

OVERVIEW

The Fund's objective is to generate an annualized net return between 9% and 11%. The Fund invests in fractional interests in loans or Notes originated by online lending platforms. The Investment Advisor actively manages the Fund's portfolio based on its proprietary credit criteria to achieve broad diversification while generating risk adjusted returns which are superior to most short-term fixed income securities. Limited Partners may elect to receive regular monthly withdrawals or reinvest their share of profits and/or principal payments in the Fund. In addition to current income, the Fund seeks to provide other portfolio benefits including strong cash flow and low volatility. The Investment Advisor offers Separately Managed Accounts to Qualified Clients.

PERFORMANCE¹

As of August 31, 2012 the Fund's assets were 94.4% invested in 428 loans in 39 different states and the remaining 5.6% was held in cash which was fully committed to loans that had not yet funded at month-end. The gross yield on loans was 17.8%. The market for direct funded consumer loans continues to expand rapidly with total originations growing to \$85 million in August from \$75 million in July and \$63.5 million in June. We continue to have no problem purchasing loans within our proprietary buybox.

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Monthly Net Return	n/a	1.01%										
YTD Net Return	n/a	1.01%										
Annualized Net Return	n/a	12.4%										
Annual 5-Year Jumbo CD	1.40%	1.49%	1.43%	1.45%	1.46%	1.42%	1.41%	1.38%				

¹ Performance related notes and disclosures are located at the end of this report

DEFINITIONS

Investment Advisor means Direct Lending Advisors LLC, a registered investment advisor.

Fund means Direct Lending Fund I, L.P.

Fractional Interest means that each Loan is subdivided into smaller units which are owned by investors, typically through a Trust.

Gross Yield means the anticipated annual yield on the portfolio including issued loans and outstanding offers. Gross Yield does not represent actual performance.

Loan means a fully-amortizing consumer term loan, typically with a 36 month or 60 month originated by a Platform .

Loan Default means a Loan for which a payment has not been received in the past 120 days. The unamortized loan balance is written off against monthly income in the month a loan defaults.

Management Fees are assumed to be 2% per annum which is the maximum fee charged. Your actual management fee may be less if you are an institutional investor or have a lower negotiated rate.

Net Asset Value is measured as the amortized current value of each issued loan plus cash (including unissued loans).

Net Return measures cash interest and other amounts earned minus any loan defaults, management fees, acquisition fees, and a reserve for Fund expenses.

Notes are fully collateralized by a whole or fractional interest in a Loan issued by a Platform through a Special Purpose Trust.

Platforms are internet-based online exchanges which enable consumer borrowers to apply for fully-amortizing, three to five year term, unsecured loans and lender members, including the Fund, to lend money to borrowers in an open, transparent marketplace.

Trust means a special purpose vehicle formed by a Platform to hold loans and issue Notes or other Fractional Interests in Loans.

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PORTFOLIO SUMMARY

Grade	% of Fund	Gross Yield	# Loans	\$ Amount
A	0.0%	0.0%	0	0
B	4.1%	13.3%	26	41,275
C	27.9%	15.8%	132	281,625
D	50.3%	18.6%	219	509,000
E	8.8%	21.4%	36	89,100
F	2.0%	23.3%	9	20,175
G	1.3%	24.8%	6	13,100
Total Loans	94.4%	17.8%	428	954,275
Cash	5.6%			56,753
Total	100.0%			1,011,028

LOAN DEFAULTS

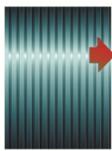
	Current	30 Days	60 days	90 days
# of Loans	428	0	0	0
\$ Amount	\$954,275	0	0	0
% of NAV	94.4%	0	0	0

LOAN DURATION

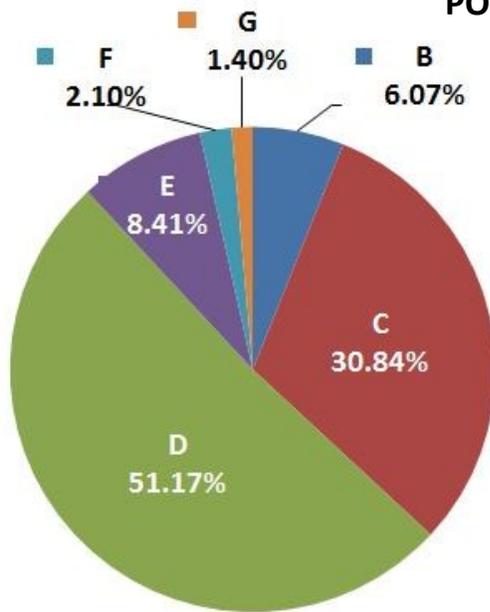
Term	\$ Amount	% of Loans
36 Months	\$842,875	89.5%
60 Months	\$111,400	10.5%

Contact Details

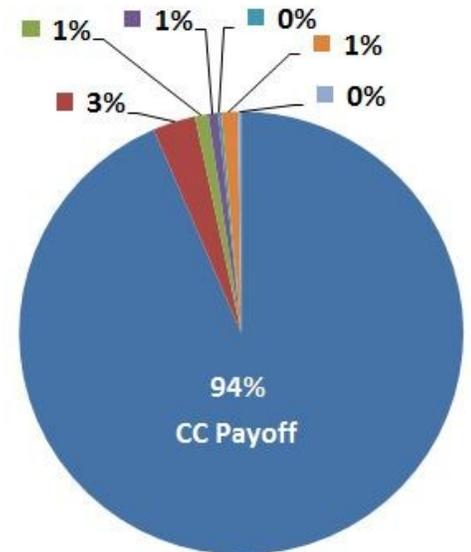
Direct Lending Advisors, LLC
c/o Mickelson Capital Consulting
(760) 804-8050
info@mickcap.com



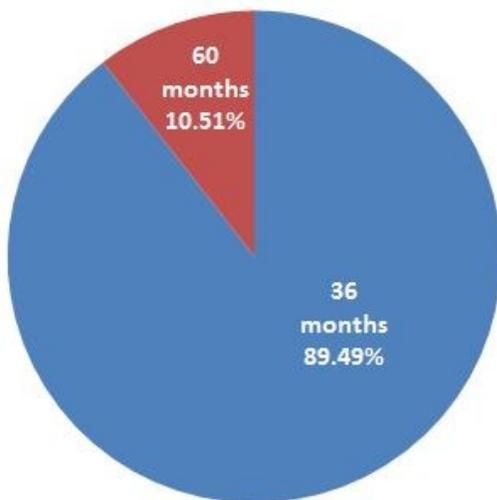
PORTFOLIO STATISTICS



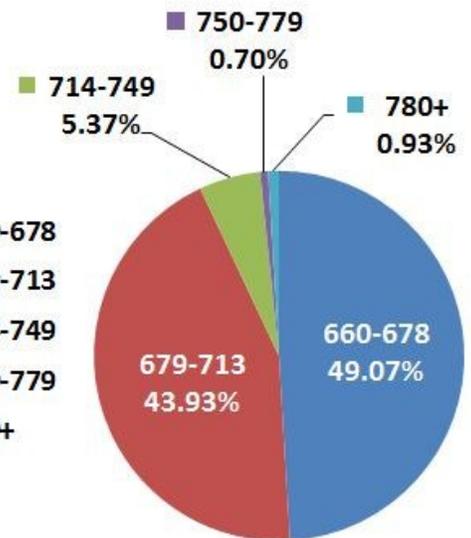
% Owned By Credit Grade



Loan Purpose



% Owned By Term



% Owned By FICO Score

PERFORMANCE RELATED NOTES and DISCLOSURE

The charts, tables, performance and other information ("Information") shown are provided to you for your informational purposes only. This information is confidential, is the property of the Fund, is intended only for intended recipients and their authorized agents and representatives and may not be reproduced or distributed to any other person without prior written consent. The performance results presented in this summary were not compiled, reviewed or audited by an independent accountant and the data for any partial year is subject to adjustment based on final year-end accounting.

Annual Gross Yield represents the dollar-weighted gross yield of loans owned by the Fund. Monthly Net Return reflects the Fund's net performance results. The net performance results include the reinvestment of interest and other earnings and are reduced by realized loan defaults, net operating expenses, and acquisition and investment management fees. Monthly performance will vary based on actual loan defaults which are written off against the current month's income. The Fund does not reserve for future loan defaults. Net Returns do not include taxes allocable to individual investors. The net performance results assume an investor has been in the Fund since inception. Your results may differ due to the effect of the timing of your contributions and withdrawals and to the extent you have any different fee arrangements with the Fund. The net performance results represent past performance which does not guarantee or necessarily determine future results.

The Information does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in any Fund. No such offer or solicitation may be made prior to the delivery of the Fund's confidential offering materials.