



SUMMIT CONSUMER RECEIVABLES FUND, L.P.

DECEMBER 12, 2011

QUARTERLY INVESTOR UPDATE

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AGENDA



- Welcome – 1 min (EG)
- What's New at Summit – 3 min (EG)
- Economic Update – 5 min (EG)
- Term Loan Refinance Update – 5 min (WC)
- SCRF Annual Default Forecast – 3 min (EG)
- SCRF Portfolio Performance Review – 15 min (PC)
- Financial Statement, Cash Forecast and Returns Review – 10 min (DH & EG)
- Closing Remarks – 3 min (EG)
- Q&A – 15 min

WHAT'S NEW AT SUMMIT



- 30-day LIBOR is still very low, but has been coming up a bit from 0.19% in June, 2011 to a current level of 0.28%
- CLST notified us that their lender was “currently unwilling to discount the principal of (their) loan”
 - They will contact their lender in late December or early January to revisit the possibility of a loan payoff discount
 - “We would like to contact you (then) and see if we can revive the transaction”
 - Summit will follow up with CLST in Jan-12
- We are working with a potential investor on other portfolio acquisitions...but nothing definitive yet

ECONOMIC DATA



Unemployment Statistics:

- As of November, 2011 the national UER is currently 8.6%
 - November Report: nonfarm payroll employment rose by 120,000 with job gains primarily focused in retail trade, leisure and hospitality, professional and business services, and health care.
 - In November, the unemployment rate declined by 0.4%
 - Private sector added 140,000 jobs and government employment trended down

Chart 1. Unemployment rate, seasonally adjusted, November 2009 – November 2011

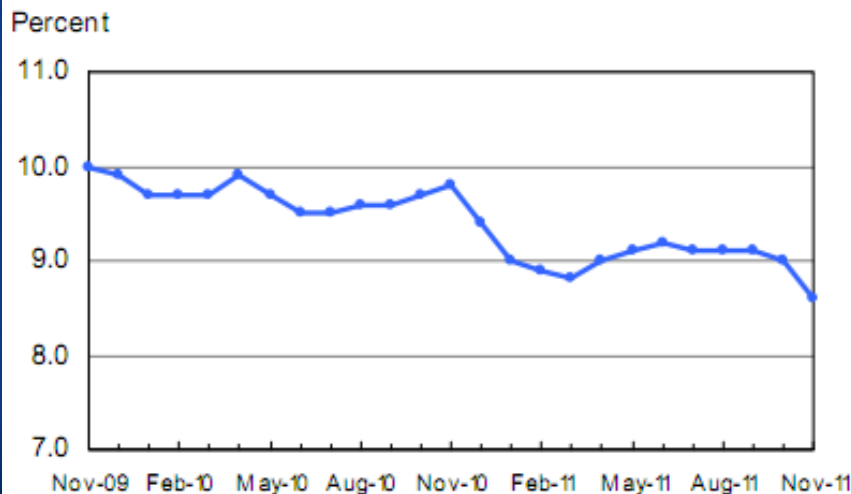
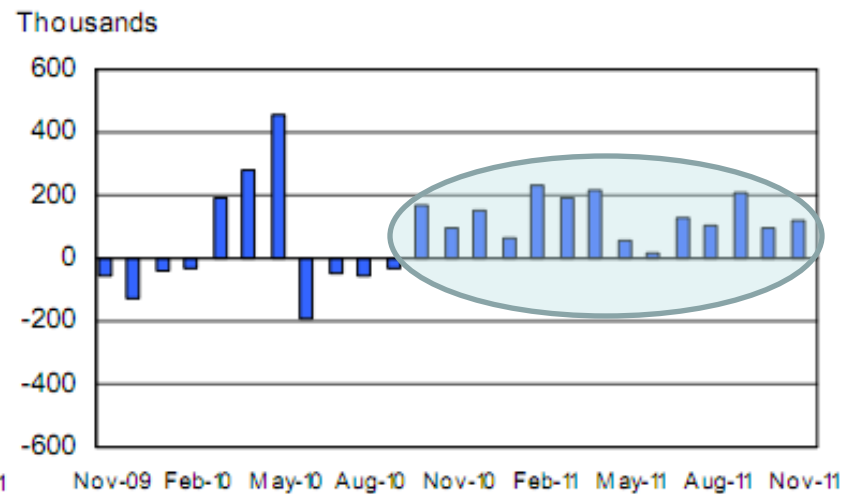


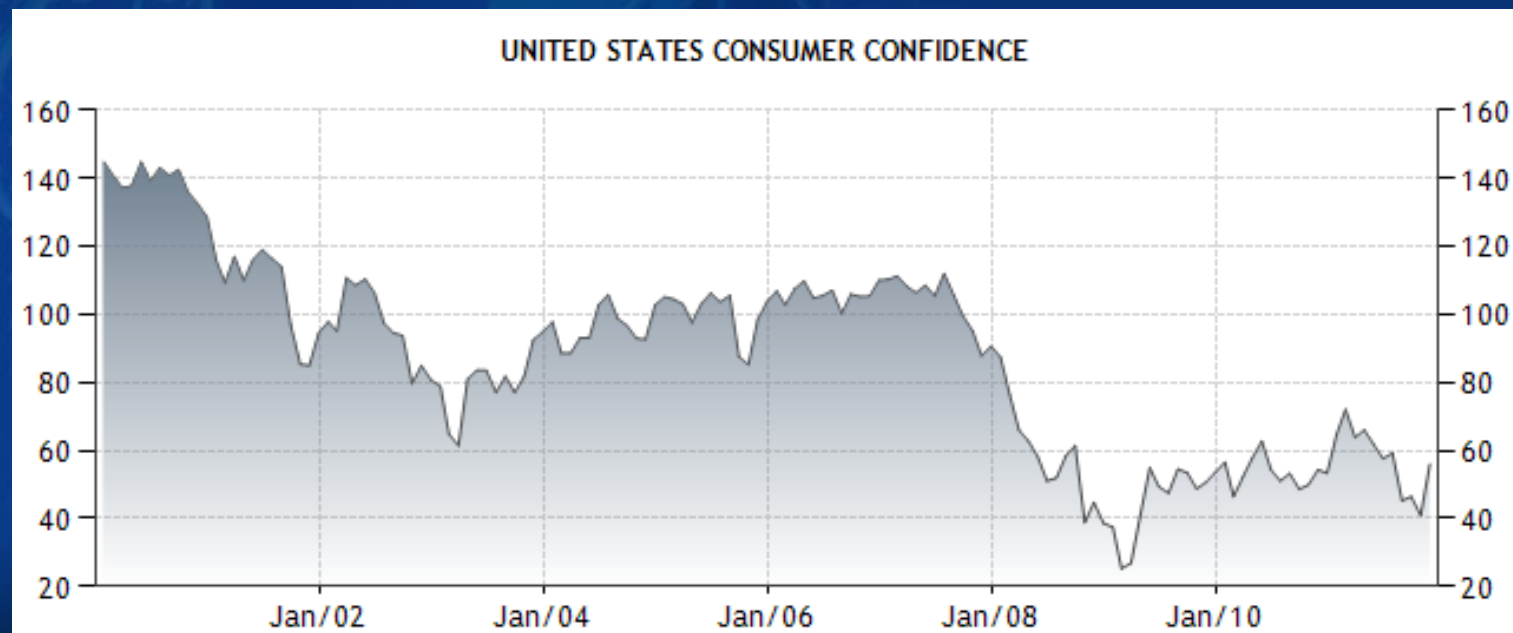
Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, November 2009 – November 2011



ECONOMIC DATA (CONT.)



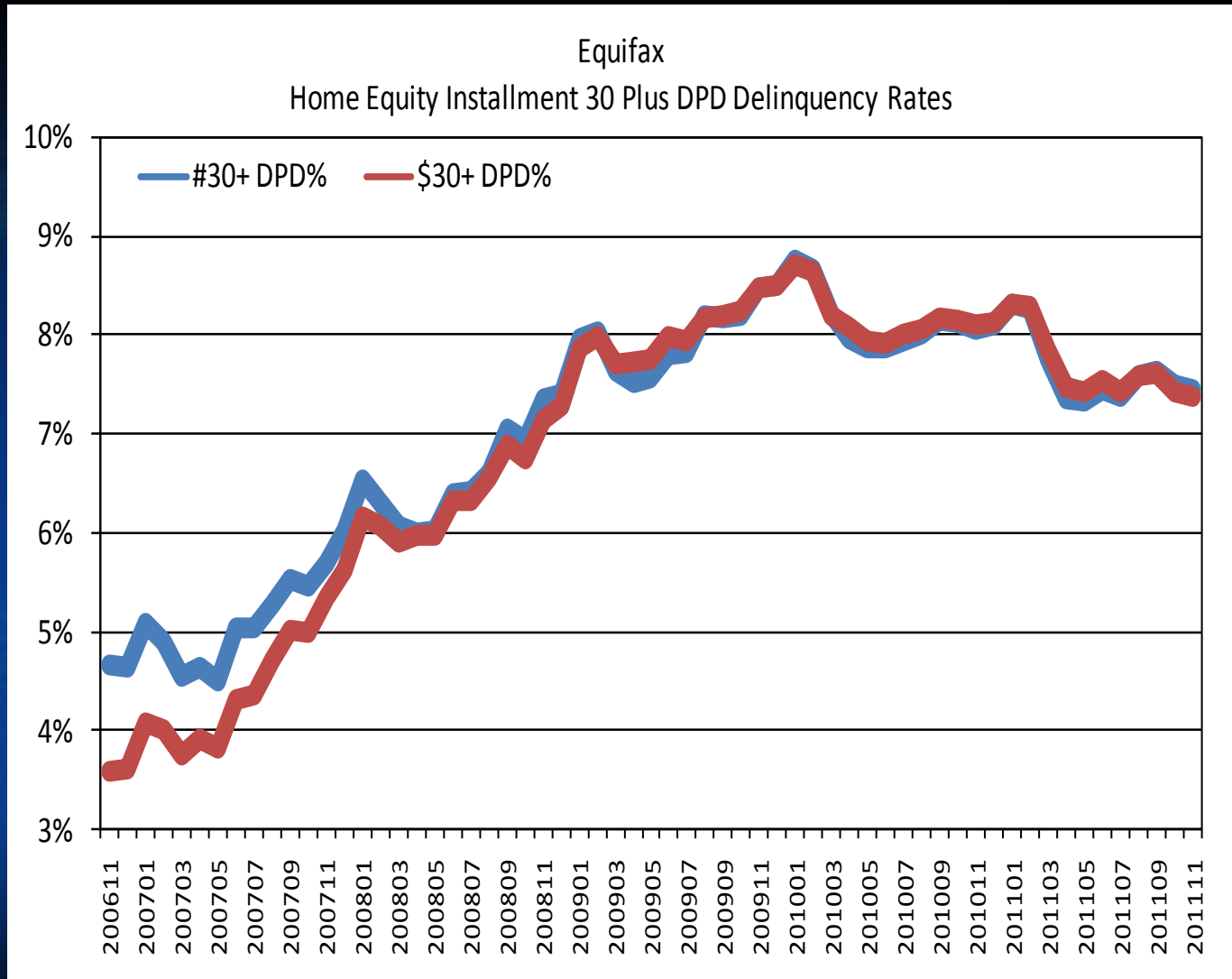
- Bureau of Economic Analysis report:
 - Q32011 GDP Growth 2% (Q2 real GDP increased 1.3%)
 - Q42011 GDP estimate of 2.5% growth as of 11/22/11
- Consumer Confidence Index improved to 56 in Nov-11 from 40.9 in Oct-11
- Housing continues to slow the economic recovery down



U.S. HOME EQUITY INSTALLMENT 30+ DPD DELINQUENCY



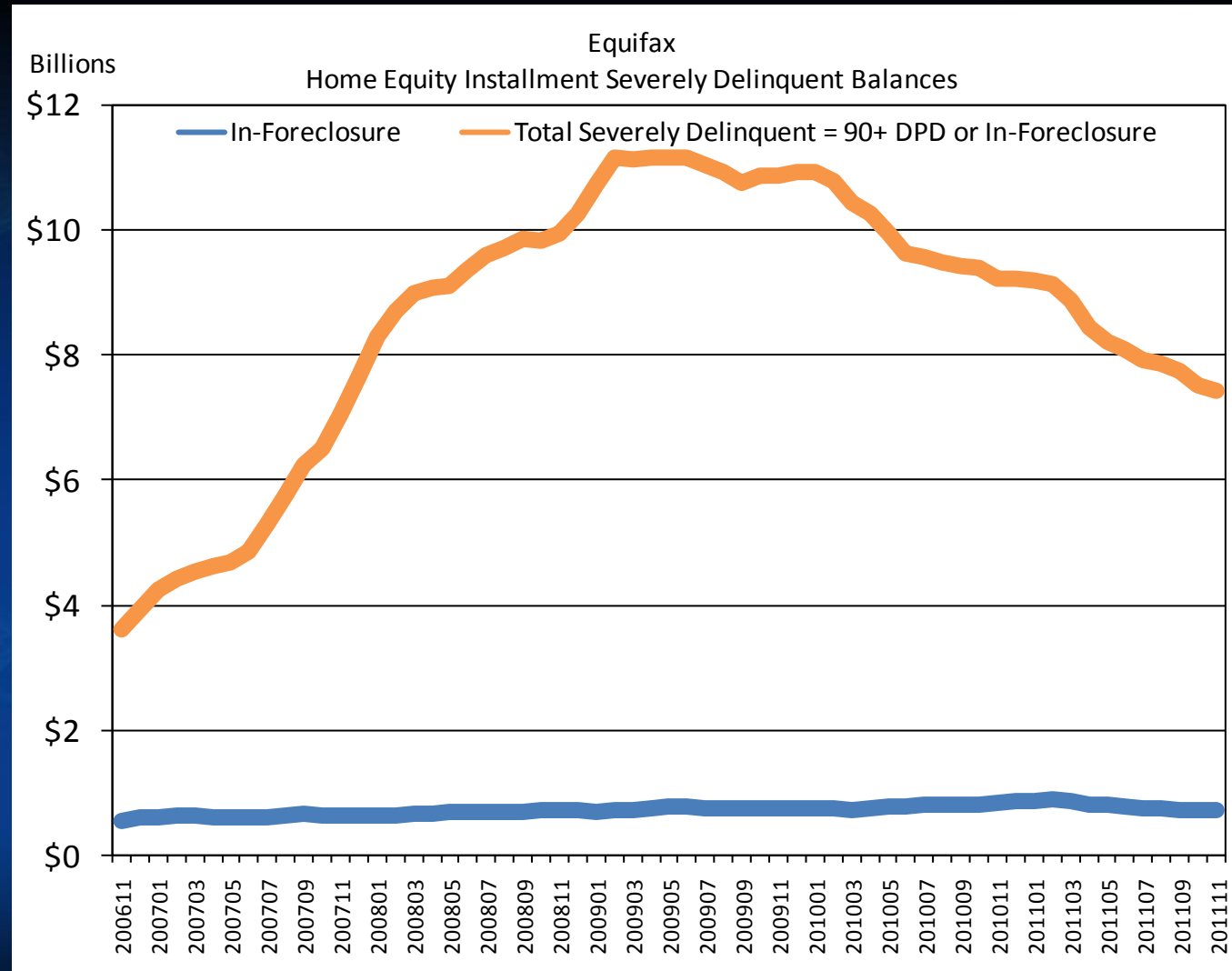
Home Equity
Installment Loan
Delinquency rates
are moderating



U.S. HOME EQUITY INSTALLMENT 90+ DPD DELINQUENCY



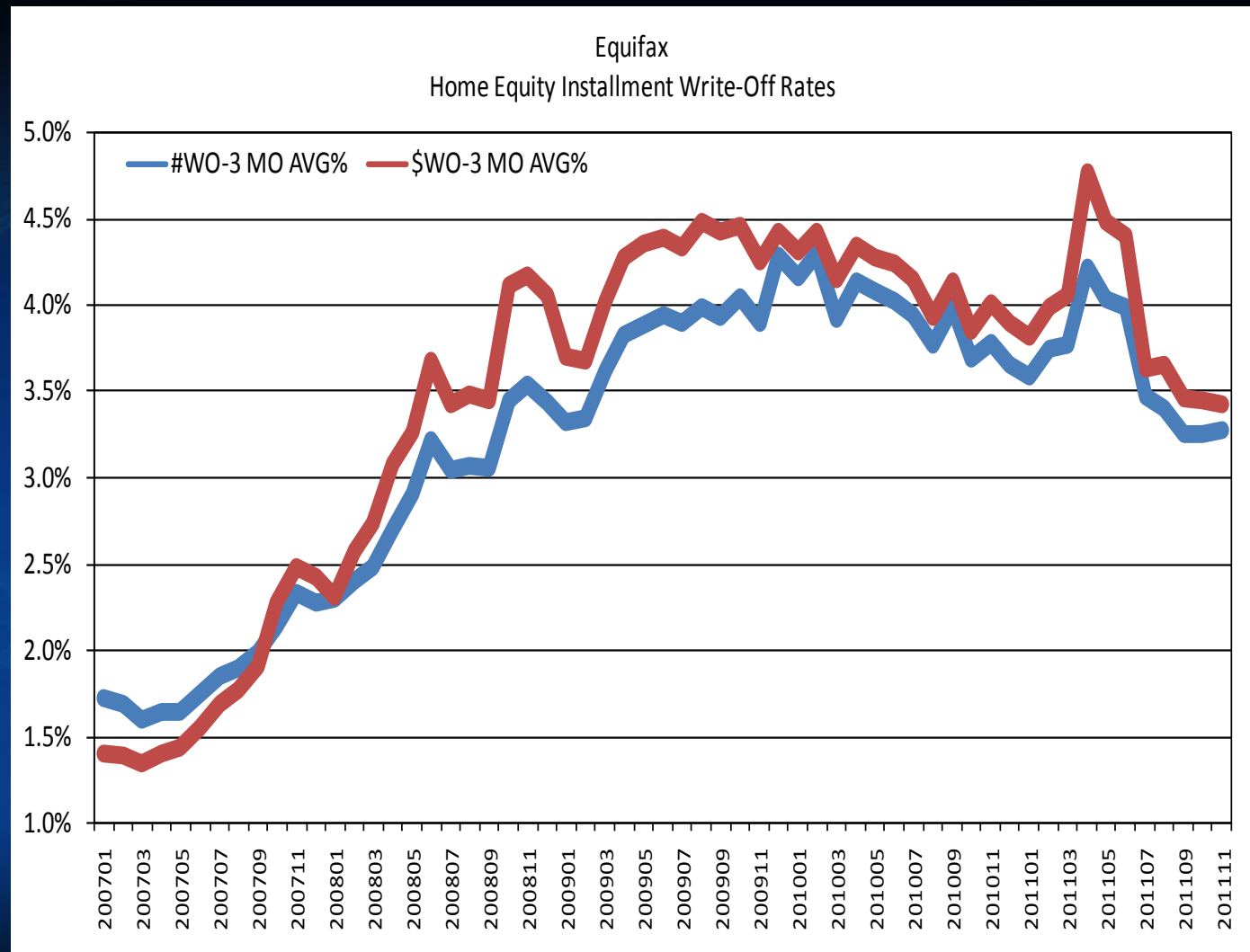
Home Equity
Installment Loan
Delinquency rates
are moderating



U.S. HOME EQUITY INSTALLMENT WRITE-OFF (ANNUALIZED)



Home Equity
Installment Loan
Write-Off rates
continue to trend
down overall



TERM LOAN REFINANCE



- We're still in contact with several Lenders and will revisit after the audit and with a year of profitability
 - Most Lenders want to see 2-3 years of profitability...however, earning ~\$1M of profit in 2011 may help
 - Additionally, the modest advance rate (and associated collateralization) could also be attractive to lenders
- Term Loan versus a Traditional LOC
 - Most lenders prefer financial partnering for growth
 - Interest rate on an active LOC would also typically be lower than that for a Term Loan
 - If SCRF begins buying paper again we could get a lower rate

SCRF DEFAULT FORECAST



- Elective Medical Default Re-Forecast update (from our 9/16/11 meeting)
 - We elected to add \$56,000 per month to the loss reserve from August, 2011 through December, 2011
 - Defaults are now slightly outperforming projections
- As part of our year-end review process in preparation for the annual audit, we are reviewing the default projections for all our material portfolios
 - It looks like we are generally in good shape, and 2011 tracked well to the forecast
 - However, it would be better to add some to loss reserve now vs. just before refinancing...so we're looking to err on the conservative side

PORTFOLIO REVIEW

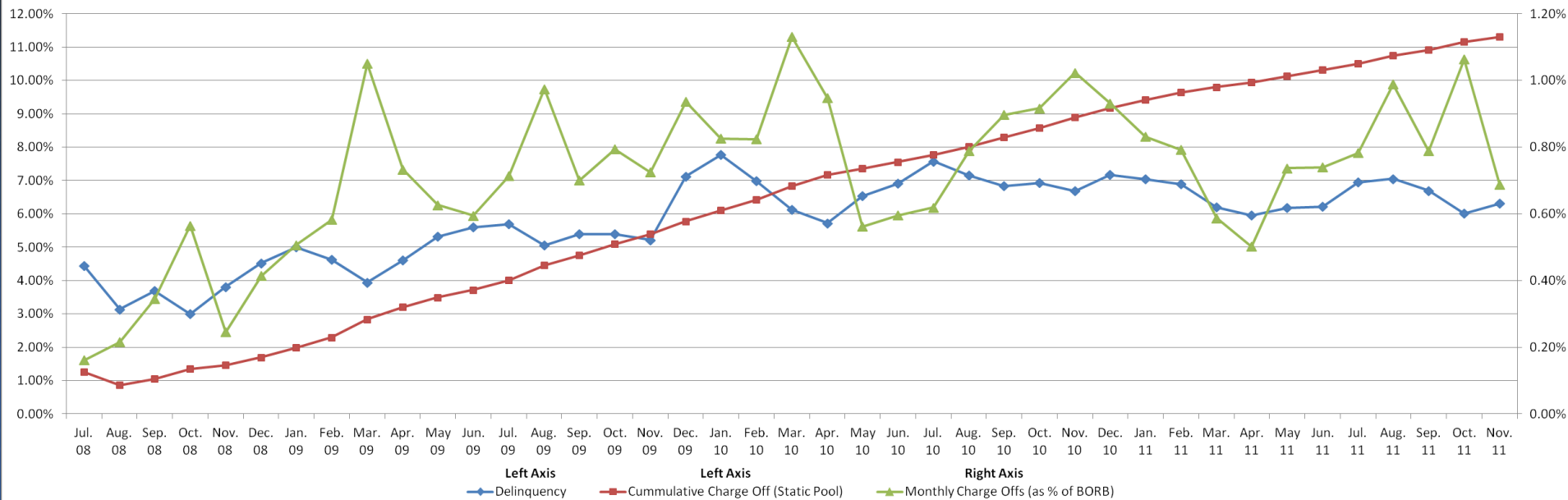


- Asset Performance Data presented as of 11/30/11
- 93.69% of fund assets are current on a principal balance basis
- There are 4,647 total individual consumer loans with a principal balance of \$27,176,671
- Cumulative delinquency of all fund assets on a static pool basis:
 - Cumulative delinquency at 30+ days past due is 6.31%
 - Change since Jun-11: +0.09%
 - Change since Dec-10: -0.85%
- Cumulative default rate of all Fund assets on a static pool basis is 11.31%
 - 2011 YTD Annualized Default Rate: 9.67% (through Nov-11)
 - 2010 Default Rate: 10.53% (10.42% Annualized through Nov-10)
 - Calculated as a % of Beginning Outstanding Receivable Balance (BORB)

PORTFOLIO REVIEW (CONT.)



Total Portfolio - Delinquency and Default Rates



NOVEMBER 11' TOTAL PORTFOLIO																		
CLIENT	PORT	MONTH PURCH	TOTAL PBAL	ORIGINAL BALANCE	0-30		31-60		61-90		90+		Tot DQ %	COLLECTIONS		WRITE OFFS		Tot W/O %
					PBAL	%	PBAL	%	PBAL	%	PBAL	%		PBAL	%	PBAL	%	
TOTAL			27,176,671	124,564,418	25,461,843	93.69%	845,310	3.11%	484,866	1.78%	384,653	1.42%	6.31%	9,008,088	7.23%	5,081,012	4.08%	11.31%

NOVEMBER 11' NON-SIDE POCKET PORTFOLIO																		
CLIENT	PORT	MONTH PURCH	TOTAL PBAL	ORIGINAL BALANCE	0-30		31-60		61-90		90+		Tot DQ %	COLLECTIONS		WRITE OFFS		Tot W/O %
					PBAL	%	PBAL	%	PBAL	%	PBAL	%		PBAL	%	PBAL	%	
TOTAL			10,235,083	82,977,713	9,771,994	95.48%	210,073	2.05%	118,142	1.15%	134,874	1.32%	4.52%	4,518,165	5.45%	1,689,725	2.04%	7.48%

2011 RECAP AND PROJECTED PERFORMANCE MOVING FORWARD



- 2011 Recap
 - Home Improvement portfolio – projected to outperform default forecast after new methodology was implemented in December 2010
 - Revised default forecast for Elective Medical positive
- Early 2012 projected performance
 - Projecting to continue to outperform allocated defaults
 - Possible drop to below 6% annualized default rate
 - Re-evaluating the “ramp down” in our default projections

FINANCIAL STATEMENT REVIEW



Summit Consumer Receivables Fund, L.P. and Affiliates
Consolidated Balance Sheet
October 31, 2011



Assets

Cash	\$ 35,609
Restricted Cash	586,116
Receivables From Servicing Companies	237,745
Prepaid Expenses	124,688
Investment in Consumer Debt Portfolios	27,657,176
Investment in SSPE, LLC	0
Investment in SSPE FCC, LLC	0
Fixed Assets, Net	36,000
Other Assets	7,258
Total Assets	<u>\$ 28,684,592</u>

Liabilities & Partners' Capital

Liabilities

Accounts Payable & Accrued Expenses	\$ 86,758
Loans Payable	14,263,186
Total Liabilities	<u>\$ 14,349,944</u>

Partners' Capital

Partners' Contributions/Distributions	\$ 10,234,827
Retained Earnings	2,888,841
Current Year Earnings	1,210,980
Total Partners' Capital	<u>\$ 14,334,648</u>

Total Liabilities & Partners' Capital	<u>\$ 28,684,592</u>
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Summit Consumer Receivables Fund, L.P. and Affiliates
Consolidated Income Statement
October 31, 2011



Revenue

Investment in Ordinary Income	\$ 406,058
Investment Interest Income	2,720,450
Allowance for Credit Losses	-238,000
Total Revenue	<u>\$ 2,888,508</u>

Expenses

Interest Expense	\$ 898,320
Office Expenses	168,361
Travel, Meal & Entertainment	2,875
Professional Fees	182,486
Payroll	425,486
Overhead Expense Allocation	0
Total Expenses	<u>\$ 1,677,528</u>

Net Income

\$ 1,210,980

FINANCIAL Q&A



CASH FORECAST



- We have continued to send all excess cashflow to SCRF's lender Fortress to pay down the loan
 - This will continue unless and until we are able to re-finance the facility for terms we as investors feel are reasonable (based on prior IAB consultation and the GP's decision)
- November, 2013 is the estimated Fortress payoff date with all surplus cash applied to the loan
 - Contingent upon the current default/prepayment forecast
 - Actual payoff date may vary resulting in a need for ~\$250-750K of short-term financing...
 - Conversely, we may be able to repay Fortress a few months early
- Estimated cash remaining after pay down of the loan: \$18.5M
- Estimated cash remaining after payment of all redemptions currently pending: \$4.0M

CONSOLIDATED RETURNS



SCRF, L.P. return statistics through October, 2011:

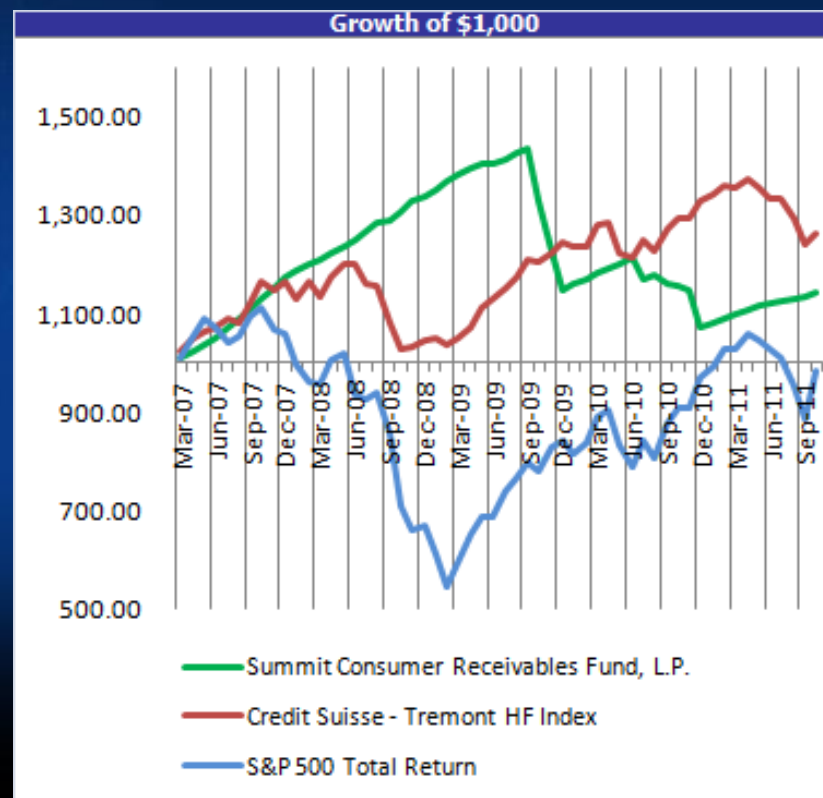
- 14.21% total return since inception
- 2.89% annualized return since inception
- 2010 return: -6.69% vs. 2009 return: -14.34%
- **2011 YTD return: 6.58% (projected 2011 return from 5.5 to 7.5% for the year)**

CSFB/Tremont Hedge Fund Index:

- 23.61% return since inception
- 4.65% annualized return since inception
- 2010 return: 10.95% vs. 2009 return: 18.57%
- 2011 YTD return: -7.83% (-9.32% annualized)

Merrill Lynch US High-Yield Index:

- 38.87% return since inception
- 7.29% annualized return since inception
- 2010 return: 15.19% vs. 2009 return: 57.51%
- 2011 YTD return: 4.16% (5.01% annualized)



NON-SIDE POCKET RETURNS



SCRF, L.P. return statistics through October, 2011:

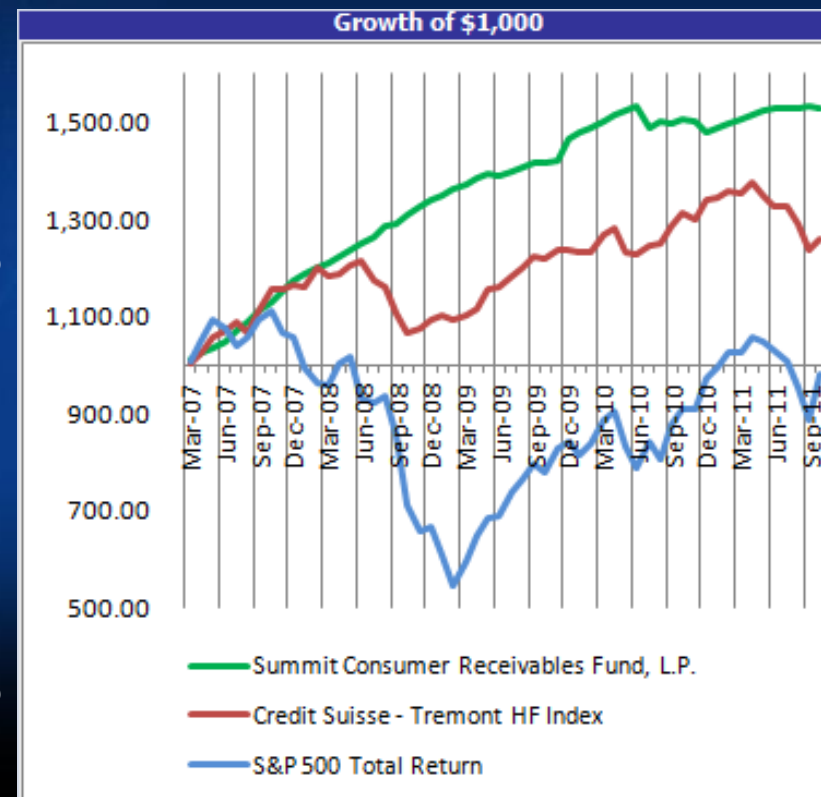
- 53.21% total return since inception
- 9.57% annualized return since inception
- 2010 return: 0.92% vs. 2009 return: 9.37%
- 2011 YTD return: 3.54% (4.27% annualized including future CAC addition to reserve)

S&P 500 Total Return:

- -1.56% total return since inception
- -0.34% annualized return since inception
- 2010 return: 15.06% vs. 2009 return: 26.46%
- 2011 YTD return: 1.30% (1.56% annualized)

Nasdaq 100 Index:

- 36.39% return since inception
- 6.88% annualized return since inception
- 2010 return: 19.93% vs. 2009 return: 54.67%
- 2011 YTD return: 6.41% (7.74% annualized)



CLOSING REMARKS



- Summit is in great shape compared to 2009 and 2010 — and we will have a nicely profitable 2011 in spite of the turbulent times and waters we have been navigating
- We are very well-protected against the possibility of hitting default triggers on our credit facility, and have paid it down by \$8.8M so far in 2011
 - The leverage ratio has declined from 1.7:1 to 1.0:1 so far this year
 - We could borrow an additional \$4.4M if desired
- SCRF's portfolio defaults have stabilized—making projections more accurate, and reducing the volatility of our returns
- We are about to head into 2012 in our best shape in three years!
- If you have any suggestions for ways we can improve communications with you, please let us know!

Q&A

