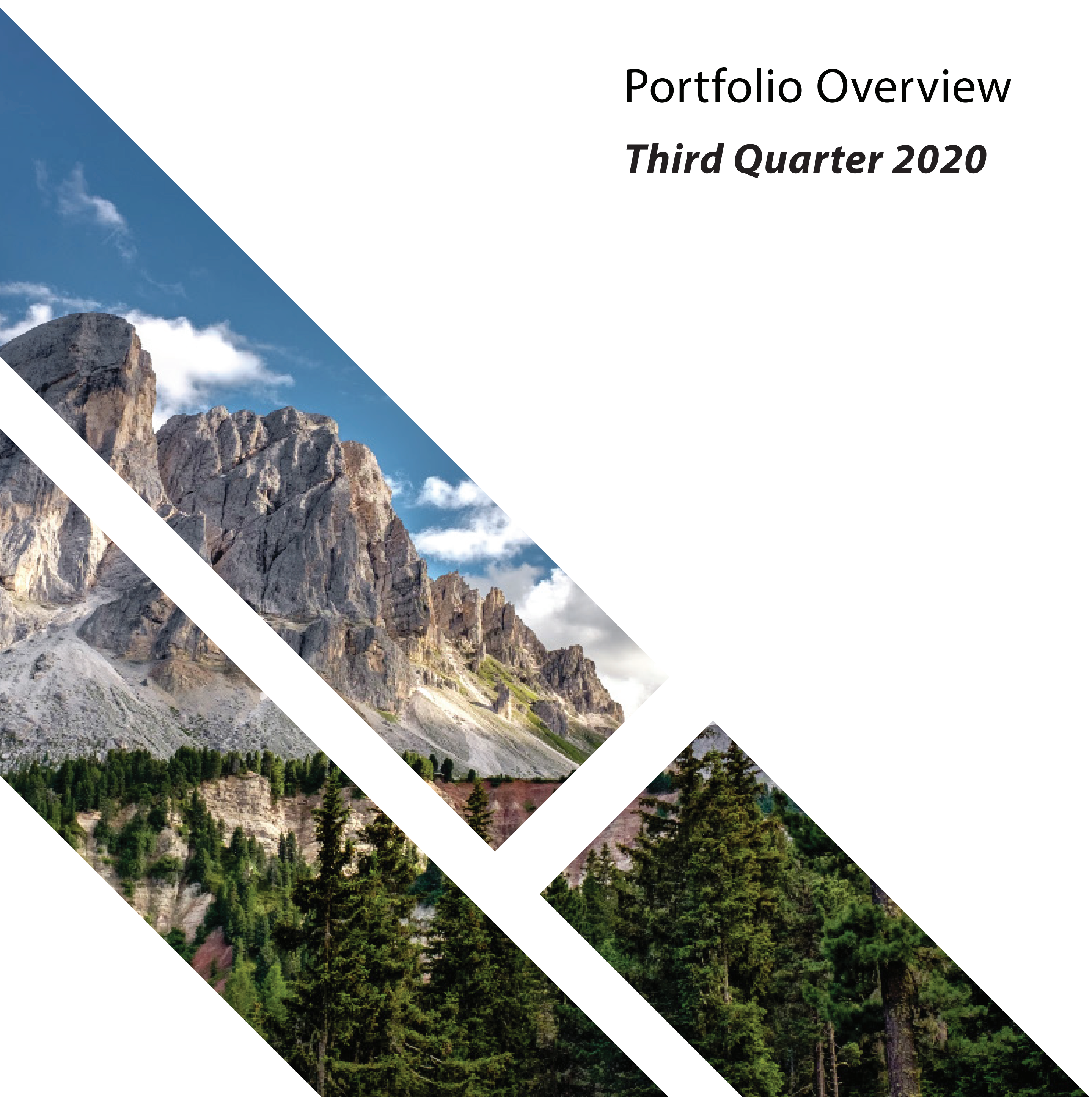
ARBORETUM
SILVERLEAF INCOME FUND, L.P.

Portfolio Overview

Third Quarter 2020



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Company Overview

Company:

Arboretum Silverleaf Income Fund, L.P.
Formed in Delaware on January 14, 2016

SEC Registered Investment Manager:

Arboretum Investment Advisors, LLC
Formed in Delaware on March 3, 2016

Company Overview

Our Business:

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

The life cycle of our fund is divided into three distinct stages: (i) the Offering Period, (ii) the Operating Period and (iii) the Liquidation Period. Our Offering Period commenced on August 11, 2016 and concluded on March 31, 2019.

During the Offering Period, the majority of our cash inflows were derived from financing activities and the direct result of capital contributions from Limited Partners.

Portfolio Overview

As of September 30, 2020, our portfolio consisted of:

LeoTerra Development Inc

Borrower: LeoTerra Development Inc. **Investment Amount:** $954,498

Term: 60 months **Asset Collateral:** First priority lien on two (2) Bell B45E Articulated Trucks

Deal Overview:

LeoTerra Development ("Company" or "LeoTerra"), founded in 2017 and based out of Kernersville, NC, provides land development services for raw land plots in addition to the acquisition and management of the lots. The Company's capabilities attracted the attention of a publically traded construction firm ("Partner") with a market capitalization measuring in the billions. The firms maintain a uniquely beneficial relationship in which LeoTerra will purchase land, with part of the capital provided by the Partner, and sell the finished land lots (now ready for construction) back to the Partner. The two financed trucks will be utilized to service active projects that are part of a long list of awarded contracts that should support the Company's revenue for years to come.

Sunvair

Borrower: Sunvair Aerospace Group, Inc. **Investment Amount:** $160,156

Term: 60 months **Asset Collateral:** First priority lien on MetFin surface treatment machine

Deal Overview:

Founded in 1957, Sunvair, Inc. ("Sunvair") and sister company Aviation Avionics & Instruments Inc. ("AAII") are certified FAA repair stations performing aircraft repair and overhaul services. The companies were acquired by Blue Sea Capital in 2014 and 2015, respectively, and rolled under the Sunvair Aerospace Group Inc. parent umbrella. Both companies perform maintenance, repair and overhaul services for commercial, regional and military aircraft components, including avionics, instruments, pressure sensors, landing gear, mechanical components, and other accessories and components. Sunvair's repair and overhaul facilities are located in Valencia, CA and AAII's in Freeport, NY. Investment is in a business-essential Shot Peening Machine (MetFin Series II, Model 600 Table Blast System), which allows Sunvair to bring resurfacing work in-house rather than outsourcing, as well as expand their business by providing another high-demand service. The machine's useful life is well in excess of the 60 month lease term, it can be used across multiple industries and has an active secondary market.

Borrower: DBI Services, LLC **Investment Amount:** $3,000,000

Term: 60 months **Asset Collateral:** First priority lien on construction vehicles & ancillary equipment

Deal Overview:

Founded in 1978, DBI Parent, LLC ("DBI" or "Company"), through its subsidiaries, provides maintenance and operational services for infrastructure related projects in the U.S. and Canada. DBI services the Department of Transportation (DOT) for Florida, Texas, Virginia, and Georgia, most of which have been with DBI for 16+ years. Operations are supported by approximately 2,375 employees and 4,648 equipment units located throughout 87 offices. DBI has undergone leadership and operational changes between 2016-2019 resulting in improved performance and revenue. Facility proceeds will be utilized to acquire trucks (flatbed, dump trucks, plow trucks, etc.), trailers, tractors and other ancillary equipment over the course of 2020 to replace older models and support new contracts. Primarily reserved for DBI's larger contracts with the DOT customers, the Equipment is business essential and revenue generating with a long useful life and can be utilized across a wide variety of sectors resulting in an active secondary market.

Borrower: We Do Dough, Inc. for Crumbl Cookies franchise **Investment Amount:** $450,000

Term: 52 months **Asset Collateral:** First priority lien on franchise furniture, fixtures & equipment

Deal Overview:

Founded in 2018 in Logan, UT, Crumbl is a fast-growing specialty provider of freshly made cookies with pickup and delivery options. All cookies are freshly made from scratch ingredients on the day of purchase, maintain delivery options, and can be baked to accommodate large catering options. The franchise model company grew from 35 to 48 locations between 2018-2019 and is expected to reach 100 stores in 2020. Investment is in business essential restaurant equipment to open a Crumbl storefront in California in addition to the two Colorado stores already opened. Equipment includes ovens/microwaves, freezers, electronics and related assets. The lessee, We Do Dough, was established to own and operate three franchise stores, with the experienced franchise owner/operator providing personal and corporate guarantees of seven existing Little Caesars franchises.

Borrower: Franklin Equipment, LLC **Investment Amount:** $1,535,424

Term: 36 months **Asset Collateral:** First priority lien on compressors, forklifts & concrete buggies

Deal Overview:

Founded in 2007 and headquartered in Groveport, OH, Franklin Equipment ("Franklin" or the "Company") is an equipment rental company that operates in seven states including Ohio, Indiana, Wisconsin, Tennessee and South Carolina. The Company was founded by the Gabriel family, which has been in the equipment rental industry for over 70 years. Profitability is projected to accelerate over the next several years as these stores mature and rental utilization rates increase. Most of the equipment fleet is highly marketable and can be liquidated in the event of financial hardship. Investment in various types of rental equipment including compressors, forklifts, and concrete buggies that will be rented to Franklin customers, located at various Franklin locations. Equipment is expected to have a useful life of approximately 5-7 years, well in excess of 36 month term. In addition, the Equipment has an active secondary market as it can be utilized across multiple industries.

Borrower: Anova Technologies, LLC and FE Telecoms, LLC **Investment Amount:** $3,720,970

Term: 42 months **Asset Collateral:** First priority lien on all assets

Deal Overview:

Founded in 2007 and headquartered in Chicago, IL, Anova Technologies ("Company" or "Anova") is an international carrier and market data provider, offering wireless and fiber connectivity as well as market data distribution services through proprietary technologies. Anova began building wireless links between markets in the United States starting in 2010, and in 2019 expanded to Asian wireless markets. Proceeds from this transaction will be utilized to refinance the Company's current long-term debt, of which the majority was issued by PNC to acquire the Asian wireless network. The financing will be secured by all of the Company's assets including the business critical network equipment and infrastructure, which sustains a high in place value as it is mostly immobile. Additionally, the network equipment typically maintains a useful life well in excess of the proposed facility. In the event of a default, the assets and the Company are projected to serve as an adequate source of secondary repayment.

Borrower: NavaDerm Partners, LLC **Investment Amount:** $470,790

Term: 36 months **Asset Collateral:** First priority lien on medical equipment

Deal Overview:

Founded in 2018 and headquartered in New York City, NY, NavaDerm Partners, LLC ("NavaDerm" or the "Company") is a management services dermatology platform providing contractual, non-clinical services to five physician practices consisting of 41 physicians across seven clinics in New York and New Jersey, each with an established customer base and average 20+ year operating history. NavaDerm performs all back-office operations, allowing the physicians to focus on treating patients with medical, surgical and cosmetic procedures. Investment in business essential medical equipment includes a hair removal laser system, a vascular pigmentation removal laser system, body sculpting machine (cellulite treatment), and a fractional micro-needling machine, all of which will be located and used to complete procedures at at a new NYC medical office. Useful life of the Equipment is expected to exceed the three year term of the facility.

Borrower: Quality Metalcraft, Inc. **Investment Amount:** $1,532,873

Term: 36 months **Asset Collateral:** First priority lien on hydraulic pressers & chiller system

Deal Overview:

Quality Metalcraft ("QMC"), founded in 1959 and headquartered in Livonia, Michigan, provides production and prototyping capabilities along with other machine tooling services for the automotive and aerospace industries. QMC is owned by a prominent private equity firm that has provided the needed support since day one. Investment in four business essential hydraulic pressers and a supporting chiller system that is targeted to expand aerospace manufacturing capabilities. Aerospace represents a high margin business line as well as a diversified source of revenue from the core auto sector base. The asset maintains a high in place value as it will be integrated within the manufacturing facility and can ensure a long useful life, with a top estimate of two decades. Furthermore, the asset is estimated to maintain an active secondary market due to its longevity and capabilities. Arboretum provided financing to the company to support a critical inflection period to increase capabilities for the aerospace sector, which is projected to provide operational margins and growth opportunities.

Borrower: St. Clair Inn **Investment Amount:** $1,144,933

Term: 42 months **Asset Collateral:** First priority lien on hotel furnishings & vehicles

Deal Overview:

Investment in business essential hotel furnishing and transportation vehicles. The furnishing and associated assets are funded at a 50% advance in order to ensure a sufficient financing to asset value ratio. The equipment supports the opening of St. Clair Inn, a 106 room inn located in St. Clair, MI along the St. Clair River. Originally built in 1926, the Inn has reopened after going through an extensive $40MM restoration. The St, Clair Inn is being operated as a Marriott franchisee under the Tribute by Marriott brand, a portfolio of independent boutique hotels (24 hotels in North America). The Inn has also hired Real Hospitality Group ("Real") to assist in the management of the hotel. Real manages approximately 125 hotels and is one of the few management companies approved by Marriott. The Inn ownership group is experienced as they operate other hospitality locations throughout the country, including another location in Michigan.

Borrower: Golden Harvest Alaska Seafood **Investment Amount:** $1,230,754

Deal Overview:

Golden Harvest Alaska Seafood, LLC ("Golden Harvest"), founded in 2017, operates a uniquely located 144,000 square foot seafood processing facility in Adak, Alaska. Investment in a business essential Marel fish processing machine ("Equipment"), the purpose of which is to reduce labor needs and increase automation, forecasted to produce higher margins and increase capacity output. Additionally, the precision of the Equipment, which is utilized to separate or "debone" fish, will enable the expansion of new product lines that will sell at higher price points than current product offerings. The asset is installed in the main facility offering a high in place value and maintains a useful life of ~ten years. The location is close to rich fishing grounds and is the only fish processing infrastructure in the area. Golden Harvest products reach worldwide consumer markets and are sold by name brand wholesale and grocery locations. The Fund terminated the lease facility for fish processing equipment. The Fund is pursuing multiple options for liquidating the equipment. The Fund has evaluated the value of the collateral and believes that proceeds would be sufficient to cover the outstanding obligations under the lease.

Borrower: ZVRS, CSDVRS & Purple Communications **Investment Amount:** $3,348,711

Term: 30 months **Asset Collateral:** First priority lien on business essential Macbooks and iPads

Deal Overview:

Founded in 2015 and based out of Rocklin, CA, ZVRS Holding Company ("ZVRS" or "Company"), through its subsidiaries, provides interpreting services for hearing impaired individuals. The collective subsidiaries were founded in 2000 and 1982. Investment in business essential Apple products (Macbooks and iPads), collectively the "Equipment", supports the Video Relay Services business unit responsible for 80% of total revenue. ZVRS' subsidiaries CSDVRS and Purple Communications, provides real time communication to Deaf and Hard of Hearing Individuals ("D&HI") by transmitting American Sign Language translations utilizing the devices. The Equipment provide a 2-10 month payback period, depending on usage, and are exchanged every 3-4 years. The program is governed by the Federal Communication Commission and funded by telecommunication companies via the TRS Fund, resulting in a quasi-governmental revenue source for the company.

Borrower: MCPc, Inc. **Investment Amount:** $1,137,339

Term: 60 months **Asset Collateral:** First priority lien on office furniture, fixtures & equipment

Deal Overview:

Founded in 2002 and headquartered in Cleveland, OH, MCPc, Inc. ("MCPC") distinguishes itself from competitors through its many service offerings, which includes the discussed cybersecurity division. Investment in business essential office infrastructure for a new headquarters intended to support the needs of a core business unit, a cybersecurity product offering for various devices, and to allow for growth of business. This service is linked with a 24x7x365 managed service unit which collectively "watch over" a client's infrastructure. Much of a client's hardware is also supplied through another division line as the Company, MCPC is a value-add reseller of computer and information technology equipment and supporting services. Furthermore, the various service offerings provide the highest operating margins. Clients include notable hospitals and name brands with offices located near MCPC.

Borrower: Brass Centerview 2012 Partners, LLC **Investment Amount:** $865,084

Term: 60 months **Asset Collateral:** First priority lien on LED lighting and second lien on all other assets

Deal Overview:

Brass Centerview 2012 Partners LLC, founded in 2012, serves as an owner-operator to the facility and most of the Company's revenue is derived from rent collected from the facilities' tenants. Investment in cost saving LED lighting for the Brass Professional Center ("Pro Center"), a 16 building "campus like" office park that provides 760K square feet of primarily Class B leasable space located in San Antonio, Texas. The facility possesses estimated fair market value of $86MM ("as is" valuation) and $90MM ("stabilized" valuation). The resulting loan-to-value ("LTV") is approximately 65%-62% when factoring in the $58MM of long-term debt. Overall, the properties have an estimated $28MM-$31MM of equity. The monthly energy savings from the LED lighting is projected to exceed the financing payment. The equipment provider specializes in LED lighting and will cover any difference if the savings do not exceed the financing payment.

Borrower: CAD Embroidery & Screen Printing **Investment Amount:** $101,828

Term: 48 months **Asset Collateral:** First priority lien on screen printer and dryer

Deal Overview:

CAD Embroidery & Screen Printing, Inc ("Company"), founded in 2001, is a full service contract embroidery and screening printing shop. The Company makes hats, flats, jackets and related items. Screen printing capabilities include the logos, names, and numbers in numerous colors. Investment in a new screen printer and dryer to replace existing equipment that is over 20 years in age and obsolete. The new equipment will increase capacity, provide more accurate printing, and a reduce expenses (less labor costs and reduction in utility expenses). The equipment is business essential and has a useful life well in excess of the term of the proposed facility.

Borrower: Vivace Universal Corporation **Investment Amount:** $3,000,000

Term: 60 months **Asset Collateral:** First priority lien on Friction Stir Universal Welding System

Deal Overview:

Investment in a business essential welding machine to Vivace Universal. A company founded in 2006, providing manufacturing and tooling services for flight hardware and related equipment along with testing and engineering services relating for commercial space programs. Equipment will be used to service a recently awarded Northrop Grumman's Omega contract which is expected to generate over $15MM in revenue in first two years. The financing of $3MM against an original equipment cost of $3.995MM, results in a Loan to Value of ~75%. Specifically, the financed equipment is a Friction Stir Welding System and is utilized to combine metals which require a high welding strength, as in the case of rocketry. The useful life of the asset is estimated at over seven years and is located at the NASA Michoud Assembly Facility.

Borrower: GenCanna Global USA, Inc. **Investment Amount:** $3,600,000

Deal Overview:

Investment in business essential industrial drying equipment ("Equipment") used in hemp processing. The Fund advanced approximately 70% of the Equipment cost, with the balance paid by GenCanna. The Equipment was to be located in a new expansion facility that was never completed. The lessee filed for Chapter 11 protection in February 2020. The Fund has repossessed the Equipment and commenced remarketing efforts. The Equipment also has application in other industries. Due to the size of the Equipment and current environment, the remarketing period is expected to last six to twelve months, however the Fund is targeting full recovery of its investment.

Borrower: Nacogdoches Memorial Hospital **Investment Amount:** $493,906

Term: 36 months **Asset Collateral:** Phillips Diamond Select FD20 X-ray machine

Deal Overview:

Nacogdoches Memorial Hospital (the "Hospital"), founded in 1928, provides inpatient, outpatient and emergency care services to patients in Nacogdoches County (the County) and surrounding areas. Investment in an X-Ray machine which is utilized to diagnose and treat cardiovascular disease. The equipment will be operated in the Hospital's Cardiac Catheterization Lab, a designated room where physicians perform minimally invasive tests and procedures. As the population continues to age and more patients have access to health insurance, the Hospital anticipates the X-ray machine will support an increase in patient volume. The equipment has an economic life over over seven years, significantly in excess of the term of the financing.

Borrower: Evolution Completions, Inc. & Evolution Management, Inc. **Investment Amount:** $1,430,488 (part of investor syndicate)

Term: 36 months **Asset Collateral:** All asset lien: oilfield equipment, A/R & Inventory, owner guaranty

Deal Overview:

Purchase of assets and master service agreements of a dissolving firm (non-market related closure) that offers services in a market where Evolution Completions and Evolution Management (together the "Borrowers"), respectively founded in 2011 and 2016, previously had no presence. The Borrowers provide oilfield tools and services in Bakken, a major U.S. oil basin. The new equipment allows the Borrowers to offer new services in current and new markets, paving the way for increases in market share and growth potential. The transaction is collateralized by a first position lien on all the Borrowers' assets, including equipment (current and acquired), accounts receivables (from strong credits within the Oil & Gas sector), and all inventory.

Borrower: Hydroprime Equipment LLC **Investment Amount:** $196,393

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

Deal Overview:

Founded in 2016, Hydroprime provides equipment sales, service, rentals, and custom fabrication for a wide range of industries in Texas and the Gulf of Mexico states, with their largest customers in the oil and gas industry. Investment in Generac water pumps, which are business essential, revenue generating assets for the Company. Hydroprime is currently renting water pumps to meet strong customer demand driven by strong regional economic conditions. Equipment acquired under the proposed lease shall replace the equipment that it is currently renting. Rentals are Hydroprime's primary source of revenue and water pumps have the largest equipment demand at the moment. Other rental equipment includes light towers, filter pods, generators, trailers, fuel tanks and utility carts. The acquired equipment will be immediately sent to job sites and replace equipment that it is currently renting. The Company will be able to improve operating margins as it will be less expensive to acquire the equipment under the proposed terms than it is to rent.

Borrower: Manus Bio, LLC **Investment Amount:** $2,506,580 (part of investor syndicate)

Term: 36 months **Asset Collateral:** First priority lien on all assets

Deal Overview:

Investment in a business essential manufacturing plant and its equipment located in Augusta, Georgia. The plant was originally built by Monsanto at a cost of over $100MM, is highly specialized and geared towards the processes Manus will be performing. Some of the equipment was the biggest ever designed in the United States (fermentation tanks). Manus Bio utilizes patented microbe procedures and technology to produce fragrances, food ingredients, cosmetics, pharmaceuticals, and related products. The technology creates ingredients that are more economically and environmentally sustainable compared to current alternatives. Manus Bio's patent portfolio has protection through 2030. The Fund has a first lien position in the purchased plant, the land, and Manus Bio's IP portfolio.

Borrower:	MBI Energy Services, Inc.	**Investment Amount:**	$3,290,539
Term:	36-48 months	**Asset Collateral:**	Water Pumps and Generators

Deal Overview:

Founded in 1979, MBI Energy Services, Inc. ("MBI") is a leading provider of water management logistics and well-intervention services, as well as the largest fluid-hauling service company in the Williston Basin. Investment in Apex pumps and generators, which are used to move water from local sources to job sites. The pumps typically have a useful life of 7-10 years depending on overall usage. This equipment is essential to operations for MBI and was being rented prior to the Fund's financing. MBI's logistics services include water trucking, oil hauling, waste management, winch, flatbed, and rentals. In April 2018 MBI was purchased by Cerberus Capital Management, a global leader in alternative investing which specializes in providing both financial resources and operating expertise to help companies grow and become even more successful.

Borrower:	OmniGuide Holdings, Inc.	**Investment Amount:**	$673,710
Term:	42 months	**Asset Collateral:**	Surgical Tools Manufacturing Equipment

Deal Overview:

OmniGuide Holdings, Inc. ("OmniGuide"), founded in 2000, provides surgical tools relating to minimally invasive surgeries, robotic surgeries, and specific tissues operations such as cutting, coagulating, and sealing tissue. Investment in two pieces of equipment, a Draw Tower and a Thermal Evaporation System, that are directly responsible for the production of OmniGuide's core product, a specialized instrument used in electro-surgeries called "fibers", which were responsible for 75% of OmniGuide's revenue in 2017. With OmniGuide's fiber solution comprising so much of company revenue these assets are deemed business critical. In addition, both assets have a longer useful life than the Fund's financing. In an environment of growing healthcare needs OmniGuide offers cutting edge solutions allowing medical treatments to reach new heights.

Borrower:	Medversant Technologies, LLC	**Investment Amount:**	$390,573
Term:	36 months	**Asset Collateral:**	Information Technology Equipment

Deal Overview:

Founded in 1999 and headquartered in Los Angeles, CA, Medversant Technology LLC ("Medversant" or the "Company") is a healthcare information technology company that provides information management solutions for healthcare administration, serving health plans, hospitals, government agencies, and other healthcare organizations. Investment in new servers, switches, and support components replacing previous five year old equipment, required to support Medversant's strong growth since servers are critical to management of client data. Medversant's solutions cut costs and improve data quality while increasing provider collaboration, decreasing liability exposure and improving patient care. The services are provided through a Web-based platform, which creates greater transparency and seamless service delivery. Due to the business essential nature of the equipment, the Fund's risk is mitigated in the event that the Company encounters cash flow problems. In order to remain operational, Medversant will have to pay the Fund over non-core and/or non-revenue generating assets.

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

Term: 36 months **Asset Collateral:** Multimedia Equipment, contract pledge

Deal Overview:

Investment in multimedia equipment (Opus+ units and other related equipment) utilized to fulfill a five year contract with the Statue of Liberty Ellis Island Foundation (SOLEIF). The equipment is business-essential and is utilized by the visitors to the landmark sites on a daily basis, with over 50,000 Opus+ devices in use throughout the world. Acoustiguide has over 25 years of experience providing multimedia content and applications for visitors to notable, high-traffic museums and venues. In addition to contracts with SOLEIF and Alcatraz, Acoustiguide provides multimedia services to the 9-11 Memorial, The Art Institute of Chicago, The Metropolitan Art Museum, The Guggenheim and the Asian Art Museum of San Francisco. The facility is supported by the guaranty of Acoustiguide's parent company, Espro Information Technologies, and a pledge of the SOLEIF contract.

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

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

Deal Overview:

Waples Precision Services, LLC ("Waples") was originally formed in 1964 and has grown over the decades by combining a number of diverse, successful manufacturers, resulting in a full service facility in North Central Texas with a wide variety of manufacturing capabilities, providing custom metal fabrication for commercial and machining markets in the region primarily for the energy, mining, and aerospace industries. Investment in metal fabrication equipment, lathe, robotics and precision inspection equipment. The new equipment is an upgrade from previous machinery in place for approximately ten years, significantly improving operating efficiencies and profitability margins. Arboretum has a first priority lien on financed equipment. The collateral has a long useful life in excess of 15 years, and an active secondary market. Waples experienced an internal turnaround in late 2018 resulting in the Fund amending and restructuring the lease.

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

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

Deal Overview:

Founded in 2015, Shale Energy Support LLC operates a wet mine and associated drying facilities in Mississippi as well as a railyard. Investment in two Nordco rail car movers that are business essential. The two movers are an upgrade from the Company's existing single smaller mover and will allow it move heavier loads (more rail cars per load), thus creating operating efficiencies and improving profitability. The need for the movers is driven directly by signing of new long term contracts. The equipment has an economic life of 10-15 years, providing the Fund with significant and improving collateralization as lease payments are received. The equipment has a strong secondary market and can be utilized by any rail operating business. The Company restructured its debt in 2019, during the Chapter 11 process, all lease payments due to the Fund were made. The Company assumed the lease without modification on exiting Chapter 11, affirming the business essential nature of the equipment.

SUBWAY
franchised by
Shri Shri Corp.

Borrower: Shri Shri Corp, a Subway Franchisee **Investment Amount:** $150,000

Term: 48 months **Asset Collateral:** All asset lien, including Furniture Fixtures & Equipment, personal & corporate guarantees

Deal Overview:

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

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Portfolio Updates

Borrower:	Dae Sung, LLC	**Investment Amount:**	$499,686
Contract Status:	Early Buyout	**Cash Received:**	$660,405
Term:	36 months	**Asset Collateral:**	Agricultural Equipment, personal guaranty of CEO

Deal Overview:

On September 30th 2020, the Fund received cash proceeds of $112,488 as a buyout of the equipment on the asset backed equipment finance lease. This resulted in a cash gain of $160,719. The investment was in agricultural equipment essential to expanding an agricultural initiative in California.

Borrower:	Opus Virtual Offices, LLC	**Investment Amount:**	$245,219
Contract Status:	Matured	**Cash Received:**	$281,457
Term:	24 months	**Asset Collateral:**	Information Technology, Furniture Fixtures & Equipment

Deal Overview:

On January 2nd 2020, the Fund received the final payment on the company's asset backed equipment finance lease. This resulted in a cash gain of $36,238. The investment was in business essential hardware and software essential to Opus' operations and expansion.

Borrower:	ADF Restaurant Group, LLC, a Pizza Hut Franchisee	**Investment Amount:**	$318,882
Contract Status:	Matured	**Cash Received:**	$468,213
Term:	36 months	**Asset Collateral:**	Pizza Ovens

Deal Overview:

On February 11th 2020, the Fund received cash proceeds of $125,047.62 as a buyout of the equipment on the asset backed equipment leases. This resulted in a cash gain of $149,331. The investment was in 17 double gas 40" pizza ovens essential to the restaurant franchise's operations.

Borrower:	Hudson Arts & Science Charter School Inc., an iLearn School	**Investment Amount:**	$357,020
Contract Status:	Matured	**Cash Received:**	$411,774
Term:	36 months	**Asset Collateral:**	School Furniture, Fixtures & Equipment

Deal Overview:

On October 2nd 2019, the Fund received the final payment on the company's asset backed equipment finance lease. This resulted in a cash gain of $54,754. The investment was in business essential classroom and school equipment to a New Jersey charter school focused on Science, Technology, Engineering, Arts and Math Programs (STEAM).

Borrower:	Avenues World Holdings, LLC	**Investment Amount:**	$578,017
Contract Status:	Matured	**Cash Received:**	$702,066
Term:	36 months	**Asset Collateral:**	IT Equipment

Deal Overview:

On September 3rd 2019, the Fund received the final payment on the company's asset backed equipment finance lease. This resulted in a cash gain of $124,049. The investment was in business-essential classroom IT equipment for an elite NY preparatory school, where all classes are taught utilizing MacBook Air computers and iPads.

Borrower:	Western Distribution Services, LLC	**Investment Amount:**	$1,184,850
Contract Status:	Early Buyout	**Cash Received:**	$1,288,884
Term:	36 months	**Asset Collateral:**	Warehouse Racking System

Deal Overview:

On May 31st 2019, the Fund received cash proceeds of $222,439 as an early buyout to pay off the company's asset backed equipment finance loans. This resulted in a cash gain of $104,034. The investment was in a warehouse racking system essential to the Company's state of the art cold storage facility.

Borrower:	Imfesa Air Services SRL	**Investment Amount:**	$600,000
Contract Status:	Early Buyout	**Cash Received:**	$681,410
Term:	36 months	**Asset Collateral:**	Eurocopter EC120B & Airbus EC130-B4

Deal Overview:

On February 14th 2019, the Fund received cash proceeds of $577,026 as an early buyout to pay off the company's asset backed equipment finance lease. This resulted in a cash gain of $81,410. The investment was in acquisition of a 7th helicopter, a Eurocopter EC120B, to be deployed under a contract with one of the leading cruise lines, generating immediate revenue for Imfesa.

Borrower:	ADF Restaurant Group, LLC, a Pizza Hut Franchisee	**Investment Amount:**	$130,560
Contract Status:	Matured	**Cash Received:**	$140,573
Term:	13 months	**Asset Collateral:**	Point of Sale Machines

Deal Overview:

On January 2nd 2019, the Fund received the final payment on the company's asset backed equipment finance loans. This resulted in a cash gain of $10,013. The investment was in Point of Sale Machines essential to the restaurant franchise's operations.

Borrower:	Old City Pretzel Co, LLC (d.b.a. Ardiente)	**Investment Amount:**	$88,233
Contract Status:	Early Buyout	**Cash Received:**	$107,170
Term:	36 months	**Asset Collateral:**	Restaurant Equipment

Deal Overview:

On May 14, 2018, the Fund received cash proceeds of $99,162 as an early buyout to pay off the asset backed equipment finance lease. This resulted in a cash gain of $19,170. The investment was in food storage equipment, cooking appliances, business essential restaurant equipment and electronic point-of-sale systems.

Borrower:	EMM Asia Fund I L.P.	**Investment Amount:**	$2,800,000
Contract Status:	Matured	**Cash Received:**	$2,954,000
Term:	Bridge Loan	**Asset Collateral:**	Drilling Rig System, Safe Span, and other equipment

Deal Overview:

On February 6, 2018, the Fund received cash proceeds of $2,828,000 as payment in full of the asset backed equipment loan. This resulted in a cash gain of $154,000. The investment was in a 500HP AC Ideal Walking Rig System & ancillary equipment.

Performance

From August 11, 2016 through September 30, 2020, 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.

Our revenue for the three months ended September 30, 2020 and 2019 is summarized as follows:

	Three Months Ended September 30, 2020 (unaudited)	Three Months Ended September 30, 2019 (unaudited)
REVENUE		
Rental income	$ 93,000	$ 120,256
Finance income	579,436	469,040
Interest income	128,557	98,901
Other income	-	-
Total Revenue	**800,993**	**688,197**

For the three months ended September 30, 2020, we earned $93,000 in rental income from one fabrication equipment operating lease. We received monthly lease payments of $2,132,838 and recognized $579,436 in finance income from various finance leases during the same period. We also recognized $128,557 in interest income from collateralized loans receivable, and as we participate in additional financing projects, we believe our revenue will grow significantly during 2020.

Performance

Our expenses for the three months ended September 30, 2020 and 2019 are summarized as follows:

		Three Months Ended September 30, 2020 (unaudited)		Three Months Ended September 30, 2019 (unaudited)
EXPENSES				
Management fees – Investment Manager	$	187,500	$	187,500
Interest Expense		206,722		-
Depreciation		75,550		99,462
Professional fees		97,609		25,317
Administration expense		84,177		59,922
Other expenses		500		39
Total Expenses		**652,058**		**372,240**

For the three months ended September 30, 2020, we incurred $652,058 in total expenses. We paid $187,500 in management fees to our Investment Manager during the three months ended September 30, 2020. 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 $75,550 in depreciation expense and $84,177 in administration expense. Administration expense mainly consists of expenses paid to the fund administrator. We also incurred interest expense of $206,722 related to our loan payable that was entered into on October 18, 2019. We also incurred $97,609 in professional fees, which were mostly comprised of fees related to compliance with the rules and regulations of the SEC and consulting services. As the size and complexity of our activities grow, we expect that our professional fees will increase accordingly.

Net Income (Loss)

As a result of the factors discussed above, we reported net income for the three months ended September 30, 2020 of $148,935, as compared to net income of $315,957 for the three months ended September 30, 2019.

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

[1] From Q&A section on page XIII of the Arboretum Silverleaf Income Fund, L.P. Prospectus

Distributions

During our Operating Period, we intend to pay cash distributions on a quarterly basis to our Limited Partners at 1.5% per quarter, the equivalent rate of 6.0% per annum, of each Limited Partners' capital contribution (pro-rated to the date of admission for each Limited Partner). Since June 30, 2017, our distribution rate has been 6.5% annually, paid quarterly at 1.625%, of capital contributions. 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. Beginning as of June 30, 2020, we decreased our distribution to 4.0%, paid quarterly at 1.00% of capital contributions.

The amount and rate of cash distributions could vary and are not guaranteed. During the nine months ended September 30, 2020, we made quarterly cash distributions to our Limited Partners totaling $1,273,256, and accrued $255,363 for distributions due to Limited Partners which resulted in a distributions payable to Limited Partners of $255,363 at September 30, 2020.

At September 30, 2020, the Partnership declared and accrued a distribution of $2,554, for distributions due to the General Partner which resulted in distributions payable to the General Partner of $46,144 at September 30, 2020.

Financial Statements

Consolidated Balance Sheet		September 30, 2020 (unaudited)		December 31, 2019
ASSETS				
Cash and cash equivalents	$	488,727	$	5,064,943
Investments in finance leases, net		25,077,380		18,764,984
Investments in equipment subject to operating leases, net		1,532,107		1,808,764
Collateralized loans receivable, including accrued interest of $14,224 and $12,003, respectively		4,265,781		3,131,307
Other assets		696,706		575,028
Total Assets	$	32,060,701	$	29,345,026
LIABILITIES AND PARTNERS' EQUITY				
LIABILITIES:				
Accounts payable and accrued liabilities	$	273,101	$	238,932
Loan payable, including accrued interest of $69,744 and $37,103, respectively		12,942,523		9,722,177
Distributions payable to Limited Partners		255,363		511,318
Distributions payable to General Partner		46,144		36,013
Security deposit payable		49,391		49,391
Deferred revenue		792,144		620,061
Total Liabilities		14,358,666		11,177,892
PARTNERS' EQUITY (DEFICIT):				
Limited Partners		17,756,360		18,216,951
General Partner		(54,325)		(49,817)
Total Equity		17,702,035		18,167,134
Total Liabilities And Partners' Equity	$	32,060,701	$	29,345,026

Financial Statements

Consolidated Statement of Operations (unaudited)	Three Months Ended Sept 30, 2020	Three Months Ended Sept 30, 2019	Nine Months Ended Sept 30, 2020	Nine Months Ended Sept 30, 2019
REVENUE				
Rental income	$ 93,000	$ 120,256	$ 296,368	$ 298,768
Finance income	579,436	469,040	1,792,647	956,619
Interest income	128,557	98,901	348,517	334,382
Gain on sale of assets	-	-	70,483	-
Other income	-	-	527	688
Total Revenue	**800,993**	**688,197**	**2,508,542**	**1,590,457**
EXPENSES				
Management fees – Investment Manager	$ 187,500	$ 187,500	$ 562,500	$ 562,500
Interest expense	206,722	-	586,074	-
Depreciation	75,550	99,462	228,824	247,958
Professional fees	97,609	25,317	319,210	198,367
Administration expense	84,177	59,922	245,185	168,802
Other expenses	500	39	4,416	8,508
Total Expenses	**652,058**	**372,240**	**1,946,209**	**1,186,135**
Net income (loss)	**$ 148,935**	**$ 315,957**	**$ 562,333**	**$ 404,322**
Net income (loss) attributable to the Partnership				
Limited Partners	$ 147,446	$ 312,797	$ 556,710	$ 400,279
General Partner	1,489	3,160	5,623	4,043
Net income (loss) attributable to the Partnership	**$ 148,935**	**$ 315,957**	**$ 562,333**	**$ 404,322**
Weighted average number of limited partnership interests outstanding	2,532,772.53	2,535,672.53	2,532,772.53	1,538,970.90
Net income (loss) attributable to Limited Partners per weighted average number of limited partnership interests outstanding	**$ 0.06**	**$ 0.12**	**$ 0.22**	**$ 0.26**

Financial Statements

Consolidated Statement of Changes in Partners' Equity (Deficit) (unaudited)

For the Three and Nine Months Ended September 30, 2020 and 2019

	LIMITED PARTNERSHIP INTERESTS	TOTAL EQUITY	GENERAL PARTNER	LIMITED PARTNERS
Balance, January 1, 2020	**2,532,772.53**	**$ 18,167,134**	**$ (49,817)**	**$ 18,216,951**
Net income	**-**	**226,951**	**2,271**	**224,680**
Distributions to partners	-	(514,369)	(5,052)	(509,317)
Balance, March 31, 2020	**2,532,772.53**	**$ 17,879,716**	**$ (52,598)**	**$ 17,932,314**
Net income	**-**	**186,447**	**1,863**	**184,584**
Distributions to partners	-	(255,146)	(2,525)	(252,621)
Balance, June 30, 2020	**2,532,772.53**	**$ 17,811,017**	**$ (53,260)**	**$ 17,864,277**
Net income	**-**	**148,935**	**1,489**	**147,446**
Distributions to partners	-	(257,917)	(2,554)	(255,363)
Balance, September 30, 2020	**2,532,772.53**	**$ 17,702,035**	**$ (54,325)**	**$ 17,756,360**
Balance, January 1, 2019	**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	-	(9,630)	-	(9,630)
Underwriting fees	-	(418,337)	-	(418,337)
Net Income	**-**	**108,434**	**1,084**	**107,350**
Distributions to partners	-	(419,473)	(4,145)	(415,328)
Balance, March 31, 2019	**2,535,672.53**	**$ 19,113,628**	**$ (35,200)**	**$ 19,148,828**
Net loss	**-**	**(20,069)**	**(201)**	**(19,868)**
Distributions to partners	-	(512,113)	(5,056)	(507,057)
Balance, June 30, 2019	**2,535,672.53**	**$ 18,581,446**	**$ (40,457)**	**$ 18,621,903**
Net income	**-**	**315,957**	**3,160**	**312,797**
Distributions to partners	-	(516,436)	(5,114)	(511,322)
Balance, September 30, 2019	**2,535,672.53**	**$ 18,380,967**	**$ (42,411)**	**$ 18,423,378**

Financial Statements

Consolidated Statement of Cash Flows (unaudited)	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	**$ 562,333**	**$ 404,322**
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Finance income	(1,792,647)	(956,619)
Accrued interest income	(348,517)	(334,605)
Depreciation	228,824	247,958
Gain on sale of assets	(70,483)	-
Change In Operating Assets And Liabilities:		
Minimum rents receivable	6,968,402	2,832,555
Accrued interest income	361,970	324,861
Other assets	(121,678)	(8,688)
Accounts payable and accrued liabilities	34,169	(1,924)
Accrued interest on loan payable	32,641	-
Security deposit payable	-	49,391
Deferred revenue	(79,518)	270,312
Funding liability for collateralized loans and leases	-	1,088
Net Cash Provided By Operating Activities	**5,775,496**	**2,828,651**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of finance leases	(11,488,151)	(9,537,178)
Origination and purchases of loans receivable, net of amortization, prepayments and satisfactions	(896,326)	289,098
Proceeds from sale of collateralized loans receivable	-	146,341
Proceeds from sale of leased assets	118,316	100,856
Net Cash Used In Investing Activities	**(12,266,161)**	**(9,000,883)**

(continued on next page)

Financial Statements

Consolidated Statement of Cash Flows (unaudited) *(continued)*	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received from loan payable	10,982,000	-
Repayments of loan payable	(7,794,295)	-
Cash received from Limited Partner capital contributions	-	5,916,286
Cash paid for Limited Partner distributions	(1,273,256)	(1,292,674)
Cash paid for underwriting fees	-	(332,717)
Cash paid for offering costs	-	(9,630)
Net Cash Provided By Financing Activities	**1,914,449**	**4,281,265**
Net (decrease) increase in cash and cash equivalents	(4,576,216)	(1,890,967)
Cash and cash equivalents, beginning of period	5,064,943	3,192,541
Cash And Cash Equivalents, End Of Period	**$ 488,727**	**$ 1,301,574**
SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING, INVESTING AND FINANCING ACTIVITIES:		
Units issued as underwriting fee discount	$ -	$ 85,620
Distributions payable to General Partner	$ 10,131	$ 14,315
Distributions payable to Limited Partners	$ 255,363	$ 511,323
Reclassification of investment in finance leases to equipment subject to operating leases	$ -	$ 2,010,412
Increase in collateralized loans receivable	$ 251,601	$ -
Funding liability for collateralized loans and leases	$ -	$ (82,960)

Forward-Looking Statements

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

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

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

Additional Information

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

Visiting: www.thearboretumgroup.com

Or

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