

SFG

INCOME
FUNDS

SFG FAMILY OF FUNDS

SFG EXPRESS

News of Interest

3RD QUARTER 2016

EXPRESS FUND UPDATE



AS THE DEMAND FOR SFG LENDING PRODUCTS GROW *SFG Opens Arizona Office*

SFG fund managers are well connected in the Arizona market and have lent there for many years. As the markets began to deteriorate in 2007, we prudently halted our lending operations there. Nevertheless, we recognize the state, Maricopa County specifically, has tremendous lending opportunities that will not only meet our strict lending guidelines, but help balance and diversify our portfolio. It is for this reason we have decided to re-enter the Arizona market & have opened an office in Scottsdale. Running our AZ office is an exceptional individual and longtime SFG investor, Mr. Rodd Wagner.



Rodd Wagner
*Arizona Underwriter
& Office Manager*
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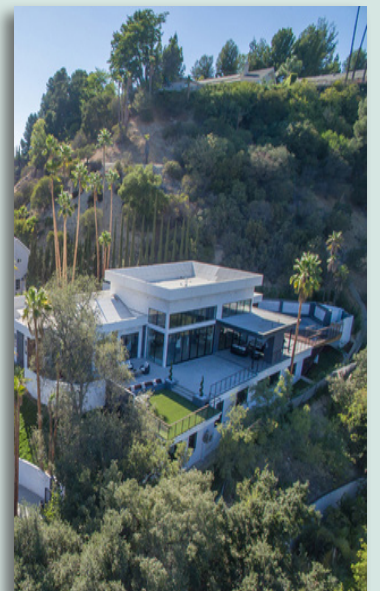


SFG Income Fund 6 Bonus Interest Distribution in 4th Quarter 2016

SFG Income Fund VI has been very productive in 2016, capturing profits from investments and interest earnings. Investors in SFG Income Fund VI will be receiving a 1.5% bonus distribution on November 30th of this year. This bonus distribution will be in addition to your normal distributions and our retainment of appropriate reserves.

Great Locations Terrific Properties Sound Underwriting

When it comes to real estate, most people understand the importance of location. For SFG Fund Managers, it is the first element we consider when presented with a loan opportunity. The SFG portfolio is replete with properties in outstanding locations, securing our investments. Additionally, all SFG loans are structured with location-reflected loan to value ratios. Specifically, when we approve a loan in a peripheral location, the securing property must be relevant to its market and the loan to value ratio adjusted downward to reflect market sensitivity and to enhance investment protection.





OPEN AND GOING STRONG
SFG Income Fund 7

SFG Income Fund VII has opened to service the growing demand of lending opportunities in the markets we serve. The Fund currently holds a diverse portfolio of mortgages with a conservative average loan to value ratio of about 58%. We expect Fund VII to continue to grow, ultimately becoming our lead fund. Since Fund VII is early in its growth process, most of the loans in the portfolio are residential. We expect a more traditional SFG mix of mortgages as the fund expands and evolves. The business model for Fund VII is very similar to that of Fund VI.



***SFG Income
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BORROWER QUALITY EXCEPTIONAL
***3rd Quarter
Loan Volume Strong***

August and September were strong loan volume months with September being our highest ever. We attribute growing loan volume to Seattle Funding Group's increasing brand recognition and the real estate market's rising acceptance of performance driven non-bank lenders as a productive alternative to banks. In other words, not only is our market position growing, but our market is growing. Real estate investors and developers with sensible plans value speed and certainty. Seattle Funding Group provides both, with a proven track record. Although we never chase loan volume for the sake of numbers, we expect the demand for Seattle Funding Group's lending products to steadily rise as it has become a known market leader in non-bank lending over the last 28 years. You can visit the Seattle Funding Group loan transaction gallery showing a plethora of loan fundings with pictures and the story behind each one. We invite you to take a look at www.seattlefundinggroup.com/deal-gallery/. The SFG portfolio is what protects investor capital while providing such attractive returns. Take a look. It is quite comforting and impressive.



SFG Income Fund VII has been approved as an investment by a variety of Broker/Dealers and Registered investment Advisors. If you have an interest in SFG Income Fund VII, please contact your investment advisor.

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www.SFGIncomeFunds.com (Investor website)

www.SeattleFundingGroup.com (Lending website)