

HIGH-YIELD FUND

AS OF 12/31/2009

GROSS / NET EXPENSE CHARGE¹ 0.43% / 0.40%	NET ASSETS OF FUND \$538.46 million	INSTITUTIONAL CLASS INCEPTION DATE 03/31/2006	CUSIP 886315795	TICKER SYMBOL TIHYX	BENCHMARK INDEX BofA Merrill Lynch BB-B U.S. Cash Pay High Yield Constrained Index
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INVESTMENT OBJECTIVE

The fund seeks high current income and, when consistent with its primary objective, capital appreciation.

PORTFOLIO STRATEGIES

- Normally invests at least 80% of its assets in debt and other fixed-income securities rated lower than investment grade (and unrated equivalents) or in other high-yielding debt securities (often called “junk bonds”).
- Invests in domestic and foreign corporate bonds, debentures, notes, convertible securities and preferred stocks.
- May invest up to 20% of its assets in securities of foreign issuers and up to 15% of its assets in illiquid securities.

FUND MANAGEMENT

The High-Yield Fund is managed by the fixed-income portfolio management team of Teachers Advisors, Inc. Team members are jointly responsible for the day-to-day management of the fund.

For Trust Company information, call:
888 842-9001 (weekdays, 9 am to 6 pm ET)

For 529 Plans, call:
888 381-8283 (weekdays 8 am to 10 pm ET)

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PERFORMANCE

	TOTAL RETURN			AVERAGE ANNUAL TOTAL RETURN	
	3 Month	YTD	1 Year	3 Year	Since Inception
High-Yield Fund	4.12%	41.72%	41.72%	5.74%	6.31%
BofA Merrill Lynch BB-B U.S. Cash Pay High Yield Constrained Index	4.65	45.98	45.98	4.98	5.82
Morningstar High-Yield Bond Category	5.61	46.70	46.70	3.08	4.05

The returns here show past performance, which is no guarantee of future results. The returns do not reflect taxes that a shareholder would pay on fund distributions or the sale of fund shares. Returns and the principal value of your investment will fluctuate. Current performance may be higher or lower than that shown, and you may have a gain or a loss when you redeem your shares. For current performance information, including performance to the most recent month-end, please visit tiaa-cref.org.

Shares held less than 60 calendar days may be subject to a 2% redemption fee. Please see the prospectus for details. The fund performance shown does not reflect the deduction of this fee. Had the fee been deducted, returns would have been lower.

¹The net annual expense charge reflects a contractual reimbursement of certain expenses by the fund's adviser through January 31, 2011. Please see the current prospectus for additional information on expenses.

PORTFOLIO COMPOSITION

	% Net Assets
Energy	14.0
Basic Industry	13.2
Consumer (cyclical)	11.3
Media	11.0
Services (cyclical)	8.9
Telecommunications	6.9
Services (non-cyclical)	6.1
Utility	5.6
Capital Goods	5.4
Short-Term Investments & Other Net Assets	3.7
Technology & Electronics	3.4
Consumer (non-cyclical)	3.2
Banking	3.1
Finance & Investments	1.9
Real Estate	1.8
Insurance	0.5

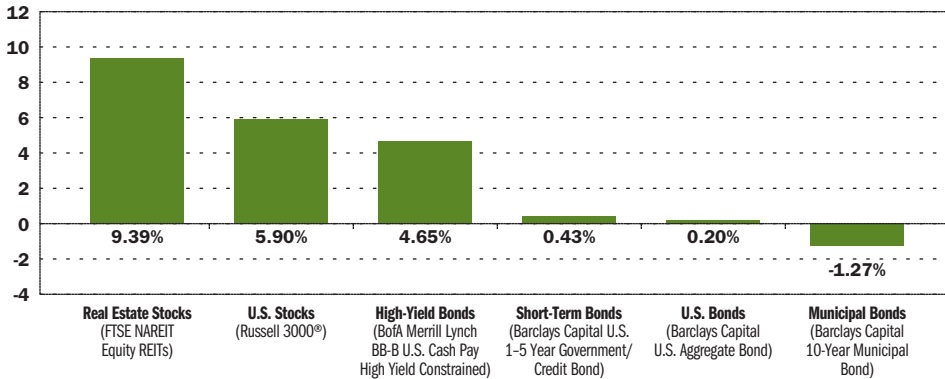
FUND FACTS

Number of Issues	231
Average Quality	B1 [†] /BB- [‡]
Option-Adjusted Duration	3.93 Years
Average Maturity	6.61 Years

[†] As rated by Moody's Investors Service

[‡] As rated by Standard & Poor's

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 fund involves a number of risks. Interest rate increases can cause bond prices to decline. The fund 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 fund 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.

EXPENSES

Expenses are an important aspect of investing. To pay for the operation and management of a fund, each investor is charged an expense fee, which is calculated as a percentage of the amount the investor has in the fund. Even if the fund 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 FUND'S BENCHMARK(S)

The BofA Merrill Lynch BB-B U.S. Cash Pay High Yield Constrained Index measures the performance of bond securities that pay interest in cash and have a credit rating of BB or B. Merrill Lynch uses a composite of Fitch Ratings, Moody's and Standard & Poor's credit ratings in selecting bonds for this index. These ratings measure the risk that the bond issuer will fail to pay interest or to repay principal in full. The index is market weighted, so that larger bond issues have a greater effect on the index's return. However, the representation of any single bond issuer is restricted to a maximum of 2% of the total index. 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.

The TIAA-CREF Funds offer four classes of shares. The performance returns included in this material are those of the Institutional Class of shares.

The BofA Merrill Lynch BB-B U.S. Cash Pay High Yield Constrained Index is an unmanaged index.

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