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Dear Summit Investors,

The July net return for the Summit Consumer Receivables Fund, L.P. (SCRF) was 0.20% for the non-side pocket portfolio and -0.08% on a consolidated basis. This brings SCRF's total return since inception to 56.00% (8.56% annualized) for the non-side pocket portfolio and 13.91% (2.43% annualized) on a consolidated basis.

July's Financials:

- \$92,159 in Net Income before additions to loss reserve,
- \$75,000 net added to loss reserve, for
- \$17,159 July net profit before fees

Portfolio Performance Update (including side-pocket)

As expected, SCRF's July default performance was strong and improved on June's default performance. Defaults as a percentage of beginning outstanding receivable balance were the second lowest since December 2008, and second only to May 2012 over the last three years (which can be seen in the graph below).

However, as stated in the July newsletter and addressed in-depth during the quarterly investor meeting, after two successful months this year in which we saw historically low default levels, we are preparing for an upcoming "bubble" of higher defaults starting now in August and projected to run through at least October. As we discussed in last month's newsletter, the cause of this bubble is in large part due to an increase in bankruptcies, most likely driven by unemployment benefits running out for a segment of long-term unemployed consumers, and the impact of general economic conditions on a segment of accounts. Although national reports show a reduction in overall bankruptcy filings and an increase in employment, there is a lag affect for both items on consumer loan performance (i.e. – long-term unemployed still receive benefits for up to 99 weeks; many of these account obligors are experiencing expiring benefits).

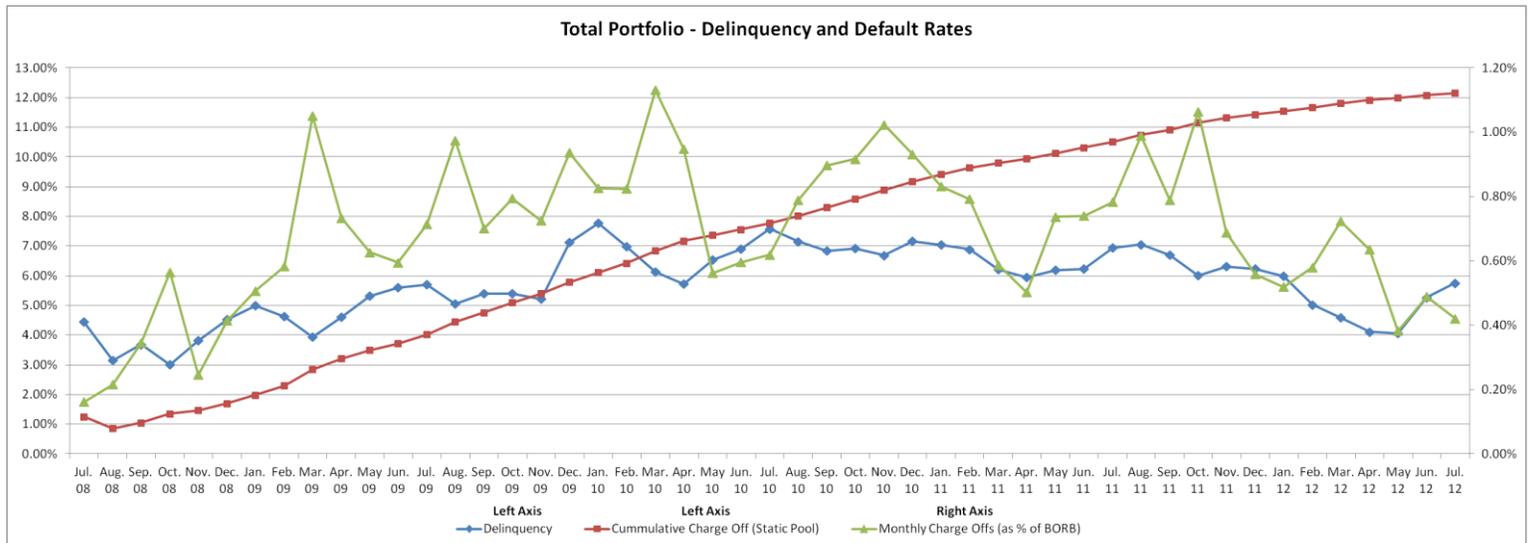
Also, we are experiencing an increase in delinquency and forecast this trend to continue through at least September. Once delinquency begins trending down to the lower levels experienced in the recent past, the expectation is for defaults to follow suit. Overall delinquency increased from 5.26% in June to 5.75% in July, 1.08% higher than the 12 month average (5.69%). We typically conduct file reviews to gauge the reason for non-payments and are also using this delinquency increase as a predictor of increased defaults through October.

As we stated last month, we have actively engaged our billing companies and received commitments for increased dedication toward our affected portfolios to best address this bubble from their more tenured collectors and supervisors. We have also internally planned targeted programs such as modification and settlement campaigns and will utilize all collection strategies available to minimize the impact of this bubble.

Following suit from last month, an additional \$75K was added to the loss reserve for July and we will likely add an additional \$75K to loss reserve for both August and September as well, which we expect will cover us through October and hopefully the entirety of the bubble. These additions to the loss reserve are expected to bring our returns to just below breakeven for these next couple months. We hope and expect that this will bolster our loss reserve sufficiently before we head into the fourth quarter so that we can end the year on a strong note. We will continue to monitor receivable performance versus the loss reserve and make adjustments as needed.

SCRF's defaults decreased in July to 5.16% annualized vs. 6.03% annualized in June, were well below the trailing 12 month average of 8.54% annualized and it was our 2nd best percent default number in over 40 months. Overall, net write-offs for July stood at 0.07% (vs. 0.09% in June, 0.07% in May, 0.12% in April, 0.14% in March, 0.12% in February and 0.11% in January) of total original principal balances purchased,

with write-offs since inception totaling 12.15%. 94.25% of the portfolio was current to 30 days, with only 1.24% of the Fund's paper greater than 90 days past due. Even with the bubble in defaults we are beginning to experience, those conservatively projected "bubble" defaults on a percentage of principal balance basis are still below the trailing 12 month average as a percentage of principal balance.



Other Fund Data

SCRF's annualized Sharpe ratio continues its string of strong marks at 1.12, with a monthly standard deviation of 0.78%. The Fund's leverage ratio experienced another decrease from 0.64 to 1 in June to 0.60 to 1 as of July 31st due to our continued pre-paying of the Fortress term loan. This de-levering continues to reduce both risk and returns gradually. The maximum amount we could borrow back from Fortress as of today is \$6,475,340. Our cash on hand at month-end was \$580,170, of which \$559,574 was "Restricted Cash" earmarked towards P&I payments for SCRF's credit facility and \$20,596 was working capital.

Quarterly Investor Meeting Results and Investor Advisory Board (IAB) Scheduling

We would like to thank everyone who participated in our most recent SCRF, L.P. 2Q2012 Investor Meeting held August 16, 2012. The presentation and WebEx recording were sent to you by email following the meeting but if you would like another copy please let us know.

One item discussed during the meeting which we would like to clarify is how growing the Fund would affect investor redemptions. In short, we will not put growing the Fund ahead of honoring investor redemptions; any options we plan to consider for growing the Fund are expected to either have no adverse effect on investor redemptions, or even help accelerate them.

Please let us know if you have any other questions and/or feedback related to the meeting.

We will be scheduling an Investor Advisory Board (IAB) Meeting shortly and anyone who would like to be involved in brainstorming on our go-forward strategy and options is welcome to participate; **let us know if you have a preference for a particular day**, and as always we will do our best to accommodate everyone's schedule.

If you plan on attending and will be *unavailable* during any of these times, please contact Brian Anderson (Banderson@saifunds.com):

Monday, September 17, 2012 – 9:00 AM or 12:00 PM PDT

Tuesday, September 18, 2012 – 9:00 AM or 12:00 PM PDT

Monday, September 24, 2012 – 9:00 AM or 12:00 PM PDT

Tuesday, September 25, 2012 – 9:00 AM PDT

Wednesday, September 26, 2012 – 9:00 AM or 12:00 PM PDT

Thursday, September 27, 2012 – 9:00 AM or 12:00 PM PDT

Looking to the Future

The market continues to be attractive for purchasing high-quality performing consumer receivables at excellent prices, allowing for significant loss protection. We continue to solicit new investors and have the potential to put contributions to work using new structures aimed at providing more predictable liquidity to investors. Please let us know if you are interested in receiving more information on these vehicles and/or potential deals in the pipeline.

To access past months' Newsletters, quarterly meeting presentations and our 2007, 2008, 2009, 2010 and 2011 audited statements, go to www.summit-alt-inv.com, then click "Site Login" to access the password-protected Investor page. The User Name is saifunds, and the PW is Summit2012.

As always, thank you for your investment in Summit,

A handwritten signature in black ink, appearing to read "Eric J. Gangloff". The signature is fluid and cursive, with the first name "Eric" being the most prominent.

Eric J Gangloff