

Monark Prime Credit Fund Fund Summary

About Us

Monark Property Partners is a real estate financier and investor known for its disciplined, cautious, and patient approach to investing.

Monark Property Partners Pty Ltd (Monark) was established in 2013 as a joint venture between Bori Liberman's Family Office (Jagen) and Michael Kark and Adam Slade-Jacobson (Monark's Executive Directors), with the vision of bringing quality property projects to life through innovative funding solutions which generate great outcomes for both our development and funding partners.

We choose carefully where to invest, preferring to focus on the 'middle property market' – mid-sized developments in selected, premium geographical areas. This market has proven to be more resilient than other sectors with less volatile pricing providing stronger security.

To date we have committed over \$1.29 billion of capital across 210 property investments with a gross realizable value of \$5.3 billion. Our disciplined, cautious, and patient approach has resulted in an unblemished investment track record whilst providing significant risk-adjusted returns for our investors.

About the Monark Prime Credit Fund

The Monark Prime Credit Fund (Fund) is a diversified portfolio of secured private debt facilities originated by Monark. Each facility is secured by a first-ranking registered mortgage on Australian property.

The Fund is open-ended. Facility repayments will be redeployed in the fund thereby providing investors with ongoing access to Monark's highly regarded secured private debt opportunities. Investors will receive quarterly income distributions of both received and accrued interest.

Key Benefits

- Partnering with an experienced, established real estate financier and investor with an unblemished track record.
- Strong cash yield – currently returning 9.0% per annum as at April 2024.
- Expected stable, consistent investment experience generally uncorrelated with volatile investment markets.
- Expected stable and regular quarterly income distributions paying both received and accrued interest.
- The Fund is open-ended. Facility repayments will be redeployed in the Fund thereby providing investors with ongoing access to Monark's highly regarded secured private debt opportunities.
- Returns provided by a diversified portfolio of first-ranking registered private debt facilities with Australian property as collateral.
- Investment focus in the Australian 'middle property market' - mid-sized developments in selected, premium geographical areas that have historically shown limited volatility and reduced exit risk.
- Conservative loan-to-value ratio (with a maximum weighted average LVR of 65% over the portfolio) providing substantial protection against investment loss.
- Investor alignment with a material investment in the Fund made by Monark shareholders and executives on the same terms, and in the same unit class, as other investors.
- Opportunity to invest with one of Australia's most respected and substantial family offices on the same terms.
- Basic 0.5% per annum administration fee with no entry, exit or performance fees.
- Preferred access to Monark's highly sought-after direct investment opportunities.
- An intention to facilitate limited liquidity where investors seek to exit.
- Awarded 'Superior' 4-star rating / High Investment Grade by independent research house SQM

Our disciplined, cautious and patient approach has resulted in an unblemished track record providing significant risk-adjusted returns for our investors.

Key Features

Fund	Monark Prime Credit Fund						
Fund Structure	The Fund is an open-ended unlisted unit trust that is an unregistered managed investment scheme. The size of the Fund will comprise all units issued (Units), however there will not be an overall target size for the Fund. The Fund will open for subscriptions (Round Offerings) at designated time periods over the life of the Fund.						
Investment Mandate	<p>The Fund will only invest in senior loan facilities secured by first-ranking registered mortgages over Australian real estate with a focus on short to medium term facilities (incl. construction facilities).</p> <p>The Facilities will usually be for terms not exceeding 36 months and may include Facilities that are advanced for the purpose of settling the acquisition of development sites and/or funding the construction of development assets.</p> <p>The Fund will invest predominantly in projects located in metropolitan areas of Victoria, New South Wales and Queensland.</p> <p>A maximum of 25% of capital raised by the Fund will be invested in any one Facility.</p>						
Loan to Value Ratio	A weighted portfolio LVR not to exceed 65% (incl. interest).						
Term & Redemptions	<p>Whilst an investment in the Fund should be considered illiquid (as redemptions are subject to the Trustee's discretion based on the needs of the Fund) the Trustee will endeavour to make available a limited redemption facility as outlined below.</p> <p>The Trustee will open the Fund for redemption requests on a quarterly basis. Investors will need to provide at least 90 days' notice. The Trustee intends to make available an amount of around 10% of the Fund's capital to be redeemed in a given calendar year.</p> <p>The period for the payment of redemptions will be subject to the liquidity of the Fund. The Trustee may in its discretion allow redemptions at other times and with longer or shorter notice periods.</p>						
Senior Debt Investment Committee	The Senior Debt Investment Committee comprises of Michael Kark (CEO of Monark), Tim Muller (CFO of Jagen) and Matthew Chun (independent member).						
Income Entitlements & Income Distributions	<p>Income returns will be distributed to all Investors holding Units on a pro-rata basis, considering the number of days the Investor has held such units (days' basis distribution).</p> <p>The Trustee anticipates making income distributions at the end of each calendar quarter (Distribution Date), which will be made up of Investors' proportionate share of received and accrued income – to the extent that the Trustee is confident in the ultimate payment of the accrued income - net of fees and costs.</p> <p>Income distribution payments will be made within 30 days of the Distribution Date.</p>						
Minimum Investment	\$250,000.						
Preferred Access to Deal Pipeline	Investors will be offered preferred access to future direct investment opportunities originated by Monark.						
Expenses	Monark or its related entities will be reimbursed for all costs properly incurred in order to operate the Fund which are to be paid out of the called funds from Investors at the Trustee's discretion and/or from realised investments before payments are made to Investors. These costs include, but are not limited to, accounting and taxation advice, legal costs and out-of-pocket expenses. The Trustee, Manager and/or Monark are not entitled to recover any internal overhead costs or expenses, nor any expenses associated with the establishment of the Fund.						
Fees	<table border="0"> <tr> <td>Contribution Fee</td> <td>Nil</td> </tr> <tr> <td>Performance Fee</td> <td>Nil</td> </tr> <tr> <td>Administration Fee</td> <td>0.5% pa (plus GST)</td> </tr> </table>	Contribution Fee	Nil	Performance Fee	Nil	Administration Fee	0.5% pa (plus GST)
Contribution Fee	Nil						
Performance Fee	Nil						
Administration Fee	0.5% pa (plus GST)						
Eligibility	Wholesale clients within the meaning of section 761G of the Corporations Act.						

Contact:	Michael Kark Adam Slade-Jacobson Dani Peer Marina Shnaider Gini Li	Chief Executive Officer & Executive Director Chief Investment Officer & Executive Director Director, Funds Management Director, Private Capital (Melbourne) Director, Private Capital (Sydney)	michael@monarkpartners.com.au adam@monarkpartners.com.au danielp@monarkpartners.com.au marina@monarkpartners.com.au gini@monarkpartners.com.au
-----------------	-------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Information contained in this publication

This publication relates to the Monark Prime Credit Fund (**Fund**). Monark Securities Pty Ltd ACN 635 529 412 AFSL no. 519884 is the trustee of, and issuer of units in, the Fund. Monark Secured Debt Management Pty Ltd ACN 620 206 911 is the investment manager of the Fund and an authorized representative of Monark Securities Pty Ltd. This publication contains general financial product advice only. The information contained in this publication, whether express or implied, are published or made by Monark Securities Pty Ltd and Monark Secured Debt Management Pty Ltd, and by its officers and employees (collectively **Monark**) in good faith in relation to the facts known to it at the time of preparation. Monark has prepared this publication without consideration of the investment objectives, financial situation, or particular needs of any individual investor, and you should not rely on the opinions, advice, recommendations and other information contained in this publication alone. This publication does not constitute an offer for the issue of units in the Fund. Investors should read the information memorandum for the Fund before applying for units in the Fund.

Who this publication is provided to

This publication is only made available to persons who are wholesale clients within the meaning of section 761G of the Corporations Act 2001. This publication is supplied on the condition that it is not passed on to any person who is a retail client within the meaning of section 761G of the Corporations Act 2001.

Disclaimer and limitation of liability

To the maximum extent permitted by law, Monark will not be liable in any way for any loss or damage suffered by you through use or reliance on this information. Monark's liability for negligence, breach of contract or contravention of any law, which cannot be lawfully excluded, is limited, at Monark's option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you.

Copyright

Copyright in this publication is owned by Monark. You may use the information in this publication for your own personal use, but you must not (without Monark's consent) alter, reproduce or distribute any part of this publication, transmit it to any other person or incorporate the information into any other document.