

CREF BOND MARKET ACCOUNT

AS OF 12/31/2009

ESTIMATED ANNUAL EXPENSES
0.46% *

NET ASSETS
\$10.51 billion

INCEPTION DATE
03/01/1990

BENCHMARK INDEX
Barclays Capital U.S. Aggregate Bond Index

INVESTMENT OBJECTIVE

This variable annuity account seeks a favorable long-term rate of return, primarily through high current income consistent with preserving capital.

PORTFOLIO STRATEGIES

- Invests at least 80% of its assets in a broad range of debt securities, including U.S. government securities, corporate bonds, and mortgage-backed or other asset-backed securities.
- Aims to maintain a duration similar to that of its benchmark.
- Seeks to outperform the benchmark by overweighting or underweighting individual securities or sectors, relative to the benchmark.
- Can invest up to 20% of its assets in non-investment-grade securities and in unrated securities ("junk bonds"). May also invest in foreign securities, although these are not expected to exceed 15% of the account's assets.

Annuities are designed for retirement savings or for other long-term goals. They offer several payment options, including lifetime income. Payments from TIAA-CREF variable annuities are not guaranteed, and the payment amounts will rise or fall depending on investment returns.

Call our Enrollment Hotline:

800 842-2888 (weekdays 8 am to 10 pm ET,
Saturdays 9 am to 6 pm ET)

Visit our website for a full menu of services at tiaa-cref.org



FINANCIAL SERVICES
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PERFORMANCE

	TOTAL RETURN			AVERAGE ANNUAL TOTAL RETURN		
	3 Month	YTD	1 Year	5 Year	10 Year	Since Inception
CREF Bond Market Account	0.39%	7.00%	7.00%	4.10%	5.84%	6.75%
Barclays Capital U.S. Agg Bond Index	0.20	5.93	5.93	4.97	6.33	7.14

The performance data quoted represents past performance and is no guarantee of future results. Your returns and the principal value of your investment will fluctuate so that your accumulation units, when redeemed, may be worth more or less than their original cost. Current performance may differ from figures shown above. For performance current to the most recent month-end, visit TIAA-CREF at tiaa-cref.org, or call 800 842-2252.

PORTFOLIO COMPOSITION

	% Net Assets
Mortgage-Backed Securities & Comm. Mortgage-Bkd Securities	37.9
Corporate Bonds	25.6
U.S. Treasury Obligations	17.0
Foreign Gov. & Corporate Bonds Denominated In U.S. Dollars	9.0
U.S. Agency Obligations	5.9
Asset-Backed Securities	2.4
Short-Term Investments & Other Net Assets	2.1
Mutual Funds	0.1

ACCOUNT FACTS

Number of Issues	1181
Average Quality	Aa1 [†] /AA+ [†]
Option-Adjusted Duration	4.47 Years
Average Maturity	6.15 Years

MATURITY ALLOCATION

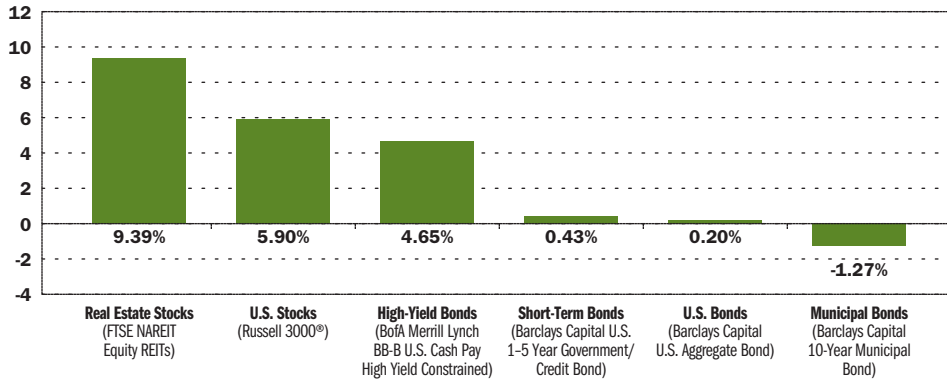
Year(s)	% Portfolio Investments
0-1 Year	10.9
1-3 Years	13.9
3-5 Years	15.4
5-10 Years	12.7
10+ Years	47.1

[†] As rated by Moody's Investors Service

[†] As rated by Standard & Poor's

* We estimate expenses for the coming year based on projected expenses, asset levels and other relevant factors. At the end of each quarter, we compare these projections with the account's actual experience and adjust the account's expenses upward or downward to reflect any difference. These adjustments are made in equal daily installments over the remaining days of the new quarter.

RETURNS FOR MAJOR BENCHMARKS FOR QUARTER ENDED 12/31/2009



The bar graph above shows the returns of several leading market indexes. This allows you to compare the performance of your investment with several areas of the financial marketplace during the last quarter.

ABOUT DURATION AND MATURITY

The maturity date is the date on which the principal amount of a security becomes due or payable. Duration indicates the price sensitivity of a bond to changes in interest rates: the lower the duration, the lower the bond's potential volatility and vice versa. We seek to keep this portfolio's average duration similar to the benchmark's.

IMPORTANT INFORMATION

Investing in this account involves a number of risks. Interest-rate increases may cause bond prices to decline, while falling interest rates may cause the account's income to decrease. The account invests in asset- and mortgage-backed securities and is subject to prepayment risk; falling interest rates can cause security prices and income to decline because of the early payment of principal. The account is also subject to extension risk; rising rates can cause securities prices to decline because expected payments of principal do not occur. The account may invest in non-investment-grade securities, which involve significantly higher credit risk, and it can hold illiquid securities, which may be difficult to sell for their fair market value. The account may invest in foreign securities, which involve special risks, including currency fluctuation and political and economic instability. For a detailed discussion of risk, consult the prospectus.

TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products. You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 for a prospectus that contains this and other information. Please read the prospectus carefully before investing. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF), New York, NY.

EXPENSES

Expenses are an important aspect of investing. To pay for the operation and management of an account, each investor is charged an expense fee, which is calculated as a percentage of the amount the investor has in the account. Even if the account loses money during a period, the fee is still charged. Although an annual expense fee may seem relatively small, its effect on performance over time can be substantial. TIAA-CREF has some of the lowest expense charges in the industry.*

* Morningstar Direct (December 2009) based on Morningstar expense comparisons by category.

ABOUT THIS ACCOUNT'S BENCHMARK(S)

The Barclays Capital U.S. Aggregate Bond Index measures the performance of the U.S. investment-grade, fixed-rate bond market, including government and credit securities, agency mortgage pass-through securities, asset-backed securities and commercial mortgage-backed securities. You cannot invest directly in this index.

TIAA-CREF: FINANCIAL SERVICES FOR THE GREATER GOOD®

TIAA-CREF's investment philosophy seeks to deliver consistent growth for our investors year after year. Since 1918, we have helped millions of people at America's academic, medical, cultural and research institutions plan for the future. TIAA-CREF is one of the largest financial services organizations in the world, with \$414 billion in combined assets under management as of December 31, 2009.

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