

## Fact Sheet: April 2025

# BEDROCK MORTGAGE FUND

Annualised Return for April 2025

# 11.10% p.a.

Net of fees and costs, distributions paid monthly.

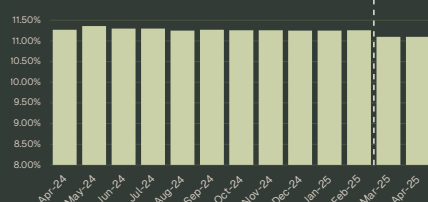
Weighted average  
loan-to-value

# 64.2%

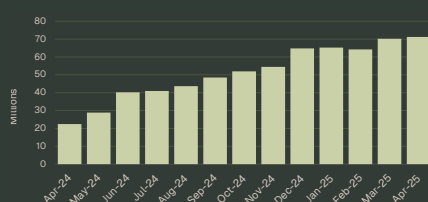
Average cash  
deployment  
through month

# 94.8%

### Reliable Distributions



### Fund Size (FUM \$m)



### Fund Details

FUND COMMENCED	December 2023
TARGET RETURN	RBA cash rate + 5%
MINIMUM SUBSCRIPTION	\$50,000
MINIMUM INVESTMENT TERM	6 months
DISTRIBUTIONS	Paid Monthly
DISTRIBUTION REINVESTMENT AVAILABLE	Yes
REDEMPTION	Quarterly
APPLICATION & REDEMPTION FEE	NIL
PERFORMANCE FEE	NIL

PLATFORMS  
Mason Stevens  
Netwealth  
Hub24  
BT Panorama

TRUSTEE  
Ark Capital Funds Ltd  
ACN 604 775 573  
AFSL 476209

FUND MANAGER  
Ark Capital Funds  
Management  
Pty Ltd  
ACN 649 243 881

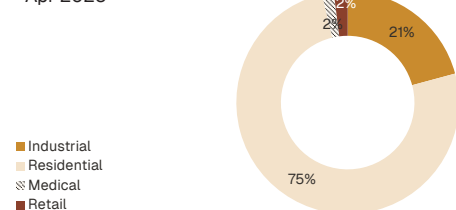
## Key Metrics

Fund Performance (Net of Fees)	Period	P.A.
1 Mth	0.91%	11.10%
3 Mths	2.72%	11.15%
6 Mths	5.55%	11.20%
Fin YTD	9.35%	11.23%
Since Inception	N/A	11.22%
Fees (Comprised of)		1.00%
Fund Management Fee		0.75%
Direct Cost Recovery		0.25%

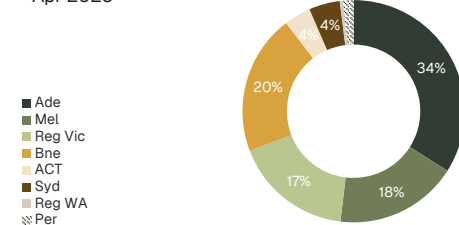
Fund Details	Feb25	Mar25	Apr25
FUM	\$64.3m	\$70.5m	\$71.2 m
Number of Unitholders	182	197	208
Number of Borrowers	18	18	18
Number of Loans	25	24	23
Average Loan Size	\$2.2m	\$2.8m	\$2.9m
Average Loan Maturity	7.4mths	7.5mths	6.8mths
Loans in Arrears	nil	nil	nil
Loans with Prepaid interest	100%	100%	100%

## Portfolio Diversity

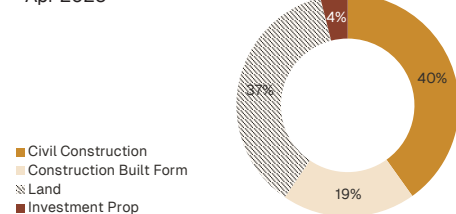
### Investment Sector Spread – Apr 2025



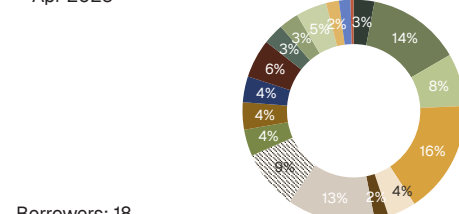
### Geographic Spread – Apr 2025



### Loan Type/Purpose – Apr 2025

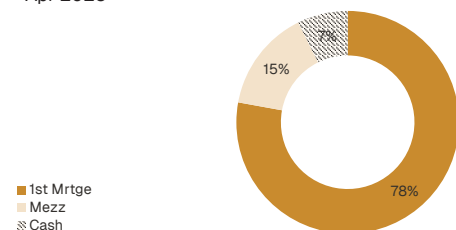


### Borrower Spread – Apr 2025

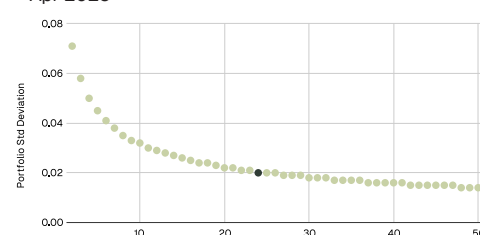


Borrowers: 18

### Portfolio Investment Mix – Apr 2025



### Portfolio Standard Deviation – Apr 2025



## Commentary

- The full effects of the 0.25% RBA rate cut in February are now flowing through fund performance, with the change impacting several of Bedrock's existing investments, and impacting market rates for new investment loans. The impact of these has thus far been ~15 bps on annualised monthly performance, with the April result coming in at 11.10%.
- Bedrock's income - and hence its returns - continue to benefit from the Manager's 1.0% loan management fee rebate to the fund, ensuring the Manager does not double-dip by earning two fees on the same loan dollar.
- In coming months we expect that interest rates on new loans may impact fund returns by 15-25bps, depending on investment mix and RBA cash rate movements, however will remain comfortably above the fund's target of RBA + 5%.
- Offering investment diversity in delivering Bedrock's market-leading returns is the Manager's fundamental goal, and in April this was achieved with the portfolio comprising 23 loans to 18 separate borrowers in 8 different markets. Investments continue to be predominantly in our favoured loan types and sectors, namely land and civil construction loans in the residential and industrial sectors.

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## BEDROCK MORTGAGE FUND

### Investor Contacts



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## ABOUT THE FUND MANAGER

Ark Capital is a boutique property fund manager established in 2015, specialising in private real estate debt and equity, and led by owners and executives with long experience through numerous credit and property development cycles.

Ark's primary business is its Ark Wholesale Mortgage Fund, a contributory fund originating mid-market syndicated loans, primarily to property developers and development land investors. Throughout its near 10 year history Ark Capital has transacted over 100 real estate loan and equity deals valued at over \$1 billion.

Ark's executive team has long experience in the important disciplines, including property development and project assessment, loan due-diligence, loan origination and settlement, comprehensive loan management through the loan term, loan default management and debt recovery, and funds management and governance.

At Ark we put the preservation of our investors' capital at the forefront of our risk analysis process. Ark's executive team constantly reassesses the development landscape and Ark's investment settings, in order to avoid the riskiest segments and regions in the market. Coupled with our due diligence capability, these are our key strengths.

We rigorously, meticulously assess every aspect of a borrower's proposed project, the borrower's background, the markets they develop in and sell into, their contractors, their financial position and performance, and the security they are providing. We typically reject approximately 80% of loan opportunities we assess.

Ark Capital has a growing family of loyal mortgage fund investors encompassing high net wealth investors, family offices, independent financial advisors and wealth management firms who recommend our investments to their clients. We are open and transparent with our investors, and value the faith they show in us

## ABOUT THE BEDROCK FUND

Bedrock was created to offer a "pooled" version of Ark's Wholesale Mortgage Fund to our investors, to provide an investment diversity option for our investors seeking to avoid concentration risk.

Bedrock invests exclusively in Ark Wholesale Mortgage Fund loans, in syndicate alongside other contributing investors. Bedrock takes positions in multiple loans in order to deliver an ever-reducing concentration risk as measured by the portfolio standard deviation, and essentially making it a proxy for the greater Ark Capital investment universe.

Bedrock's diversity targets include increasing the number of loans, limiting single borrower exposure, and spreading investments across multiple regions and development sectors. The portfolio is constantly calibrated to deliver its returns with as much diversity as is practicable.

Bedrock's investments include a minimum 85% 1st mortgage loans with up to 15% able to be invested in subordinated loan positions. The Fund Manager's judicious use of subordinated loan positions has added approximately 70 basis points to Bedrock's YTD annualised returns.

Bedrock's returns are determined by reference to the interest rate paid by borrowers on the loans, plus a 1% rebate from the Fund Manager of its line fee on the loans, less the Fund Manager's 0.75% fee and direct costs capped at 0.25%.