

The Evergreen Advantage

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“Evergreen, Better than Gold?”

We are extremely proud to report that Evergreen’s 2011 performance beat all the major market benchmarks. Notwithstanding all the recent hype around gold, Evergreen’s 2011 performance even outpaced GLD, the most widely-watched gold index, leading to the fact that The Evergreen Advantage is “better than gold”.

Capping our second full year of operations, December marked our 27th consecutive month of double-digit annualized distributions. Our investors received 0.85% net of all fees (or 10.2% annualized) for December, bringing the 2011 distribution to 10.22% net of all fees. Evergreen investors electing to reinvest their monthly distributions did even better, with a 2011 net return of 10.71%.

We funded 7 new loans and we received 4 payoffs in December. Our fund now stands at \$24,155,105 up from \$13,161,200 at the beginning of the year. The portfolio’s average loan term edged down in December to 19.2 months, while the average loan-to-value ratio ended the year at 48.91%, a very conservative level. Reflecting on 2011, we proved that we can rapidly grow the loan portfolio while adhering to our strict underwriting criteria intended to make Evergreen a safe investment. As a result, not even one loan went to foreclosure sale in 2011.

As we look forward to 2012, we see nothing to alter the combination of conditions that has enabled Evergreen to provide a superior investment return since our inception in 2009. Bank loans will remain hard to get, real estate values will remain at about current levels and the financial markets will remain extremely volatile. Our performance has been exceedingly consistent, stable, strong and safe – a dramatic contrast to the stock and bond markets since 2007.

By far the best evidence of our personal conviction in Evergreen is our own significant ownership position. Despite the dramatic growth in the size of our fund during 2011, Evergreen’s managers still represented 19.6% of the pool on December 31, 2011. We are not aware of any other fund that can make a similar claim. To further bolster investor confidence, we have engaged independent accountants to perform a full audit of our 2011 results.

We greatly appreciate your referrals of friends, family and colleagues; please keep sending them. We wish you all a very healthy and prosperous 2012.

Sincerely,

Dan, Jesse, Maurice and Steve

Note: This letter constitutes part of an investor kit and must be read in conjunction with the Private Placement Memorandum and related documents in order to fully understand all of the implications and risks of the securities offering to which it relates. This material is not authorized for distribution unless accompanied by The Evergreen Advantage, LLC Private Placement Memorandum dated January 1, 2011.

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Overview

The Evergreen Advantage, LLC is a real estate trust deed investment fund. Each Evergreen investor holds an undivided interest in all loans held in Evergreen's portfolio. By investing in a large pool of loans as opposed to an individual loan, risk is reduced while a high yield is maintained. Each loan in Evergreen's portfolio is secured by income-producing real estate. Thus, Evergreen offers the benefits of trust deed investing without the barriers to entry associated with this type of asset such as real estate experience and personal time commitment.

Evergreen requires that each borrower has substantial equity in his or her real property to provide extraordinary safety for Evergreen's loan. On average, Evergreen lends not more than 50% of the value of the real estate, based on professional and conservative appraisals and other tools.

Objective

The primary objective of The Evergreen Advantage is to achieve a safe but high investment return. Evergreen achieves these objectives by investing in a diversified portfolio of short-term, high interest rate loans which are secured by equity-rich real estate. The Fund offers investors the following advantages:

Preservation of capital without volatility	Diversification
Stable monthly distributions	Investment transparency
Diversification	A high investment return

Quick Portfolio Facts at December 31, 2011

Total Fund	Number of Loans	Average Loan Size	Total of 5 Largest Loans	Average Term (months)	Average Interest Rate	Average Loan-to-Value
\$24,155,105	89	\$267,876	\$4,184,000	19.2	12.17%	48.91%

Historical Returns to Investors of The Evergreen Advantage, LLC - - - NET of all fees*													
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Annualized
2011	10.3	10.4	10.5	10.2	10.2	10.1	10.2	10.2	10.1	10.1	10.1	10.2	10.71%
2010	10.6	10.5	10.4	10.5	10.9	10.4	10.4	10.4	10.3	10.2	10.4	10.4	10.97%
2009	-	-	-	-	-	-	-	-	-	11.3	10.4	10.3	11.20%

Financial Benchmark Comparisons for 2011	
Dow Jones Industrial Average	5.53%
S&P 500	-0.04%
US Bond Index (FBIDX)	3.97%
SPDR Gold Trust ETF (GLD)	9.57%
The Evergreen Advantage, LLC*	10.71%

Key Business Relationships

Olmsted & Associates, Accountants Wells Fargo Bank FCI Lender Services, Inc.

* Monthly figures are annualized. The annual returns for 2010 and 2011 are based upon actual results assuming reinvestment of all monthly distributions. The annual return for 2009 is annualized based upon actual results for October 2009 through December 2009 assuming reinvestment of all monthly distributions.

Note: This is not an offer of interests in the Fund. Such an offer can be made only through the Fund's confidential Private Placement Memorandum and related documents. There are numerous risks associated with an investment in the Fund and there is no assurance the Fund will achieve, or will continue to achieve, its objectives.