

National First Lending Fund I LLLP

By: Applewood Fund Management LLC
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Project Goals

- **Provide a 10%+ pretax after expense stabilized annual return to members**
- **Provide low risk investment secured by real estate collateral**
- **Provide further lowered risk through diversification**
- **Provide reliable monthly distribution of cash flow**
- **Provide an extended stabilized high yield investment lifecycle**

Description

- Management will raise \$100 million in NFL Fund I to be invested in mortgage opportunities throughout a 10 year business plan
- No individual loan in the fund will exceed 10% of the assets of Fund
- Loans will be secured by real estate at 50% to 75% of collateral market value
- Net cash flow will be distributed to members monthly unless reinvestment option is chosen by member

FOR MORE INFO...

Visit Our Website: www.ApplewoodFunding.com

Opportunity

- **Real Estate Mortgage Funding**
 - **13% to 14% monthly interest income from mortgages**
 - **3% gross operating cost of fund environment**
 - **No additional profit share nor bonuses paid to Manager**
 - **10% to 11% annualized net cash flow available for monthly distribution**
 - **Potential of a 10 year high-yield investment life cycle**
 - **Diversification, Professional Management & Solid Collateral**
 - **Origination & Underwriting operations in place over 10 years**

Yield

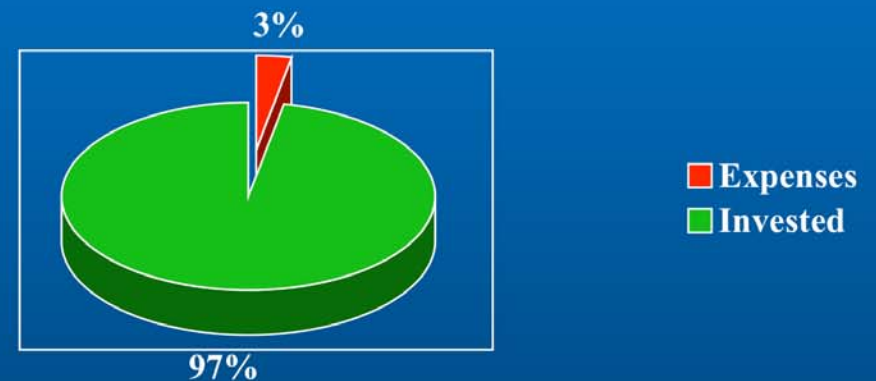
- **Investor Experience During 10 Year Applewood History**
 - Applewood Funding originated loans returned 14% annualized to investors each of the past 10 years
 - Applewood originated loans experienced less than 1% default rate overall during the past 10 years
 - No Investor loses have been experienced during the history of Applewood Funding
- **The Fund's monthly distributions after all expenses are expected to exceed 10% annualized**

Use of Capital

During Fund Life:

- **97% of invested capital placed in Mortgages**
- **3% Total annual expenses including management fees**
- **Net Income distributed monthly to members**

Use of Capital



Competitive Analysis

- **Competitors**

- Kennedy Funding (Hackensack, NJ) is a mature lender, has a national network for loan referrals and access to major capital.
www.kennedyfunding.com
- Point Center Financial, Inc. (Coachella, CA) has a 30 year track record in California mortgage investment. PCF has well established CA investor marketing and loan generation programs
www.pointcenter.com
- Investors Mortgage Holdings (Scottsdale, AZ) operates a \$250 million mortgage fund. They have raised well over \$100 million in their fund. IMH focuses on one year construction financing and other short term collateral based real estate lending www.mortgageholdings.com

Competitive Analysis (Continued)

- **Our Strengths**

- Our Loan Origination Network covers a 5 state region and includes more than 100 retail brokers
- Our Management Team has eight decades of mortgage & investment experience
- Our Loan Originator has a successful track record over ten years and thousands of loans funded
- Our Origination Team has experienced less than a 1% loan default rate overall during the past ten years

FOR MORE INFO...

See Our Website: www.ApplewoodFunding.com

Competitive Analysis (Continued)

- **Weaknesses**

- **National First Lending Fund I LLLP is a newly formed mortgage fund**

- **The Fund has no historical track record to document performance**
- **The Fund has no preexisting relationships with investors**

Methodology

- **Develop Web Presence & Internet Use**
 - Gives Investors, Brokers & Borrowers a better customer service experience
- **Continue Full Disclosure & Transparency**
 - Highest ethical standards and practices
- **Credit Score Not Primary Concern**
 - Value of the real estate collateral securing the mortgage investment is the primary factor and exit strategy the secondary factor in making the decision to lend
- **Fund Existing Opportunities & Ramp Up Network**
 - Existing 100 member network offers access to large numbers of high quality high yield mortgages

Team/Resources

- **Ten Years Experience Servicing Our Market**
 - Our management team has over 80 years combined related experience
 - Fully equipped financial services offices in Scottsdale, Arizona
 - Southwestern regional market coverage in place for additional funding
 - Account Servicing, Escrow, Title, Audit & Appraisal outsourced to qualified professionals
 - Applewood has 1000+ loan origination transaction experience

Investment Procedures

- 97% minimum of Investor funds go directly into mortgages being acquired by the Fund
- A maximum of 3% may be used to establish and maintain operating reserves and pay expenses of the Fund
- Management fees and expenses are ultimately paid from mortgage income (may be advanced from operating reserves)
- All Fund net income is distributed to investors monthly unless investor member has chosen to reinvest
- Upon Fund owned loan payoff Principal is reinvested in new mortgages

FOR MORE INFO...

Visit: www.ApplewoodFunding.com or Call: (480) 947-0042 or Contact Edward Crosby by email at EdC@ApplewoodFunding.com for a copy of the full Prospectus

Schedule

- **Mortgage Investments Available Now**

- Notice of acceptance to Investor within 5 Days from submission of executed subscription documents
- 5 to 7 Day mortgage investment funding cycle
- From acceptance of Investor as a member to time of beginning cash flow should average less than 45 days +/-
- No delays are expected: \$10 million monthly additional mortgage volume currently available for investment

FOR MORE INFO...

Contact Edward Crosby, email EdC@ApplewoodFunding.com for a copy of the full Prospectus or Call: (480) 947-0042

Current Status

- **NFL Fund I - Ready Now For Investors**
 - Investment program documents complete
 - Mortgage investment opportunities available for funding now
 - Mortgage investment processing in place
 - Investor identification in process

Management Team

- **Joel McDaniel, Managing Member**
 - Successful Mortgage Professional since late 1980s
 - FHA Direct Endorsement Lender on more than 1000 files
 - Managed Mortgage Companies originating over \$400 million in yearly volume
 - President, Applewood Funding Inc. since 1996
- **Edward Crosby, Managing Member**
 - Real Estate Investor Since 1970
 - Real Estate Investment Fund Manager & Developer Since 1975
 - Global Equity Organization, managing member with \$1 billion under management by 1992
 - Applewood Fund Management LLC, Founding Managing Member
 - Director of the Hedge Fund Association: <http://www.thehfa.org/>
- **Additional Information**
 - Phone: (480) 947-0042 Fax: (480) 947-0522
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 - 7330 East Earll Drive, Suite H, Scottsdale, Arizona 85251-7221

General Information

- **National First Lending Fund I LLLP**
(the “Fund” or “NFL”)
 - An Arizona Limited Liability Limited Partnership formed 2006
- **Applewood Fund Management LLC,**
(the “General Partner” or “Manager” of the Fund)
 - An Arizona Limited Liability Company formed in 2005
- **Applewood Funding Inc.**
(the “Originator” or “Mortgage Broker” #AZMB#0903207)
 - An Arizona Corporation formed in 1996