



MA ASSET MANAGEMENT
MOELIS AUSTRALIA

CREDIT FUND

MA SECURED LOAN SERIES

Diversified portfolio of lower risk, secured loans

Short loans terms, low LVRs

Choice of risk/return profile

Monthly Income

MA SECURED LOAN SERIES

Overview

The Moelis Australia Secured Loan Series (Fund) provides investors (Investors) exposure to a portfolio of registered first lien mortgages designed to deliver moderate to strong monthly income.

The Fund aims to deliver lower risk returns to Investors by focussing on;

- Portfolio diversity with secured loans over Australian property varying by type, size and state.
- Short loans with a maximum term of 24 months
- Low LVRs with a choice of risk and return profile

First launched in 2017, the Fund now has two underlying investment classes to suit different investor risk and return appetites.

Market Opportunity

Moelis Australia has a growing pool of borrowers seeking funding outside traditional banking sources.

Over recent years, changes to regulatory and prudential regimes has seen major authorised deposit-taking institutions (ADIs) tighten lending requirements resulting in banks withdrawing or seeking more onerous pricing, terms and conditions from certain market segments, leading to a reduction in credit supply.

As a result, the non-ADI lending market has been growing strongly in recent years. The RBA¹ estimates the non-ADI market in Australia is c.5% of the \$2.0 trillion mortgage market². It has yet to reach the 10% of the market it held prior to the global financial crisis and remains considerably smaller than other comparable major economies.

Key terms	Description
Structure	Australian wholesale unit trust Class A and Class B units
Target Return	Class A: 6.0% to 6.5% p.a. (net of fees) Class B: 10.0% p.a. (net of fees)
Fund Term	Open-ended fund
Target Distribution	Monthly in cash subject to the distributable income of the Fund and the Trustee's discretion
Eligibility	Wholesale investors
Minimum investment	\$100,000
Management Fees	0.85% p.a. of the Fund's Net Asset Value (NAV), payable monthly out of the assets of the Fund to the Manager
Research Rating	Independent Investment Research Rating - Recommended Plus
Platform Availability	Class A: Netwealth, Macquarie, Powerwrap, HUB24 Class B: Netwealth
APIR Code	Class A: MAA7333AU Class B: MAA5944AU

1. Financial Stability Review April 2019

2. IBIS World, Mortgages in Australia, Feb 2019

Choice of Investment Classes

Different risk structures and target returns

Both underlying investment classes include registered first mortgages with a maximum 24-month term (target average of 12 months) but each providing a different risk

structure and profile. Accordingly, each class targets a different net return.

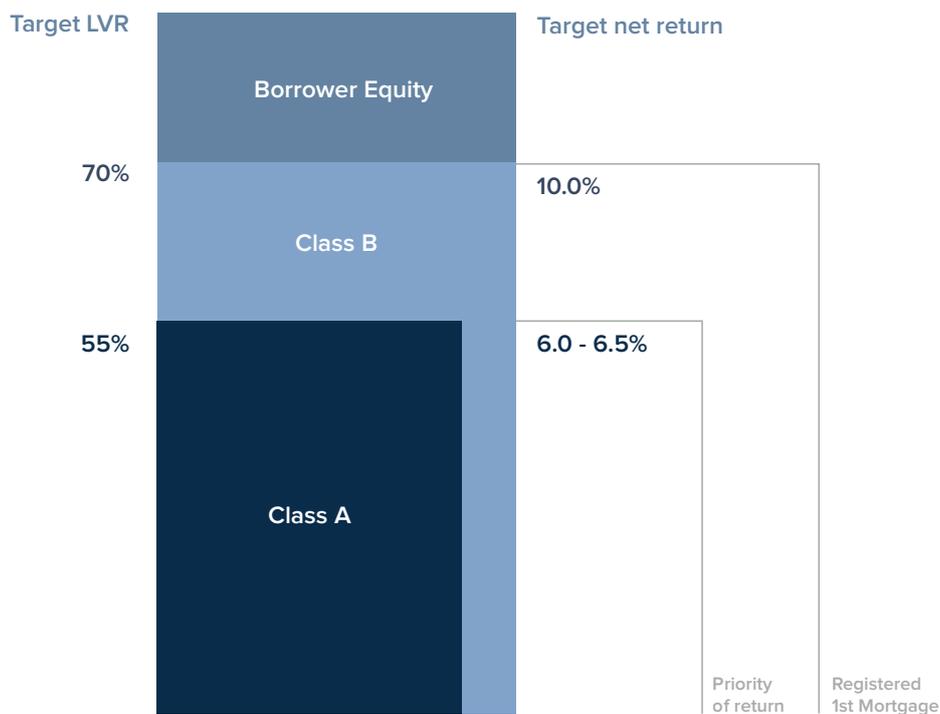
	Max LVR	Target LVR	Target Return	Max Term	Target Term	Security
Class A	60%	55%	6.0 - 6.5% p.a.	24 months	<12 months	Registered first mortgage
Class B	75%	70%	10.0%	24 months	<12 months	Registered first mortgage

Illustrative Capital Stack

Class A and Class B may co-invest

Moelis Australia (Manager) manages both Class A and Class B units, Class B benefiting from having the same manager as Class A's rights in relation to the first registered mortgage, unlike other typical mezzanine debt products which manage second registered mortgages.

Below is an illustration of how Class A and Class B co-invest. Class A has a priority ranking over Class B, and collectively over the borrower's equity. Class B may also invest in loans below 60% LVR alongside Class A or on its own.



About MA Asset Management

MA Asset Management is part of ASX-listed financial services company Moelis Australia. The team originate and manage investment opportunities for wholesale and institutional investors in real estate,

credit, private equity and venture capital. MA Asset Management has approximately \$5bn in assets under management including \$900 million in credit and fixed income (as at July 2020).

For more information and to express your interest:
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DISCLAIMER MA Asset Management Ltd (ACN 142 008 535) (AFSL 427515) is the trustee of the MA Secured Loan Series (Fund) and has appointed MA Investment Management Pty Ltd [ACN 621 552 896] as investment manager of the Fund (Manager)

Investors should refer to the Information Memorandum and consider seeking professional financial and taxation advice before deciding whether to invest in the Fund. Neither MA Asset Management Ltd, the Manager or any of their respective related parties guarantees any performance or the return of capital invested. Past performance is not a reliable indicator of future performance. Investments are subject to risks, including, but not limited to, possible delays in payments and loss of income or capital invested. Opinions contained herein may be subject to change without notice and do not constitute investment advice or recommendation.