



# **SQN Asset Income Fund V, L.P.**

## Portfolio Overview

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***Third Quarter 2018***





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## **Company Overview**

**Company:**

**SQN Asset Income Fund V, L.P.**

Formed in Delaware on January 14, 2016

File Number: 3936182

**SEC Registered Investment Manager:**

**Arboretum Investment Advisors, LLC**

Formed in Delaware on March 3, 2016

File Number: 5979403

# Company Overview

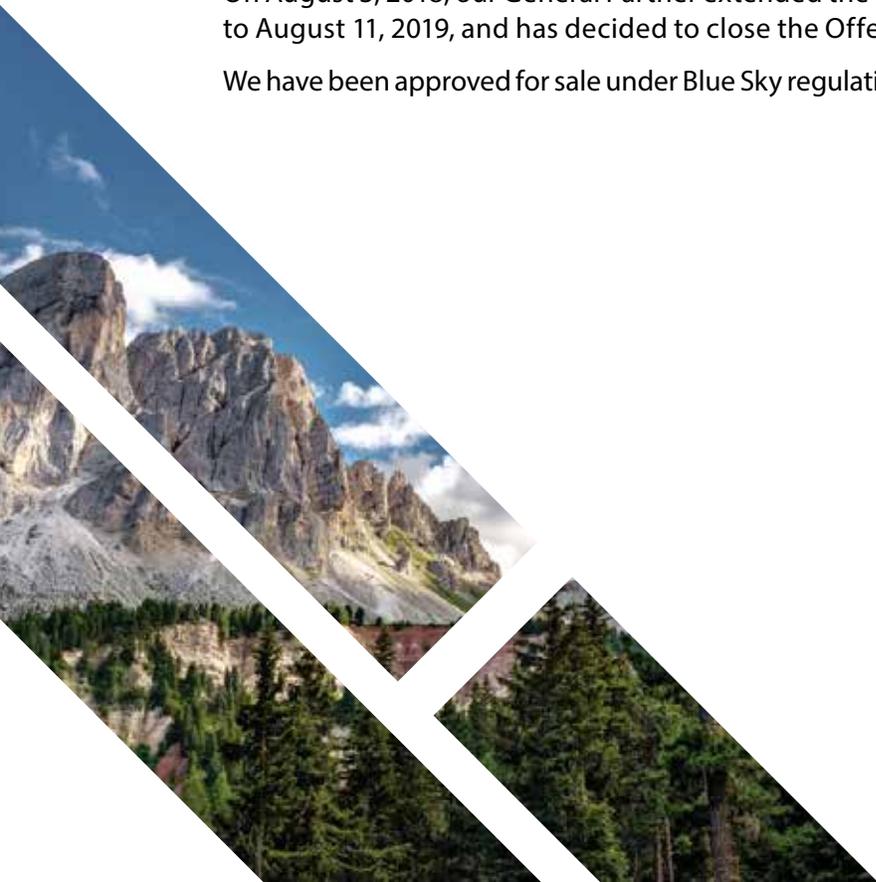
## **Our Business:**

Our principal investment strategy is to invest in business-essential, revenue-producing (or cost-saving) equipment and other physical assets with high in-place value and long, relative to the investment term, economic life and project financings. We expect to achieve our investment strategy by making investments in equipment already subject to lease or originating equipment leases in such equipment, which will include: (i) purchasing equipment and leasing it to third-party end users; (ii) providing equipment and other asset financing; (iii) acquiring equipment subject to lease and (iv) acquiring ownership rights (residual value interests) in leased equipment at lease expiration. From time to time, we may also purchase equipment and sell it directly to our leasing customers.

The life cycle of our fund is divided into three distinct stages: (i) the Offering Period, (ii) the Operating Period and (iii) the Liquidation Period. Our Offering period commenced on August 11, 2016 and will last until the earlier of (i) August 11, 2018, which is two years from the commencement of our Offering Period, unless extended by our General Partner, from time to time, in its sole discretion, by up to an additional 12 months, or (ii) the date that we have raised \$250,000,000.

On August 3, 2018, our General Partner extended the Offering Period by an additional 12 months to August 11, 2019, and has decided to close the Offering Period to the fund on March 31, 2019.

We have been approved for sale under Blue Sky regulations in 49 states and the District of Columbia.



## Portfolio

As of September 30, 2018, our portfolio consisted of:



**Borrower:** Manus Bio, LLC      **Investment Amount:** \$1,500,000

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**Term:** 36 months      **Asset Collateral:** Manufacturing Plant & Equipment

### Deal Overview:

Investment in a business essential manufacturing plant and its equipment located in Augusta, Georgia. The plant's equipment is highly specialized and geared towards the processes Manus will be performing. Some of the equipment was the biggest ever designed in the United States (fermentation tanks). Manus Bio utilizes patented microbe procedures and technology to produce fragrances, food ingredients, cosmetics, pharmaceuticals, and related products. The technology creates ingredients that are more economically and environmentally sustainable compared to current alternatives. Manus Bio's patent portfolio has protection through 2030. SQN Asset Income Fund V, L.P. ("SQN Fund V") will have a first lien position in the purchased plant, the land, and Manus Bio's IP portfolio creating an over-collateralized transaction from SQN Fund V's point of view resulting in a significant credit enhancement.

**Borrower:** MBI Energy Services, Inc.      **Investment Amount:** \$1,728,760

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**Term:** 36 months      **Asset Collateral:** Apex Pumps

### Deal Overview:

Investment in Apex pumps, which will be used to move water from local sources to job sites. Typically jobs will last around 30 days, but can go longer depending on the site. The pumps typically have a useful life of approximately 7 to 10 years, but this figure depends on the overall usage. This equipment is essential to operations for MBI and was being rented prior to receipt of financing from SQN Fund V. Founded in 1979, MBI is a leading provider of water management logistics and well-intervention services, as well as the largest fluid-hauling service company in the Williston Basin. Their logistics services include water trucking, oil hauling, waste management, winch, flatbed, and rentals. In April 2018 MBI was purchased by Cerberus Capital Management, a global leader in alternative investing which specializes in providing both financial resources and operating expertise to help companies grow and become even more successful. This acquisition shows Cerberus continues to see value in MBI's business model and has made a commitment to MBI's future growth.





**Borrower:** OmniGuide Holdings, Inc. **Investment Amount:** \$673,710

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**Term:** 42 months **Asset Collateral:** Surgical Manufacturing Equipment

**Deal Overview:**

Investment in two pieces of equipment, a Draw Tower and a Thermal Evaporation System, that are directly responsible for the production of OmniGuide's core product, a specialized instrument used in electro-surgeries called "fibers", which was responsible for 75% of their revenue in 2017. With OmniGuide's fiber solution comprising so much of company revenue these assets are deemed business critical. In addition, both assets have a longer useful life than SQN Fund V's financing. OmniGuide provides surgical tools relating to minimally invasive surgeries, robotic surgeries, and specific tissues operations such as cutting, coagulating, and sealing tissue. In an environment of growing healthcare needs OmniGuide offers cutting edge solutions allowing medical treatments to reach new heights.



**Borrower:** Medversant Technologies, LLC **Investment Amount:** \$1,000,000

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**Term:** 36 months **Asset Collateral:** Information Technology Equipment

**Deal Overview:**

Investment in new servers, switches, and support components. The equipment is required to support Medversant's strong growth as the servers are critical to the management of client's documents and data. Medversant Technology LLC is a healthcare information technology company that provides information management solutions for healthcare administration, serving health plans, hospitals, government agencies, and other healthcare organizations. Medversant's solutions cut costs and improve data quality while increasing provider collaboration, promoting decreased liability exposure and improving patient care. The services are provided through a Web-based platform, which creates greater transparency and seamless service delivery. Due to the business essential nature of the equipment, SQN Fund V's risk is mitigated in the event that the Company encounters cash flow problems as Medversant will have the incentive to pay SQN Fund V over non-core and/or non-revenue generating assets.



**Borrower:** Acoustiguide, Inc. **Investment Amount:** \$1,175,720

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**Term:** 36 months **Asset Collateral:** Multimedia Equipment

**Deal Overview:**

Investment in multimedia equipment (Opus+ units and other related equipment) utilized to fulfill their Statue of Liberty Ellis Island contract. The equipment is business-essential and is utilized by the visitors on a daily basis. There are currently over 50,000 Opus+ devices being utilized today throughout the world. Acoustiguide has over 25 years of experience providing multimedia content and applications for visitors to museums and venues that garner a large number of visitors and sightseers. Customers include notable sites such as the 9-11 Memorial, The Art Institute of Chicago, The Metropolitan Art Museum, The Guggenheim and the Asian Art Museum of San Francisco, to name a few. In addition, the Company has recently won contracts to provide its services to the Statue of Liberty and Ellis Island Foundation ("SOLEIF") and Alcatraz. The facility is supported by the guaranty of Acoustiguide's parent, Espro Information Technologies.



**Borrower:** Opus Virtual Offices, LLC      **Investment Amount:** \$245,000

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**Term:** 24 months      **Asset Collateral:** Information Technology Furniture  
Fixtures and Equipment

**Deal Overview:**

Investment in business essential hardware and software that allows Opus to expand product offerings and continue to scale the business as they onboard new customers. Additional collateral includes second lien on all assets of the company consisting of Information Technology, Furniture, Fixtures & Equipment, and Telecommunications equipment. The new equipment and software will allow Opus to handle a customer increase of 300%. In addition, the expanded product offering will create new areas of revenue as Opus can offer more features to their clients. Opus Virtual Offices provides virtual receptionist and physical address services for small businesses in almost all major cities throughout the US. Opus allows its clients to operate their business while maintaining a professional presence. The call answering service is offered at a competitive price while also offering physical mailing and office address options.



**Borrower:** Waples Precision Services, LLC      **Investment Amount:** \$2,076,000

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**Term:** 42 months      **Asset Collateral:** Robotics Equipment

**Deal Overview:**

Investment in computer numerical control, lathe, robotics and precision inspection equipment. The new equipment is an upgrade from existing machinery, which has been in place for approximately ten years. New equipment significantly improves operating efficiencies and profitability margins. SQN Fund V has a first priority lien on financed equipment. The collateral has a long useful life in excess of 15 years, and an active secondary market. Waples Precision Services, LLC ("WPS") provides custom metal fabrication for commercial and machining markets in the North Central Texas region primarily for the energy mining, and aerospace industries. The company provides machining, laser cutting, welding, shearing, breaking, and assembly services along with other services requested by clients. Waples was formed by combining a number of diverse, successful manufacturers. This has resulted in a full service facility with a wide variety of manufacturing capabilities.



**Borrower:** Shale Energy Support, LLC      **Investment Amount:** \$940,000

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**Term:** 60 months      **Asset Collateral:** Nordco Rail Car Movers

**Deal Overview:**

Investment in two Nordco rail car movers that are business essential. The two cars are an upgrade from the Company's existing single smaller mover and will allow it move heavier loads (more rail cars per load), thus creating operating efficiencies and improving profitability. The need for the movers is driven directly by signing of new long term contracts. The equipment has an economic life of 10-15 years, providing SQN Fund V with significant and improving collateralization as lease payments are received. The equipment has a strong secondary market and can be utilized by any rail operating business. Founded in 2015, Shale Energy Support LLC operates a wet mine and associated drying facilities in Mississippi.



**Borrower:** Dae Sung, LLC

**Investment Amount:** \$499,690

**Term:** 36 months

**Asset Collateral:** Agricultural Equipment

**Deal Overview:**

Investment in business essential agricultural equipment to expand an agricultural initiative located in California. In addition to the equipment collateral, the facility is supported by an unlimited personal guarantee from the CEO. Repayments will be supported by consistent EBITDA positive cash flow from operations and the company does not have any other existing long term debt. Dae Sung provides a variety of contracting services to federal & commercial clients, including facility support & maintenance, bulk fuel storage, aircraft refueling, flight simulator training & maintenance, construction management, mail distribution and administration support. Clients of Dae Sung include the U.S. Air Force, U.S. Army, U.S. Navy, Inland Revenue Service, General Service Administration and the Defense Logistics Agency. Dae Sung is a member of the Mandaree Enterprises LLC family of companies, wholly owned by the Three Affiliated Tribes located on the Fort Berthold Indian Reservation in North Dakota.



**Borrower:** Western Distribution Services, LLC

**Investment Amount:** \$1,184,850

**Term:** 36 months

**Asset Collateral:** Warehouse Racking System

**Deal Overview:**

Investment in business essential warehouse racking that is fundamental to the operation of the Company's new state of the art cold storage facility. The management team has a strong history of successfully operating cold storage facilities in the Seattle-Tacoma metropolitan region of NW Washington. This facility provides both short and long term storage for dry, chilled and frozen goods. It specializes in the storage of goods to be exported out of the United States by air & sea, with a focus on perishable goods such as Alaskan salmon and cherries that are flown to consumer markets in Asia. The equipment has an expected useful life well in excess of the 36 month term.



**Borrower:** Shri Shri Corp, a Subway Franchisee

**Investment Amount:** \$150,000

**Term:** 48 months

**Asset Collateral:** Furniture Fixtures and Equipment

**Deal Overview:**

Investment in business essential equipment, fittings and furnishings for a Subway franchise located in Port Washington, New York. With over 26,000 locations, Subway is the largest restaurant chain in the United States and is known for their range of affordable sandwiches. Located within Soundview Marketplace, this established mall location is anchored by well-known tenants including Rite Aid and a new Target. The borrower of the Company has successfully managed multiple Subway locations on Long Island, NY for a decade. Collateral for the loan comprises a blanket asset lien on the Port Washington restaurant along with a corporate guarantee and unlimited personal guarantees by the owners of the Subway franchises.



**Borrower:** Avenues World Holdings, LLC      **Investment Amount:** \$578,020

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**Term:** 36 months      **Asset Collateral:** Information Technology Equipment

**Deal Overview:**

Investment in business-essential classroom IT equipment for an elite private preparatory school located in New York, NY. All classes are taught utilizing MacBook Air computers and iPads, which are designed to replace textbooks with digital books – amalgamating education and technology on an individual basis according to the student’s level and needs. The investment is in equipment that is critical to the implementation and success of this teaching concept. The school’s IT department is Apple certified in the repair and service of this equipment, with any replacement costs to be borne by the parents of the students in order to ensure the equipment’s maintenance through the term of the financing. The equity investment will be returned in full during the term, while the transaction will provide additional upside to the Fund should Avenues purchase the equipment at the end of the term.



**Borrower:** Hudson Arts & Science Charter School Inc., an iLearn School      **Investment Amount:** \$357,020

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**Term:** 36 months      **Asset Collateral:** School Furniture Fixtures and Equipment

**Deal Overview:**

Investment in business essential classroom and school equipment to a charter school in New Jersey that is part of the iLearn Schools Network, a non-profit entity that is comprised of multiple separate charter school districts, focusing on the Science, Technology, Engineering, Arts and Math Program (STEAM). The current management team has been successfully operating charter schools in New Jersey since 2007. All schools operated by iLearn are publicly funded and tuition free. The equipment collateral has a strong in-place value for the school and a useful life in excess of the financing term. This particular school has been granted a four-year contract to operate through June 30, 2020, exceeding the life of the fund’s transaction.



**Borrower:** ADF Restaurant Group, LLC, a Pizza Hut Franchisee      **Investment Amount:** \$449,440

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**Term:** 36 months      **Asset Collateral:** Pizza Ovens

**Deal Overview:**

Investment in business essential equipment for one of the nation’s largest retail food franchise operations that currently owns and operates 205 Pizza Hut and Kentucky Fried Chicken restaurants in the Northeast and Mid-Atlantic regions of the United States. The investment consists of 17 double gas 40” pizza ovens with good in-place value and a useful life far in excess of the 36 month term. The company has a strong track record and the operational backing of its franchisor. In the event of a liquidation, SQN Fund V has a first priority security interest in the 17 ovens collateralizing this transaction.

## Portfolio Updates



**Borrower:** Old City Pretzel Co, LLC  
(d.b.a. Ardiente)      **Investment Amount:** \$88,000

**Contract Status:** Early Buyout      **Cash Received:** \$107,170

**Term:** 42 months      **Asset Collateral:** Restaurant Equipment

### Deal Overview:

On May 14, 2018, the Partnership received cash proceeds of \$99,162 as an early buyout to pay off the asset backed equipment finance lease. This resulted in a cash gain of \$19,170.

The investment was in restaurant-essential equipment including food storage pieces, cooking appliances, and electronic point-of-sale systems.



**Borrower:** EMM Asia Fund I L.P.      **Investment Amount:** \$2,800,000

**Contract Status:** Matured      **Cash Received:** \$2,954,000

**Term:** Bridge Loan      **Asset Collateral:** Drilling Rig System

### Deal Overview:

On February 6, 2018, the Partnership received cash proceeds of \$2,828,000 as payment in full of the asset backed equipment loan. This resulted in a cash gain of \$154,000.

The investment was in a newly-built Latshaw 500HP AC Ideal Walking Rig System & ancillary equipment.

From August 11, 2016 through September 30, 2018, the Partnership admitted 391 Limited Partners with total capital contributions of \$17,003,304 resulting in the sale of 1,700,330.47 Units. The Partnership received cash contributions of \$16,447,048 and applied \$556,256 which would have otherwise been paid as sales commission to the purchase of 55,626 additional Units.

*Our revenue for the three months ended September 30, 2018 and 2017 is summarized as follows:*

	<b>Three Months Ended September 30, 2018 (unaudited)</b>	<b>Three Months Ended September 30, 2017 (unaudited)</b>
<b>Revenue:</b>		
Rental income	\$ 27,256	\$ 27,256
Finance income	278,168	16,475
Interest income	88,820	20,233
Other income	16,618	21,633
Total Revenue	\$ 410,862	\$ 85,597

For the three months ended September 30, 2018, we earned \$410,862 in total revenue. We earned \$27,256 in rental income from five operating leases of pizza ovens equipment. We received monthly lease payments of approximately \$630,000 and recognized \$278,168 in finance income from various finance leases during the same period. We also recognized \$88,820 in interest income from collateralized loans receivable during the same period. As we acquire finance leases and operating leases, and as we participate in additional financing projects, we believe our revenue will grow significantly during 2018.

# Performance

Our expenses for the three months ended September 30, 2018 and 2017 are summarized as follows:

	Three Months Ended September 30, 2018 (unaudited)	Three Months Ended September 30, 2017 (unaudited)
<b>Expenses:</b>		
Management fees - Investment Manager	\$ 187,500	\$ 187,500
Depreciation	23,912	23,911
Professional fees	111,867	33,076
Administration expense	72,914	33,175
Other expenses	-	14,514
Total Expenses	\$ 396,193	\$ 292,176

For the three months ended September 30, 2018, we incurred \$396,193 in total expenses. We paid \$187,500 in management fees to our Investment Manager during the three months ended September 30, 2018. We pay our Investment Manager a management fee during the Operating Period and the Liquidation Period equal to the greater of, (i) 2.5% per annum of the aggregate offering proceeds, payable monthly in advance or (ii) \$62,500 per month. We recognized \$23,912 in depreciation expense and \$72,914 in administration expense. Administration expense mainly consists of expenses paid to the fund administrator. We also incurred \$111,867 in professional fees, which were mostly comprised of fees related to compliance with the rules and regulations of the SEC and consulting services. As the size and complexity of our activities grow, we expect that our professional fees will increase accordingly.

## **Net Gain**

As a result of the factors discussed above, we reported net income for the three months ended September 30, 2018 of \$14,669 as compared to a net loss of \$206,579 for the three months ended September 30, 2017.

Our General Partner anticipates that during our early years, income taxes on distributions to you and to our other limited partners will be, to an extent, tax-deferred by operating losses and depreciation deductions available from the portion of our equipment leased to third party end users under our operating leases, but not under its full payout leases or other investments.<sup>1</sup>

<sup>1</sup>From Q&A section on page XIII of the SQN Asset Income Fund V, L.P. Prospectus

## Distributions

During our Operating Period, we intend to pay cash distributions on a quarterly basis to our Limited Partners at 1.5% per quarter, the equivalent rate of 6.0% per annum, of each Limited Partners' capital contribution (pro-rated to the date of admission for each Limited Partner). Since June 30, 2017, our distribution rate has been 6.5% annually, paid quarterly at 1.625%, of capital contributions. On March 31, 2018, our distribution rate increased to 7.0% annually, paid quarterly at 1.75%, of capital contributions. On June 30, 2018, our distribution rate increased to 7.5% annually, paid quarterly at 1.88%, of capital contributions. On September 30, 2018, our distribution rate increased to 8.0% annually, paid quarterly at 2.00%, of capital contributions.

The amount and rate of cash distributions could vary and are not guaranteed. During the nine months ended September 30, 2018, the Partnership declared and accrued quarterly distribution to its Limited Partners totaling \$777,794 which resulted in a distributions payable to Limited Partners of \$321,871 at September 30, 2018.

At September 30, 2018, the Partnership declared and accrued a distribution of \$7,778, for distributions due to the General Partner which resulted in distributions payable to the General Partner of \$12,880 at September 30, 2018.

# Financial Statements

Balance Sheet	September 30, 2018 (unaudited)	December 31, 2017
<b>Assets</b>		
Cash and cash equivalents	\$ 3,258,438	\$ 2,036,337
Investments in finance leases, net	7,236,617	2,032,092
Investments in equipment subject to operating leases, net	151,410	223,102
Collateralized loans receivable, including accrued interest of \$973 and \$28,997	2,053,057	3,880,331
Other Assets	42,777	28,061
<b>Total Assets</b>	<b>\$ 12,742,299</b>	<b>\$ 8,199,923</b>
<b>Liabilities and Partners' Equity</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 248,586	\$ 103,158
Distributions payable to Limited Partners	321,871	181,062
Distributions payable to General Partner	12,880	5,102
Deferred revenue	137,161	49,619
<b>Total Liabilities</b>	<b>720,498</b>	<b>338,941</b>
<b>Partners' Equity (Deficit):</b>		
Limited Partners	12,050,413	7,880,248
General Partner	(28,612)	(19,266)
<b>Total Equity</b>	<b>12,021,801</b>	<b>7,860,982</b>
<b>Total Liabilities and Partners' Equity</b>	<b>\$ 12,742,299</b>	<b>\$ 8,199,923</b>

## Financial Statements

Statement of Operations (Unaudited)	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
<b>Revenue</b>				
Rental income	\$ 27,256	\$ 27,256	\$ 81,768	\$ 81,768
Finance income	278,168	16,475	629,057	55,186
Interest income	88,820	20,233	165,830	21,055
Other income	16,618	21,633	17,448	22,033
<b>Total Revenue</b>	<b>\$ 410,862</b>	<b>\$ 85,597</b>	<b>\$ 894,103</b>	<b>\$ 180,042</b>
<b>Expenses</b>				
Management fees - Investment Manager	187,500	187,500	562,500	562,500
Depreciation	23,912	23,911	71,692	71,690
Professional fees	111,867	33,076	248,912	165,852
Administration expense	72,914	33,175	157,375	128,254
Other expenses	-	14,514	10,414	15,114
<b>Total Expenses</b>	<b>396,193</b>	<b>292,176</b>	<b>1,050,893</b>	<b>943,410</b>
<b>Net income (loss)</b>	<b>14,669</b>	<b>(206,579)</b>	<b>(156,790)</b>	<b>(763,368)</b>
Net income (loss) attributable to the Partnership				
Limited Partners	\$ 14,522	\$ (204,513)	\$ (155,222)	\$ (755,734)
General Partner	147	(2,066)	(1,568)	(7,634)
Net income (loss) attributable to the Partnership	<b>\$ 14,669</b>	<b>\$ (206,579)</b>	<b>\$ (156,790)</b>	<b>\$ (763,368)</b>
Weighted average number of limited partnership interests outstanding	1,593,859.92	867,061.69	849,621.19	352,244.14
Net income (loss) attributable to Limited Partners per weighted average number of limited partnership interests outstanding	\$ 0.01	\$ (0.24)	\$ (0.18)	\$ (2.15)

# Financial Statements

## Statement of Changes in Partners' Equity (Unaudited)

<b>Nine Months Ended September 30, 2018</b>	<b>Limited Partnership Interests</b>	<b>Total Equity</b>	<b>General Partner</b>	<b>Limited Partners</b>
Balance, January 1, 2018	1,137,300.24	\$ 7,860,982	\$ (19,266)	\$ 7,880,248
Partners' capital contributions	562,068.69	5,620,687	-	5,620,687
Offering expenses	-	(121,237)	-	(121,237)
Underwriting fees	-	(391,384)	-	(391,384)
Net loss	-	(156,790)	(1,568)	(155,222)
Distributions to partners	-	(785,572)	(7,778)	(777,794)
Redemptions to partners	(536.84)	(4,885)	-	(4,885)
Balance, September 30, 2018	<u>1,698,832.09</u>	<u>\$ 12,021,801</u>	<u>\$ (28,612)</u>	<u>\$ 12,050,413</u>

# Financial Statements

Statement of Cash Flows (Unaudited)	For the Nine Months Ended September 30, 2018	For the Nine Months Ended September 30, 2017
<b>Cash flows from (used in) operating activities:</b>		
Net loss	\$ (156,790)	\$ (763,368)
<b>Adjustments to reconcile net loss to net cash provided by (used in) operating activities:</b>		
Finance income	(629,057)	(55,186)
Accrued interest income	(165,785)	(20,979)
Depreciation	71,692	71,690
<b>Change in operating assets and liabilities:</b>		
Minimum rents receivable	1,462,482	261,440
Accrued interest income	202,106	20,979
Other Assets	(14,716)	(22,013)
Accounts payable and accrued liabilities	145,428	(47,866)
Deferred revenue	87,542	24,153
Net cash provided by (used in) operating activities	1,002,902	(1,122,764)
<b>Cash flows from (used in) investing activities:</b>		
Purchase of finance leases	(6,037,950)	-
Cash paid for collateralized loans receivable	(5,537,538)	(1,361,156)
Cash received from collateralized loans receivable	3,328,491	238,392
Proceeds from sale of collateralized loans receivable	4,000,000	-
Net cash used in investing activities	(4,246,997)	(1,122,764)

# Financial Statements

Statements of Cash Flows (Unaudited) (continued)	For the Nine Months Ended September 30, 2018	For the Nine Months Ended September 30, 2017
<b>Cash flows from financing activities:</b>		
Repayments of loan payable	-	(1,000)
Cash received from Limited Partner capital contributions	5,537,450	6,966,299
Cash paid for Limited Partner distributions	(383,830)	(96,351)
Cash paid for Limited Partner redemptions	(4,885)	(1,000)
Cash paid for underwriting fees	(180,632)	(154,971)
Cash paid for offering costs	(84,477)	(284,058)
Net cash provided by financing activities	2,786,626	3,257,596
Net increase in cash and cash equivalents	733,820	1,701,950
Cash and cash equivalents, beginning of period	2,036,337	1,180,918
Cash and cash equivalents, end of period	\$ 2,770,157	\$ 2,882,868
<b>Supplemental disclosure of non-cash investing and financing activities:</b>		
Offering expenses paid by Investment Manager	\$ 121,237	\$ 369,506
Units issued as underwriting fee discount	\$ 83,237	\$ 217,459
Distributions payable to General Partner	\$ 7,778	\$ 2,890
Distributions payable to Limited Partners	\$ 140,809	\$ 102,550
Restricted cash release	\$ -	\$ 70,200

## Forward Looking Statements

*Certain statements within this Quarterly Report on Form 10-Q may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). These statements are being made pursuant to the PSLRA, with the intention of obtaining the benefits of the "safe harbor" provisions of the PSLRA, and, other than as required by law, we assume no obligation to update or supplement such statements. Forward-looking statements are those that do not relate solely to historical fact.*

*They include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events. You can identify these statements by the use of words such as "may," "will," "could," "anticipate," "believe," "estimate," "expect," "intend," "predict," "continue," "further," "seek," "plan," or "project" and variations of these words or comparable words or phrases of similar meaning.*

*These forward-looking statements reflect our current beliefs and expectations with respect to future events and are based on assumptions and are subject to risks and uncertainties and other factors outside our control that may cause actual results to differ materially from those projected. We undertake no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise.*

## Additional Information

A detailed financial report on SEC Form 10-Q or 10-K (whichever is applicable) is available to you. It is typically filed either 45 or 90 days after the end of the quarter or year, respectively. It contains financial statements, detailed sources and uses of cash, and explanatory notes. Please access these reports by:

Visiting: [www.thearboretumgroup.com](http://www.thearboretumgroup.com)

**Or**

Visiting: [www.sec.gov](http://www.sec.gov)

### **Administration:**

#### **Registered Office**

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#### **Registered Agent**

National Registered Agents, Inc.

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