it just makes the spirit of the call a little friendlier. Steven, I'll ask one of the first questions. You have described a very defensive, very conservative tone, especially to the Ultrashort Tax Optimized Income Fund; what are you worried about?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well we worry about everything. Because from our perspective, the markets are as

Vcall
601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



volatile today as they were a year ago when everything looked like it was in real trouble. Now we have seen the markets calm down somewhat but there doesn't go a day by where we're not picking up the paper and reading about a state or a municipality that is having a short fall in their revenue income from the previous month or where we're seeing bank earnings that are a little bit anemic based upon where the projections are. So from our perspective, everything concerns us about the marketplace. And even if you looked at the government side of the market, while we might not worry about the credit quality side, we would worry about the potential increase in interest rates which could equally have a negative impact on the NAV of that type of fund.

Marc Rappaport – Alpine Funds – Senior Managing Director

Thank you. Do you think that investors in general are a little too complacent right now, given the kind of concerns you've described?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well what we're seeing with the general public is they were very tired of looking at the very, very low yields, if any yields on money market funds. Whether they be tax exempt or taxable. And I think that explains the huge outflow of assets from that class of the market. We saw that type of money start going out longer on the yield curve, mainly into the short-term sector of the marketplace, the one to five year sector. Just to try to get some more yield if possible. What we've seen in that sector is the yields have come down dramatically too, because there has been so much demand for what, as I described, an anemic amount of issuance. So in essence it's really created an artificially inflated market. I suspect once they tire of seeing the low yields in that sector of the marketplace and provided that they're not comfortable with the strategies that the portfolio managers are utilizing that they will then reach for more yield and that will either be in the high yield sector of the market place where we've already seen the spreads compressed dramatically or perhaps go into the equity markets for some type of greater total return.

Marc Rappaport – Alpine Funds – Senior Managing Director

Now are you defensive only recently or as a result of let's say a year ago, Lehman busted and I think that reeked havoc on the fixed income markets in addition to many other markets. How did you fare then and why do you think in the past year you've gotten to where you are?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well you know the past year has taught us a lot about how and what we want to do with this fund. The interesting thing is, a year ago despite the fact that the markets were going from total Armageddon, because of the way our fund was setup and because of the liquidity and flexibility we were actually on the offensive versus the defensive and I think that that is a big difference between us and a lot of our competitors and that from our perspective was one of the greatest buying opportunities. What has changed so dramatically for us, in 2009 is not so much that the buying opportunities or that the markets have changed so much but the buying opportunities have changed so much. There has been so much demand for this type of product and as such, despite the fact that the credit quality doesn't warrant it or the liquidity doesn't warrant it, we've seen a dramatic shift downwards in interest rates.

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399

Fax: 804-327-7554

info@vcall.com

www.vcall.com

www.investorcalendar.com



So as such, from my perspective I'm paying more to get less that makes no sense from my perspective and we will not run a fund like that. It is only when the markets start to change around where we're getting paid to take on the amount of risk that we feel is warranted that we will then change the composition of the portfolio and move out a little bit longer on the yield curve or into a different group of securities than where we're presently in.

Marc Rappaport – Alpine Funds – Senior Managing Director

Thank you Steven, the next question is actually quite common. It's framed this way. What is the reason you are beating all of your competitors? Is it that you are reaching for more yield, if so what are you doing to beat competitors yet not reaching for yield?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well you know, I think from our perspective, we have been able to find certain groups of securities that have, from a yield perspective that have significantly outperformed other groups. You know from the get-go we have always wanted to take advantage of any group of security that provides us with a great opportunity. So that might be money market fund securities, it might be certain securities that we bid on in the market place that other people will not look at for one reason or another. The bottom line is we run this portfolio a little bit differently than you standard run of the mill bond fund in the sense that we try not to really focus on the mandate of the fund which is, we have to be 1-3 years, but we try to focus more on performing for our shareholders. So if that means sitting on the sidelines until the markets become more palatable to invest in then that's what we will do. But the bottom line is we do not let the markets dictate to us what we're going to do and if that means taking a breather from the market place until we are getting paid to take on the risk or until we start to see the variables of liquidity, interest rates, issuance and credit quality improved to such a degree that it makes sense to change the composition, that's when we'll do so.

Marc Rappaport – Alpine Funds – Senior Managing Director

Thank you Steven. By the way, as you're pondering your questions, I see some of them are actually answerable with the PDF that's available at the webinar and on our website. That is a PDF of the fact sheet and that will have all the 30-day FCC yields as of September 30th, quarter's end as well as some other items as far as portfolio composition, I think both your portfolios are investment grade

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Mm-hmm.

Marc Rappaport – Alpine Funds – Senior Managing Director

And always have been. One question here and this is from, I guess an anonymous questioner. Can you talk about the recent pullback in the market and you're outlook for the next several months? This year has seen a dramatic rise in the muni market inversely correlated to credit quality. Has the market moved too far and can you speak more about how risk might be mispriced?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well I think the markets have without a doubt moved too far. No doubt about it. As I said, you know we've seen an anemic amount of supply and an insatiable appetite

Vcall
601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399
Fax: 804-327-7554

info@vcall.com
www.vcall.com
www.investorcalendar.com



trying to find whatever tax exempt securities that they can find. And I think what everybody has just really forgotten about is credit quality and liquidity. And as such it's created a really unpalatable market from our point of view. Where we see this thing going forward and I think the reason why the markets backed off last week or actually the last couple of weeks is because we finally reached a point where the markets have started to cry uncle and the rates started to get too low and the inflows into these bond funds and the demand from retail started to dry up a little bit because the yields were so low. Where we go forward from here is an interesting situation. We've seen the taxable market back off dramatically in the last couple of weeks, we see this week, the treasury issuing a historical amount of securities, 123 billion and hopefully we'll see some follow through on the tax exempt side, where we've also seen the increase pick up dramatically and the markets have, in the last couple of days have become flat to a little bit weaker. Going forward, if we continue to see this increase in supply, because the thought process is that we're kind of reached the end of the line here, that could put some significant pressure on the market place. And then if you couple that with the potential of inflows starting to slow down, we can see the markets backing off dramatically. From our perspective, the real unpredictable from our point of view is the impact of BAB bonds and how much more will get issued throughout the end of the year and in 2010. That program is supposed to expire at the end of 2010 and it's just a function of, is, are a lot of the issuers going to try to rush to the marketplace to get their securities issued, because, you know the amount of those securities that get issued have an impact on the real tax exempt securities that are out there and so it'll be an interesting balancing act to see how that works with one another and I think that that'll have a dramatic impact but no doubt about it, from our point of view, the real thing that's going to help our market place, meaning in letting yields start to increase again is when the Fed starts to tighten in the marketplace and that is where we can start to see some real opportunity for a fund like ours.

Marc Rappaport – Alpine Funds – Senior Managing Director

Steve, the next question is are you concerned about the regional banks, like Regions etc. that have large commercial real estate exposure and could face downgrades and liquidity problems?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Absolutely and that's one of the things that baffles us to such a degree. You know we've seen banks like that, that provide credit enhancements for a lot of securities both on the long end and the short end and the irony is, the worse the banks get the lower the yield on these securities get because as I said before, everybody's trying to chase whatever yield is out there. We will look at each situation on a one-on-one basis but the one thing for sure is we're going to look at those positions that provide us with the greatest amount of flexibility and the greatest amount of liquidity and fortunately at Alpine we have a very strong bank analyst team and we're constantly in contact with them about what's going on in the banking industry and as I said, you know the bottom line from our perspective is, if we're going to take on any risk in this fund we want to get paid handsomely to take on that risk and if we're not, then we're going to take a pass on those type of opportunities. The bottom line is we want to try to maintain as much flexibility and liquidity in this fund as is reflective of the credit quality that we're buying.

Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399

Fax: 804-327-7554

info@vcall.com

www.vcall.com

www.investorcalendar.com



Vcall

601 Moorefield Park Dr.
Richmond, VA 23236

Phone: 888-301-5399

Fax: 804-327-7554

info@vcall.com

www.vcall.com

www.investorcalendar.com

Marc Rappaport – Alpine Funds – Senior Managing Director

Steve, in a related item, you talked about the bank analyst team, what other analysts do you or don't you really tap here? The muni markets is made up of many sectors and subsectors, is there a lot more to it then just looking at the bond markets and fixed income matrices?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Absolutely, the reason why we have a strong focus on the banks is because they provide a lot of the credit enhancement on the securities that we own. But we also have a very strong analytical team when it comes to housing and utilities and industrials. And we utilize our analysts for all of those factors in trying to evaluate what are the best opportunities for this fund.

Marc Rappaport – Alpine Funds – Senior Managing Director

The next question is from Peter Crane. He asks, Steve will the tax exempt money funds be impacted by the recent SEC money fund reform proposals?

Steven Shachat – Alpine Funds – Managing Director, Senior Portfolio Manager

Well you know Peter, if anybody would know the answer to that, it would probably be you. So I should probably be asking you that question, but you know from our perspective it's still a little premature to know what the final outcome of those new rules will be. Fortunately for us, because we're a triple A rated fund we already have to adhere to rules that are more stringent than the guidelines of rule 2A7 as they stand now. So from our perspective, there's not going to be a lot of changes from the way that we run our fund now and what they, the way we could potentially run it going forward should these new rules go into place. But as you know, as I mentioned before, we're going to monitor any of the changes that come into place and adjust our portfolio accordingly.

Marc Rappaport – Alpine Funds – Senior Managing Director

Thank you and thank you all of you for logging in on this webcast and hearing the thoughts and strategies of Steve Shachat, Portfolio Manager of both municipal offerings at Alpine. You can see more about the funds and call us at the 800 number on our website which is www.alpinefunds.com. We're reachable here in Purchase, NY, our headquarters at 914-251-0880. Steven and I want to thank you all for joining us, a replay will be available after this calls transcript has gone through our compliance department and that might take about a week, week and a half. Thank you all so much again for your time and your interests in the strategies that Steven and the team run here at Alpine.

Operator

This does concludes today's teleconference. You may disconnect your lines at this time. Thank you very much for your participation.