UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM ___________ TO ___________.

COMMISSION FILE NUMBER: 333-211626

Arboretum Silverleaf Income Fund, L.P.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**81-1184858** **(I.R.S. Employer Identification No.)**
100 Arboretum Drive, Suite 105 **Portsmouth, NH** **(Address of principal executive offices)**	**03801** **(Zip code)**

Registrant's telephone number: (603) 294-1420

Securities registered pursuant to Section 12 (b) of the Act:
None

Securities registered pursuant to Section 12 (g) of the Act: Units of Limited Partnership Interests

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [ ] No [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller Reporting Company [X]
	Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: **Not applicable. There is no established market for the units of limited partnership interests of the registrant.**

The number of outstanding units of limited partnership interests of the registrant on March 27, 2020 was 2,532,772.53.

DOCUMENTS INCORPORATED BY REFERENCE

None.

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
Annual Report on Form 10-K for Year Ended December 31, 2019

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PART I

As used in this Annual Report on Form 10-K, references to "we," "us," "our" or similar terms or references to, "the Partnership" refer to Arboretum Silverleaf Income Fund, L.P. and Subsidiary.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the Securities and Exchange Commission (the "SEC"), all as may be amended from time to time, which are subject to the safe harbor created by those sections. Forward-looking statements are those that do not relate solely to historical fact and include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by our General Partner and our Investment Manager. Forward-looking statements can be identified by, among other things, the use of forward-looking language, such as the words "plan," "believe," "expect," "anticipate," "intend," "estimate," "project," "may," "will," "would," "could," "should," "seeks," or "scheduled to," or other similar words, or the negative of these terms or other variations of these terms or comparable language, or by discussion of strategy or intentions. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in this Annual Report on Form 10-K, including the risks described in greater detail in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 7. In addition, such statements could be affected by risks and uncertainties related to our ability to raise additional equity contributions, investment objectives, competition, government regulations and requirements, the ability to find suitable equipment transactions, as well as general industry and market conditions and general economic conditions. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this report.

AVAILABILITY OF INFORMATION

You may read and copy any of our materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of such materials also can be obtained free of charge at the SEC's website, www.sec.gov, or by mail from the Public Reference Room of the SEC, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC maintains an Internet site that contains reports and information statements, and other information regarding issuers that file electronically with the SEC. This information can be accessed at the web site http://www.sec.gov.

Item 1. Business.

Our History

We were organized as a Delaware limited partnership on January 14, 2016 and are engaged in a single business segment, the ownership and investment in leased equipment and related financings which includes: (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. We will terminate no later than December 31, 2040.

The General Partner of the Partnership is ASIF GP, LLC (f/k/a SQN AIF V GP, LLC) (the "General Partner"), a wholly-owned subsidiary of the Partnership's Investment Manager, Arboretum Investment Advisors, LLC (f/k/a SQN Investment Advisors, LLC) (the "Investment Manager"). On January 7, 2019, the Investment Manager changed its name from SQN Investment Advisors, LLC to Arboretum Investment Advisors, LLC. Both the Partnership's General Partner and its Investment Manager are Delaware limited liability companies. The General Partner manages and controls the day to day activities and operations of the Partnership, pursuant to the terms of the Partnership Agreement. The General Partner paid an aggregate capital contribution of $100 for a 1% interest in the Partnership's income, losses and distributions. The Investment Manager makes all investment decisions and manages the investment portfolio of the Partnership.

Our income, losses and distributions are allocated 99% to the limited partners (the "Limited Partners") and 1% to the General Partner until the Limited Partners have received total distributions equal to their capital contributions plus an 8% per year, compounded annually, cumulative return on their capital contributions. After such time, all income, losses and distributable cash will be allocated 80% to the Limited Partners and 20% to the General Partner. We expect to conduct our activities for at least six years and divide our life into three distinct stages: (i) the Offering Period, (ii) the Operating Period and (iii) the Liquidation Period. The Offering Period began on August 11, 2016, and concluded on March 31, 2019. The Operating Period commenced on October 3, 2016, the date of our initial closing, and will last for four years after that date unless extended at the sole discretion of the General Partner. During the Operating Period, we will invest most of the net proceeds from our offering in business-essential, revenue-producing (or cost-saving) equipment, other physical assets with substantial economic lives and, in many cases, associated revenue streams and project financings. The Liquidation Period, which follows the conclusion of the Operating Period, is the period in which the portfolio will be liquidated in the ordinary course of business and will last two years, unless it is extended, at the sole discretion of the General Partner.

American Elm Distribution Partners, LLC (f/k/a SQN Securities, LLC) ("American Elm"), is a Delaware limited liability company, is affiliated with our General Partner. American Elm will act initially as the selling agent for the offering of our units ("Units"). On January 7, 2019, American Elm changed its name from SQN Securities, LLC to American Elm Distribution Partners, LLC. The Units are offered on a "best efforts," "minimum-maximum" basis. The Operating Period began on the date we admitted our first Limited Partners, at the initial closing, which occurred on October 3, 2016, and this offering concluded on March 31, 2019.

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.

Our fund operates under a structure in which we pool the capital invested by our Limited Partners. This pool of capital is then used to invest in business-essential, revenue-producing (or cost-saving) equipment and other physical assets with substantial economic lives and, in many cases, associated revenue streams. The pooled capital contributions are also used to pay fees and expenses associated with our organization and to fund a capital reserve.

Many of our investments are anticipated to be structured as full payout or operating equipment leases and loans. In addition, we invest by way of participation agreements and residual sharing agreements where we acquire an interest in a pool of equipment or other assets or rights to the equipment or other assets, at a future date. We also structure investments as project financings that are secured by, among other things, essential use equipment and/or assets. Finally, we use other investment structures, such as vendor and rental programs that our Investment Manager believes will provide us the appropriate level of security, collateralization, and flexibility to optimize our return on investment while protecting against downside risk. In most cases, the structure includes us holding title to or a priority position in the equipment or other assets.

Although the final composition of our portfolio cannot be determined at this stage, we expect to invest in equipment and other assets that are considered essential use or core to a business or operation in the agricultural, energy, environmental, medical, manufacturing, technology, and transportation industries. Our Investment Manager may identify other assets or industries that meet our investment objectives. We expect to invest in equipment, other assets, and project financings located primarily within the United States of America and the European Union but may also make investments in other parts of the world.

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 concluded on March 31, 2019. We have been approved for sale under Blue Sky regulations in 49 states and the District of Columbia. During the Offering Period the majority of our cash inflows were derived from financing activities and were the direct result of capital contributions from Limited Partners.

During the Operating Period, we plan to make quarterly distributions of cash to our Limited Partners, if, in the opinion of our Investment Manager, such distributions are in our best interests. Therefore, the amount and rate of cash distributions could vary and are not guaranteed. The targeted distribution rate is 6.0% annually, paid quarterly as 1.5%, of each Limited Partner's 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. Beginning as of March 31, 2018, we increased our distribution to 7.0% annually, paid quarterly at 1.75% of capital contributions. Beginning as of June 30, 2018, we increased our distribution to 7.5%, paid quarterly at 1.875% of capital contributions. Beginning as of September 30, 2018 we increased our distribution to 8.0%, paid quarterly at 2.00% of capital contributions.

From August 11, 2016 through December 31, 2019, we admitted 617 Limited Partners with total capital contributions of $25,371,709 resulting in the sale of 2,537,170.91 Units. We received cash contributions of $24,718,035 and applied $653,674 which would have otherwise been paid as sales commission to the purchase of 65,367.46 additional Units. During the years ended December 31, 2019 and 2018, we paid an underwriting fee to American Elm totaling $118,326 and $157,443, respectively.

A Limited Partner may not redeem its Units without the prior written consent of our General Partner. Our General Partner has the sole discretion to approve or deny any redemption requested by a Limited Partner.

At December 31, 2019, we had total assets of $29,345,026. Of this amount, $23,705,055 was for various investments: (i) 18,764,984 related to investments in finance leases (ii) $1,808,764 related to investments in equipment subject to operating leases and (iii) $3,131,307 related to collateralized loans receivables. We also had other assets of $575,028. For the year ended December 31, 2019, we had net income of $175,174.

At December 31, 2018, we had total assets of $14,696,840. Of this amount, $11,503,951 was for various investments: (i) $8,058,033 related to investments in finance leases (ii) $127,498 related to investments in equipment subject to operating leases and (iii) $3,318,420 related to collateralized loans receivables. For the year ended December 31, 2018, we had a net loss of $139,178.

At December 31, 2019 and 2018, our investment portfolio consisted of the following transactions:

Computer Equipment

On October 6, 2016, the Partnership funded a lease facility for $680,020 of Apple computers with a private school in New York City. The finance lease requires 36 monthly payments of $17,402. The lessee made a down payment of $102,002 and the remainder amount was funded by the Partnership. The lease is secured by ownership of the equipment. On July 11, 2019 the Partnership received cash of $136,003, and paid the outstanding broker fee of $35,148. The finance lease had a residual value of $68,001 resulting in an increase in finance income of $32,854.

Operating Leases

On October 18, 2016, the Partnership funded a lease facility for $318,882 for 16 pizza ovens to five separate lessees. Each lease has a 36 month term with various monthly payments. On November 1, 2019, the lease was amended to extend the monthly payment stream for three additional months, after which the lessee will be required to purchase the equipment for its fair market value. Each lease is secured by ownership of the equipment and by a corporate guarantee of the parent of the lessees.

Furniture and Kitchen Equipment

On October 21, 2016, the Partnership funded a finance lease for $357,020 of an assortment of school furniture and kitchen equipment with a public charter school in New Jersey. The finance lease requires 36 monthly payments of $11,647 with the first and last payments due in advance. The lease is secured by a first priority lien against the equipment. In October 2019 the lease was fully paid off and matured in accordance with the finance lease.

Collateralized Loan Receivable

On June 26, 2017, the Partnership entered into a Commercial Finance Agreement ("CFA") with a borrower to provide secured financing for $1,184,850 of warehouse racking equipment. The CFA is secured by the racking equipment, and accrues interest at a rate of 9% per annum and matures on June 26, 2020. The borrower will make 36 monthly payments as follows: one payment of $39,083, 11 monthly payments of $69,498 and 24 monthly payments of $20,222. In connection with the CFA, on June 26, 2017, the Partnership advanced $689,552 to the vendor as a progress payment for the equipment. On July 31, 2017, the Partnership advanced $495,298 to the vendor as the final payment for the equipment. On May 31, 2019, the Partnership received cash of $222,439 as payment in full of the CFA entered into on June 26, 2017.

On June 26, 2017, the Partnership entered into a loan agreement with a borrower to refinance the borrower's debt. In connection with the refinancing, the Partnership received a promissory note from the borrower in the amount of $150,000. The note accrues interest at a rate of 12% per annum and matures on June 26, 2021. The promissory note will be paid through 48 monthly installments of principal and interest of $3,931. The promissory note is secured by a first priority security interest in all of the borrower's assets and personal guarantees of the borrower's principals as well as a corporate guarantee of an affiliate of the borrower.

Agricultural Equipment

On November 9, 2017, the Partnership funded a lease facility for $406,456 of agricultural equipment and supplies with a company based in Illinois. The finance lease requires 36 monthly payments of $13,819 with the first and last payments due in advance. On February 9, 2018, the Partnership funded a second lease facility for $48,850 of agricultural equipment and supplies with the company based in Illinois. The finance lease requires 36 monthly payments of $1,661 with the first and last payments due in advance. On April 17, 2018, the Partnership funded a third lease facility for $44,380 of agricultural equipment and supplies with the company based in Illinois. The finance lease requires 36 monthly payments of $1,509 with the first and last payments due in advance. The leases are secured by a first priority lien against the agricultural equipment and supplies and a personal guarantee from the company's CEO.

Infrastructure Equipment

On December 4, 2017, the Partnership entered into a lease facility for $940,000 of railcar movers with a company based in Missouri. The finance lease requires 60 monthly payments of $16,468 with the first and last payments due in advance, and an additional final payment of $350,709. In July 2019, the company filed for Chapter 11 bankruptcy. The company exited bankruptcy protection in October 2019, affirming the lease without amendment and curing all past due amounts. The lease is secured by a first priority lien against the railcar movers.

Fabrication Equipment

On January 18, 2018, the Partnership entered into a lease facility for $2,188,377 of fabrication equipment with a company based in Texas. The lease requires 42 monthly payments of $57,199 with the first and last payments due in advance. The lease is secured by a first priority lien against the fabrication equipment. During the year ended December 31, 2018, the Partnership received payments totaling $403,363 from this lessee. On February 28, 2019, the lease was amended and restated to a 60 month lease commencing on March 1, 2019. The lease requires 24 monthly payments of $31,000 and 36 monthly payments of $40,000. The lease is secured by a first priority lien against the fabrication equipment. The Partnership reclassified this lease from a finance lease to an operating lease.

Virtual Office Software Equipment

On February 5, 2018, the Partnership entered into a lease facility and advanced $245,219 of virtual office software and equipment with a company based in Florida. The lease requires 24 monthly payments of $12,020 with the first and last payments due in advance. The lease is secured by a first priority lien against the virtual office software and equipment.

Education and Tourism Equipment

On February 12, 2018, the Partnership entered into a lease facility for up to $1,500,000 of educational multimedia content equipment with a global company. The lease is secured by a first priority lien against the educational multimedia content equipment. On February 14, 2018, the Partnership advanced $1,015,720 as equipment lease schedule 1 ("Schedule 1") under this lease facility. The Schedule 1 lease requires 36 monthly payments of $33,402 with the first payment due in advance, commencing on March 1, 2018. On June 29, 2018, the Partnership amended and restated the above lease facility and Schedule 1 to $1,175,720 and advanced an additional $160,000 under the amended and restated lease facility. The amended and restated Schedule 1 lease requires 32 monthly payments of $39,212 and commenced on July 1, 2018.

Information Technology Equipment

On April 3, 2018, the Partnership funded a lease facility for $390,573 of IT server equipment with a company based in California. The finance lease requires 36 monthly payments of $13,444 with the first payment due in advance. The lease is secured by a first priority lien against the IT server equipment.

Medical Equipment

On June 26, 2018, the Partnership entered into a lease facility for $673,706 of electrosurgical fiber, manufacturing, and testing equipment with a company based in Massachusetts. The lease is secured by a first priority lien against the equipment and a corporate guarantee of the parent company of the lessee. On June 26, 2018, the Partnership advanced a total of $455,749 as equipment lease schedule 1 ("Schedule 1") and schedule 2 ("Schedule 2") under this lease facility. On August 2, 2018 and September 26, 2018, the Partnership advanced a total of $71,361 and $35,680 as additional funding under equipment lease Schedule 1. On December 31, 2018, the Partnership advanced a total of $110,915 as additional funding under equipment lease Schedule 2. Schedule 1 requires 42 monthly payments of $10,711 with the first and last payment due upon commencement on October 1, 2018. Schedule 2 requires 42 monthly payments of $9,513 with the first and last payment due upon commencement on January 1, 2019.

Infrastructure Equipment

On June 29, 2018, the Partnership entered into a lease facility for $1,199,520 for water pumps based in North Dakota. The finance lease requires 48 monthly payments of $31,902 with the first and last payments due in advance. On October 31, 2018, the Partnership entered into a second lease facility for $529,239 for water pumps. The finance lease requires 36 monthly payments of $17,888 with the first and last payments due in advance. On January 29, 2019, the Partnership entered into a third lease facility for $67,500 for water pumps. On January 29, 2019, the Partnership funded $33,750 and on April 9, 2019, the Partnership funded the remaining $33,750. The finance lease requires 36 monthly payments of $2,282 with the first and last payments due in advance and commences on May 1, 2019. On June 19, 2019, the Partnership entered into and funded a fourth lease facility for $1,270,125 for water pumps and other equipment. The finance lease requires 36 monthly payments of $43,565 with the first and last payments due in advance and commences on July 1, 2019. On August 7, 2019, the Partnership entered into and funded a fifth lease facility for $27,351 for water pumps. The finance lease requires 36 monthly payments of $938 with the first and last payments due in advance and commences on August 7, 2019. On August 29, 2019, the Partnership entered into a sixth lease facility for $196,803 for water pumps, and on September 12, 2019 the lease facility was funded. The finance lease requires 36 monthly payments of $6,750 with the first and last payments due in advance and commences on August 29, 2019. The lease is secured by a first priority lien against the water pumps and the other leased equipment.

Collateralized Loan Receivable

On June 29, 2018, the Partnership entered into a loan agreement with a borrower to provide financing in an amount up to $7,500,000 to finance a food production facility in Georgia. The loan facility is structured as two tranches: Tranche I: $5,500,000 was funded on July 5, 2018. Tranche II: Up to $2,000,000 is available at lender's discretion subject to the borrower achieving certain milestones. The loan facility is secured by a first priority security interest in all of the borrower's assets. In connection with the Tranche I loan, the Partnership received three promissory notes from the borrower in the amount of $1,500,000, $2,000,000 and $2,000,000 respectively. On July 5, 2018, the Partnership funded $5,500,000 for the Tranche I loan. The Tranche I loan accrues interest at a rate of 12.75% plus 3 month LIBOR with a floor of 1.5% and matures on June 30, 2021. The Tranche I loan requires 18 monthly interest only payments upon commencement (first 12 monthly interest payments to be paid in cash at 11% and the remainder to be paid in kind ("PIK") by adding such PIK interest to the principal balance and 6 monthly interest payments to be paid in cash) and 18 monthly payment of principal and interest payment with monthly principal paydowns of $150,000. Upon maturity of the Tranche I loan, the borrower will make a final balloon payment of approximately $3,029,000 ($2,900,000 principal plus accrued PIK interest). On June 29, 2018, the Partnership entered into an assignment agreement with a third party and sold $3,000,000 of the Tranche I loan, effective July 5, 2018, and sold $1,000,000 of the Tranche I loan, effective on or about September 1, 2018. On July 5, 2018, the Partnership returned two promissory notes to the borrower in the amount of $2,000,000 and $2,000,000 respectively and the borrower reissued one promissory note to the Partnership in the amount of $1,000,000 and one promissory note to the third party in the amount of $3,000,000. On July 5, 2018 and August 31, 2018, the Partnership received cash of $3,000,000 and $1,000,000, respectively, from the third party for the sale of those promissory notes. On November 1, 2019, the Partnership entered into an assignment agreement with a third party and purchased additional $417,675 of the Tranche I loan.

Helicopter

On October 1, 2018, the Partnership, on behalf of Lifestyle Leasing, funded $600,000 into an escrow account. On November 9, 2018, the funds were released from escrow and used to fund a helicopter lease. The lessee provided $450,000 of the $1,050,000 purchase price of the helicopter. The finance lease requires 36 monthly payments of $13,423, payable in arrears, and a final payment of $284,435 on November 1, 2021. On funding, the lessee paid the November 1, 2018 rent payment and a four month security deposit of $53,692. The lease is secured by a first priority lien against the leased helicopter and against an additional helicopter. On February 14, 2019, Lifestyle Leasing, on behalf of the Partnership, received cash of $577,025 as total payoff, in connection with the helicopter lease entered into on October 1, 2018. The finance lease had a net book value of $525,063 resulting in an increase in finance income of $51,962.

Infrastructure Equipment

On November 20, 2018, the Partnership entered into a lease facility for $33,450 for water pumps based in Texas. The finance lease requires 36 monthly payments of $1,159 with the first and last payments due in advance. On November 20, 2018, the Partnership entered into a second lease facility for $162,943 for water pumps. The finance lease requires 36 monthly payments of $5,648 with the first two months and last payments due in advance. The lease is secured by a first priority lien against the water pumps.

Collateralized Loan Receivable

On December 11, 2018, the Partnership entered into a loan agreement with two affiliated North Dakota based firms as co-borrowers to provide financing in an amount up to $4,100,000 for oilfield tools and services, and consulting, of which the Partnership agreed to provide up to $1,700,000. The loan facility is structured as two tranches: Tranche I: $3,200,000 and Tranche II: 900,000 which are available at lender's discretion subject to the borrower achieving certain milestones. The loan facility is secured by a first priority lien on all of the borrower's assets. In connection with the Tranche I loan, the Partnership received two promissory notes from the borrower in the amount of $1,326,830 and $1,873,170. On December 11, 2018, $1,326,830 and $1,873,170 were funded for Tranche I, in which $100,000 was held back for a security deposit and $200,000 will be funded upon completion. The Tranche I loan accrues interest at a rate of 10.6% plus 3 month LIBOR with a floor of 2.4% and matures on December 11, 2021. The Tranche I loan requires 36 monthly payments of $41,463 with one interest only payment due upon loan commencement. On December 11, 2018, the Partnership entered into an assignment agreement with a third party and sold $1,873,170 of the Tranche I loan, effective December 11, 2018. On December 14, 2018, the Partnership received cash of $1,682,842 from the third party for the sale of the promissory note. On January 25, 2019, the Partnership funded $250,000 of Tranche II. The Partnership received two promissory notes from the borrower in the amount of $103,659 and $146,341. On January 25, 2019, the Partnership entered into an assignment agreement with a third party and sold $146,341 of the Tranche II loan, effective January 25, 2019. On January 25, 2019, the Partnership received cash of $148,902 from the third party for the sale of the promissory note. On August 1, 2019 the Partnership decided not fund the $200,000 related to Tranche I upon the completion of title work related purchased vehicles.

Operating Leases

On February 28, 2019, the lease for fabrication equipment was amended and restated to a 60 month lease commencing on March 1, 2019. The lease requires 24 monthly payments of $31,000 and 36 monthly payments of $40,000, on maturity, the lessee can return the equipment or purchase it for $500,000. The lease is secured by a first priority lien against the fabrication equipment. The Partnership reclassified this lease from a finance lease to an operating lease.

Medical Equipment

On March 22, 2019, the Partnership entered into a lease facility for $493,906 of medical equipment with a hospital based in Texas. The lease is secured by a first priority lien against the medical equipment. On March 22, 2019, the Partnership advanced a total of $493,906 under this lease facility. The lease schedule requires 36 monthly payments of $16,820 with the first payment due upon commencement, commencing on April 1, 2019, on maturity, the lessee can return the equipment or purchase it at its then fair market value, not to exceed 14.5% of equipment cost.

Infrastructure Equipment

On May 30, 2019, the Partnership entered into a lease facility for $3,600,000 for industrial dryers based in Kentucky. On May 31, 2019, the Partnership advanced $3,600,000 under this lease facility. The finance lease requires 48 monthly payments of $94,802 with the first and last payments due in advance and commences on November 1, 2019. On November 18, 2019, the Partnership issued a Notice of Default letter to the company, and on November 25, 2019, the Partnership issued a Notice of Lease Commencement and Demand Notice for payment from the company. On December 31, 2019, the company paid $75,000 to the Partnership, and entered into a forbearance agreement with the Partnership. In January 2020, a group of three small creditors filed an involuntary bankruptcy petition against the company. As a result, in February 2020, the company filed for Chapter 11 bankruptcy. The lease is secured by a first priority lien against the industrial dryers. The Partnership is in active discussions with prospective purchasers of the industrial dryers. The Partnership has evaluated the value of the collateral and believes that proceeds would be sufficient to cover the outstanding obligations under the lease.

On August 23, 2019, the Partnership entered into and funded a lease facility for $3,000,000 for a welding system based in Louisiana. The finance lease requires 60 monthly payments of $62,900 and a final payment of $300,000 with the first and last payments due in advance and commenced on September 1, 2019. The lease is secured by a first priority lien against the welding system.

On September 5, 2019, the Partnership entered into a lease facility for $101,828 for screen printer and dryers based in Georgia. On September 20, 2019, the Partnership advanced $101,828 under this lease facility. The finance lease requires 48 monthly payments of $2,875 and a final payment of $10,183, with the first payment due in advance. The lease is secured by a first priority lien against the screen printer and dryers.

On September 20, 2019, the Partnership entered into a lease facility for $865,084 for LED lighting based in Texas. On September 26, 2019, the Partnership advanced $865,084 under this lease facility. The finance lease requires 60 monthly payments of $19,472, with the first payment due in advance and commenced on September 25, 2019. The lease is secured by a first priority lien against the LED lighting.

On October 21, 2019, the Partnership entered into a lease facility for $1,137,340 for capital improvements, specifically key structural, mechanical, and electrical related equipment, based in Ohio. On October 22, 2019, the Partnership advanced $1,137,340 under this lease facility. The finance lease requires 48 monthly payments of $29,483. The lease is secured by a first priority lien against the equipment.

Computer Equipment

On November 5, 2019, the Partnership entered into and funded a lease facility for $862,087 for Apple products based in California. The finance lease requires 30 monthly payments of $32,704, with the last three months due in advance. The lease is secured by a first priority lien against the Apple products.

Infrastructure Equipment

On November 26, 2019, the Partnership entered into a lease facility for $1,230,754 for fish processing equipment based in Alaska. On November 26, 2019, the Partnership advanced $1,107,679 under this lease facility. On March 25, 2020, the Partnership advanced the remaining $123,075 under this lease facility. The finance lease requires 55 monthly payments of $29,218 and a final payment of $184,613, with first month due in advance and commences on April 1, 2020. The lease is secured by a first priority lien against the fish processing equipment.

Furniture and Kitchen Equipment

On December 5, 2019, the Partnership entered into a lease facility for $1,144,933 for furniture, fixtures, equipment, and vehicles based in Michigan. On December 6, 2019, the Partnership advanced $1,144,933 under this lease facility. The finance lease requires 3 monthly payments of $16,987 and 39 monthly payments of $35,465, with the last payment due in advance. The lease is secured by a first priority lien against the furniture, fixtures, equipment, and vehicles.

Infrastructure Equipment

On December 27, 2019, the Partnership entered into and funded a lease facility for $1,532,873 for hydraulic press and chiller systems based in Michigan. The finance lease requires 35 monthly payments of $51,692. The lease is secured by a first priority lien against the hydraulic press and chiller systems.

Segment Information

We are engaged in a single business segment, the ownership and investment in leased equipment, which includes: (i) purchasing equipment and leasi. g 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.

Competition

The commercial leasing and financing industry is highly competitive and is characterized by competitive factors that vary based upon product and geographic region. Our competitors are varied and include other equipment leasing and finance funds, hedge funds, private equity funds, captive and independent finance companies, commercial and industrial banks, manufacturers and vendors.

Other equipment finance companies and equipment manufacturers or their affiliated financing companies may be in a position to offer equipment to prospective customers on financial terms that are more favorable than those that we can offer. There are numerous other potential entities, including entities organized and managed similarly to us, seeking to make investments in leased equipment. Many of these potential competitors are larger and have greater financial resources than us.

We compete primarily on the basis of terms and structure, particularly on structuring flexible, responsive, and customized financing solutions for our customers. Our investments are often made directly rather than through competition in the open market. This approach limits the competition for our typical investment, which may enhance returns. We believe our investment model may represent the best way for individual investors to participate in investing in leased or financed equipment. Nevertheless, to the extent that our competitors compete aggressively on any combination of the foregoing factors, we could fail to achieve our investment objectives.

Employees

We have no direct employees. Our General Partner and/or our Investment Manager supervise and control our business affairs and service our investments.

Available Information

Our Annual Report on Form 10-K, our most recent Quarterly Reports on Form 10-Q and any amendments to those reports and our Current Reports on Form 8-K, if any, and any amendments to those reports are available free of charge on the SEC's website at http://www.sec.gov or from our website at http://thearboretumgroup.com.

Financial Information Regarding Geographic Areas

We have long-lived assets, which include finance leases and operating leases, and we generate all our revenues in geographic areas in the United States of America. For additional information, refer to Part II. Item 8. Financial Statement and Supplementary Data, Note 13 Geographic Information in the notes to our consolidated financial statements included in this Annual Report on Form 10-K.

Item 1A. Risk Factors.

Not applicable.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

We neither own nor lease office space or any other real property in our business at the present time.

Item 3. Legal Proceedings.

We are not aware of any material legal proceedings that are currently pending against us or against any of our assets.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our Units are not publicly traded, and there is no established public trading market for our Units. It is unlikely that any such market will develop.

Title of Class	Number of Partners at March 27, 2020
General Partner	1
Limited Partners	616

We pay, at the sole discretion of our Investment Manager and contingent upon the availability of funds, quarterly cash distributions to each Limited Partner computed at 1.5% (pro-rated to the date of admission for each Limited Partner) of each Limited Partner's capital contribution. During the year ended December 31, 2019, we made quarterly cash distributions to our Limited Partners totaling approximately $1,804,000, and we accrued $511,318 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $511,318 at December 31, 2019. During the year ended December 31, 2018, we made quarterly cash distributions to our Limited Partners totaling approximately $959,000, and we accrued $370,290 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $370,290 at December 31, 2018. At December 31, 2019 and 2018 we declared and accrued a distribution of $19,430 and $11,481, respectively, for distributions due to our General Partner which resulted in distributions payable to our General Partner of $36,013 and $16,583 at December 31, 2019 and 2018, respectively.

We are required pursuant to Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 2310(b)(5) to disclose in each annual report distributed to our Limited Partners a per Unit estimated value of our Units, the method by which we developed the estimated value, and the date used to develop the estimated value. In addition, our Investment Manager prepares statements of our estimated Unit values to assist fiduciaries of retirement plans subject to the annual reporting requirements of ERISA in the preparation of their reports relating to an investment in our Units. For these purposes, the estimated value of our Units is $9.54 per Unit at December 31, 2019. This estimated value is provided to assist plan fiduciaries in fulfilling their annual valuation and reporting responsibilities and should not be used for any other purpose. Because this is only an estimate, we may subsequently revise this estimated value. There is no significant public trading market for our Units at this time and none is expected to develop. There can be no assurance that Limited Partners could receive $9.54 per Unit if such a market did exist and they sold their Units, or that they will be able to receive such amount for their Units in the future. At December 31, 2019, we were in our Operating Period which we began on October 3, 2016. Our Offering Period began on August 11, 2016 and concluded on March 31, 2019.

Following the completion of our Offering Period, the estimated value of our Units will be based on a valuation performed at least annually. When conducting such valuation, there are currently no SEC, federal and state rules that establish requirements specifying the methodology to employ in determining an estimated per Unit value; provided, however, that the determination of the estimated per Unit value must be conducted by, or with the material assistance or confirmation of, a third-party valuation expert or service and must be derived from a methodology that conforms to standard industry practice. The valuation will be an estimate only, will be subject to various limitations and will be based on a number of assumptions and estimates that may or may not be accurate or complete. If we provide an estimated per Unit value of our Units based on a valuation prior to the conclusion of our offering, our General Partner may determine to modify the offering price to reflect the estimated value per Unit.

The redemption price we offer to repurchase our Units utilizes a different valuation methodology than that which we use to determine the current value of our Units for ERISA and FINRA purposes described above. Therefore, the $9.54 per Unit does not reflect the amount that a Limited Partner should expect to receive under our redemption plan. In addition, there can be no assurance that a Limited Partner will be able to redeem their Units under our redemption plan. A Limited Partner may not redeem their Units without the prior written consent of our General Partner. Our General Partner has the sole discretion to approve or deny any redemption requested by any of our Limited Partners.

Item 6. Selected Financial Data.

The selected financial data should be read in conjunction with the consolidated financial statements and related notes included in "Item 8. Financial Statem%nts and Supplementary Data" contained elsewhere in t(is Annual Report on Form 10-K.

	Year Ended December 31, 2019	Year Ended December 31, 2018
Total revenue	$ 2,259,881	$ 1,228,552
Net income (loss)	$ 175,174	$ (139,178)
Net income (loss) allocable to Limited Partners	$ 173,422	$ (137,786)
Weighted average number of limited partnership interests outstanding	1,302,315.04	810,989.49
Net income (loss) per weighted average number of limited partnership interests outstanding	$ 0.13	$ (0.17)
Distributions declared to Limited Partners	$ 1,945,025	$ 1,148,084
Distributions per weighted average number of limited partnership interests outstanding	$ 1.49	$ 1.42

	December 31, 2019	December 31, 2018
Total assets	$ 29,345,026	$ 14,696,840
Partners' Equity	$ 18,167,134	$ 13,850,728

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

Certain statements within this Annual Report on Form 10-K 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," "should," "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.

Overview

We are a Delaware limited partnership formed on January 14, 2016. Our fund operates under a structure which pools the capital invested by our partners. This pool of capital is then used to invest in business-essential, revenue-producing (or cost-saving) equipment and other physical assets with substantial economic lives and, in many cases, associated revenue streams and project financings. The pooled capital contributions are also used to pay fees and expenses associated with our organization and to fund a capital reserve.

Our principal investment strategy is to invest in business-essential, revenue-producing (or cost-savings) equipment 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.

Many of our investments will be structured as full payout or operating leases. Full payout leases generally are leases under which the rent over the initial term of the lease will return our invested capital plus an appropriate return without consideration of the residual value, and where the lessee may acquire the equipment or other assets at the expiration of the lease term. Operating leases generally are leases under which the aggregate non-cancelable rental payments during the original term of the lease, on a net present value basis, are not sufficient to recover the purchase price of the equipment or other assets leased under the lease.

We also intend to invest by way of loans, participation agreements and residual sharing agreements where we would acquire an interest in a pool of equipment or other assets, or rights to the equipment or other assets, at a future date. We also may structure investments as project financings that are secured by, among other things, essential use equipment and/or assets. Finally, we may use other investment structures that our Investment Manager believes will provide us with the appropriate level of security, collateralization, and flexibility to optimize our return on our investment while protecting against downside risk, such as vendor and rental programs. In many cases, the structure will include us holding title to or a priority or controlling position in the equipment or other asset.

Although the final composition of our portfolio cannot be determined at this stage, we expect to invest in equipment and other assets that are considered essential use or core to a business or operation in the agricultural, energy, environmental, medical, manufacturing, technology, and transportation industries. Our Investment Manager may identify other assets or industries that meet our investment objectives. We expect to invest in equipment, other assets and project financings located primarily within the United States of America and the European Union but may also make investments in other parts of the world.

We are currently in the Operating Period. The Offering Period concluded on March 31, 2019. During the Operating Period, we will invest most of the net proceeds from our offering in business-essential, revenue-producing (or cost-saving) equipment, other physical assets with substantial economic lives and, in many cases, associated revenue streams and project financings. The Operating Period began on the date we admitted our first Limited Partners, at the initial closing, which occurred on October 3, 2016 and will last for four years from that date unless extended at the sole discretion of the General Partner. At our initial closing, we reimbursed our Investment Manager for a portion of the fees and expenses associated with our organization and offering which they previously paid on our behalf and we funded a small capital reserve. The Liquidation Period, which follows the conclusion of the Operating Period, is the period in which we will sell assets in the ordinary course of business and will last two years, unless it is extended, at the sole discretion of the General Partner.

Our General Partner, our Investment Manager and their affiliates, including American Elm in its capacity as our selling agent and certain non-affiliates (namely, Selling Dealers) receive fees and compensation from the offering of our Units, including the following, with any and all compensation paid to our General Partner solely in cash. We pay an underwriting fee of 2% of the gross proceeds of the offering (excluding proceeds, if any, we receive from the sale of our Units to our General Partner or its affiliates) to our selling agent or selling agents. While American Elm initially acts as our exclusive selling agent, we may engage additional selling agents in the future. From these underwriting fees, a selling agent may pay Selling Dealers, a non-accountable marketing fee based upon such factors as the volume of sales of such Selling Dealers, the level of marketing support provided by such participating dealers and the assistance of such Selling Dealers in marketing the offering, or to reimburse representatives of such Selling Dealers for the costs and expenses of attending our educational conferences and seminars. This fee will vary, depending upon separately negotiated agreements with each Selling Dealer. In addition, we pay a sales commission to Selling Dealers up to 5% of the gross proceeds of the offering (excluding proceeds, if any, we receive from the sale of our Units to our General Partner or its affiliates).

Our General Partner receives an organizational and offering expense allowance of up to 1.5% of our offering proceeds to reimburse it for expenses incurred in preparing us for registration or qualification under federal and state securities laws and subsequently offering and selling our Units. The organizational and offering expense allowance will be paid out of the proceeds of the offering. The organizational and offering expense allowance will not exceed the actual fees and expenses incurred by our General Partner and its affiliates. Because organizational and offering expenses will be paid as and to the extent they are incurred, organizational and offering expenses may be drawn disproportionately to the gross proceeds of each closing.

During our Operating Period, our Investment Manager will receive a structuring fee in an amount equal to 1.5% of each cash investment made, including reinvestments, payable on the date each such investment is made.

During our Operating Period and our Liquidation Period, our Investment Manager receives a management fee in an amount 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.

Our General Partner will initially receive 1% of all distributed distributable cash. Our General Partner has a Promotional Interest in us equal to 20% of all distributed distributable cash after we have provided a return to our Limited Partners of their respective capital contributions plus an 8% per annum, compounded annually, cumulative return on their capital contributions.

Current Business Environment and Outlook

In December 2019, a novel strain of coronavirus (also known as COVID-19) was reported to have surfaced in Wuhan, China. In January 2020, this coronavirus spread to other countries, including the United States and Europe. The outbreak has continued to spread and is currently classified as a pandemic. Efforts to contain the spread of this coronavirus has intensified. To date, COVID-19 has not had a significant impact on our business. Although we currently expect that the disruptive impact of coronavirus on our business will be temporary, this situation continues to evolve and therefore we cannot predict the extent to which the coronavirus will directly or indirectly affect our business and operating results.

We believe that the second half of 2020 will present attractive opportunities for equipment lease and asset finance investments. After adopting a wait-and-see approach to monetary policy in the first half of 2019, the Federal Reserve cut its benchmark policy rate three times in the second half of 2019 in an effort to insulate the U.S. economy from the effects of trade headwinds, industrial sector weakness, and a global economic slowdown. The Fed Chairman said that the Federal Open Market Committee is unlikely to make changes to monetary policy if the economy continues along its current path. However, the Fed Chairman has also indicated an openness to cutting the Fed's benchmark rate if U.S. economic data worsens. As lending institutions, such as banks, tighten lending standards, the financing provided by us will become more in demand , and our market for potential investments will broaden. A decrease in interest rates will decrease the cost of our leverage, which should increase our gross margins. Our single investor leases and loans should benefit from any tightening of credit markets. As the market settles, we believe there is more opportunity than there has been in years to acquire seasoned portfolios of equipment leases and loans. We also believe that there may be opportunity for consolidation in the next year or two. The fundamentals of our economy continue to be strong. The current events in the worldwide markets and the impact of COVID-19 are impacting the very near term. Business demand for equipment finance is always based on the long-term perspectives of the commercial sectors, and we do not believe that pessimism is the predominant emotion in our customer base. As companies seek to retain and free up liquidity, strong borrowers that could have self-funded equipment in the past are likely to now seek equipment financing. Although the Federal Reserve lowered interest rates, we don't believe that the decrease will have any impact on the equipment acquisition decisions of small businesses. Overall we think that businesses have a positive outlook for growth in the latter half of 2020 and we anticipate capital asset and equipment acquisition will be an essential part of that growth.

Current Industry Trends

According to the Equipment Leasing and Finance Foundation's "*2020 Equipment Leasing and Financing U.S. Economic Outlook"* the U.S. economy's growth in 2020 is poised to experience moderate growth of 1.7% while equipment and software investment should expand by about 1.1%. After robust growth in 2018, equipment and software investment slowed markedly over the course of 2019 and contracted in the third quarter as the effects of unresolved trade tensions and a slowing global economy took hold. The U.S. manufacturing sector continues to face recession-like conditions, which will provide a weak jump-off point for both the U.S. economy and the equipment industry in 2020. However, a strong labor market, the recently passed stimulus measures,and still-confident U.S. consumer base should keep the broader economy above water for the time being, even as investment in several key equipment verticals slows or remains weak. After decelerating over the course of 2019, the U.S. economy appears poised to soften further in 2020. Equipment and software investment is on track to post its weakest year of growth since 2016, weighed down by an annualized contraction in Q3 — the first negative reading in over three years. Several headwinds highlighted in last year's annual outlook began to stunt growth in the second half of 2019 and are expected to continue dragging on business confidence and investment in early 2020. However we expect more companies to look to finance their capex needs in 2020 as they seek to preserve working capital.

Recent Significant Transactions

Operating Leases

On February 28, 2019, the lease for fabrication equipment was amended and restated to a 60 month lease commencing on March 1, 2019. The lease requires 24 monthly payments of $31,000 and 36 monthly payments of $40,000, on maturity, the lessee can return the equipment or purchase it for $500,000. The lease is secured by a first priority lien against the fabrication equipment. The Partnership reclassified this lease from a finance lease to an operating lease.

Medical Equipment

On March 22, 2019, the Partnership entered into a lease facility for $493,906 of medical equipment with a hospital based in Texas. The lease is secured by a first priority lien against the medical equipment. On March 22, 2019, the Partnership advanced a total of $493,906 under this lease facility. The lease schedule requires 36 monthly payments of $16,820 with the first payment due upon commencement, commencing on April 1, 2019, on maturity, the lessee can return the equipment or purchase it at its then fair market value, not to exceed 14.5% of equipment cost.

Infrastructure Equipment

On May 30, 2019, the Partnership entered into a lease facility for $3,600,000 for industrial dryers based in Kentucky. On May 31, 2019, the Partnership advanced $3,600,000 under this lease facility. The finance lease requires 48 monthly payments of $94,802 with the first and last payments due in advance and commences on November 1, 2019. On November 18, 2019, the Partnership issued a Notice of Default letter to the company, and on November 25, 2019, the Partnership issued a Notice of Lease Commencement and Demand Notice for payment from the company. On December 31, 2019, the company paid $75,000 to the Partnership, and entered into a forbearance agreement with the Partnership. In January 2020, a group of three small creditors filed an involuntary bankruptcy petition against the company. As a result, in February 2020, the company filed for Chapter 11 bankruptcy. The lease is secured by a first priority lien against the industrial dryers. The Partnership is in active discussions with prospective purchasers of the industrial dryers. The Partnership has evaluated the value of the collateral and believes that proceeds would be sufficient to cover the outstanding obligations under the lease.

On August 23, 2019, the Partnership entered into and funded a lease facility for $3,000,000 for a welding system based in Louisiana. The finance lease requires 60 monthly payments of $62,900 and a final payment of $300,000 with the first and last payments due in advance and commenced on September 1, 2019. The lease is secured by a first priority lien against the welding system.

On September 5, 2019, the Partnership entered into a lease facility for $101,828 for screen printer and dryers based in Georgia. On September 20, 2019, the Partnership advanced $101,828 under this lease facility. The finance lease requires 48 monthly payments of $2,875 and a final payment of $10,183, with the first payment due in advance. The lease is secured by a first priority lien against the screen printer and dryers.

On September 20, 2019, the Partnership entered into a lease facility for $865,084 for LED lighting based in Texas. On September 26, 2019, the Partnership advanced $865,084 under this lease facility. The finance lease requires 60 monthly payments of $19,472, with the first payment due in advance and commenced on September 25, 2019. The lease is secured by a first priority lien against the LED lighting.

On October 21, 2019, the Partnership entered into a lease facility for $1,137,340 for capital improvements, specifically key structural, mechanical, and electrical related equipment, based in Ohio. On October 22, 2019, the Partnership advanced $1,137,340 under this lease facility. The finance lease requires 48 monthly payments of $29,483. The lease is secured by a first priority lien against the equipment.

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Furniture and Kitchen Equipment

On December 5, 2019, the Partnership entered into a lease facility for $1,144,933 for furniture, fixtures, equipment, and vehicles based in Michigan. On December 6, 2019, the Partnership advanced $1,144,933 under this lease facility. The finance lease requires 3 monthly payments of $16,987 and 39 monthly payments of $35,465, with the last payment due in advance. The lease is secured by a first priority lien against the furniture, fixtures, equipment, and vehicles.

Infrastructure Equipment

On December 27, 2019, the Partnership entered into and funded a lease facility for $1,532,873 for hydraulic press and chiller systems based in Michigan. The finance lease requires 35 monthly payments of $51,692. The lease is secured by a first priority lien against the hydraulic press and chiller systems.

Critical Accounting Policies

An understanding of our critical accounting policies is necessary to understand our financial results. The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires our General Partner and our Investment Manager to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates will primarily include the determination of allowance for notes and leases, depreciation and amortization, impairment losses and the estimated useful lives and residual values of the leased equipment we acquire. Actual results could differ from those estimates.

Lease Classification and Revenue Recognition

Each equipment lease we enter into is classified as either a finance lease or an operating lease, which is determined at lease inception, based upon the terms of each lease, or when there are significant changes to the lease terms. We capitalize initial direct costs associated with the origination and funding of lease assets. Initial direct costs include both internal costs (e.g., labor and overhead), if any, and external broker fees incurred with the lease origination. Costs related to leases that are not consummated are not eligible for capitalization as initial direct costs and are expensed as incurred as acquisition expense. For a finance lease, initial direct costs are capitalized and amortized over the lease term using the effective interest rate method. For an operating lease, the initial direct costs are included as a component of the cost of the equipment and depreciated over the lease term.

For finance leases, we record, at lease inception, the total minimum lease payments receivable from the lessee, the estimated unguaranteed residual value of the equipment at lease termination, the initial direct costs related to the lease, if any, and the related unearned income. Unearned income represents the difference between the sum of the minimum lease payments receivable, plus the estimated unguaranteed residual value, minus the cost of the leased equipment. Unearned income is recognized as finance income over the term of the lease using the effective interest rate method.

For operating leases, rental income is recognized on the straight-line basis over the lease term. Billed operating lease receivables are included in accounts receivable until collected. Accounts receivable is stated at its estimated net realizable value. Deferred revenue is the difference between the timing of the receivables billed and the income recognized on the straight-line basis.

Our Investment Manager has an investment committee that approves each new equipment lease and other financing transaction. As part of its process, the investment committee determines the residual value, if any, to be used once the investment has been approved. The factors considered in determining the residual value include, but are not limited to, the creditworthiness of the potential lessee, the type of equipment considered, how the equipment is integrated into the potential lessee’s business, the length of the lease, the industry in which the potential lessee operates and the secondary market value of the equipment. Residual values are reviewed for impairment in accordance with our impairment review policy.

The residual value assumes, among other things, that the asset will be utilized normally in an open, unrestricted and stable market. Short-term fluctuations in the marketplace are disregarded and it is assumed that there is no necessity either to dispose of a significant number of the assets, if held in quantity, simultaneously or to dispose of the asset quickly. The residual value is calculated using information from various external sources, such as trade publications, auction data, equipment dealers, wholesalers and industry experts, as well as inspection of the physical asset and other economic indicators.

Asset Impairments

The significant assets in our investment portfolio are periodically reviewed, no less frequently than annually or when indicators of impairment exist, to determine whether events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss will be recognized only if the carrying value of a long-lived asset is not recoverable and exceeds its fair value. If there is an indication of impairment, we will estimate the future cash flows (undiscounted and without interest charges) expected from the use of the asset and its eventual disposition. Future cash flows are the future cash in-flows expected to be generated by an asset less the future out-flows expected to be necessary to obtain those in-flows. If an impairment is determined to exist, the impairment loss will be measured as the amount by which the carrying value of a long-lived asset exceeds its fair value and recorded in the statement of operations in the period the determination is made.

The events or changes in circumstances that generally indicate that an asset may be impaired are, (i) the estimated fair value of the underlying equipment is less than its carrying value; (ii) the lessee is experiencing financial difficulties; and (iii) it does not appear likely that the estimated proceeds from the disposition of the asset will be sufficient to satisfy the residual position in the asset. The preparation of the undiscounted cash flows requires the use of assumptions and estimates, including the level of future rents, the residual value expected to be realized upon disposition of the asset, estimated downtime between re-leasing events and the amount of re-leasing costs. Our Investment Manager's review for impairment includes a consideration of the existence of impairment indicators including third-party appraisals, published values for similar assets, recent transactions for similar assets, adverse changes in market conditions for specific asset types and the occurrence of significant adverse changes in general industry and market conditions that could affect the fair value of the asset.

Equipment Notes and Loans Receivable

Equipment notes and loans receivable are reported in our balance sheets at the outstanding principal balance net of any unamortized deferred fees, premiums or discounts on purchased notes and loans. Costs to originated notes, if any, are reported as other assets in our balance sheets. Unearned income, discounts and premiums, if any, are amortized to interest income in the statements of operations using the effective interest rate method. Equipment notes and loans receivable are generally placed in a non-accrual status when payments are more than 90 days past due. Additionally, we periodically review the creditworthiness of companies with payments outstanding less than 90 days. Based upon the Investment Manager's judgment, accounts may be placed in a non-accrual status. Accounts on a non-accrual status are only returned to an accrual status when the account has been brought current and we believe recovery of the remaining unpaid receivable is probable. Revenue on non-accrual accounts is recognized only when cash has been received.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which requires credit losses on most financial assets measured at amortized cost and certain other instruments to be measured using an expected credit loss model (referred to as the current expected credit loss (CECL) model). Under this model, entities will estimate credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument. Current US GAAP is based on an incurred loss model that delays recognition of credit losses until it is probable the loss has been incurred. Accordingly, it is anticipated that credit losses will be recognized earlier under the CECL model than under the incurred loss model. ASU 2016-13 was to be effective for fiscal periods beginning after December 15, 2019 and must be adopted as a cumulative effect adjustment to retained earnings. In July 2019, the FASB decided to add a project to its technical agenda to propose staggered effective dates for certain accounting standards, including ASU 2016-13. The FASB has approved an approach that ASU 2016-13 will be effective for Public Business Entities that are SEC filers, excluding smaller reporting companies such as the Partnership, for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years. For all other entities, including smaller reporting companies like the Partnership, ASU 2016-13 will be effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. For all entities, early adoption will continue to be permitted; that is, early adoption is allowed for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years (that is, effective January 1, 2019, for calendar-year-end companies). On November 15, 2019, the FASB delayed the effective date of FASB ASC Topic 326 for certain small public companies and other private companies. As amended, the effective date of ASC Topic 326 was delayed until fiscal years beginning after December 15, 2022 for SEC filers that are eligible to be smaller reporting companies under the SEC's definition, as well as private companies and not-for-profit entities. Nothing in this staff interpretation 3 should be read to accelerate or delay the effective dates of the standard as modified by the FASB. The Partnership is currently evaluating the impact of this guidance on its consolidated financial statements.

In February 2016, the FASB issued new guidance to improve consolidation guidance for legal entities, ASU 2016-02, *Leases (Topic 842): Amendments to the FASB Accounting Standards Codification* ("ASU 2016-02"), effective for fiscal years beginning after December 15, 2018 and interim periods within those years. Early adoption is permitted. ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets, and makes targeted changes to lessor accounting. The new leases standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The Partnership has adopted ASU 2016-02 and has determined there was no significant impact on its consolidated financial statements of initial application.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the consolidated financial statements.

Business Overview

Our Offering Period commenced on August 11, 2016 and concluded on March 31, 2019. We have been approved for sale under Blue Sky regulations in 49 states and the District of Columbia. During the Offering Period, the majority of our cash inflows were derived from financing activities and were the direct result of capital contributions from Limited Partners.

During our Operating Period, which began on October 3, 2016, the date of our initial closing, we will use the majority of our net offering proceeds from Limited Partner capital contributions to acquire our initial investments. As our investments mature, we anticipate reinvesting the cash proceeds in additional investments in leased equipment and financing transactions, to the extent that the cash will not be needed for expenses, reserves and distributions to our Limited Partners. During this time-frame we expect both rental income and finance income to increase substantially as well as related expenses such as depreciation and amortization. During the Operating Period, we believe the majority of our cash outflows will be from investing activities as we acquire additional investments and to a lesser extent from financing activities from our paying quarterly distributions to our Limited Partners. Our cash flow from operations is expected to increase, primarily from the collection of rental and interest payments.

Results of Operations for the Years Ended December 31, 2019 and 2018

We are currently in our Operating Period. The Offering Period was declared effective by the SEC on August 11, 2016, and concluded on March 31, 2019. The Operating Period began on the date we admitted our first Limited Partners, at the initial closing, which occurred on October 3, 2016 and will last for four years from that date unless extended at the sole discretion of the General Partner. At our initial closing, we reimbursed our Investment Manager for a portion of the fees and expenses associated with our organization and offering which they previously paid on our behalf and we funded a small capital reserve. The Liquidation Period, which follows the conclusion of the Operating Period, is the period in which we will sell assets in the ordinary course of business and will last two years, unless it is extended, at the sole discretion of the General Partner. Through December 31, 2019, the Partnership admitted 617 Limited Partners with total capital contributions of $25,371,709 resulting in the sale of 2,537,170.91 Units. The Partnership received cash contributions of $24,718,035 and applied $653,674 which would have otherwise been paid as sales commission to the purchase of 65,367.46 additional Units.

The Operating Period is defined as the period in which we invest the net proceeds from the Offering Period into business-essential, revenue-producing (or cost-saving) equipment and other physical assets with substantial economic lives and, in many cases, associated revenue streams. During this period we anticipate substantial cash outflows from investing activities as we acquire leased and financed equipment. We also expect our operating activities to generate cash inflows during this time as we collect rental payments from the leased and financed assets we acquire.

Our revenue for the years ended December 31, 2019 and 2018 are summarized as follows:

	Year Ended December 31, 2019	Year Ended December 31, 2018
Revenue:		
Rental income	$ 419,024	$ 109,024
Finance income	1,403,049	862,809
Interest income	437,120	246,192
Other income	688	10,527
Total Revenue	$ 2,259,881	$ 1,228,552

For the year ended December 31, 2019, we earned $419,024 in rental income from five operating leases of pizza ovens equipment, and one fabrication equipment operating lease. We received monthly lease payments of approximately $3,931,000 and recognized $1,403,049 in finance income from 22 finance leases during the same period. We also recognized $437,120 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 steadily grow during 2020.

For the year ended December 31, 2018, we earned $109,024 in rental income from five operating leases of pizza ovens equipment. We received monthly lease payments of approximately $2,188,000 and recognized $862,809 in finance income from 13 finance leases during the same period. We also recognized $246,192 in interest income from collateralized loans receivable during the same period.

Our expenses for the years ended December 31, 2019 and 2018 are summarized as follows:

	Year Ended December 31, 2019	Year Ended December 31, 2018
Expenses:		
Management fees — Investment Manager	$ 750,000	$ 750,000
Interest Expense	83,245	-
Depreciation	329,146	95,604
Professional fees	669,570	310,377
Administration expense	244,238	199,964
Other expenses	8,508	11,785
Total Expenses	$ 2,084,707	$ 1,367,730

For the year ended December 31, 2019, we incurred $2,084,707 in total expenses. We paid $750,000 in management fees to our Investment Manager during the year ended December 31, 2019. 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 $329,146 in depreciation expense and $244,238 in administration expense. Administration expense mainly consists of expenses paid to the fund administrator. We also incurred interest expense of $83,245 related to our loan payable. Lastly, we incurred $669,570 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.

For the year ended December 31, 2018, we incurred $1,367,730 in total expenses. We paid $750,000 in management fees to our Investment Manager during the year ended December 31, 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 $95,604 in depreciation expense and $199,964 in administration expense. Administration expense mainly consists of expenses paid to the fund administrator. We also incurred $310,377 in professional fees, which were mostly comprised of fees related to compliance with the rules and regulations of the SEC and consulting services.

Net Income (Loss)

As a result of the factors discussed above, we reported a net income for the year ended December 31, 2019 of $175,174 as compared to a net loss of $139,178 for the year ended December 31, 2018.

Liquidity and Capital Resources

Sources and Uses of Cash

	Year Ended December 31, 2019	Year Ended December 31, 2018
Cash provided by (used in):		
Operating activities	$ 3,021,495	$ 1,655,243
Investing activities	$ (15,135,857)	$ (6,828,672)
Financing activities	$ 13,986,764	$ 6,329,633

Sources of Liquidity

We are currently in our Operating Period. The Offering Period is the time frame in which we raise capital contributions from Limited Partners through the sale of our Units. As such, during our Offering Period a substantial portion of our cash inflows were from financing activities. The Operating Period is the time frame in which we acquire equipment under lease or enter into other equipment financing transactions. During this time period we anticipate that a substantial portion of our cash out-flows will be for investing activities. We believe that cash inflows will be sufficient to finance our liquidity requirements for the foreseeable future, including quarterly distributions to our Limited Partners, general and administrative expenses, fees paid to our Investment Manager and new investment opportunities.

Operating Activities

Cash provided by operating activities for the year ended December 31, 2019 was $3,021,495 and was primarily driven by the following factors: net income for the year ended December 31, 2019 of approximately $175,000, receipt of approximately $3,931,000 in minimum rental payments from finance leases acquired during the year, depreciation expense of approximately $329,000 and an increase in deferred revenue of approximately $368,000. Offsetting these fluctuations was finance income of approximately $1,403,000, accrued interest income of approximately $437,000, and an increases in other assets of approximately $575,000. We expect our accounts payable and accrued expenses will fluctuate from period to period primarily due to the timing of payments related to lease and financings transactions we will enter into. We anticipate that as we enter into additional equipment leasing and financing transactions we will generate greater net cash inflows from operations principally from rental payments received from lessees.

Cash provided by operating activities for the year ended December 31, 2018 was $1,655,243 and was primarily driven by the following factors: a net loss for the year ended December 31, 2018 of approximately $140,000 and finance income of approximately $863,000. Offsetting these fluctuations was depreciation expense of approximately $96,000, receipt of approximately $2,188,000 in minimum rental payments from finance leases acquired during the year, and an increase of deferred revenue of approximately $202,000.

Investing Activities

Cash used in investing activities was $15,135,857 for the year ended December 31, 2019, which consisted of approximately $711,000 and $15,346,000 that we paid for the purchase of collateralized loan receivables and finance leases, respectively, offset by approximately $674,000 in cash received from collateralized loan receivables, $146,000 in proceeds from sale of collateralized loans receivable, and $101,000 in proceeds from sale of leased assets.

Cash used in investing activities was $6,828,672 for the year ended December 31, 2018, which consisted of approximately $8,797,000 and $7,351,500 that we paid for the purchase of collateralized loan receivables and finance leases, respectively, offset by approximately $3,447,000 in cash received from collateralized loan receivables and $5,873,000 proceeds from sale of collateralized loans receivable.

Financing Activities

Cash provided by financing activities for the year ended December 31, 2019 was $13,986,764 and was primarily due to cash received from loan payable of $10,600,000, cash proceeds received of approximately $5,916,000 from the sale of our Units to Limited Partners, and $546,000 in cash paid for organizational and offering costs. Offsetting this increase were payments of approximately $915,000 on the loan payable, $1,804,000 in distributions to limited partners, and $333,000 for underwriting fees.

Cash provided by financing activities for the year ended December 31, 2018 was $6,329,633 and was primarily due to cash proceeds received of approximately $7,892,000 from the sale of our Units to Limited Partners. Offsetting this increase were payments of approximately $959,000 in distributions to limited partners, $137,000 for organizational and offering costs, and $462,000 for underwriting fees.

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. Beginning as of March 31, 2018, we increased our distribution to 7.0% annually, paid quarterly at 1.75% of capital contributions. Beginning as of June 30, 2018, we increased our distribution to 7.5%, paid quarterly at 1.875% of capital contributions. Beginning as of September 30, 2018 we increased our distribution to 8.0%, paid quarterly at 2.00% of capital contributions. The amount and rate of cash distributions could vary and are not guaranteed. During the year ended December 31, 2019, we made quarterly cash distributions to our Limited Partners totaling approximately $1,804,000, and we accrued $511,318 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $511,318 at December 31, 2019. During the year ended December 31, 2018, we made quarterly cash distributions to our Limited Partners totaling approximately $959,000, and we accrued $370,290 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $370,290 at December 31, 2018. At December 31, 2019 and 2018 we declared and accrued a distribution of $19,430 and $11,481, respectively, for distributions due to our General Partner which resulted in distributions payable to our General Partner of $36,013 and $16,583 at December 31, 2019 and 2018, respectively.

Commitments and Contingencies

Commitment and Contingencies

On May 1, 2018, the Partnership, as co-borrower, entered into a loan agreement with a bank for a $5,000,000 revolving line of credit. This short term line is intended to be utilized to warehouse transactions to be invested in by the Partnership as investor proceeds are received. In connection with the loan agreement, the Partnership issued a promissory note to the bank in the amount of $5,000,000 that matures on May 1, 2020. To date, the Partnership has not drawn any funds under the revolving line of credit. In the event the Partnership draws funds, interest shall accrue at a rate of Prime Rate plus 1% per annum. On October 17, 2019, this loan agreement was terminated.

On November 26, 2019, the Partnership entered into a lease facility for $1,230,754 for fish processing equipment based in Alaska that commences on February 1, 2020. On November 26, 2019, the Partnership advanced $1,107,679 under this lease facility. The lease is secured by a first priority lien against the fish processing equipment. At December 31, 2019, there was unfunded commitment of $123,075.

Our income, losses and distributions are allocated 99% to our Limited Partners and 1% to our General Partner until the Limited Partners have received total distributions equal to each Limited Partners' capital contribution plus an 8%, compounded annually, cumulative return on each Limited Partners' capital contribution. After such time, income, losses and distributions will be allocated 80% to our Limited Partners and 20% to our General Partner.

We enter into contracts that contain a variety of indemnifications. Our maximum exposure under these arrangements is not known.

In the normal course of business, we enter into contracts of various types, including lease contracts, contracts for the sale or purchase of leased assets, loan agreements and management contracts. It is prevalent industry practice for most contracts of any significant value to include provisions that each of the contracting parties, in addition to assuming liability for breaches of the representations, warranties, and covenants that are part of the underlying contractual obligations, to also assume an obligation to indemnify and hold the other contractual party harmless for such breaches, and for harm caused by such party's gross negligence and willful misconduct, including, in certain instances, certain costs and expenses arising from the contract. Generally, to the extent these contracts are performed in the ordinary course of business under the reasonable business judgment of our General Partner and our Investment Manager, no liability will arise as a result of these provisions. Should any such indemnification obligation become payable, we would separately record and/or disclose such liability in accordance with accounting principles generally accepted in the United States of America.

Off-Balance Sheet Transactions

None.

Contractual Obligations

None.

Subsequent Events

In December 2019, a novel strain of coronavirus (also known as COVID-19) was reported to have surfaced in Wuhan, China. In January 2020, this coronavirus spread to other countries, including the United States and Europe. The outbreak has continued to spread and is currently classified as a pandemic. Efforts to contain the spread of this coronavirus has intensified. To date, COVID-19 has not had a significant impact on our business. Although we currently expect that the disruptive impact of coronavirus on our business will be temporary, this situation continues to evolve and therefore we cannot predict the extent to which the coronavirus will directly or indirectly affect our business and operating results.

On January 23, 2020, the Partnership entered into a finance lease for $3,720,970 of telecommunication equipment based in Illinois. On January 23, 2020, the Partnership advanced $3,192,259 as equipment lease schedule 1 ("Schedule 1"), and $528,711 as equipment lease schedule 2 ("Schedule 2") under this finance lease. The Schedule 1 lease requires 42 monthly payments of $93,302, and Schedule 2 lease requires 42 monthly payments of $15,453. The lease is secured by a first priority lien against the telecommunication equipment.

On January 31, 2020, the Partnership funded a finance lease for $470,790 for micro-needling machines based in New York. The finance lease requires 35 monthly payments of $15,336. The lease is secured by a first priority lien against the micro-needling machines.

On February 10, 2020, the Partnership funded a finance lease for $1,535,424 for construction equipment based in Ohio. The finance lease requires 35 monthly payments of $48,110 with a final payment of $298,915. The lease is secured by a first priority lien against the construction equipment.

On February 11, 2020, the Partnership received cash of $125,047 as total payoff, in connection with the operating lease facility entered into on October 18, 2016. The operating lease had a net book value of $47,832 resulting in additional income of $77,215.

On March 3, 2020, the Partnership funded a promissory note for $225,000 for various store front and kitchen equipment to a borrower based in Utah. The note accrues interest at a rate of 16.2% per annum and matures 52 months after date of funding. The borrower will make 3 monthly interest only payments of $3,033, commencing in April 2020, 48 monthly principal and interest payments of $5,733, commencing in July 2020, and a final payment of $45,000 upon maturity in July 2024. The lease is secured by a first priority lien against the various store front and kitchen equipment.

On March 19, 2020, the Partnership funded a finance lease for $2,486,624 for Apple products based in California. The finance lease requires 27 monthly payments of $104,948. The lease is secured by a first priority lien against the Apple products.

On March 25, 2020, the Partnership advanced the remaining $123,075 under a finance lease facility for fish processing equipment.

Item 7A. Quantitative and Qualitative Disclosure About Market Risk.

We, like most other companies, are exposed to certain market risks, which include changes in interest rates and the demand for equipment owned by us. We believe that our exposure to other market risks, including commodity risk and equity price risk, are insignificant at this time to both our financial position and our results of operations.

Our Investment Manager has evaluated the impact of the condition of the credit markets on our future cash flows and we do not believe that we will experience any material adverse impact on our cash flows should credit conditions in general remain the same or deteriorate.

We manage our exposure to equipment and residual risk by monitoring the markets our equipment is in and maximizing remarketing proceeds through the re-lease or sale of equipment.

Item 8. Financial Statements and Supplementary Data.

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FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of Arboretum Silverleaf Income Fund, L.P. and Subsidiary

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Arboretum Silverleaf Income Fund, L.P. and Subsidiary (the "Partnership") as of December 31, 2019 and 2018, the related consolidated statements of operations, changes in partners' equity, and cash flows for the years ended December 31, 2019 and 2018, and the related consolidated notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2019 and 2018, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on the Partnership's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Baker Tilly Virchow Krause, LLP

New York, New York

We have served as the Partnership's auditor since 2016.

March 27, 2020

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
(A Delaware Limited Partnership)
Consolidated Balance Sheets

		December 31, 2019		December 31, 2018
Assets				
Cash and cash equivalents	$	5,064,943	$	3,192,541
Investments in finance leases, net		18,764,984		8,058,033
Investments in equipment subject to operating leases, net		1,808,764		127,498
Collateralized loans receivable, including accrued interest of $12,003 and $657		3,131,307		3,318,420
Other assets		575,028		348
Total Assets	$	29,345,026	$	14,696,840
Liabilities and Partners' Equity				
Liabilities:				
Accounts payable and accrued liabilities	$	238,932	$	125,419
Loan payable (accrued interest of $37,103 and $0)		9,722,177		-
Funding liability for collateralized loans and leases		-		81,872
Distributions payable to Limited Partners		511,318		370,290
Distributions payable to General Partner		36,013		16,583
Security deposit payable		49,391		-
Deferred revenue		620,061		251,948
Total Liabilities		11,177,892		846,112
Partners' Equity (Deficit):				
Limited Partners		18,216,951		13,882,867
General Partner		(49,817)		(32,139)
Total Equity		18,167,134		13,850,728
Total Liabilities and Partners' Equity	$	29,345,026	$	14,696,840

The accompanying notes are an integral part of these consolidated financial statements.

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
(A Delaware Limited Partnership)
Consolidated Statements of Operations
For the Years Ended December 31, 2019 and 2018

	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Revenue		
Rental income	$ 419,024	$ 109,024
Finance income	1,403,049	862,809
Interest income	437,120	246,192
Other income	688	10,527
Total Revenue	2,259,881	1,228,552
Expenses		
Management fees - Investment Manager	750,000	750,000
Interest expense	83,245	-
Depreciation	329,146	95,604
Professional fees	669,570	310,377
Administration expense	244,238	199,964
Other expenses	8,508	11,785
Total Expenses	2,084,707	1,367,730
Net income (loss)	$ 175,174	$ (139,178)
Net income (loss) attributable to the Partnership		
Limited Partners	$ 173,422	$ (137,786)
General Partner	1,752	(1,392)
Net income (loss) attributable to the Partnership	$ 175,174	$ (139,178)
Weighted average number of limited partnership interests outstanding	1,302,315.04	810,989.49
Net income (loss) attributable to Limited Partners per weighted average number of limited partnership interests outstanding	$ 0.13	$ (0.17)

The accompanying notes are an integral part of these consolidated financial statements.

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
(A Delaware Limited Partnership)
Consolidated Statements of Changes in Partners' Equity (Deficit)
For the Years Ended December 31, 2019 and 2018

	Limited Partnership Interests	Total Equity	General Partner	Limited Partners
Balance, January 1, 2018	1,137,300.24	$ 7,860,982	$ (19,266)	$ 7,880,248
Partners' capital contributions	798,718.54	7,987,185	-	7,987,185
Offering expenses	-	(137,150)	-	(137,150)
Underwriting fees	-	(556,661)	-	(556,661)
Net loss	-	(139,178)	(1,392)	(137,786)
Distributions to partners	-	(1,159,565)	(11,481)	(1,148,084)
Redemptions to partners	(536.84)	(4,885)	-	(4,885)
Balance, December 31, 2018	1,935,481.94	13,850,728	(32,139)	13,882,867
Partners' capital contributions	600,190.59	6,001,906	-	6,001,906
Offering expenses	-	545,974	-	545,974
Underwriting fees	-	(418,337)	-	(418,337)
Net income	-	175,174	1,752	173,422
Distributions to partners	-	(1,964,455)	(19,430)	(1,945,025)
Redemptions to partners	(2,900.00)	(23,856)	-	(23,856)
Balance, December 31, 2019	2,532,772.53	$ 18,167,134	$ (49,817)	$ 18,216,951

The accompanying notes are an integral part of these consolidated financial statements.

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
(A Delaware Limited Partnership)
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

	For the year ended December 31, 2019	For the year ended December 31, 2018
Cash flows from operating activities:		
Net income (loss)	$ 175,174	$ (139,178)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Finance income	(1,403,049)	(862,809)
Accrued interest income	(437,343)	(246,133)
Depreciation	329,146	95,604
Change in operating assets and liabilities:		
Minimum rents receivable	3,930,849	2,188,320
Accrued interest income	432,190	285,264
Other assets	(574,680)	27,713
Accounts payable and accrued liabilities	113,513	22,261
Accrued interest on loan payable	37,103	-
Security deposit payable	49,391	-
Deferred revenue	368,113	202,329
Funding liability for collateralized loans and leases	1,088	81,872
Net cash provided by operating activities	3,021,495	1,655,243
Cash flows from investing activites:		
Purchase of finance leases	(15,346,019)	(7,351,452)
Cash paid for collateralized loans receivable	(711,377)	(8,797,245)
Cash received from collateralized loans receivable	674,342	3,446,855
Proceeds from sale of collateralized loans receivable	146,341	5,873,170
Proceeds from sale of leased assets	100,856	-
Net cash used in investing activities	(15,135,857)	(6,828,672)
Cash flows from financing activities:		
Cash received from loan payable	10,600,000	-
Repayments of loan payable	(914,926)	-
Cash received from Limited Partner capital contributions	5,916,286	7,892,150
Cash paid for Limited Partner distributions	(1,803,997)	(958,856)
Cash paid for Limited Partner redemptions	(23,856)	(4,885)
Cash paid for underwriting fees	(332,717)	(461,626)
Cash paid for offering costs	545,974	(137,150)
Net cash provided by financing activities	13,986,764	6,329,633
Net increase in cash and cash equivalents	1,872,402	1,156,204
Cash and cash equivalents, beginning of year	3,192,541	2,036,337
Cash and cash equivalents, end of year	$ 5,064,943	$ 3,192,541
Supplemental disclosure of non-cash investing and financing activities:		
Units issued as underwriting fee discount	$ 85,620	$ 95,035
Distributions payable to General Partner	$ 19,430	$ 11,481
Distributions payable to Limited Partners	$ 511,318	$ 189,228
Reclassification of investment in finance leases to equipment subject to operating leases	$ 2,010,412	$ -
Funding liability for collateralized loans and leases	$ (82,960)	$ -

The accompanying notes are an integral part of these consolidated financial statements.

Arboretum Silverleaf Income Fund, L.P. and Subsidiary
(A Delaware Limited Partnership)
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

1. Organization and Nature of Operations.

Organization — Arboretum Silverleaf Income Fund, L.P. (f/k/a SQN Asset Income Fund V, L.P.) (the "Partnership") was formed on January 14, 2016, as a Delaware limited partnership. On July 19, 2019, the Partnership changed its name from SQN Asset Income Fund V, L.P. to Arboretum Silverleaf Income Fund, L.P. The Partnership is engaged in a single business segment, the ownership and investment in leased equipment and related financings which includes: (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. The Partnership will terminate no later than December 31, 2040.

Nature of Operations — The principal investment strategy of the Partnership is to invest in business-essential, revenue-producing (or cost-saving) equipment or other physical assets with high in-place value and long, relative to the investment term, economic life and other financings. The Partnership executes its investment strategy by making investments in equipment already subject to lease or originating equipment leases and loans in such equipment, which will include: (i) purchasing equipment and leasing it to third-party end users; (ii) providing equipment and other asset financings; (iii) acquiring equipment subject to lease; and (iv) acquiring ownership rights (residual value interests) in leased equipment at lease expiration. From time to time, the Partnership may also purchase equipment and sell it directly to its leasing customers. The Partnership may use other investment structures that Arboretum Investment Advisors, LLC (f/k/a SQN Investment Advisors, LLC) (the "Investment Manager") believes will provide the Partnership with an appropriate level of security, collateralization, and flexibility to optimize its return on its investment while protecting against downside risk. In many cases, the structure will include the Partnership holding title to or a priority or controlling position in the equipment or other asset.

The General Partner of the Partnership is ASIF GP, LLC (f/k/a SQN AIF V GP, LLC) (the "General Partner"), a wholly-owned subsidiary of the Partnership's Investment Manager. On July 8, 2019, the General Partner changed its name from SQN AIF V GP, LLC to ASIF GP, LLC. Both the Partnership's General Partner and its Investment Manager are Delaware limited liability companies. On January 7, 2019, the Investment Manager changed its name from SQN Investment Advisors, LLC to Arboretum Investment Advisors, LLC. The General Partner manages and controls the day to day activities and operations of the Partnership, pursuant to the terms of the Limited Partnership Agreement. The General Partner paid an aggregate capital contribution of $100 for a 1% interest in the Partnership's income, losses and distributions. The Investment Manager makes all investment decisions and manages the investment portfolio of the Partnership.

The Partnership's income, losses and distributions are allocated 99% to the Limited Partners and 1% to the General Partner until the Limited Partners have received total distributions equal to their capital contributions plus an 8% per year, compounded annually, cumulative return on their capital contributions. After such time, all income, losses and distributable cash will be allocated 80% to the Limited Partners and 20% to the General Partner. The Partnership expects to conduct its activities for at least six years and divide the Partnership's life into three distinct stages: (i) the Offering Period, (ii) the Operating Period and (iii) the Liquidation Period. The Offering Period began on August 11, 2016 and concluded on March 31, 2019. The Operating Period commenced on October 3, 2016, the date of the Partnership's initial closing, and will last for four years unless extended at the sole discretion of the General Partner. During the Operating Period, the Partnership will invest most of the net proceeds from its offering in business-essential, revenue-producing (or cost-saving) equipment, other physical assets with substantial economic lives and, in many cases, associated revenue streams and project financings. The Liquidation Period, which follows the conclusion of the Operating Period, is the period in which the Partnership will sell its assets in the ordinary course of business and will last two years, unless it is extended, at the sole discretion of the General Partner.

American Elm Distribution Partners, LLC (f/k/a SQN Securities, LLC) ("American Elm"), a Delaware limited liability company, is affiliated with the General Partner. American Elm acted as the initial selling agent for the offering of the units ("Units"). On January 7, 2019, American Elm changed its name from SQN Securities, LLC to American Elm Distribution Partners, LLC. The Units are offered on a "best efforts," "minimum-maximum" basis.

During the Operating Period, the Partnership plans to make quarterly distributions of cash to the Limited Partners, if, in the opinion of the Partnership's Investment Manager, such distributions are in the Partnership's best interests. Therefore, the amount and rate of cash distributions could vary and are not guaranteed. The targeted distribution rate is 6.0% annually, paid quarterly at 1.5%, of each Limited Partner's capital contribution (pro-rated to the date of admission for each Limited Partner). During the year ended December 31, 2019, we made quarterly cash distributions to our Limited Partners totaling approximately $1,804,000, and we accrued $511,318 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $511,318 at December 31, 2019. During the year ended December 31, 2018, we made quarterly cash distributions to our Limited Partners totaling approximately $959,000, and we accrued $370,290 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $370,290 at December 31, 2018. At December 31, 2019 and 2018 we declared and accrued a distribution of $19,430 and $11,481, respectively, for distributions due to our General Partner which resulted in distributions payable to our General Partner of $36,013 and $16,583 at December 31, 2019 and 2018, respectively.

On September 11, 2018, the Partnership formed a special purpose entity SQN Lifestyle Leasing, LLC ("Lifestyle Leasing"), a limited liability company registered in the state of Delaware which is wholly owned by the Partnership. On May 24, 2019, the Partnership terminated Lifestyle Leasing.

From August 11, 2016 through December 31, 2019, the Partnership admitted 617 Limited Partners with total capital contributions of $25,371,709 resulting in the sale of 2,537,170.91 Units. The Partnership received cash contributions of $24,718,035 and applied $653,674 which would have otherwise been paid as sales commission to the purchase of 65,367.46 additional Units.

2. Summary of Significant Accounting Policies.

Basis of Presentation — The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Principles of Consolidation — The consolidated financial statements include the accounts of the Partnership and its entity, where the Partnership has the primary economic benefits of ownership. The Partnership's consolidation policy requires the consolidation of entities where a controlling financial interest is held as well as the consolidation of variable interest entities in which the Partnership has the primary economic benefits. All material intercompany balances and transactions are eliminated in consolidation.

Variable interests are investments or other interests that absorb portions of a variable interest entity's ("VIE") expected losses or receive portions of the Partnership's expected residual returns and are contractual, ownership, or other pecuniary interests in a VIE that change with changes in the fair value of the VIE. An entity is considered to be a VIE if any of the following conditions exist. (1) The total equity investment at risk is insufficient to permit the legal entity to finance its activities without additional subordinated financial support; or (2) As a group, the holders of equity investments at risk lack any of the three characteristics of a controlling financial interest: (a) The direct or indirect ability through voting or similar rights to make decisions that have a significant effect on the success of the legal entity. The equity holders at risk are deemed to lack this characteristic if: i. the voting rights of some investors are not proportional to their obligation to absorb the expected losses of the legal entity or rights to receive expected residual returns; and ii. substantially all of the legal entity's activities are either involved with or are conducted on behalf of an investor that has disproportionately few voting rights, (b) The obligation to absorb the expected losses of the legal entity or (c) The right to receive the expected residual returns of the legal entity. An entity that is determined to be a VIE is required to be consolidated by its primary beneficiary. The primary beneficiary of a VIE is determined to be the party that has both the power to direct the activities that most significantly affect the VIE's economic performance ("Power") and the obligation to absorb losses of, or the right to receive benefits from the VIE, that could potentially be significant to the VIE ("Benefits"). The determination of whether a reporting entity is the primary beneficiary involves complex and subjective analyses.

Use of Estimates — The preparation of consolidated financial statements in conformity with U.S. GAAP requires the General Partner and Investment Manager to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates primarily include the determination of allowances for doubtful lease, notes and loan accounts, depreciation and amortization, impairment losses, estimated useful lives, and residual values. Actual results could differ from those estimates.

Cash and Cash Equivalents — The Partnership considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of funds maintained in checking and money market accounts maintained at financial institutions.

The Partnership's cash and cash equivalents are held principally at one financial institution and at times may exceed federally insured limits. The Partnership has placed these funds in a full service commercial financial institution in order to minimize risk relating to exceeding insured limits.

Credit Risk — In the normal course of business, the Partnership is exposed to credit risk. Credit risk is the risk that the Partnership's counterparty to an agreement either has an inability or unwillingness to make contractually required payments. The Partnership expects concentrations of credit risk with respect to lessees to be dispersed across different industry segments and different regions of the world.

Asset Impairments — Assets in the Partnership's investment portfolio, which are considered long-lived assets, are periodically reviewed, no less frequently than annually or when indicators of impairment exist, to determine whether events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. An impairment loss is recognized only if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. If there is an indication of impairment, the Partnership estimates the future cash flows (undiscounted and without interest charges) expected from the use of the asset and its eventual disposition. Future cash flows are the future cash inflows expected to be generated by an asset less the future outflows expected to be necessary to obtain those inflows. If an impairment is determined to exist, the impairment loss is measured as the amount by which the carrying value of a long-lived asset exceeds its fair value and is recorded in the statement of operations in the period the determination is made. The events or changes in circumstances that generally indicate that an asset may be impaired are: (i) the estimated fair value of the underlying equipment is less than its carrying value; (ii) the lessee is experiencing financial difficulties; and (iii) it does not appear likely that the estimated proceeds from the disposition of the asset will be sufficient to recover the carrying value of the asset. The preparation of the undiscounted cash flows requires the use of assumptions and estimates, including the level of future rents or receipts from the sale of the investment, estimated downtime between re-leasing events, and the amount of re-leasing costs. The Investment Manager's review for impairment includes a consideration of the existence of impairment indicators, including third party appraisals, published values for similar assets, recent transactions for similar assets, adverse changes in market conditions for specific asset types, and the occurrence of significant adverse changes in general industry and market conditions that could affect the fair value of the asset.

Lease Classification and Revenue Recognition — The Partnership records revenue based upon the lease classification determined at the inception of the transaction and based upon the terms of the lease or when there are significant changes to the lease terms.

The Partnership leases equipment to third parties and each such lease may be classified as either a finance lease or an operating lease. Initial direct costs are capitalized and amortized over the term of the related lease for a finance lease. For an operating lease, initial direct costs are included as a component of the cost of the equipment and depreciated.

For finance leases, the Partnership records, at lease inception, the total minimum lease payments receivable from the lessee, the estimated unguaranteed residual value of the equipment upon lease termination, the initial direct costs, if any, related to the lease and the related unearned income. Unearned income represents the difference between the sum of the minimum lease payments receivable plus the estimated unguaranteed residual value, minus the cost of the leased equipment. Unearned income is recognized as finance income over the term of the lease using the effective interest rate method.

For operating leases, rental income is recognized on the straight line basis over the lease term. Billed and uncollected operating lease receivables will be included in accounts receivable. Accounts receivable are stated at their estimated net realizable value. Rental income received in advance is the difference between the timing of the cash payments and the income recognized on the straight line basis.

The investment committee of the Investment Manager approves each new equipment lease, financing transaction, and lease acquisition. As part of this process it determines the unguaranteed residual value, if any, to be used once the acquisition has been approved. The factors considered in determining the unguaranteed residual value include, but are not limited to, the creditworthiness of the potential lessee, the type of equipment being considered, how the equipment is integrated into the potential lessees' business, the length of the lease the industry in which the potential lessee operates and the secondary market value of the equipment. Unguaranteed residual values are reviewed for impairment in accordance with the Partnership's policy relating to impairment review.

The residual value assumes, among other things, that the asset will be utilized normally in an open, unrestricted and stable market. Short-term fluctuations in the marketplace are disregarded, and it is assumed that there is no necessity either to dispose of a significant number of the assets, if held in quantity, simultaneously or to dispose of the asset quickly. The residual value is calculated using information from various external sources, such as trade publications, auction data, equipment dealers, wholesalers and industry experts, as well as inspection of the physical asset and other economic indicators.

Finance Lease Receivables and Allowance for Doubtful Lease, Notes and Loan Accounts — In the normal course of business, the Partnership provides credit or financing to its customers, performs credit evaluations of these customers, and maintains reserves for potential credit losses. These credit or financing transactions are normally collateralized by the equipment being financed. In determining the amount of allowance for doubtful lease, notes and loan accounts, the Investment Manager considers historical credit losses, the past due status of receivables, payment history, and other customer-specific information, including the value of the collateral. The past due status of a receivable is based on its contractual terms. Expected credit losses are recorded as an allowance for doubtful lease, notes and loan accounts. Receivables are written off when the Investment Manager determines they are uncollectible. At December 31, 2019 and 2018, an allowance for doubtful lease, notes and loan accounts is not provided since, in the opinion of the Investment Manager, all accounts recorded are deemed collectible.

Equipment Notes and Loans Receivable — Equipment notes and loans receivable are reported in the consolidated financial statements as the outstanding principal balance net of any unamortized deferred fees, and premiums or discounts on purchased loans. Costs to originate loans, if any, are reported as other assets in the consolidated financial statements and amortized to expense over the estimated life of the loan. Income is recognized over the life of the note agreement. On certain equipment notes and loans receivable, specific payment terms were reached requiring prepayments which resulted in the recognition of unearned interest income. Unearned income, discounts and premiums, if any, are amortized to interest income in the statements of operations using the effective interest rate method. Equipment notes and loans receivable are generally placed in a non-accrual status when payments are more than 90 days past due and all unpaid accrued interest is reversed. Additionally, the Investment Manager periodically reviews the creditworthiness of companies with payments outstanding less than 90 days. Based upon the Investment Manager's judgment, accounts may be placed in a non-accrual status. Accounts on a non-accrual status are only returned to an accrual status when the account has been brought current and the Partnership believes recovery of the remaining unpaid receivable is probable. Revenue on non-accrual accounts is recognized only when cash has been received.

Income Taxes — As a partnership, no provision for income taxes is recorded since the liability for such taxes is the responsibility of each of the Partners rather than the Partnership. The Partnership's income tax returns are subject to examination by the federal and state taxing authorities, and changes, if any, could adjust the individual income tax of the Partners.

The Partnership has adopted the provisions of Financial Accounting Standards Board's ("FASB") Topic 740, *Accounting for Uncertainty in Income Taxes.* This accounting guidance prescribes recognition thresholds that must be met before a tax position is recognized in the consolidated financial statements and provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Additionally, an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Partnership has evaluated its entity level tax positions for the years ended December 31, 2019 and 2018, and does not expect any material adjustments to be made. The tax years 2019, 2018, 2017 and 2016 remain open to examination by the major taxing jurisdictions to which the Partnership is subject.

Per Share Data — Net income or loss attributable to Limited Partners per weighted average number of limited partnership interests outstanding is calculated as follows; the net income or loss allocable to the Limited Partners divided by the weighted average number of limited partnership interests outstanding during the period.

Foreign Currency Transactions — The Partnership has designated the United States of America dollar as the functional currency for the Partnership's investments denominated in foreign currencies. Accordingly, certain assets and liabilities are translated at either the reporting period exchange rates or the historical exchange rates, revenues and expenses are translated at the average rate of exchange for the period, and all transaction gains or losses are reflected in the consolidated statements of operations.

Depreciation — The Partnership records depreciation expense on equipment when the lease is classified as an operating lease. In order to calculate depreciation, the Partnership first determines the depreciable equipment cost, which is the cost less the estimated residual value. The estimated residual value is the Partnership's estimate of the value of the equipment at lease termination. Depreciation expense is recorded by applying the straight-line method of depreciation to the depreciable equipment cost over the lease term.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which requires credit losses on most financial assets measured at amortized cost and certain other instruments to be measured using an expected credit loss model (referred to as the current expected credit loss (CECL) model). Under this model, entities will estimate credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument. Current US GAAP is based on an incurred loss model that delays recognition of credit losses until it is probable the loss has been incurred. Accordingly, it is anticipated that credit losses will be recognized earlier under the CECL model than under the incurred loss model. ASU 2016-13 was to be effective for fiscal periods beginning after December 15, 2019 and must be adopted as a cumulative effect adjustment to retained earnings. In July 2019, the FASB decided to add a project to its technical agenda to propose staggered effective dates for certain accounting standards, including ASU 2016-13. The FASB has approved an approach that ASU 2016-13 will be effective for Public Business Entities that are SEC filers, excluding smaller reporting companies such as the Partnership, for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years. For all other entities, including smaller reporting companies like the Partnership, ASU 2016-13 will be effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. For all entities, early adoption will continue to be permitted; that is, early adoption is allowed for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years (that is, effective January 1, 2019, for calendar-year-end companies). On November 15, 2019, the FASB delayed the effective date of FASB ASC Topic 326 for certain small public companies and other private companies. As amended, the effective date of ASC Topic 326 was delayed until fiscal years beginning after December 15, 2022 for SEC filers that are eligible to be smaller reporting companies under the SEC's definition, as well as private companies and not-for-profit entities. Nothing in this staff interpretation 3 should be read to accelerate or delay the effective dates of the standard as modified by the FASB. The Partnership is currently evaluating the impact of this guidance on its consolidated financial statements.

In February 2016, the FASB issued new guidance to improve consolidation guidance for legal entities, ASU 2016-02, *Leases (Topic 842): Amendments to the FASB Accounting Standards Codification* ("ASU 2016-02"), effective for fiscal years beginning after December 15, 2018 and interim periods within those years. Early adoption is permitted. ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets, and makes targeted changes to lessor accounting. The new leases standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The Partnership has adopted ASU 2016-02 and has determined there was no significant impact on its consolidated financial statements of initial application.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the consolidated financial statements.

3. Related Party Transactions.

The General Partner is responsible for the operations of the Partnership and the Investment Manager makes all investment decisions and manages the investment portfolio of the Partnership. The Partnership reimburses the General Partner for actual incurred organizational and offering costs not to exceed 1.5% of all capital contributions received by the Partnership. Because organizational and offering expenses will be paid, as and to the extent they are incurred, organizational and offering expenses may be drawn disproportionately to the gross proceeds of each closing. The Offering Period concluded on March 31, 2019 with the Partnership receiving $24,718,035 in total capital contributions and as a result, organizational and offering expenses were limited to $370,770 or 1.5% of total equity raised. The Partnership paid the General Partner an allowance for organizational and offering expenses totaling $926,374, and as a result, the General Partner and/or its Investment Manager were required to reimburse the Partnership organizational and offering expenses of $555,604. At December 31, 2019, the Partnership has a due from its Investment Manager balance of $544,945, which is included in Other Assets in the consolidated balance sheets. The General Partner also has a promotional interest in the Partnership equal to 20% of all distributed distributable cash, after the Partnership has provided an 8% cumulative return, compounded annually, to the Limited Partners on their capital contributions. The General Partner has a 1% interest in the profits, losses and distributions of the Partnership. The General Partner will initially receive 1% of all distributed distributable cash, which was accrued at December 31, 2019 and 2018.

The Partnership pays the Investment Manager during the Offering Period, Operating Period and the Liquidation Period a management fee 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. For the years ended December 31, 2019 and 2018, the Partnership paid $750,000, in management fees to the Investment Manager.

The Partnership pays the Investment Manager during the Operating Period a structuring fee in an amount equal to 1.5% of each cash investment made, including reinvestments, payable on the date each such investment is made. For the years ended December 31, 2019 and 2018, the Partnership paid $238,933 and $151,427, respectively, of structuring fees to the Investment Manager.

On December 15, 2017, the Partnership entered into two assignment and purchase agreements with Arboretum Core Asset Finance Fund, L.P., a Delaware limited partnership, a fund managed by the Investment Manager, to purchase two seasoned and performing promissory notes for total cash of $130,559. The funds from the promissory notes with the borrower were used to acquire point-of-sale systems for multiple restaurants. The two promissory notes will be paid in 13 monthly installments of principal and interest of $7,943 and $2,870, respectively. The notes accrue interest at a rate of 18% per annum and matured on January 1, 2019. The promissory notes are secured by a first priority lien with respect to the equipment. For the years ended December 31, 2019 and 2018, the promissory notes earned interest income of $0 and $9,222, respectively.

American Elm is a Delaware limited liability company and is a subsidiary of an affiliate of the Partnership's Investment Manager. American Elm in its capacity as the Partnership's selling agent receives an underwriting fee of 2% of the gross proceeds from Limited Partners' capital contributions (excluding proceeds, if any, the Partnership receives from the sale of the Partnership's Units to the General Partner or its affiliates). While American Elm is initially acting as the Partnership's exclusive selling agent, the Partnership may engage additional selling agents in the future.

For the years ended December 31, 2019 and 2018, the Partnership incurred the following transactions with American Elm:

	Year Ended December 31, 2019	Year Ended December 31, 2018
Balance - beginning of year	$ —	$ —
Underwriting fees earned by American Elm	118,326	157,443
Payments by the Partnership to American Elm	(118,326)	(157, 443)
Balance - end of year	$ —	$ —

For the years ended December 31, 2019 and 2018, the Partnership incurred the following underwriting fee transactions:

	Year Ended December 31, 2019	Year Ended December 31, 2018
Underwriting discount incurred by the Partnership	$ 85,620	$ 95,035
Underwriting fees earned by American Elm	118,326	157,443
Underwriting fees paid to outside brokers	214,391	304,183
Total underwriting fees	$ 418,337	$ 556,661

4. Investments in Finance Leases.

At December 31, 2019 and 2018, net investments in finance leases consisted of the following:

	2019	2018
Minimum rents receivable	$ 23,001,407	$ 9,240,140
Estimated unguaranteed residual value	146,569	662,066
Unearned income	(4,382,992)	(1,844,173)
	$ 18,764,984	$ 8,058,033

5. Investment in Equipment Subject to Operating Leases.

The composition of the equipment subject to operating leases of the Partnership as of December 31, 2019 is as follows:

Description	Cost Basis	Accumulated Depreciation	Net Book Value
Food equipment	$ 334,826	$ 284,739	$ 50,087
Fabrication Equipment	$ 2,010,412	$ 251,735	$ 1,758,677
	$ 2,345,238	$ 536,474	$ 1,808,764

The composition of the equipment subject to operating leases of the Partnership as of December 31, 2018 is as follows:

Description	Cost Basis	Accumulated Depreciation	Net Book Value
Food equipment	$ 334,826	$ 207,328	$ 127,498
	$ 334,826	$ 207,328	$ 127,498

Depreciation expense for the years ended December 31, 2019 and 2018 was $329,146 and $95,604, respectively.

6. Collateralized Loans Receivable.

The future principal maturities of the Partnership's collateralized loans receivable at December 31, 2019 are as follows:

Years ending December 31,	
2020	$ 1,099,915
2021	2,019,389
2022	—
2023	—
2024	—
Thereafter	—
Total	$ 3,119,304

7. Loan Payable.

On October 18, 2019, the Partnership entered into a loan and security agreement with a third party lender for a $25,000,000 loan facility (of which $20,000,000 is a Term Loan and $5,000,000 is a Revolving Loan) with a maturity date of October 18, 2022. During the year ended December 31, 2019, the Partnership borrowed a total of $10,600,000 under the Term and Revolver Loans. Interest on the drawn funds shall accrue at a rate of 3 month LIBOR Rate plus 5.6% per annum (7.5% as of December 31, 2019). During the year ended December 31, 2019, the Partnership repaid total principal of $914,926.

The future maturities of the Partnership's loan payable at December 31, 2019 are as follows:

Years ending December 31,	
2020	$ —
2021	—
2022	9,722,177
2023	—
2024	—
Thereafter	—
Total	$ 9,722,177

8. Fair Value of Financial Instruments.

The Partnership's carrying value of cash and cash equivalents, accounts payable and accrued liabilities, and other liabilities, approximate fair value due to their short term maturities.

The Partnership's carrying values and approximate fair values of its financial instruments were as follows:

	December 31, 2019		December 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Collateralized loans receivable	$ 3,131,307	$ 3,131,307	$ 3,318,420	$ 3,318,420
Liabilities:				
Loan payable	$ 9,722,177	$ 9,722,177	$ —	$ —

9. Income Tax Reconciliation (unaudited).

As of December 31, 2019 and 2018, total Partners' Equity included in the consolidated financial statements was $18,167,134 and $13,850,728, respectively. As of December 31, 2019 and 2018, total Partners' Equity for federal income tax purposes was $20,661,855 and $16,322,877. The primary differences are organizational and offering expenses and distribution expenses, which are a reduction in Limited Partners' capital accounts for financial reporting purposes but not for federal income tax reporting purposes and differences in depreciation and amortization for financial reporting purposes and federal income tax purposes.

The Partnership is subject to the Bipartisan Budget Act of 2015 ("BBA"), which, among other requirements, stipulates that any tax liability incurred based on an IRS tax examination will become due by the Partnership versus the partners of the Partnership. The Partnership, at its discretion, will be able to seek repayment from its partners or treat as a distribution of the individual partners' account to satisfy this obligation. The Partnership will treat any liability incurred as a deduction to equity. As of December 31, 2019, there were no expected liabilities to be incurred under the BBA.

The following table reconciles the net income (loss) for financial statement reporting purposes to the net income for federal income tax purposes for the years ended December 31, 2019 and 2018:

	For the Year Ended December 31, 2019	**For the Year Ended December 31, 2018**
Net income (loss) per consolidated financial statements	$ 175,174	$ (139,178)
Depreciation and amortization	(79,739)	57,432
Advanced rental payments	(218,714)	202,330
Penalties	—	517
Loan origination fees	406,932	—
Amortization of loan origination fees	(22,607)	—
Tax lease adjustments	89,138	—
Loan non-accruals	(24,804)	24,804
Net income for federal income tax purposes	$ 325,380	$ 145,905

10. Indemnifications.

The Partnership enters into contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is not known.

In the normal course of business, the Partnership enters into contracts of various types, including lease contracts, contracts for the sale or purchase of lease assets, loan agreements and management contracts. It is prevalent industry practice for most contracts of any significant value to include provisions that each of the contracting parties, in addition to assuming liability for breaches of the representations, warranties, and covenants that are part of the underlying contractual obligations, to also assume an obligation to indemnify and hold the other contractual party harmless for such breaches, and for harm caused by such party's gross negligence and willful misconduct, including, in certain instances, certain costs and expenses arising from the contract. Generally, to the extent these contracts are performed in the ordinary course of business under the reasonable business judgment of the General Partner and the Investment Manager, no liability will arise as a result of these provisions. The General Partner and Investment Manager knows of no facts or circumstances that would make the Partnership's contractual commitments outside standard mutual covenants applicable to commercial transactions between businesses. Accordingly, the Partnership believes that these indemnification obligations are made in the ordinary course of business as part of standard commercial and industry practice, and that any potential liability under the Partnership's similar commitments is remote. Should any such indemnification obligation become payable, the Partnership would separately record and/or disclose such liability in accordance with U.S. GAAP.

11. Selected Quarterly Financial Data.

The following table is a summary of selected financial data, by quarter:

	Quarterly Information (unaudited)				Year Ended
	March 31,	**June 30,**	**September 30,**	**December 31,**	**December 31, 2019**
Total revenue	$ 433,986	$ 468,274	$ 688,197	$ 669,424	$ 2,259,881
Net income (loss) allocable to Limited Partners	$ 107,350	$ (19,868)	$ 312,797	$ (226,857)	$ 173,422
Weighted average number of limited partnership interests outstanding	3,447,824.20	2,535,672.53	2,535,672.53	2,535,546.44	1,302,315.04
Net income (loss) attributable to Limited Partners per weighted average number of limited partnership interest outstanding	$ 0.03	$ (0.01)	$ 0.12	$ (0.09)	$ 0.13

	Quarterly Information (unaudited)				Year Ended
	March 31,	June 30,	September 30,	December 31,	December 31, 2018
Total revenue	$ 223,481	$ 259,760	$ 410,862	$ 334,449	$ 1,228,552
Net (loss) income allocable to Limited Partners	$ (115,152)	$ (54,593)	$ 14,522	$ 17,436	$ (137,786)
Weighted average number of limited partnership interests outstanding	1,894,079.57	1,351,321.50	1,593,859.92	1,833,654.34	810,989.49
Net (loss) income attributable to Limited Partners per weighted average number of limited partnership interest outstanding	$ (0.06)	$ (0.04)	$ 0.01	$ 0.01	$ (0.17)

12. Business Concentrations.

For the year ended December 31, 2019, the Partnership had two lessees which accounted for approximately 74% and 26% of the Partnership's rental income derived from operating leases. For the year ended December 31, 2018, the Partnership had one lessee which accounted for 100% of the Partnership's rental income derived from operating leases. For the year ended December 31, 2019, the Partnership had two leases which accounted for approximately 24% and 20% of the Partnership's income derived from finance leases. For the year ended December 31, 2018, the Partnership had three leases which accounted for approximately 38%, 12%, and 11% of the Partnership's income derived from finance leases. For the year ended December 31, 2019, the Partnership had two promissory notes which accounted for approximately 56% and 38% of the Partnership's interest income derived from collateralized loans receivable. For the year ended December 31, 2018, the Partnership had three promissory notes which accounted for approximately 55%, 17% and 14% of the Partnership's interest income derived from collateralized loans receivable.

At December 31, 2019, the Partnership had three lessees which accounted for approximately 19%, 16%, and 14%, of the Partnership's investment in finance leases. At December 31, 2018, the Partnership had four lessees which accounted for approximately 25%, 20%, 11%, and 11%, of the Partnership's investment in finance leases. At December 31, 2019, the Partnership had one lessee which accounted for approximately 97% of the Partnership's investment in operating leases. At December 31, 2018, the Partnership had one lessee which accounted for 100% of the Partnership's investment in operating leases. For the year ended December 31, 2019, the Partnership had two promissory notes which accounted for approximately 64% and 34% of the Partnership's investment in collateralized loans receivable. For the year ended December 31, 2018, the Partnership had three promissory notes which accounted for approximately 46%, 40% and 10% of the Partnership's investment in collateralized loans receivable.

13. Geographic Information.

Geographic information for revenue for the years ended December 31, 2019 and 2018:

	Year Ended December 31, 2019	
	United States	Total
Revenue:		
Rental income	$ 419,024	$ 419,024
Finance income	$ 1,403,049	$ 1,403,049
Interest income	$ 437,120	$ 437,120

	Year Ended December 31, 2018	
	United States	Total
Revenue:		
Rental income	$ 109,024	$ 109,024
Finance income	$ 862,809	$ 862,809
Interest income	$ 246,192	$ 246,192

Geographic information for long-lived assets at December 31, 2019 and 2018 was as follows:

	December 31, 2019	
	United States	Total
Long-lived assets:		
Investment in finance leases, net	$ 18,764,984	$ 18,764,984
Investments in equipment subject to operating leases, net	$ 1,808,764	$ 1,808,764
Collateralized loan receivable, including accrued interest	$ 3,131,307	$ 3,131,307

	December 31, 2018	
	United States	Total
Long-lived assets:		
Investment in finance leases, net	$ 8,058,033	$ 8,058,033
Investments in equipment subject to operating leases, net	$ 127,498	$ 127,498
Collateralized loan receivable, including accrued interest	$ 3,318,420	$ 3,318,420

14. Commitments and Contingencies.

On May 1, 2018, the Partnership, as co-borrower, entered into a loan agreement with a bank for a $5,000,000 revolving line of credit. This short term line is intended to be utilized to warehouse transactions to be invested in by the Partnership as investor proceeds are received. In connection with the loan agreement, the Partnership issued a promissory note to the bank in the amount of $5,000,000 that matures on May 1, 2020. To date, the Partnership has not drawn any funds under the revolving line of credit. In the event the Partnership draws funds, interest shall accrue at a rate of Prime Rate plus 1% per annum. On October 17, 2019, this loan agreement was terminated.

On November 26, 2019, the Partnership entered into a lease facility for $1,230,754 for fish processing equipment based in Alaska that commences on February 1, 2020. On November 26, 2019, the Partnership advanced $1,107,679 under this lease facility. The lease is secured by a first priority lien against the fish processing equipment. At December 31, 2019, there was unfunded commitment of $123,075.

15. Subsequent Events.

In December 2019, a novel strain of coronavirus (also known as COVID-19) was reported to have surfaced in Wuhan, China. In January 2020, this coronavirus spread to other countries, including the United States and Europe. The outbreak has continued to spread and is currently classified as a pandemic. Efforts to contain the spread of this coronavirus has intensified. To date, COVID-19 has not had a significant impact on our business. Although the Partnership currently expects that the disruptive impact of coronavirus on its business will be temporary, this situation continues to evolve and therefore the Partnership cannot predict the extent to which the coronavirus will directly or indirectly affect its business and operating results.

On January 23, 2020, the Partnership entered into a finance lease for $3,720,970 of telecommunication equipment based in Illinois. On January 23, 2020, the Partnership advanced $3,192,259 as equipment lease schedule 1 (“Schedule 1”), and $528,711 as equipment lease schedule 2 (“Schedule 2”) under this finance lease. The Schedule 1 lease requires 42 monthly payments of $93,302, and Schedule 2 lease requires 42 monthly payments of $15,453. The lease is secured by a first priority lien against the telecommunication equipment.

On January 31, 2020, the Partnership funded a finance lease for $470,790 for micro-needling machines based in New York. The finance lease requires 35 monthly payments of $15,336. The lease is secured by a first priority lien against the micro-needling machines.

On February 10, 2020, the Partnership funded a finance lease for $1,535,424 for construction equipment based in Ohio. The finance lease requires 35 monthly payments of $48,110 with a final payment of $298,915. The lease is secured by a first priority lien against the construction equipment.

On February 11, 2020, the Partnership received cash of $125,047 as total payoff, in connection with the operating lease facility entered into on October 18, 2016. The operating lease had a net book value of $47,832 resulting in additional income of $77,215.

On March 3, 2020, the Partnership funded a promissory note for $225,000 for various store front and kitchen equipment to a borrower based in Utah. The note accrues interest at a rate of 16.2% per annum and matures 52 months after date of funding. The borrower will make 3 monthly interest only payments of $3,033, commencing in April 2020, 48 monthly principal and interest payments of $5,733, commencing in July 2020, and a final payment of $45,000 upon maturity in July 2024. The lease is secured by a first priority lien against the various store front and kitchen equipment.

On March 19, 2020, the Partnership funded a finance lease for $2,486,624 for Apple products based in California. The finance lease requires 27 monthly payments of $104,948. The lease is secured by a first priority lien against the Apple products.

On March 25, 2020, the Partnership advanced the remaining $123,075 under a finance lease facility for fish processing equipment.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures.

None.

Item 9A. Controls and Procedures.

Evaluation of disclosure controls and procedures

In connection with the preparation of this Annual Report on Form 10-K for the year ended December 31, 2019, our General Partner carried out an evaluation, under the supervision and with the participation of the management of our General Partner, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our General Partner's disclosure controls and procedures as of December 31, 2019. Based on the foregoing evaluation, the Chief Executive Officer and Chief Financial Officer of our General Partner concluded that our General Partner's disclosure controls and procedures were effective as of December 31, 2019 at the reasonable assurance level.

In designing and evaluating our General Partner's disclosure controls and procedures, our General Partner recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our General Partner's disclosure controls and procedures have been designed to meet reasonable assurance standards. Disclosure controls and procedures cannot detect or prevent all error and fraud. Some inherent limitations in disclosure controls and procedures include costs of implementation, faulty decision-making, simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all anticipated and unanticipated future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with established policies or procedures.

Our General Partner's Chief Executive Officer and Chief Financial Officer have determined that no weakness in disclosure controls and procedures had any material effect on the accuracy and completeness of our financial reporting and disclosure included in this Annual Report on Form 10-K.

Evaluation of internal control over financial reporting

Our General Partner is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our General Partner's internal controls system is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Partnership; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Partnership are being made only in accordance with authorizations of management and directors of the Partnership; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Partnership's assets that could have a material effect on the consolidated financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our General Partner's management, including the Chief Executive Officer and Chief Financial Officer of our General Partner, conducted an evaluation of the effectiveness of our General Partner's internal control over financial reporting as of December 31, 2019 based on the "Internal Control—Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on their assessment, our General Partner's management concluded that, as of December 31, 2019, its internal control over financial reporting was effective at the reasonable assurance level.

Changes in internal control over financial reporting

Beginning January 1, 2018, we implemented ASU 2014-09 *Revenue from Contracts with Customers (Topic 606)* and ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of Effective Date*. Although the adoption of the new revenue standard had no significant impact on our results of operations, cash flows, or financial position, we did implement changes to our controls related to revenue. These included the development of new policies based on the five-step model provided in the new revenue standard, enhanced contract review requirements, and other ongoing monitoring activities. These controls were designed to provide assurance at a reasonable level of the fair presentation of our consolidated financial statements and related disclosures.

Beginning January 1, 2019, we implemented ASU 2016-02 *Leases (Topic 842),* although the adoption of the new leases standard had no significant impact on our results of operations, cash flows, or financial position, we did implement changes to our controls related to leases. As part of the implementation process, we assessed our lease arrangements and evaluated practical expedients and accounting policy elections to meet the reporting requirements of this standard. We also evaluated the changes in controls and processes that were necessary to implement the new standard, and no material changes were required. The new standard provides a number of optional practical expedients in transition. We elected the 'package of practical expedients' which permitted us not to reassess under the new standard the prior conclusions about lease identification, lease classification and initial direct costs. There were no other change in our internal control over financial reporting during the year ended December 31, 2019, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Our General Partner

Our General Partner is ASIF GP, LLC (f/k/a SQN AIF V GP, LLC), a Delaware limited liability company with offices at 100 Arboretum Drive, Suite 105, Portsmouth, New Hampshire 03801. Our General Partner was formed in January 2016. The sole member of our General Partner is Arboretum Investment Advisors, LLC (f/k/a SQN Investment Advisors, LLC), our Investment Manager. The executive officers of our General Partner are as follows:

Name	Age	Position
Claudine Aquillon	55	Chief Executive Officer and Chief Operating Officer
Michael Miroshnikov	37	President
Joshua Yifat	47	Chief Financial Officer
Michael C. Ponticello	41	Executive Vice President
Carmine Cozelino	43	Senior Vice President

Biographical information regarding the officers and directors of our General Partner follows the table setting forth information regarding our Investment Manager's current executive officers and directors.

Our Investment Manager

Our Investment Manager is Arboretum Investment Advisors, LLC (f/k/a SQN Investment Advisors, LLC), a Delaware limited liability company, with offices at 100 Arboretum Drive, Suite 105, Portsmouth, New Hampshire 03801. Our Investment Manager was formed in March 2016 to act as the manager of direct participation programs, and together with certain executive officers who are members of its investment committee, is responsible for selecting, managing and disposing of our assets, equipment, leases and loans. In this regard, after we received the minimum offering proceeds and held our initial closing, we entered into the Management, Origination and Servicing Agreement under which our Investment Manager originates leases and other investments for us and services our portfolio of leases and other investments. Our Investment Manager is responsible for all aspects of the performance by its affiliates of services necessary to our operation and for the facilities, personnel, equipment, financial and other resources used by its affiliates in the performance of those services. The executive officers and advisor of our Investment Manager are as follows

Name	Age	Position
Claudine Aquillon	55	Chief Executive Officer and Chief Operating Officer
Michael Miroshnikov	37	President
Joshua Yifat	47	Chief Financial Officer
Michael C. Ponticello	41	Executive Vice President
Carmine Cozelino	43	Senior Vice President

Claudine Aquillon has served as Chief Executive Officer and Chief Operating Officer of our General Partner and our Investment Manager since inception. Ms. Aquillon brings over 25 years of operations experience, in both the public and private sectors, to our Investment Manager. During her career in the financial services industry, Ms. Aquillon has served in multiple senior management and director positions at independent leasing companies, international banks, and financial consulting and due diligence firms where her primary responsibility was to oversee and manage the administrative, financial, legal, operational and risk functions. From September 2014 through June 2016, Ms. Aquillon served as the Chief Operating Officer of SQN Capital Management, LLC. Prior to that, Ms. Aquillon was the Operations Officer for JMAC Partners, LLC from February 2014 to September 2014; prior to that time she was the Vice President – Risk for Morgan Stanley from June 2011 to February 2014. Ms. Aquillon also brings mergers & acquisition experience, having been part of a team that structured multiple successful acquisitions in the banking and financial services industry. Ms. Aquillon received her B.A. in Business Administration & Finance from Bradford College and has a Master Black Belt in Six Sigma.

Michael Miroshnikov has served as President of our General Partner and our Investment Manager since inception. Mr. Miroshnikov has spearheaded the growth and development of our Investment Manager's acquisition and origination division. Mr. Miroshnikov is also Managing Director of SQN Venture Partners, a manager of a venture debt fund. Mr. Miroshnikov began his career in the equipment leasing and finance industry in 2002. From 2007 through June 2016, Mr. Miroshnikov played an integral role at SQN Capital Management, LLC in a variety of capacities including operations, compliance, acquisitions and executive management. Mr. Miroshnikov possesses a specific expertise in technology, manufacturing, medical, marine, energy and aviation assets and the respective industries. In 2005, he graduated Cum Laude with a B.A. in Investment Finance from the Zicklin School of Business at Baruch College and in 2009 received a Juris Doctorate degree from Brooklyn Law School. He also holds Series 7, 24, and 63 licenses.

Joshua Yifat has served as Chief Financial Officer of our General Partner and our Investment Manager since July 1, 2016. Mr. Yifat has over eighteen years of business finance, accounting, tax and corporate auditing experience, including positions at Morgan Stanley Smith Barney, KPMG LLP, along with other regional accounting firms. He has extensive experience in the alternative investments industry including hedge funds and private equity funds. From September 2014 through June 2016, Mr. Yifat served as a consultant chief financial officer with a CFO outsourcing firm, The CFO Squad, providing CFO strategies and services to various small to mid-sized publicly traded companies and alternative investments funds. Prior to that, from May 2011 through January 2014, Mr. Yifat was the chief financial officer of Infinity Augmented Reality, Inc., a publicly traded company on the OTC, where he provided multi-functional executive leadership on accounting, finances, operations and investor/shareholder relations. Prior to that, from December 2007 through April 2011, Mr. Yifat was a Vice President of the Managed Futures Group at Morgan Stanley Smith Barney, where he supervised 40 managed futures funds with assets under management in excess of $6.5 billion. Prior to Morgan Stanley Smith Barney, Mr. Yifat spent 8 years with various accounting firms as senior auditor within the financial services group. Mr. Yifat holds a B.S. from Touro College.

Michael C. Ponticello has served as Executive Vice President of our General Partner and our Investment Manager since inception. Mr. Ponticello has over 17 years' experience in the asset finance and equipment fund management business specializing in collateralized, non-correlated, income-producing investments. Mr. Ponticello has been involved in the launch of nine alternative investment funds catering to a broad array of investors including institutions, funds of funds, wealth managers, and retail investors in the United States. Mr. Ponticello is also responsible for the establishment and development of American Elm Distribution Partners, LLC, an Independent Broker-Dealer, and serves as its CEO and President. Mr. Ponticello is also Managing Director of SQN Venture Partners, a manager of a venture debt fund. From 2007 through June 2016, Mr. Ponticello played an integral role at SQN Capital Management, LLC, including serving as its Executive Vice President and National Sales Manager. Mr. Ponticello served as a Board member and Director of The Alternative & Direct Investment Securities Association (ADISA), a national trade association of decision makers who influence over 30,000 professionals involved in alternative investments, primarily non-traded alternatives. Mr. Ponticello received his B.A. from the Zicklin School of Business at Baruch College. He also holds Series 7, 24, and 63 licenses.

Carmine Cozelino has served as Senior Vice President of our General Partner and our Investment Manager since inception. Mr. Cozelino joined American Elm Distribution Partners, LLC (f/k/a SQN Securities, LLC) in 2014 and serves as Senior Vice President of that entity as well. Mr. Cozelino brings a diverse professional background to our Investment Manager. His key attribute is an in-depth knowledge of sales and marketing with a focus on product structuring, working with non-traded investments including asset backed financing, specializing in equipment finance and real estate. Prior to joining American Elm Distribution Partners, LLC (f/k/a SQN Securities, LLC), Mr. Cozelino most recently served as Vice President Product Specialist with ICON Investments focusing on non-traded equipment funds. He also served as Vice President and National Sales Desk Manager with ICON Investments where he held multiple sales leadership roles since 2008. Prior to that time, Mr. Cozelino was a Senior Regional Consultant with Alliance Bernstein charged with mutual fund and separately managed account distribution across the Midwest, working with Registered Investment Advisors, wire houses, and independent Broker-Dealer representatives. Mr. Cozelino received his B.A. in Political Science and International Affairs from Hofstra University and holds Series 7, 39 and 63 Licenses.

Code of Business Conduct and Ethics

Because we do not directly employ any persons, we rely on a Code of Business Conduct and Ethics adopted by our General Partner that applies to the principal executive officer, principal financial officer and principal accounting officer of our General Partner, as well as to persons performing services for us generally. You may request a copy of this code of ethics by mailing or request to our General Partner at ASIF GP, LLC, 100 Arboretum Drive, Suite 105, Portsmouth, New Hampshire 03801.

We are not required to and do not have an independent audit committee or a financial expert.

Item 11. Executive Compensation.

We do not pay the officers or directors of our General Partner, our Investment Manager or their affiliates any compensation. However, we will pay our General Partner, our Investment Manager and their affiliate's fees and reimburse certain of their expenses incurred on our behalf. These expense reimbursements include reimbursing our General Partner, our Investment Manager and their affiliate's for certain costs incurred on our behalf, including the cost of personnel, other than controlling persons of our General Partner, our Investment Manager and their affiliates, who will perform administration, accounting, investor relations, secretarial, transfer and other services required by us. These individuals also will perform similar services for our General Partner, our Investment Manager or their affiliates and other affiliated investment programs, including our Investment Manager's prior equipment leasing and finance programs, as well as investment programs to be formed in the future by our General Partner and its affiliates. We entered into an agreement which provides that expense reimbursements paid by us to our General Partner, our Investment Manager and their affiliates must be limited to the lesser of their actual cost or the cost of comparable services from third-parties. We expect that we will allocate the cost of compensation and benefits of our General Partner's officers, the officers and employees of our Investment Manager, and the officers and employees of their affiliates, excluding expenses allocable to their controlling persons, based on the amount of their business time spent on our business.

Our General Partner, Investment Manager and their affiliates were paid or accrued the following compensation and reimbursement for costs and expenses:

Entity	Capacity	Description	Year Ended December 31, 2019	Year Ended December 31, 2018
Arboretum Investment Advisors, LLC	Investment Manager	Management fees (1)	$ 750,000	$ 750,000
American Elm Distribution Partners, LLC	Dealer—Manager	Underwriting expense (2)	118,326	157,443
			$ 868,326	$ 907,443

(1) Amount charged directly to operations.

(2) Amount charged directly to partners' equity.

Our General Partner has a 1% interest in our income, losses and distributions until the Limited Partners have received total distributions equal to each Limited Partner's capital contribution plus an 8%, compounded annually, cumulative return on each Limited Partner's capital contribution. After such time, income, losses and distributions will be allocated 20% to our General Partner. We did not make a cash distribution to our General Partner during the year ended December 31, 2019 or 2018. As of December 31, 2019 and 2018, we accrued $19,430 and $11,481 for distributions payable to our General Partner. For the years ended December 31, 2019 and 2018, the General Partner's 1% interest in our net income was $1,752 and net loss was $1,392, respectively.

Item 12. Security Ownership of Certain Beneficial Owners and the General Partner and Related Security Holder Matters.

a. We do not have any securities authorized for issuance under any equity compensation plan.
b. We do not have any Limited Partners who own over 5% of our Units at December 31, 2019.
c. As of March 27, 2020, no directors or officers of our General Partner or our Investment Manager own any of our equity securities.
d. Neither we nor our General Partner or our Investment Manager are aware of any arrangements with respect to our securities, the operation of which may at a subsequent date result in a change of control of us.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

For information regarding executive compensation and related party transactions refer to Part III Item 11. Executive Compensation and Part II Item. 8. Financial Statements and Supplementary Data, Note 3. Related Party Transactions in our consolidated financial statements for a discussion of our related party transactions.

Because we are not listed on any national securities exchange or inter-dealer quotation system, we have elected to use the Nasdaq Stock Market's definition of "independent director" in evaluating whether any of our General Partner's and Investment Manager's directors are independent. Under this definition, the board of directors of both our General Partner and our Investment Manager has determined that they do not have any independent directors, nor are we required to have any.

Item 14. Principal Accounting Fees and Services.

During the year ended December 31, 2019 and 2018 our auditors provided audit services relating to our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. Additionally, our auditors provided other services in the form of tax compliance work. The following table presents the fees for both audit and non—audit services rendered by Baker Tilly Virchow Krause LLP, for the years ended December 31, 2019 and 2018:

Description of fees	For the Year ended December 31, 2019	For the Year ended December 31, 2018
Audit fees (1)	94,000	92,500
Tax compliance fees	35,000	30,000
	$ 129,000	$ 122,500

(1) Includes audits and interim quarterly reviews.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

1) Documents filed as part of this Report.

a) The following financial statements are filed herewith in Part II Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K:

i) Report of Independent Registered Public Accounting Firm
ii) Consolidated Balance Sheets at December 31, 2019 and 2018
iii) Consolidated Statements of Operations for the years ended December 31, 2019 and 2018
iv) Consolidated Statements of Changes in Partners' Equity for the years ended December 31, 2019 and 2018
v) Consolidated Statements of Cash Flows for the years ended December 31, 2019 and 2018
vi) Notes to Consolidated Financial Statements for the years ended December 31, 2019 and 2018

b) Listing of Exhibits:

31.1. Certification of Michael Miroshnikov, President, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2. Certification of Joshua Yifat, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1. Certification of Michael Miroshnikov, President, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2. Certification of Joshua Yifat, Chief Financial Officer, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101 The following consolidated financial statements from Arboretum Silverleaf Income Fund, L.P.'s annual report on Form 10-K for the year ended December 31, 2019, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Changes in Partners' Equity, (iv) Consolidated Statements of Cash Flows, (v) Notes to Consolidated Financial Statements and (vi) document and entity information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacity and on the dates indicated.

File No. 333-211626
ASIF GP, LLC
General Partner of the Registrant

March 27, 2020

/s/ Michael Miroshnikov

Michael Miroshnikov
President
(Principal Executive Officer)

EXHIBIT 31.1

CERTIFICATION

I, Michael Miroshnikov, certify that:

1. I have reviewed this annual report on Form 10-K of Arboretum Silverleaf Income Fund, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 27, 2020

/s/ Michael Miroshnikov

Michael Miroshnikov
President
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Joshua Yifat, certify that:

1. I have reviewed this annual report on Form 10-K of Arboretum Silverleaf Income Fund, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 27, 2020

/s/ Joshua Yifat

Joshua Yifat
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Arboretum Silverleaf Income Fund, L.P. (the “Company”) on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, the undersigned, Michael Miroshnikov, President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: March 27, 2020

/s/ Michael Miroshnikov
Michael Miroshnikov
President
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Arboretum Silverleaf Income Fund, L.P. (the "Company") on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, the undersigned, Joshua Yifat, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Date: March 27, 2020

/s/ Joshua Yifat
Joshua Yifat
Chief Financial Officer
(Principal Financial Officer)