



SUMMIT CONSUMER RECEIVABLES FUND, L.P.

MAY 1, 2012

4Q11 AND 1Q12 INVESTOR UPDATE

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AGENDA



- Welcome – 1 min (EG)
- What's New at Summit – 4 min (EG)
- Economic Update – 10 min (EG)
- Term Loan Refinance Update – 5 min (EG)
- SCRF Portfolio Performance Review – 15 min (PC)
- Audit Overview, Financial Statement, Cash Forecast and Returns Review – 15 min (DH & EG)
- Closing Remarks – 5 min (EG)
- Q&A – 20 min

WHAT'S NEW AT SUMMIT



- The 30-day LIBOR rate has come back down a bit so far this year :
 - 0.24% as of today (vs. 0.28% as of our last meeting in Dec-11 and 0.21% last year)
- The SCRF 2011 Audit is complete and Schedule K-1(s) were issued on March 28th
 - Accessible at www.summit-alt-inv.com
 - Username: saifunds, Password: Summit2012
- We continue working with the potential managed account investor on portfolio acquisitions; nothing definitive yet

ECONOMIC DATA



Unemployment Statistics:

- As of March, 2012 the national UER is currently 8.2% vs. 8.6% at the last meeting (data from Nov-11)
 - March Report: nonfarm payroll employment rose by 120,000 with job gains focused in manufacturing, food services, and health care, but was down in the retail trade
 - The report was generally negative as the rate of new hires continues to decline and was lower than expectations

Chart 1. Unemployment rate, seasonally adjusted, March 2010 – March 2012

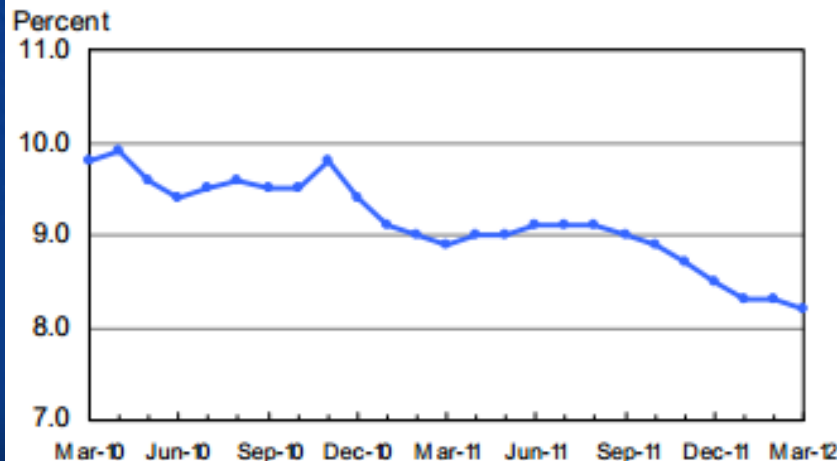
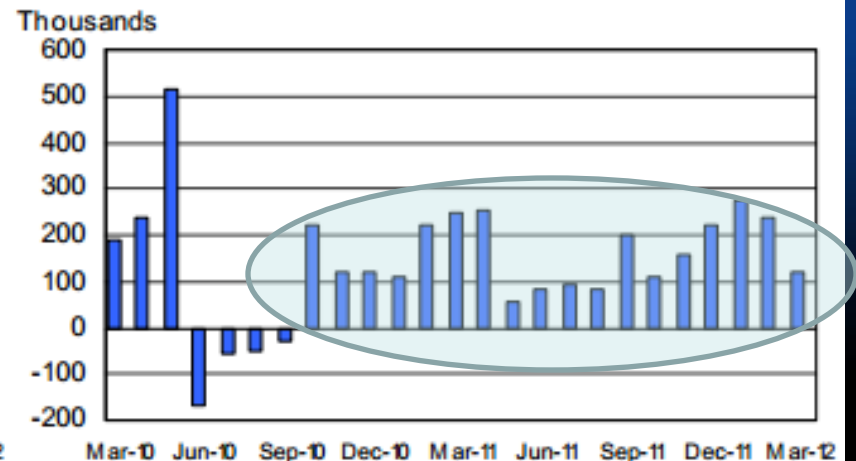


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, March 2010 – March 2012



ECONOMIC DATA (CONT.)



- Bureau of Economic Analysis report:
 - 4Q2011 GDP Growth 3.0% (Q3 GDP growth was 1.8%)
 - 1Q2012 GDP estimate of 2.2% growth, lower than expected



ECONOMIC DATA (CONT.)



- Consumer Confidence Index:

- CCI now stands at 69.2 (vs. 56.0 in November 2011)
- However, consumers' short-term outlook and expectations on the labor market and business environment were less optimistic

Conference Board Consumer Confidence Index
Recessions Highlighted in Gray, Real GDP Shown Below

dshort.com
April 2012



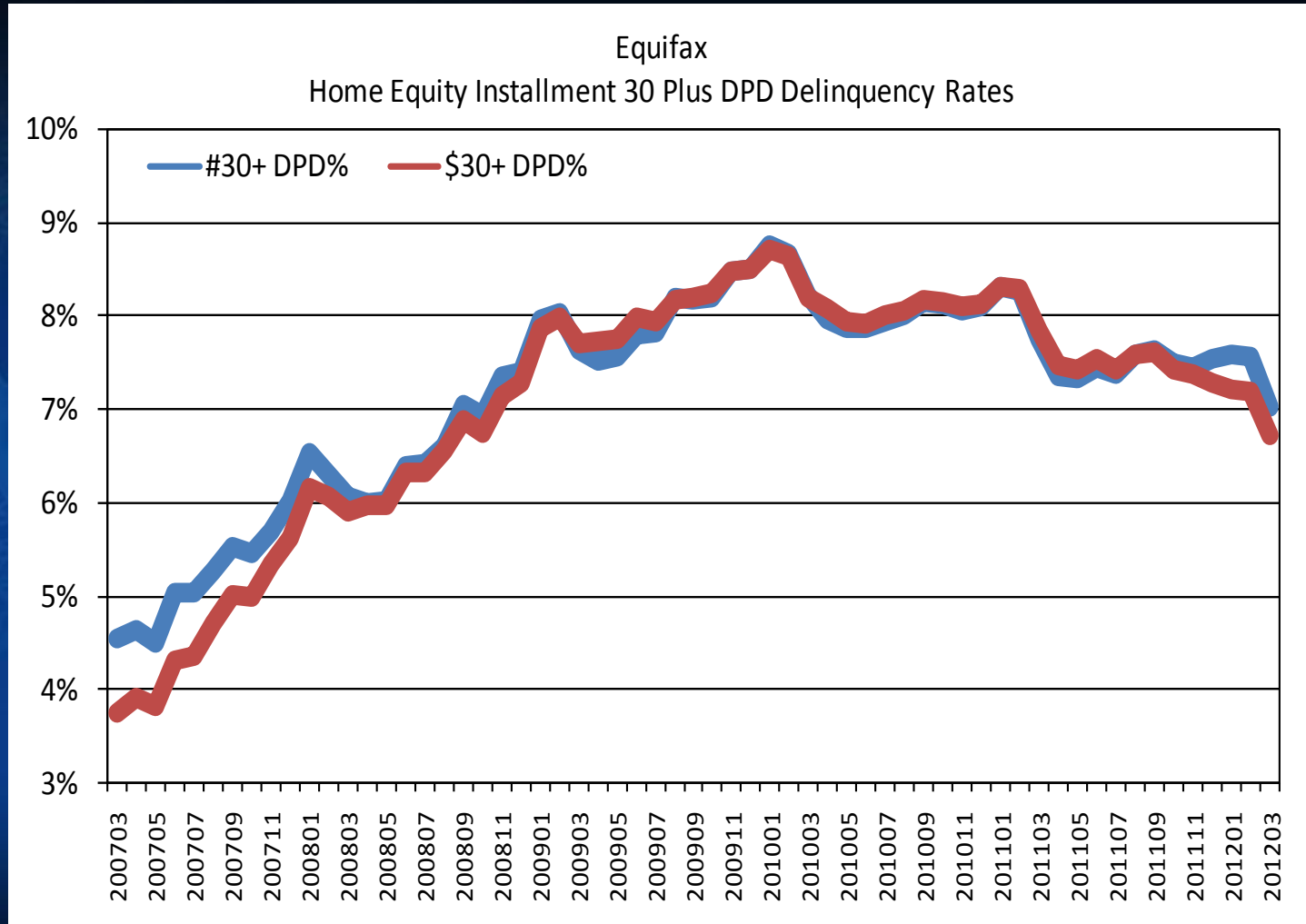
Recessions	Months	Confidence Average
1980	6	69.8
1981-1982	16	65.5
1990-1991	8	71.5
2001	8	109.3
2007-2009	18	54.0
Totals*	56	69.4

*The total average is for all 56 months

U.S. HOME EQUITY INSTALLMENT 30+ DPD DELINQUENCY



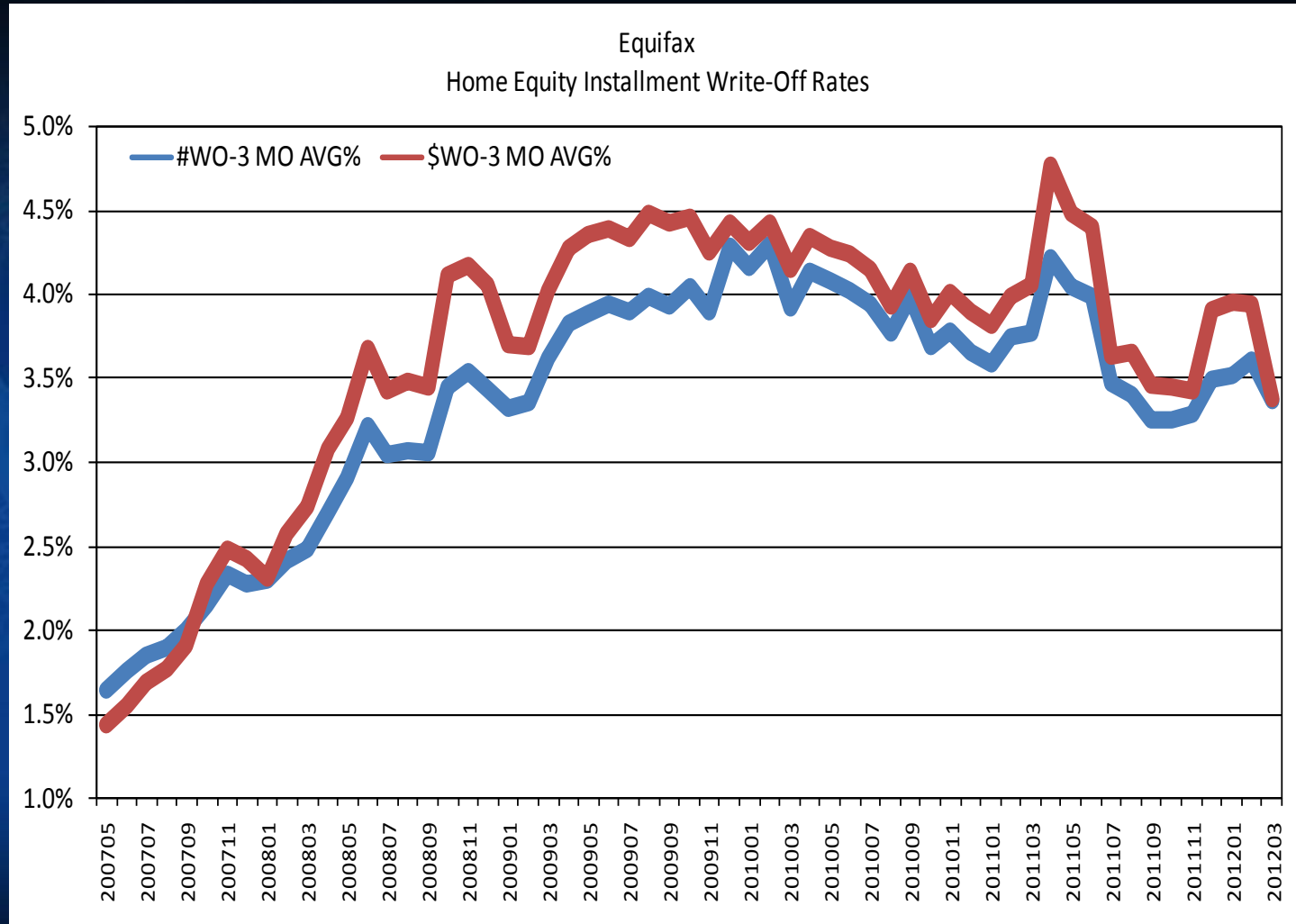
Home Equity
Installment Loan
Delinquency
rates are
moderating



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



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



TERM LOAN REFINANCE



- With the completion of the 2011 Audit, we will continue to pursue lending opportunities to refinance SCRF's Fortress credit facility
 - Most Lenders want to see 2-3 years of profitability...however, earning an independently audited \$966,122 of profit in 2011 may help
 - Additionally, our currently modest advance rate of 47.5% (and associated collateralization) could also be attractive to lenders
- Term Loan versus a Traditional LOC
 - Most lenders prefer financial partnering for growth
 - The 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 likely secure a lower rate than if we don't

PORTFOLIO REVIEW 1Q2012

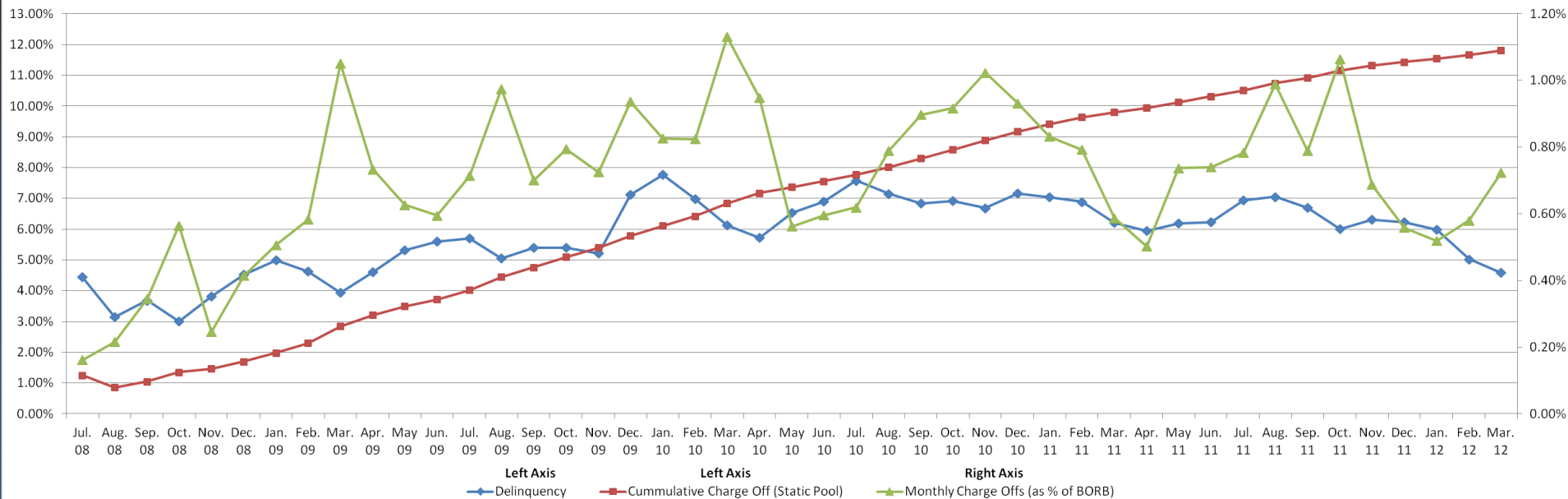


- Asset Performance Data presented as of 3/31/12
- 95.41% of fund assets are current on a principal balance basis, the highest it has been since 3/31/09
- There are 4,161 total individual consumer loans with a principal balance of \$24,287,089
- Cumulative delinquency of all fund assets on a static pool basis:
 - Cumulative delinquency at 30+ days past due is 4.59%
 - Change since Dec-11: -1.64% (from 6.23%)
- Cumulative default rate of all Fund assets on a static pool basis is 11.79%
 - 2012 YTD Annualized Default Rate: 7.29%
 - 2011 Default Rate: 9.05%
 - Calculated as a % of Beginning Outstanding Receivable Balance (BORB)

PORTFOLIO REVIEW (CONT.)



Total Portfolio - Delinquency and Default Rates



MARCH 12' 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			24,287,089	124,564,418	23,172,301	95.41%	481,457	1.98%	351,848	1.45%	281,483	1.16%	4.59%	9,428,150	7.57%	5,263,929	4.23%	11.79%

MARCH 12' 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			8,872,611	82,977,713	8,606,385	97.00%	87,339	0.98%	66,275	0.75%	112,611	1.27%	3.00%	4,668,679	5.63%	1,730,244	2.09%	7.71%

2012 Q1 RECAP AND PROJECTED PERFORMANCE MOVING FORWARD



- Q1 Recap
 - March seasonal bump in Home Improvement defaults originating from holiday delinquency
 - Defaults are lower than revised default forecast for Elective Medical
 - Defaults for the overall portfolio are trending close to our projections except for the first quarter seasonal bump
- Q2 projected performance
 - Projecting defaults to return to forecasted levels
 - Delinquency levels and “composition” are favorable for decreased defaults
 - Anticipate continued positive trend on delinquency
 - Main concern at this point is recent bankruptcy trend

FINANCIAL STATEMENT REVIEW



Summit Consumer Receivables Fund, L.P. and Affiliates

Consolidated Statements of Financial Position
December 31, 2011 and 2010



Assets

	<u>2011</u>	<u>2010</u>
Assets		
Purchased receivables, net	\$ 26,071,700	\$ 35,534,352
Cash and cash equivalents	603,275	882,521
Receivables from servicing companies	48,371	107,604
Due from related party	5,869	7,494
Equipment	36,000	36,000
Other	203,438	300,050
	<u>203,438</u>	<u>300,050</u>
Total Assets	<u>\$ 26,968,653</u>	<u>\$ 36,868,021</u>

Liabilities and Partners' Capital

Liabilities		
Term loan	\$ 12,873,838	\$ 23,079,312
Accrued expenses	106,069	222,301
	<u>106,069</u>	<u>222,301</u>
Total Liabilities	<u>12,979,907</u>	<u>23,301,613</u>
Partners' Capital		
Partners' capital	10,133,783	10,677,567
Accumulated earnings	3,854,963	2,888,841
	<u>3,854,963</u>	<u>2,888,841</u>
Total Partners' Capital	<u>13,988,746</u>	<u>13,566,408</u>
Total Liabilities and Partners' Capital	<u>\$ 26,968,653</u>	<u>\$ 36,868,021</u>



Summit Consumer Receivables Fund, L.P. and Affiliates

Consolidated Statements of Operations
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues		
Finance income	\$ 4,515,384	\$ 6,251,505
Gain on sale of purchased receivables	118,373	-
	<u>4,633,757</u>	<u>6,251,505</u>
Total Revenues		
	<u>4,633,757</u>	<u>6,251,505</u>
Expenses		
Bad debt expense	818,567	2,912,941
Interest expense	1,036,080	1,666,010
Amortization of finance costs	-	120,966
Servicing fees	752,532	979,641
Leased associates	518,414	674,500
Professional fees	219,929	416,634
Other	322,113	298,419
	<u>3,667,635</u>	<u>7,069,111</u>
Total Expenses		
	<u>3,667,635</u>	<u>7,069,111</u>
Net Income (Loss)	<u>\$ 966,122</u>	<u>\$ (817,606)</u>

Summit Consumer Receivables Fund, L.P. and Affiliates
Consolidated Balance Sheet
March 31, 2012



Assets

Cash	\$ 3,282
Restricted Cash	710,385
Receivables From Servicing Companies	65,855
Prepaid Expenses	83,250
Investment in Consumer Debt Portfolios	24,198,702
Investment in SSPE, LLC	0
Investment in SSPE FCC, LLC	0
Fixed Assets, Net	36,000
Other Assets	5,175
Total Assets	<u>\$ 25,102,650</u>

Liabilities & Partners' Capital

Liabilities

Accounts Payable & Accrued Expenses	\$ 94,977
Loans Payable	10,939,547
Total Liabilities	<u>\$ 11,034,524</u>

Partners' Capital

Partners' Contributions/Distributions	\$ 9,972,698
Retained Earnings	3,854,952
Current Year Earnings	240,475
Total Partners' Capital	<u>\$ 14,068,126</u>
Total Liabilities & Partners' Capital	<u>\$ 25,102,650</u>

Summit Consumer Receivables Fund, L.P. and Affiliates
Consolidated Income Statement
March 31, 2012



Revenue

Investment in Ordinary Income	\$ 95,741
Investment Interest Income	641,236
Allowance for Credit Losses	-96,690
Total Revenue	\$ 640,287

Expenses

Interest Expense	\$ 173,151
Office Expenses	43,263
Travel, Meal & Entertainment	-3,016
Professional Fees	50,551
Payroll	135,863
Overhead Expense Allocation	0
Total Expenses	\$ 399,812

<u>Net Income</u>	\$ 240,475
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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
 - This could result in a need for up to \$750,000 of short-term financing
 - It is of course contingent upon the current default/prepayment forecast
 - The actual payoff date may vary; we may also be able to repay Fortress a few months early...we still have 17 months to go
- Estimated cash remaining after pay down of the loan: \$18.5M
- Estimated cash remaining after payment of all redemptions currently pending: \$5-6M

CONSOLIDATED RETURNS



SCRF, L.P. return statistics through March, 2012:

- 13.16% total return since inception
- 2.46% annualized return since inception
- 2011 return: 4.43% vs. 2010 return: -6.69%
- 2012 YTD return: 1.13% (5.01% annualized)*

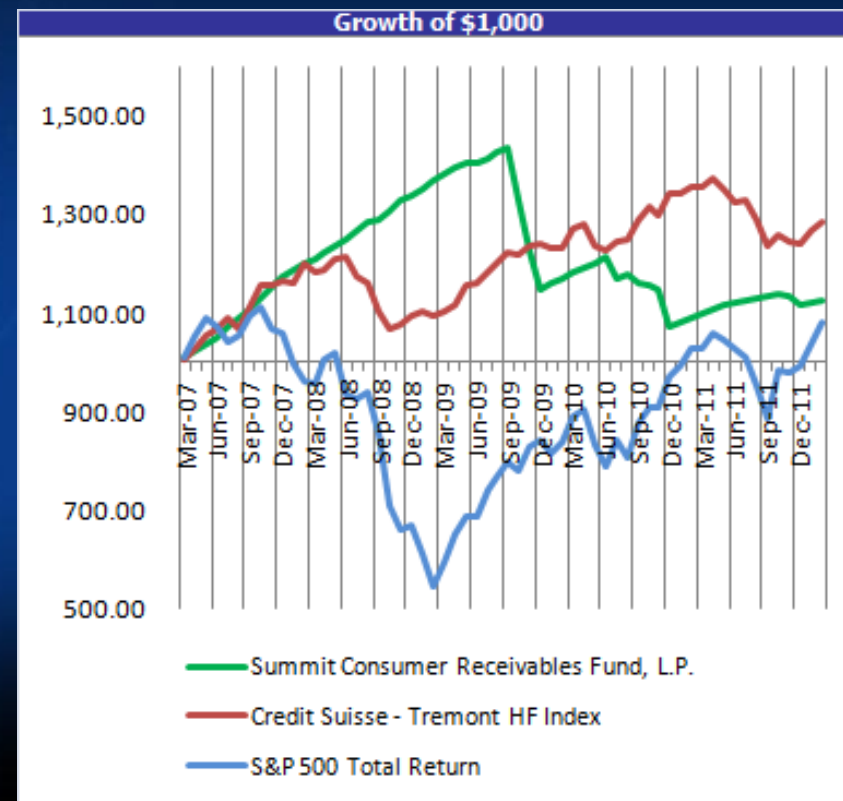
CSFB/Tremont Hedge Fund Index:

- 27.61% return since inception
- 4.91% annualized return since inception
- 2011 return: -7.40% vs. 2010 return: 8.11%
- 2012 YTD return: 2.75% (11.46% ann.)

Merrill Lynch US High-Yield Index:

- 46.33% return since inception
- 7.78% annualized return since inception
- 2011 return: 4.38% vs. 2010 return: 15.19%
- 2012 YTD return: 5.15% (22.25% ann.)

* We expect returns to increase slightly from 2Q on



NON-SIDE POCKET RETURNS



SCRF, L.P. return statistics through March, 2012:

- 54.12% total return since inception
- 8.88% annualized return since inception
- 2011 return: 3.63% vs. 2010 return: 0.92%
- 2012 YTD return: 0.51% (2.91% annualized)*

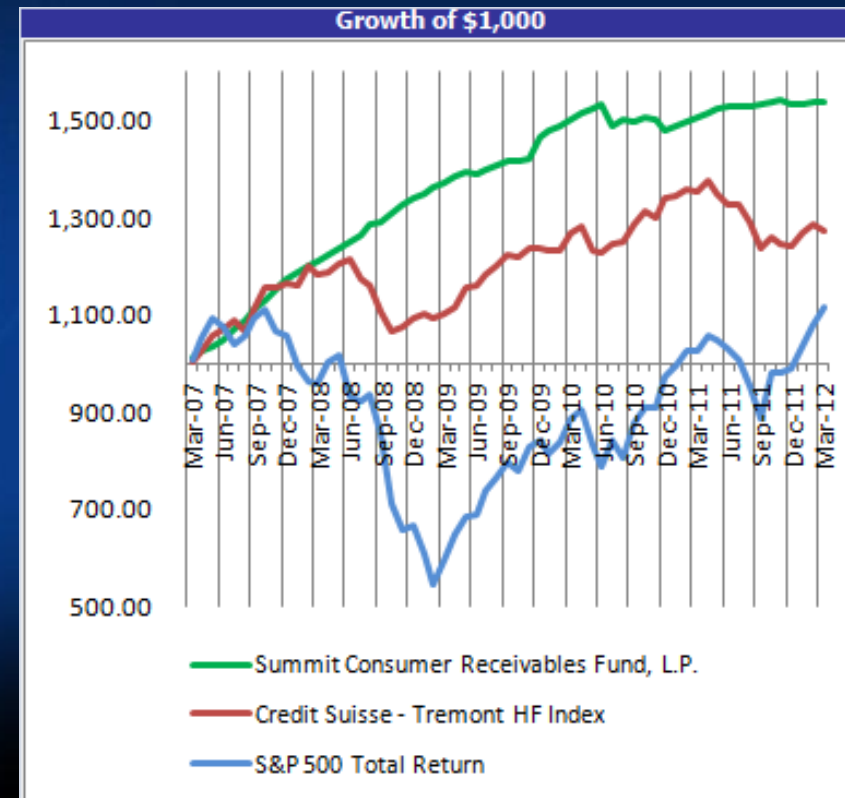
S&P 500 Total Return:

- 11.71% total return since inception
- 2.20% annualized return since inception
- 2011 return: 2.11% vs. 2010 return: 15.06%
- 2012 YTD return: 12.59% (60.67% ann.)

Nasdaq 100 Index:

- 58.98% return since inception
- 9.55% annualized return since inception
- 2011 return: 2.52% vs. 2010 return: 19.93%
- 2012 YTD return: 20.99% (114.30% ann.)

* We expect returns to increase slightly from 2Q on



CLOSING REMARKS



- Summit's positioning has improved significantly over the past year and we are off to a strong start for 2012
- We are very well-protected against the possibility of hitting default triggers on our credit facility, and have paid it down by \$2.08M so far in 2012
 - The leverage ratio has declined from 0.88:1 to 0.78:1 so far this year
 - We could borrow an additional \$5.6M from Fortress if desired
- SCRF's portfolio defaults have stabilized—making projections more accurate, and reducing the volatility of our returns
- If you have any suggestions for ways we can improve our communication with you, please let us know!

Q&A

