

Performance Report

as of 11/30/11

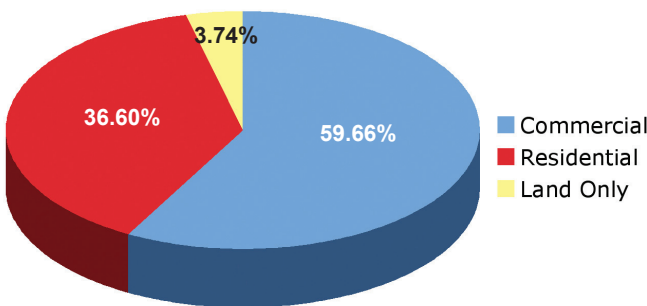
- Last Month's Annualized Return: 7.2%
- Year to date: 7.2%
- Number of loans: 114
- Gross loan portfolio dollars: \$39,443,818
(72% in 1st and 28% in 2nd position)
- Average loan-to-value: 44.79%*
- Average loan amount: \$345,998

*calculated when loans are initially funded

Past 12 Month's Annualized Returns:

<u>Month</u>	<u>Income Partner</u>	<u>Growth Partner</u>
Dec '10	7.2%	7.4%
Jan '11	7.2%	7.4%
Feb '11	7.2%	7.4%
Mar '11	7.2%	7.4%
April '11	7.2%	7.4%
May '11	7.2%	7.4%
June '11	7.2%	7.4%
July '11	7.2%	7.4%
Aug '11	7.2%	7.4%
Sept '11	7.2%	7.4%
Oct '11	7.2%	7.4%
Nov '11	7.2%	7.4%

Property Types



Featured Property: Albany, CA



Our featured property this month is located at 818 Ramona Ave., in Albany, CA . This is a 1,210sqft single family home that rests on a 2,500sqft lot. The home was built in 1925 and has 2 bedrooms and 1 bath. It's located in a conforming residential neighborhood that consists mostly of detached, single-family residences of average quality.

Our borrower is a court appointed professional fiduciary that has done business with us in the past and has a great track record in meeting the obligations of our loans. The home is vacant and needs a good amount of work in order to make it livable. The fiduciary's plan is to make needed repairs, and use the home to generate rental income for the estate that owns it. This strategy will protect the asset from being liquidated while markets are unfavorable. Stonecrest provided a 200k line of credit in 1st position to pay off a small loan against the property and provide funds for the needed work. The as-is value of the property is \$404k and, after the remodeling, should be worth \$480k or more. We believe this to be a solid deal for the fund at 49.5% loan-to-value. [S](#)