DEER PARK
Total Return Credit Fund

The Deer Park Total Return Credit Fund (the "Fund") returned 0.99% in the fourth quarter, 9.94% over the last twelve months and has an annualized rate of return of 10.78% since the Fund's inception on October 16, 2015. This compares to the performance of the Barclay's Aggregate Bond Index of 0.39% for the fourth quarter, 3.54% over the last twelve months and 2.33% since inception of the Fund. The Fund made its quarterly distribution at the end of December of $0.127/share.

The Fund's distribution policy is to make quarterly distributions to shareholders. The level of quarterly distributions (including return of capital) is not fixed. However, this distribution policy is subject to change. Shareholders should not assume that the source of a distribution from the Fund is net profit. A portion of the distributions consist of a return of capital based on the character of the distributions received from the underlying holdings. The final determination of the source and tax characteristics of all distributions will be made after the end of the year. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. There is no assurance that the Fund will continue to declare distributions or that they will continue at these rates.

	Q4 2017	One Year	Inception through 12/31/2017*
DPFNX Class I (NAV)	0.99%	9.94%	10.78%
DPFAX Class A (NAV)	0.92%	9.70%	10.49%
DPFAX Class A (Max Load)	-4.86%	3.38%	7.56%
DPFCX Class C (NAV)	0.75%	n/a	7.31%
Barclays Aggregate Bond Index	*0.39%*	*3.54%*	*2.33%*

*Inception date is October 16, 2015 for Classes A and I, and April 6, 2017 for Class C.

Returns for periods longer than one year are annualized. The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. The Fund's investment advisor has contractually agreed to waive management fees and to make payments to limit Fund expenses until January 30, 2018. After this fee waiver, the expense ratios are 2.27% and 2.02% for the Class A and I shares, respectively. These fee waivers and expense reimbursements are subject to possible recoupment from the Fund in future years. The Fund's total annual operating expenses are 3.28% and 3.03% for the Class A and I shares, respectively. The maximum sales load for the Class A shares is 5.75%. A fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. For performance information current to the most recent month-end, please call toll-free (888) 868-9501. Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

Fund Characteristics and Statistics

Fund Characteristics *(Inception – Dec 2017)*		
	DPFNX	Index**
Standard Deviation	2.72%	2.71%
Sharpe Ratio	3.72	0.76
Correlation to Index**	0.11	1.00
Up Capture to Index**	148%	100%
Down Capture to Index**	-161%	100%

Daily Statistics		
	DPFNX	Index**
Positive/Flat Days	491	294
Negative Days	64	261
% Positive/Flat Days	88%	53%
% Negative Days	12%	47%

Inception date is 10/16/2015.

**Index is the Bloomberg Barclay's US Aggregate Bond Index.

Market Update

As another year ends, it seems timely to reflect on the many positive aspects we have observed in the structured credit landscape as well as re-focus our attention on our outlook for the year to come. In brief, 2017 showed strong performance trends in collateral performance as well as market place demand which has been particularly beneficial to legacy non-agency RMBS holdings.

The underlying elements supporting this performance are too numerous to list in entirety but can be highlighted by the positive trends that continue to stem from the US housing market recovery:

- U.S. Home Price Appreciation (Year-Over-Year gain >6% - See Chart)
- Increasing levels of Equity in underlying collateral (30-40%+)
- Steady declines in delinquencies for legacy collateral pools
- Improving collateral performance resulting in increased number of non-agency RMBS deals called (2017 ~$4b vs. 2016 ~$1.6b)
- Demand for high relative yields coupled with lower credit risk characteristic leading to increased price support

S&P CoreLogic Case-Shiller National Home Price Index

Source: Bloomberg

Meanwhile, the breadth of market gains observed over the past year (in a wide range of structured products as well as other markets) appears to reflect the impact of the ongoing influence from central bank and Fed simulative measures. These prolonged impacts have in-turn driven indiscriminate demand for yield which, in some sectors, has resulted in price levels that appear to belie aspects of sound fundamental credit analysis. While this trend can continue in the near-term, historical evidence indicates that over the longer-term, fundamental risk cannot be ignored. On this point we remain resolute: proper asset selection may translate to attractive cash flow driven yield from our existing portfolio holdings, while prudent risk management and liquidity management may enable the Fund to capitalize on what we view as substantial future opportunities.

As we look toward the year ahead we remain optimistic with regard to the performance expectations of the bonds we have acquired over the past two years. Despite ongoing uncertainties associated with macro-related risks (central banks, Brexit, North Korea and many others) our outlook on performance for seasoned residential mortgaged-backed securities remains very favorable.

During most of the quarter, the volume of trading activity in the non-agency RMBS space was strong reflecting increased levels of demand. The typical slowdown towards the end of the year was mitigated a bit by pockets of opportunity as portfolio managers rebalanced their holdings in preparation of the start of the next year. We remained focused on sourcing new bonds through our individual broker/dealer networks in situations with limited competition. Spreads continued to tighten in many asset classes, including corporate high yield and investment grade bonds, as well as the ABS/RMBS sectors. This trend can largely be attributed to increasing demand

(propagated by accommodative policies of the Fed and central banks), and, in the case of legacy non-agency RMBS, to improving fundamentals.

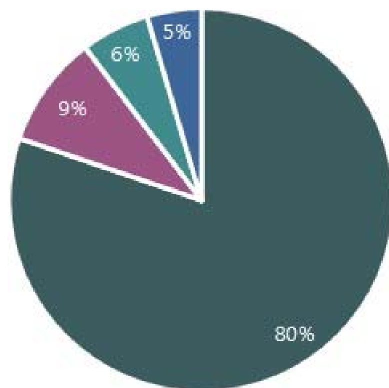
From our perspective it is imperative to maintain a vigilant focus on both risk management of our existing holdings and on market place risk as well. Our ongoing analysis of collateral performance trends, cash flow forecasting and various stress testing enables us to determine if there are potential concerns in our holdings. As discussed previously, the fundamental performance dynamics within legacy non-agency RMBS continue to be quite strong and remain supported by underlying stability in the U.S. housing market.

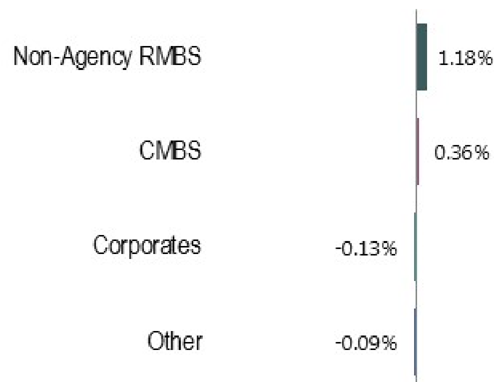
The increasing demand for non-agency RMBS has translated to price improvements across the broad spectrum of bonds. As a result, this quarter's return reflected both the yield generated by the portfolio as well as the positive influence of market price appreciation. Overall, we are enthusiastic about the performance for the portfolio as the fourth quarter return of 0.99% lifted the year-to-date return to 9.94%. While we remain very constructive on the long-term outlook for the portfolio's RMBS/ABS positions, we continue to be vigilant to ensure a proper balance to risk management.

Performance Attribution

The portfolio's returns from a sector/sub-type reflect an ongoing increase in demand for legacy RMBS coupled with a steady improvement in collateral performance dynamics. Yield and market price appreciation of the portfolio provided gains across the full spectrum of residential mortgage backed securities.

Portfolio Weights **Q4 2017 Attribution**





Interest Rates

In today's potentially rising interest rate environment, we are often asked about the Fund's sensitivity to rising rates. We believe the Fund has relatively low interest rate sensitivity due to the fact that approximately 86% of the portfolio is in adjustable rate (or floating rate) mortgages. In addition, the underlying securities within the Fund have relatively high yields and are purchased at significant discounts to par. Since the Fund's inception in October

2015, there have been eight rising rate periods (as measured by the 10-year Treasury). In each period the 10-Year Treasury, the Bloomberg Barclay's US Aggregate Bond Index and the Bloomberg Barclay's US Municipal Index all posted negative returns while the Fund posted positive returns in all but one of the periods. See the table below.

Periods of Rising Rates			Change In Yield	Performance				DPFNX Performance Compared To:	
Start Date	End Date	Number of Days	10-Year U.S. Treasury	10-Year U.S. Treasury	Bloomberg Barclays US Aggregate Index	Bloomberg Barclays US Municipal Index	DPFNX (I Share)	Bloomberg Barclays US Aggregate Index	Bloomberg Barclays US Municipal Index
10/16/2015	11/9/2015	24	0.31%	-2.63%	-1.25%	-0.35%	**0.80%**	**2.05%**	**1.15%**
2/11/2016	3/11/2016	29	0.32%	-2.91%	-0.58%	-0.95%	**-0.58%**	**0.00%**	**0.37%**
4/7/2016	4/26/2016	19	0.24%	-2.05%	-0.65%	-0.06%	**1.94%**	**2.59%**	**2.01%**
7/8/2016	12/15/2016	160	1.24%	-9.87%	-4.28%	-5.02%	**6.95%**	**11.23%**	**11.97%**
2/24/2017	3/13/2017	17	0.31%	-2.40%	-1.54%	-0.88%	**0.18%**	**1.72%**	**1.06%**
4/18/2017	5/10/2017	22	0.25%	-1.89%	-0.88%	-0.26%	**1.01%**	**1.89%**	**1.27%**
6/26/2017	7/7/2017	11	0.25%	-2.15%	-1.02%	-0.79%	**0.14%**	**1.16%**	**0.93%**
9/7/2017	10/26/2017	49	0.42%	-3.09%	-1.16%	-0.59%	**0.76%**	**1.93%**	**1.35%**

Market Outlook

Broadly speaking, the steady recovery in collateral performance (e.g. declining delinquencies/liquidations/losses) continues to drive strong cash flow performance for credit sensitive legacy securities. The trend is underpinned by the stability of the U.S. housing market. The most recent October S&P CoreLogic Case Shiller Index reported a healthy gain of 6.4% in home price appreciation on a year-over-year basis. The favorable outlook for the housing market remains intact as numerous metrics such as affordability, constrained inventory, and increasing new household formation (as well as others) point to ongoing strength.

We continue to find solid investment opportunities in legacy non-agency RMBS. We believe that improving fundamentals and attractive return potential present a favorable investment alternative to the U.S. equity markets, corporate bonds, and other global investment opportunities. We believe that now is a good entry point into the RMBS markets.

There is no assurance these opinions or forecasts will come to pass and past performance is no assurance of future results.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Deer Park Total Return Credit Fund. This and other important information about the Fund is contained in the Prospectus, which can be obtained by contacting your financial advisor, or by calling 1.888.868.9501. The Prospectus should be read carefully before investing. The Deer Park Total Return Credit Fund is distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Princeton Fund Advisors, LLC and Northern Lights Distributors are not affiliated.

Mutual Funds involve risk including the possible loss of principal. Long investing involves buying a security such as a stock, commodity or currency, with the expectation that the asset will rise in value. A hedge refers to making an investment to reduce the risk of adverse price movements in an asset. Normally, a hedge consists of taking an offsetting position in a related security, such as a futures contract. ***RMBS*** *(Residential Mortgage-Backed Securities) are a type of security whose cash flows come from residential debt such as mortgages, home-equity loans and subprime mortgages. RMBS focus on residential instead of commercial debt.* ***The Barclays Capital U.S. Aggregate Index*** *provides a measure of the performance of the U.S. investment grades bonds market.* ***The Case-Shiller National Home Price Index*** *seeks to measure changes in the total value of all existing single-family housing stock.*

ABS, RMBS and CMBS *are subject to credit risk because underlying loan borrowers may default. Additionally, these securities are subject to prepayment risk because the underlying loans held by the issuers may be paid off prior to maturity. The value of these securities may go down as a result of changes in prepayment rates on the underlying mortgages or loans. During periods of declining interest rates, prepayment rates usually increase and the Fund may have to reinvest prepayment proceeds at a lower interest rate. CMBS are less susceptible to this risk because underlying loans may have prepayment penalties or prepayment lock out periods. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. In addition, the credit quality of securities held by the Fund may be lowered if an issuer's financial condition changes.* ***Futures, options and swaps*** *involve risks possibly greater than the risks associated with investing directly in securities including leverage risk, tracking risk and counterparty default risk.*

Option positions *may expire worthless exposing the Fund to potentially significant losses. The value of the Fund's investments in fixed income securities will fluctuate with* ***changes in interest rates****. Typically, a rise in interest rates causes a decline in the value of fixed income securities.* ***Foreign investing*** *involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.* ***Lower-quality*** *fixed income securities, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds. The lack of a liquid market for these bonds could decrease the Fund's share price. Repayment of defaulted securities and obligations of distressed issuers (including insolvent issuers or issuers in payment or covenant default, in workout or restructuring or in bankruptcy or in solvency proceedings) is subject to significant uncertainties. Investments in defaulted securities and obligations of distressed issuers are considered speculative as are junk bonds in general.*

The value of a specific security *can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issuers can be more volatile than those of larger issuers. The value of certain types of securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.* ***Liquidity risk*** *exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.* ***The advisor's and sub-advisors' judgments*** *about the attractiveness, value and potential appreciation of particular asset classes and securities in which the Fund invests (long or short) may prove to be incorrect and may not produce the desired results. Additionally, the advisor's judgments about the potential performance of the sub-advisors may also prove incorrect and may not produce the desired results.*

Overall equity and fixed income securities *and derivatives market risks may affect the value of individual instruments in which the Fund invests. Factors such as domestic and foreign economic growth and market conditions, interest rate levels, and political events affect the securities and derivatives markets. When the value of the Fund's investments goes down, your investment in the Fund decreases in value and you could lose money. The Fund will incur a loss as a result of a short position if the price of the short position instrument increases in value between the date of the short position sale and the date on which the Fund purchases an offsetting position. Short positions may be considered speculative transactions and involve special risks, including greater reliance on the ability to accurately anticipate the future value of a security or instrument. Underlying funds are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, the cost of investing in the Fund will be higher than the cost of investing directly in an underlying Fund and may be higher than other mutual funds that invest directly in stocks and bonds. Underlying Funds are subject to specific risks, depending on the nature of the fund.*
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