

Aspen Income Fund is a residential mortgage fund designed to provide current income for investors, along with the potential for capital gains. The Fund purchases and owns a diversified portfolio of income-producing mortgages, purchased at a discount, to produce above market returns. The Fund is secured by residential real estate in the United States.

KEY REASONS TO INVEST

- **High Current Yield.** Preferred returns are 9% cash, paid monthly.
- **Asset Backed.** Fund is the lien holder of residential mortgages.
- **Low Leverage.** Expected yields can be earned with minimal leverage.
- **Tax Efficient.** Portion of earnings are taxed as long-term capital gains.
- **Open-ended.** Liquidity program with quarterly NAV calculations.
- **Experienced Management.** Leading asset manager in note industry.

ABOUT THE FUND

Aspen Income Fund (the "Fund") was started in 2014 and is primarily focused on delivering a high current yield to investors, while mitigating risk through their proprietary underwriting model. Aspen's expertise in this industry allows them to purchase notes at a discount to loan value, generating higher yields and capital gains for significant total return.

Substantial opportunity in this industry has been driven by increasing bank regulation, stringent underwriting, and the 2008 Financial Crisis. These factors have made it more challenging for larger financial institutions to manage out-of-the-box mortgages, which has created an opportunity to purchase these notes at a discount. Aspen purchases three classes of notes: Bank-originated "Loan Modifications", Asset-Based "Hard Money" Loans, and Private "Seller Carryback" notes. Aspen Funds' is highly selective in the notes it purchases, but also has a core competency in loss mitigation and managing defaults, evidenced by their positive recovery rate (see "Key Portfolio Metrics").

The Fund purchases both long-term and short-term notes. The Fund's strategy is two-fold: 1) to buy & hold cash-flowing, deeply discounted, long-term first and second mortgages for yield and capital gains, and 2) to purchase cash flowing, short-term, hard money loans for yield and liquidity. Excess cash is continually reinvested into new assets.

Aspen seeks win-win scenarios for borrowers and investors. They can offer homeowners a wide range of options while extracting significant value for investors.

INVESTMENT PROCESS

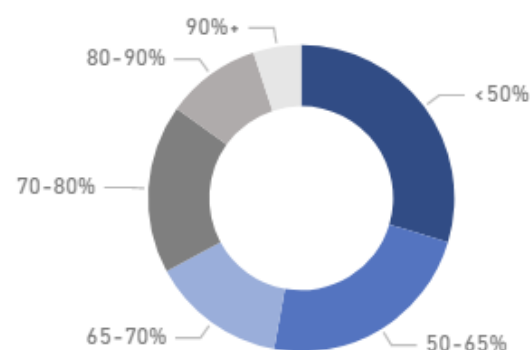
Aspen maintains relationships with dozens of primary and secondary sources (hedge funds, financial institutions, private investors) to source notes for its fund. Aspen uses a proprietary and sophisticated underwriting process to individually analyze and value every note purchased. Their model focuses not only on the borrower's creditworthiness, but also on the underlying assets securing the notes.

Some of the factors that are considered are: home condition, home value, geographic real estate market, legal climate, senior note status, bankruptcy status, borrower creditworthiness. Aspen uses mortgage servicing vendors to collect payments and manage reporting.

KEY PORTFOLIO METRICS (as of 12/31/2020)

Portfolio Metrics	
Number of Loans	543
Loan Cost / UPB	68.8%
Portfolio ITV	58%
Gross Scheduled Yield	13.2%
Gross Coupon Yield	8.1%
Unpaid Principal Balance	\$32,066M
Acquisition Price	\$22,074M
Avg. Value of Collateral	\$299M

Portfolio ITV



ITV is defined as "Investment to Value". This metric looks at the fund's investment (cost) & any other liens relative to the value of the underlying asset. This chart shows the stratification of the portfolio based upon this metric.

FUND STRUCTURE

Investor Qualification:	Accredited (506c)
Preferred Returns:	9% after 3 mos.
Fees (AUM/Acq.):	2% / 3%
Subsc./Redemption/Reporting:	Quarterly
Optional Compounding Freq.:	Quarterly
Minimum Investment:	\$50K
Lock Up Period ² :	1 Year
High-Water ³ :	Yes
Fund Duration ⁴ :	Open-ended
Third-party verification ⁵ :	Audited Financials

¹ Accrued additional profit share above preferred return

² Investor may request a full or partial redemption after 1 year

³ Unit price must exceed highest 12-month price before manager profit-share is paid

⁴ NAV calculated/published quarterly; investors may redeem or subscribe at that NAV quarterly

⁵ Balance sheet audit as of 12/31/2019

ASPEN INCOME FUND

Alternative income fund in secondary mortgage market



ASPEN FUNDS®

FUND PERFORMANCE (as of 12/31/2020)

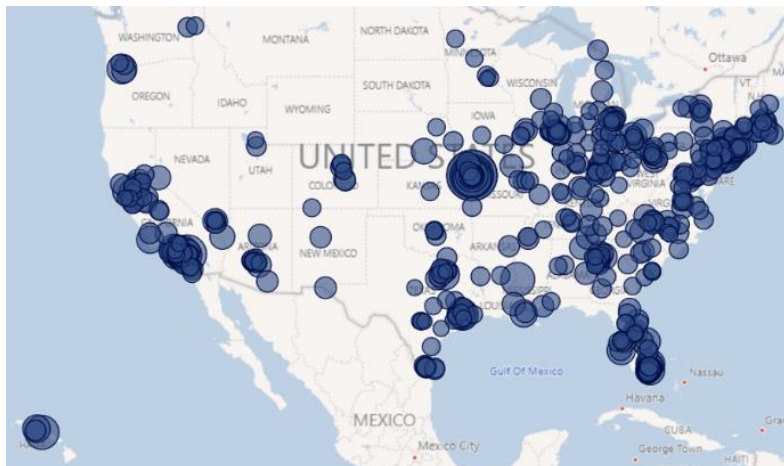
The Fund pays an **9% annualized preferred return net of fees** on a monthly basis after an initial 3-month deployment delay.

The primary portion of the income generated is from interest income from borrower payments. In addition, because the mortgages are purchased at a discount, the Fund generates capital gains when notes are refinanced, or the real estate is sold.

Since inception, the **Fund has not missed a preferred return payment to investors for 28 consecutive quarters**. Performance not guaranteed. Past performance is not necessarily indicative of future results

GEOGRAPHIC DIVERSIFICATION

The Fund owns 543 assets across the U.S. This geographic dispersion mitigates reliance on one or few key markets' performance.



ABOUT ASPEN FUNDS

8+ years
Track Record

100+ years
Team Real Estate Experience

2,500+
Total Loans Purchased

45+
Number of States Invested

MANAGEMENT TEAM

Bob Fraser, CFO. Mr. Fraser has 20+ years' experience in finance and technology and has held several CFO and CTO positions. Fraser is a former Ernst & Young Entrepreneur of the Year and a Magna Cum Laude U.C. Berkeley computer scientist.



Jim Maffuccio, CIO. Mr. Maffuccio has 30+ years full-time experience in real estate investment and development. Maffuccio is an expert in mortgage notes and is deeply networked in the secondary mortgage industry, with key relationships with primary sources, note buyers and sellers, and service providers.



Dan Schulte, JD, COO & MD. Mr. Schulte has 20+ years' experience in asset management, private equity and real estate and has held senior management positions with several entities, both public and private. Schulte is formerly the SVP and General Counsel for Waddell & Reed, a publicly traded mutual fund company. He began his career as a corporate securities attorney in the private practice of law for a boutique securities law firm and as a tax accountant for Ernst & Young.



Ben Fraser, VP of Finance. Prior to Aspen, Mr. Fraser was a commercial lender and a commercial credit underwriter, underwriting over \$125MM in commercial real estate and business loans. Before banking, he worked for a boutique asset management firm, Tortoise Capital Advisors. Ben completed his MBA and his B.S. in Finance.



CONTACT INFORMATION

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