

ASPEN PRIVATE CREDIT FUND

An Opportunistic Income-Focused Fund

OFFERING MEMORANDUM 2024

DISCLAIMER



NO OFFER: This presentation ("Presentation") is neither an offer to sell nor a solicitation of an offer to buy any security, nor is it an offer of any sort of investment advice. Instead, it is intended to describe an investment vehicle sponsored by Aspen Private Credit Manager, LLC ("APCM"), Aspen Private Credit Fund, LLC (the "Offering"). An offer may only be made via a written offering document ("Memorandum") provided by the Fund that offers Units of limited liability company interests in the Fund ("Units"). APCM has prepared this Presentation solely to enable you to determine whether you are interested in receiving additional information about the Fund. This Presentation is not intended to be relied upon as the basis for an investment decision, and is not complete.

LIMITATIONS: While many of the thoughts expressed in this Presentation are stated in a factual manner, the discussion reflects only APCM's beliefs about the markets in which the Fund may invest when following its investment strategies as described in more detail in the Memorandum. Any descriptions of the investment strategy herein are in preliminary form, are incomplete and do not include all of the information needed to evaluate any potential investment in the Offering. An investment in the Offering involves substantial risks, some of which are discussed in the Memorandum, and which include risks associated with mortgages investments generally, risks associated with the Offering's investments, conflicts of interest risks, regulatory risks, and tax and management risks. Only by carefully reviewing and considering those factors and the disclosures provided in the Memorandum (in addition to other independent investigations) could an investor or their representative determine whether such risks, as well as APCM's experience and compensation, conflicts of interest, and other information contained therein are acceptable to the investor. Material in this Presentation, including any projected returns for the Offering, does not account for the impact of taxes on the Offering, its structure or its investors that may be imposed by the U.S. or any other jurisdiction. APCM and its affiliates have complete control over the Offering's operations and the management of its assets. There are significant restrictions on the transferability of the Units, there is no market for Units and no person should invest with the expectation of monetizing Units other than as permitted in the Offering's Operating Agreement. The Offering's fees and expenses, which include compensation of APCM, may outweigh the Offering's gains, if any.

CONFIDENTIALITY: APCM reserves all copyright and intellectual property rights to the content, information and data within this Presentation. The contents in this Presentation are protected by copyright and no part or parts hereof may be modified, reproduced, stored in a retrieval system, transmitted (in any form or by any means), copied, distributed, published, displayed, broadcasted, used for creating derivative works or used in any other way for commercial or public purposes without the prior written consent of APCM. The recipient agrees to keep the contents of this Presentation confidential and use it solely to evaluate whether further investigation of the Offering is warranted.

FORWARD LOOKING STATEMENTS: Some of the material contained in this Presentation is not based on historical facts and is deemed to be "forward-looking." Forward-looking statements reflect APCM's current expectations and are inherently uncertain, and actual results may differ significantly from projections herein. Although APCM believes that the expectations reflected in all forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance, or achievements. Neither the Offering, APCM, nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements. APCM is under no duty to update any of the forward-looking statements to conform them to actual results or to changes in its expectations.

PROJECTIONS: While projections about the Offering's performance are based on APCM's experience and good faith judgments, the recipient should understand that projections are based on numerous assumptions about how the Offering may perform, including that applicable tax regimes do not change, that existing asset performance trends will continue to track business plans, that historical behavior of APCM loan types will not change fundamentally, that perception of market opportunities for acquisition and disposition will hold true, and that the competitive landscape within which each asset operates will not change fundamentally. Any number of factors could contribute to results that are materially different.

PERFORMANCE INFORMATION: Information about APCM's prior investment vehicles it has sponsored (the "Vehicles") contained herein has not been audited or reviewed by any third party. The recipient should understand that the Vehicles' performance was achieved in different economic cycles, APCM's participation and / or management responsibility varied, and the Vehicles utilized investment strategies and capital sources that may differ considerably from that which the Offering will use. Additionally, the Offering's terms may differ materially from the Vehicles' governing documents. Therefore, the recipient should not assume that the Offering would be able to replicate any Vehicle's performance, even though there may be overlaps in the Offering's strategies and the strategies that may have been utilized by any of the Vehicles. With respect to performance presented in the Presentation, the recipient should consider the following: all investments carry risk and the Offering's strategies may experience losses.

SHINING ROCK EQUITY TEAM



ROBERT STANLEY

MANAGING PARTNER

Rob's 25+ years in the real estate industry includes residential sales, land assemblage, Single-Family Rental (SFR) acquisitions, and multi-family investments. He has worked with institutional investors such as SFR3, American Residential Properties, Silver Bay, MS Renewal and Opendoor. His experience has forged a well-trained eye for the multi-family/rental markets, a strong command of analytics and trusted connections with key parties in all areas of the investment and asset management process.



CLAY STANLEY

PARTNER

Clay began his real estate career early by earning his NC Broker's License while pursuing his Finance Degree at East Carolina University. As an analyst with Austin Banks Real Estate in Charlotte, he has been instrumental in facilitating over \$750MM in acquisitions while consistently meeting or exceeding required returns for all clients of the firm. From this experience and thorough market research, Clay has developed a logical and analytical mindset that he brings to Shining Rock Equity.

SHINING ROCK EQUITY TEAM



KIM SOLOMON

PARTNER

Kim is a top producing NC real estate broker with 20+ years experience. Kim regularly exceeds \$15MM in annual sales all while managing her successful brokerage at Kim Solomon Realty, LLC backed by eXp Realty. eXp Realty is one of the fastest-growing global residential and commercial real estate companies. Kim supports investor relations for Shining Rock Equity as well as her general partner responsibilities.



SARA STANLEY

MARKETING DIRECTOR

Sara brings 24 years experience as the owner & creative director of S Squared Design. She manages the strategic development and implementation of corporate branding, digital and printed marketing collateral, web design & online media. Sara provides brand positioning and sales & marketing material for Shining Rock Equity to promote multi-family investment properties to partners, investors and tenants.

ASPEN FUNDS MANAGEMENT TEAM



BOB FRASER

CO-FOUNDER & CHIEF FINANCIAL OFFICER

Mr. Fraser has 20+ years experience in finance, investing and technology and has held several CFO and CTO positions. Fraser is a former E&Y entrepreneur of the year winner when he founded a technology company that became one of the fastest growing companies in the Midwest reaching 250+ employees. He was magna cum laude graduate of U.C. Berkeley's computer science program.



JAMES MAFFUCCIO

CO-FOUNDER & MANAGING DIRECTOR

Mr. Maffuccio has 30+ years full-time experience in real estate investing and is an award-winning real estate developer. Maffuccio is an expert in development, mortgage notes and is deeply networked in the secondary mortgage industry, holding key relationships with primary sources, note buyers and sellers, and service providers.

ASPEN FUNDS MANAGEMENT TEAM



DAN SCHULTE

MANAGING DIRECTOR & CHIEF OPERATING OFFICER

Mr. Schulte has 20+ years' experience in asset management, private equity and real estate and has held senior management positions with several entities, both public and private. Schulte is formerly the SVP and General Counsel for Waddell & Reed, a publicly traded mutual fund company. He began his career as a corporate securities attorney in the private practice of law for a boutique securities law firm and as a tax accountant for Ernst & Young.



BEN FRASER

MANAGING DIRECTOR & CHIEF INVESTMENT OFFICER

Mr. Fraser is responsible for capital markets. Mr. Fraser has experience as a commercial banker and underwriter, as well as working in boutique asset management. Ben is a contributor on the Forbes Finance Council. He is also a co-host of the Invest Like a Billionaire™ podcast. He completed his MBA from Azusa Pacific University, and his B.S. in Finance from the University of Kansas, graduating magna cum laude.

OUR PROCESS FOR IDENTIFYING DEALS

Our team co-invests in every deal.

We oversee asset management, business plan execution, and reporting to investors.

1

Identify key macro-economic trends in play and likely to continue.

2

Identify best asset classes & investment strategies that will benefit from those trends

3

Assemble best-in-class teams & investor friendly structures

TRACK RECORD

Aspen Funds has an excellent 11-year track record as an operator in multiple asset classes.



\$200M

Investor Capital
Managed



\$500M

Assets Under
Management



11+

Years Track
Record



\$50M

Investor Distributions
Since Inception

Experience Across Asset Classes

MORTGAGE NOTES

4 Active Funds
3,500 Assets Purchase

MULTIFAMILY & STORAGE

Class A, B & C Assets
3,000+ Units

INDUSTRIAL & RETAIL

400,000 sf

NON-REAL ESTATE

Oil & Gas, Venture



ASPEN FUNDS®



SHINING ROCK
-EQUITY-

SECTION 1

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



Aspen Funds is pleased to present the, Aspen Private Credit Fund, an open-ended fund focused on providing credit to commercial real estate properties.

A dislocation in the capital markets has created a unique opportunity for non-bank lenders to provide capital through preferred equity, mezzanine debt & bridge loans.

This Fund will be focused on providing current cash yield and upside through profit share while investing in preferred positions in the underlying investment.



KEY REASONS TO INVEST

- **HIGH CURRENT YIELD.**

Focus of the Fund will be on delivering a high current yield paid monthly, with additional profits shared quarterly, creative passive cash flow.

- **PREFERRED POSITION IN CAPITAL STACK.**

Fund investments will be in preferred positions in underlying assets with priority of payment before common equity holders, and generally with takeover rights for events of default.

- **OPEN-ENDED STRUCTURE.**

Fund will accept capital contributions quarterly at the Net Asset Value. Investors will receive quarterly statements of account and will have optional liquidity after a 2-year lockup period.

KEY REASONS TO INVEST *cont.*

- **STRONG SPONSOR TEAM.**

Aspen Funds is lead sponsor of this Fund, an 11+ year track operating open-ended credit funds. We will leverage our deep experience in this space and internal staff.

- **ALIGNMENT & CO-INVESTMENT.**

Aspen Funds management team are co-investing personal capital in this Fund. Further, our incentive structure prioritizes a preferred return to our limited partners.

- **DIVERSIFIED PORTFOLIO.**

Fund will make investments into multiple projects, markets & operators. As Fund grows, we expect the diversification to be further enhanced.



FUND OVERVIEW

Regular Distributions

- Preferred return distributions paid monthly, as available after 3 months
- Profit share paid out quarterly, as available after 3 months
- Option to automatically reinvest, compound quarterly

Strategy & Tranches

- Open-end fund, with quarterly NAV calculations, capital funded in tranches based on availability
- Fund will invest in preferred equity or mezzanine loans in commercial real estate
- Focus of Fund will be generating current cash, plus profits at a preferred position in the capital stack

Investor Protection

- Non-dilutive: New cash is deployed into producing assets
- High-water mark: unit price must exceed highest 12-month price before manager profit-share is paid

Returns & Reporting

- Preferred return distributions paid monthly & profit share paid quarterly, as available
- Account statements & fund reporting produced quarterly

Liquidity

- Investors may request full or partial redemption quarterly after 2-year lock-up period on 90 days notice (best efforts, may take up to 6 months for full payout)

Structure

- Minimum investment: \$50,000
- Shining Rock Equity is partner with Aspen Funds as a fund manager. We have created an SPV (Special Purpose Vehicle) to enable investment in the Aspen Fund.
- Fees: Aspen Funds charges Shining Rock a reduced AUM fee of 1.5%. Shining Rock does not add additional fees. All projected returns are net of all fees.
- Annual CPA audit
- Verified accredited investors only
- Results are not guaranteed

SHARE CLASS OVERVIEW

	CLASS A SHARES*	CLASS B SHARES*
Minimum Investment	< \$100,000	> \$100,000
Preferred Return	7%	7%
LP/GP Promote	77/23*	80/20*
Target Net Total Return (annualized)	9-11.5%	10-12%
Target Net Cash Yield (annualized)	7.5-10.5%	8-11%
Target Compounded Return (annualized)	11-13.5%	11-14%

*Performance shown are targeted returns and are not guaranteed.



ASPEN FUNDS®



SHINING ROCK
-EQUITY-

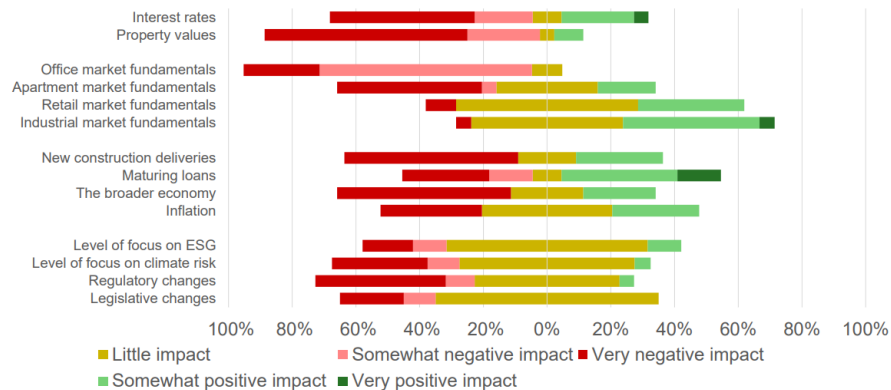
SECTION 2

MACRO TRENDS

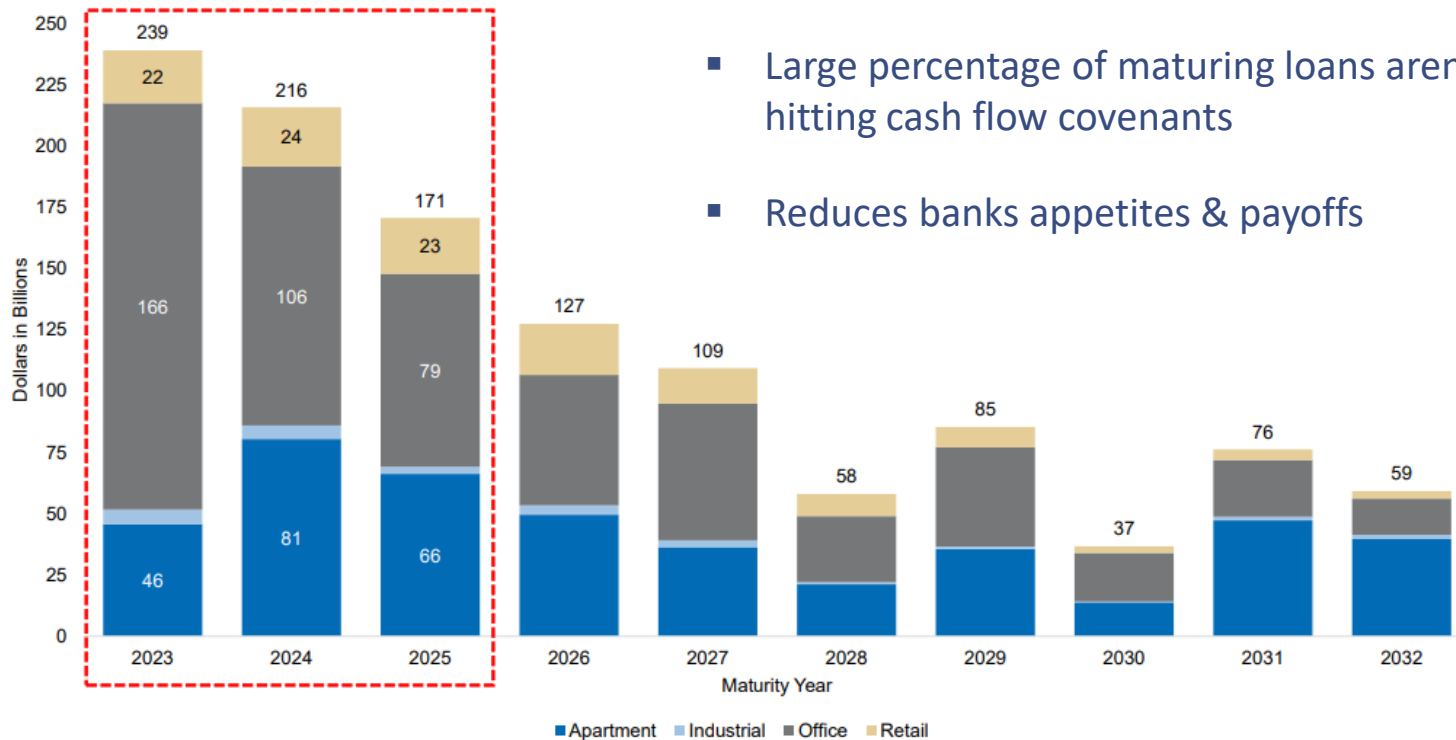
TIGHTER CREDIT CREATES GAP

Traditional lenders are pulling back on leverage ratios on new deals due to negative/cautious sentiment

Rate each of the following for how you think they might affect markets this coming year.



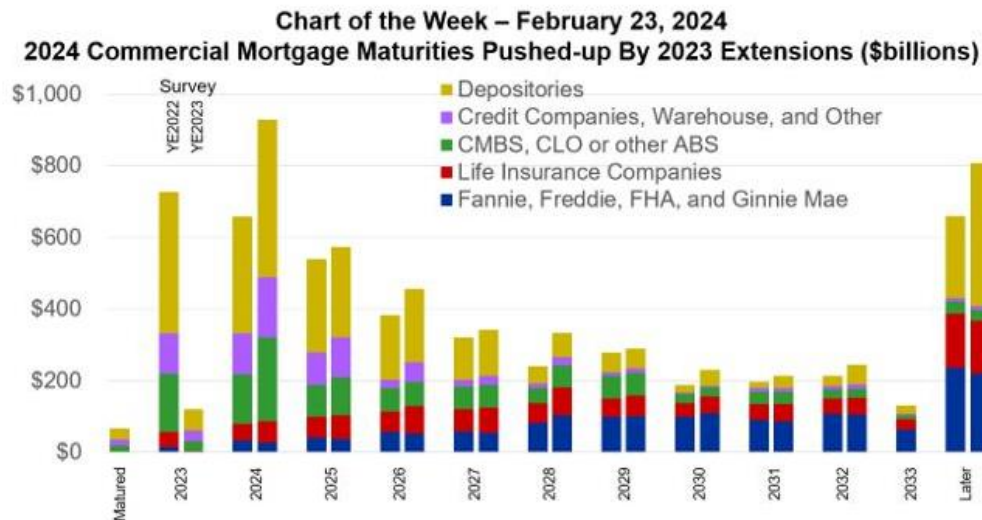
TIGHTER CREDIT CREATES GAP



- Large percentage of maturing loans aren't hitting cash flow covenants
- Reduces banks appetites & payoffs

TIGHTER CREDIT CREATES GAP

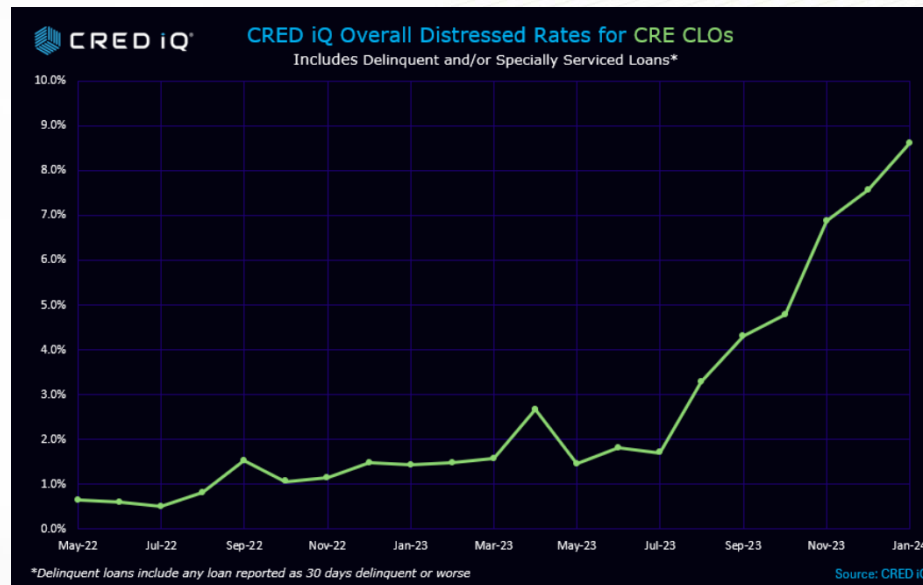
Lack of payoffs has restricted available funds for new deals



Source: Mortgage Bankers Association

TIGHTER CREDIT CREATES GAP

Bridge loans that were originated in 2021 & 2022 will add additional strain to the system



TIGHTER CREDIT CREATES GAP

Regulations restrict bank's appetite for lending

And banks are getting ready for new rules under "Basel III"
 Accord, adding increased stress on the financial system

Impact of Basel III on Financial Institutions



TIGHTER CREDIT CREATES GAP

Widespread distribution stops and capital calls as well as recent losses to foreclosures or deed-in-lieu have reduced common equity investors' appetite, creating deeper funding gaps

Houston Apartment Owner Loses 3,200 Units to Foreclosure as Multifamily Feels the Heat

Building values are falling, interest rates are rising and rent growth is slowing

By Will Parker [Following](#) and Konrad Putzier [Follow](#)

Updated April 11, 2023 10:12 am ET

[Share](#)
[Bookmark](#)
[AA](#)
[Resize](#)
[599](#)
[Gift unlocked article](#)
[Listen \(4 min\)](#)



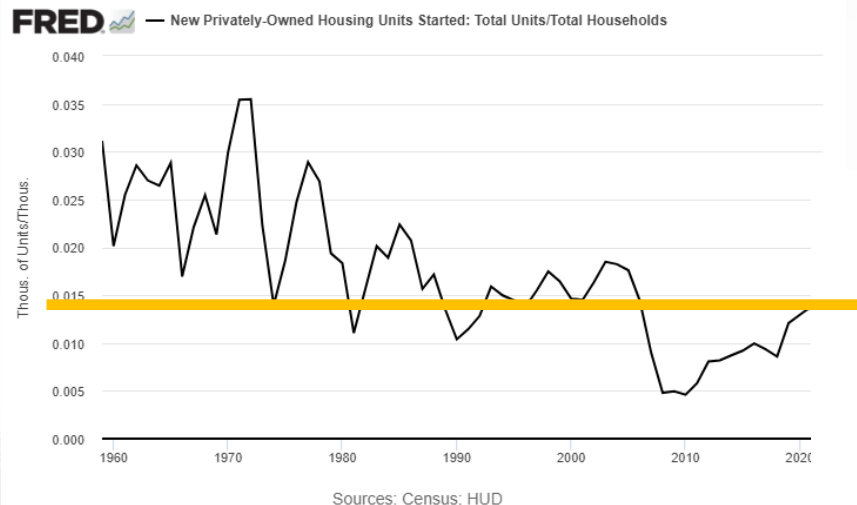
OPPORTUNITIES IN STRESSED MULTIFAMILY

Strong Long-Term Fundamentals in Housing

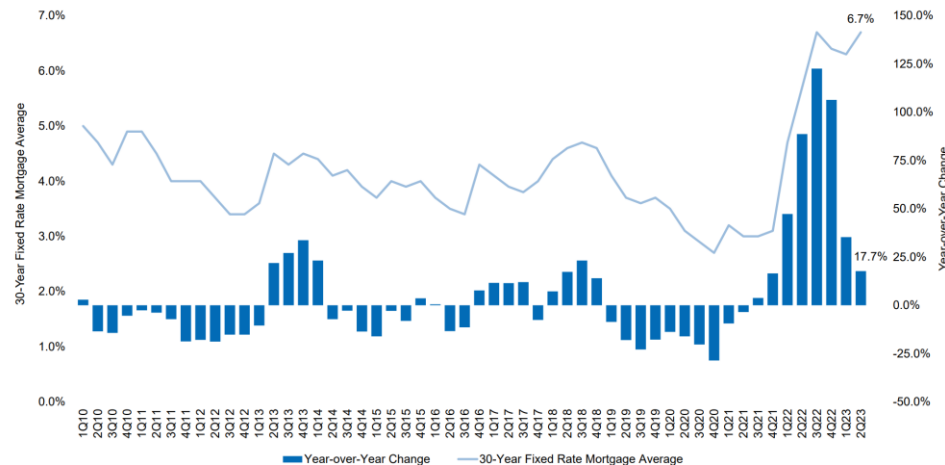
- Housing shortage continues
- Strong household formation
- High historical correlation to inflation

LONG TERM FUNDAMENTALS

Chronic Underinvestment in Housing

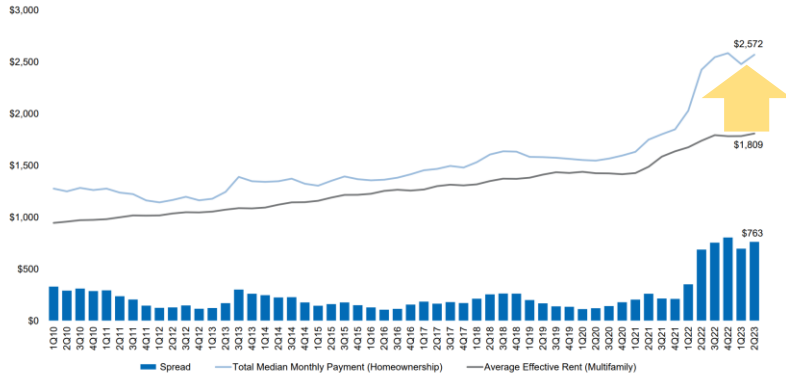


Shrinking Single-Family Buyer Pool



LONG TERM FUNDAMENTALS

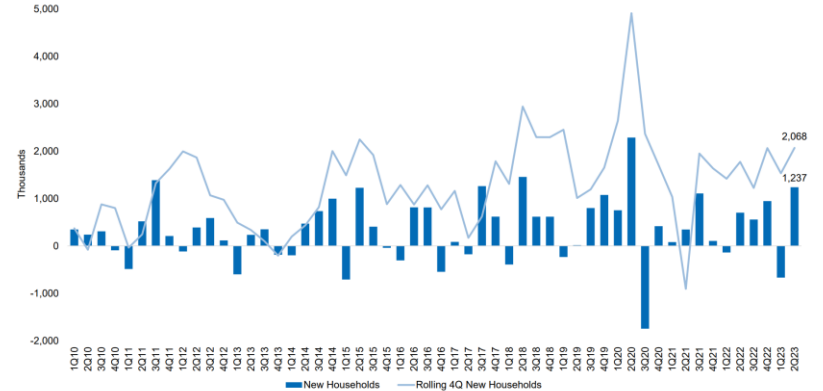
Renting is Cheaper than Owning



Source: Newmark Research, Atlanta Federal Reserve, RealPage

* Total Monthly Median Home Payments include P&I, Taxes, Insurance and PMI

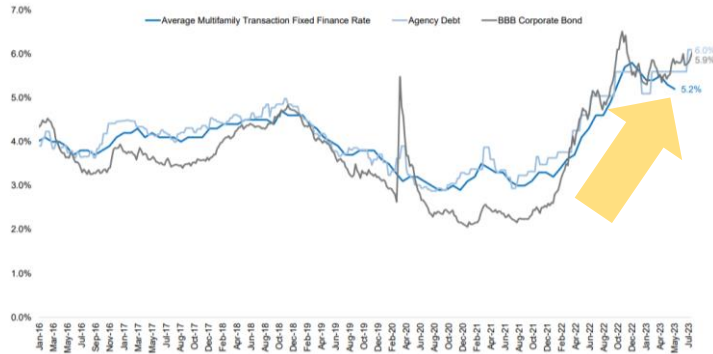
Household Formation Strong



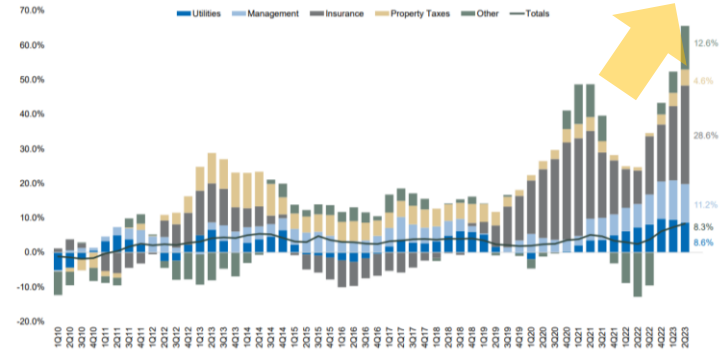
Source: Newmark Research, Federal Reserve Bank of St. Louis, U.S. Census Bureau

OPERATING COSTS RISING

Debt Costs Up 75%



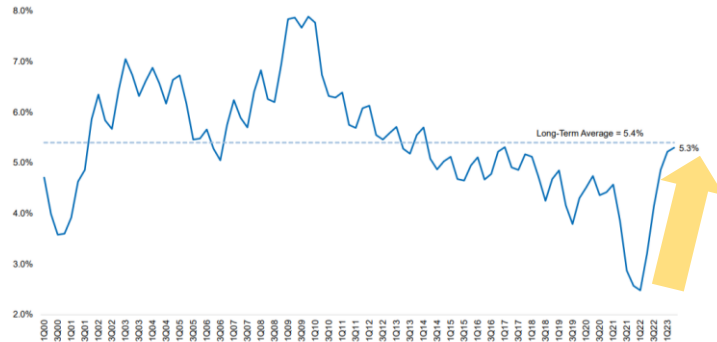
Operating Costs Up 8.3%



Source: Nareit Research, NCREIF

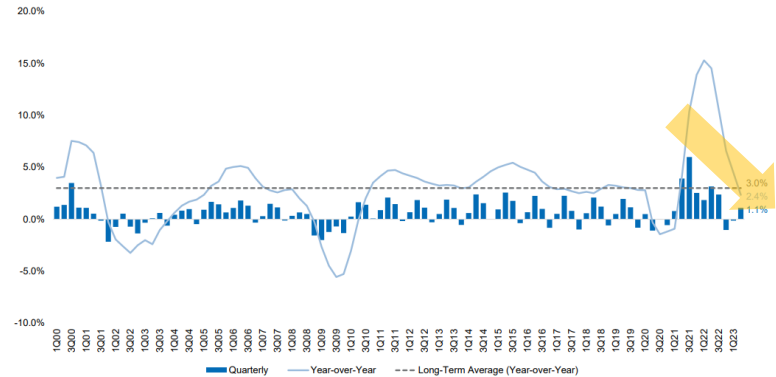
ABSORPTION & GROWTH LOWER

Multifamily Vacancies Up



Source: Newmark Research, RealPage

Rent Growth Down

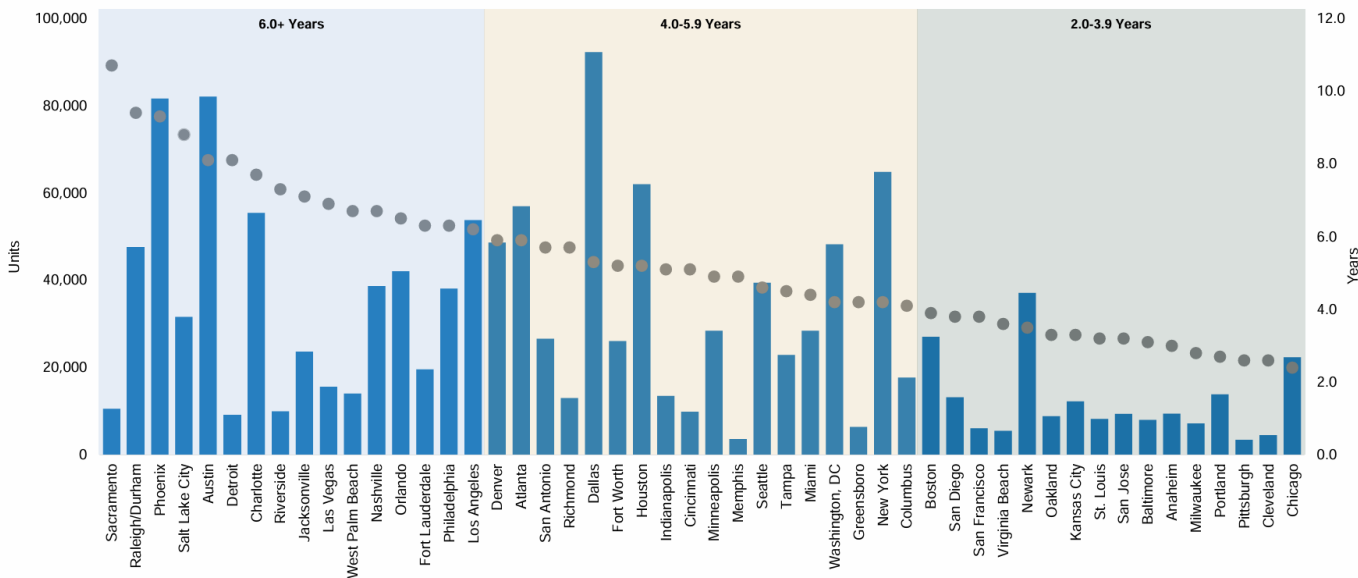


Source: Newmark Research, RealPage

NEW DELIVERIES SLOW ABSORPTION



2023-2025 New Supply (Top 50 Markets)



Source: Newmark Research, RealPage

*Years to absorb methodology is based on annual average absorption from 2018-2022.

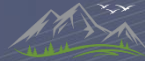
CBRE RENT GROWTH 2024

Tale of Two Cities (Quartiles)

- Top Quartile markets
 - +6% rent growth
 - Midwest, Rust Belt, Northeast
- Bottom quartile markets: High supply markets
 - -4% rent growth
 - Florida, Austin, Boise, Atlanta, Phoenix, and Salt Lake City



ASPEN FUNDS®



SHINING ROCK
-EQUITY-

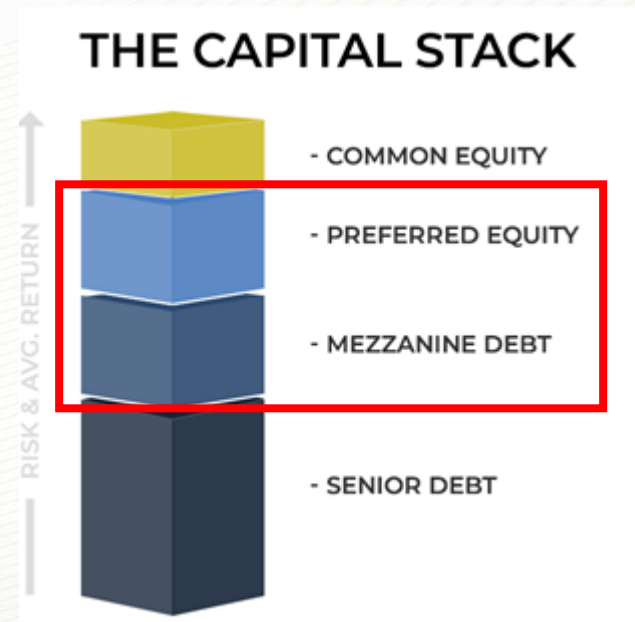
SECTION 3

FUND STRATEGY & TRACK RECORD

REAL ESTATE PRIVATE CREDIT

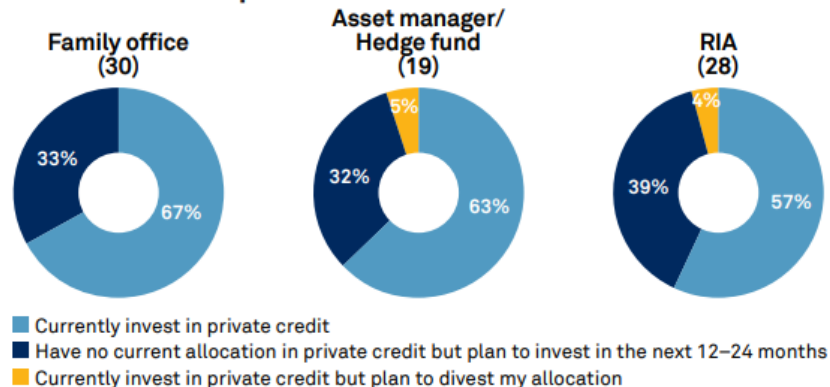
Benefits of Investing in Private Credit

- Priority of payment before common equity
- Current cash flow
- Lower in the capital stack, reduces risk of capital loss
- Generally can takeover the deal or force a sale if not meeting expectations

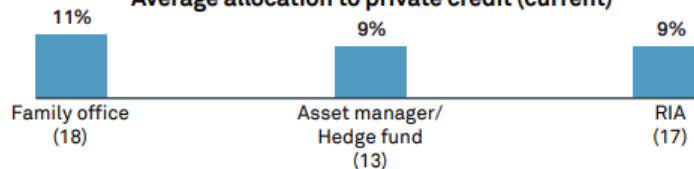


WHY PRIVATE CREDIT

Current Participation in Private Credit Market



Average allocation to private credit (current)

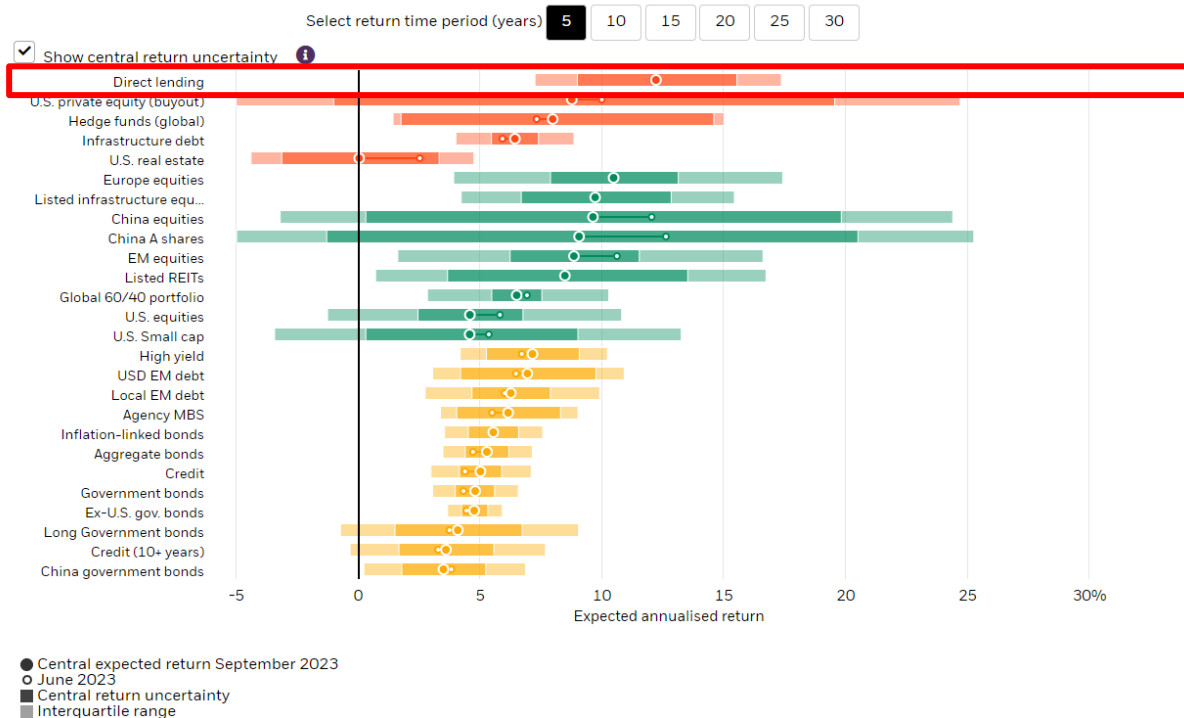


Note: Numbers in parentheses represent number of respondents.
Source: Coalition Greenwich 2023 Private Credit Market Structure Study

WHY PRIVATE CREDIT



Asset return expectations and uncertainty



This information is not intended as a recommendation to invest in any particular asset class or strategy or as a promise - or even estimate - of future performance.
Source: BlackRock Investment Institute, November 2023. Data as of 30 September 2023.

HOW DO WE SOURCE DEALS

PLACEMENT AGENTS

- We utilize our established broker network to source pre-vetted deals
- Brokers are selective on types of deals they represent for financing
- Difficult to place investments below \$5MM.

LENDERS

- We have forged relationships directly with lenders whose borrower's need capital infusions
- Lenders may want to keep the deal, but have tapped out their ability to fund capital need

SPONSOR NETWORK

- Because of our position in the market, we generate deal flow from existing sponsor network
- We have been able to negotiate preferred terms through our Fund which brings committed capital for their deal

EXAMPLES OF DEALS

EXISTING DEALS

Goal is to stabilize property and hold until market improves

- *Distressed Situations* – interest rate cap, bolster reserves, complete renovation program {goal is to protect equity}
- *Capital Injection* – in place senior debt has low rate and don't want to refinance yet {goal is to keep in-place debt}

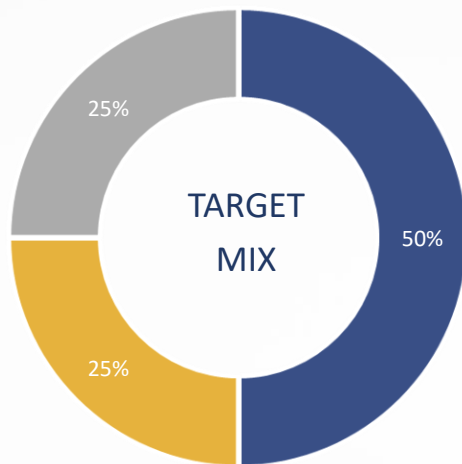
EXAMPLES OF DEALS *cont.*

NEW DEALS

Goal is to increase overall leverage

- Quick Close & Gap Funding – senior lender falls through or can't raise equity in time {goal is to bridge gap short-term}
- Loan Assumptions – low interest rate on senior, but low leverage {goal is to increase leverage}
- New Construction – banks reticent to lend, generally very low LTVs {goal is to increase leverage}

TARGET PORTFOLIO MIX



- Preferred Equity
- Mezzanine Loans
- Bridge Loans

PORTFOLIO TARGETS

- Balanced mix of preferred equity, mezzanine & bridge loans as shown on the left
- Focus will be multifamily properties, but will invest in other commercial real estate asset types
- Check size range between \$1-5MM per project. Large gap in market & increases Fund level diversification
- Diverse geographic footprint, focused on stable or growing markets

ASPEN UNIQUE ADVANTAGES

- **Sophisticated Underwriting & Analytics**

Aspen has over a decade of experience underwriting, servicing and managing credit portfolios. We've built proprietary analytics dashboards to monitor portfolio performance.

- **Target Investment Size & Speed**

Aspen has a competitive advantage in the marketplace targeting \$1-5MM investments. Less capital availability allows for better terms. With a Fund structure, we can move quickly on good deals.

- **Experience Operating Deals**

Aspen has experience operating heavy value-add and distressed deals. We can takeover deal if needed where other lenders may not be staffed to do so.

TRACK RECORD IN CREDIT

Currently Operating

- Aspen Income (Started 2014)
- Aspen G (Started 2014)
- AG4 (Started 2019)
- Aspen High Yield (2020)

Full Cycle

- MRF1 (Started 2013)
- AG3 (Started 2018)

**Please see full track record exhibit in Data Room*

BY THE NUMBERS

Number of assets purchased	4,500+ since inception
Capital Deployed	\$100MM+
Unpaid Principal Balance	\$300MM+
# of states	50 states
Total Investor Distributions	\$45MM+
Vertically Integrated	Servicing & Asset Management

TRACK RECORD IN REAL ESTATE

- Multifamily
 - \$200MM in assets
 - 900+ units
- Industrial / Retail
 - \$70MM in assets
 - 400,000 s.f.
- Self Storage
 - \$25MM in assets
 - 1000+ units

BY THE NUMBERS

Total Assets Managed	\$300MM+
Total Units	2,000+
Number of Assets	10+
Types of Strategies	Construction, Development, Value-Add, Stabilized

**Please see full track record exhibit in Data Room*

CASE STUDY #1 | Gap Funding

- Sponsor couldn't raise equity in time to close
- We were able to gap fund to help close, while they finished the capital raise
- Loan was paid off within 90 days
- Allows us to recycle cash into other opportunities

CASE STUDY	
Property Type	94 Unit Class C Multifamily
Transaction	New Purchase
Purpose	Equity gap to close deal
Amount	\$500M
Lien Position	2 nd lien (secured)
Combined LTV	75%
Interest Rate	12.5% + 2.5 points, penalties
Term	90 Days



CASE STUDY #2 | Capital Injection

- Value-add 1st position loan on multi-tenant retail strip center
- Our loan paid off bank loan and provided additional funding to complete renovation
- Attracted better quality tenants and restructured leases, and can obtain more attractive long-term financing
- Our Loan-to-Value is 37% based on pre-improved, as-is appraisal
- Loan set to pay off in April 2024

CASE STUDY

Purpose	Complete Renovations
Amount	\$1.5MM
Lien Position	1 st position lien
LTV	37%
Interest Rate	13% + 2% origination
Term	24 months





SECTION 4

TARGET INVESTMENTS

PREF EQUITY #1 | Loan Assumption

Deal Highlights

- Sponsor assuming an agency loan with 2.94% interest rate
- Senior LTV is very low ~45%
- Layering in preferred equity helps increase investor IRR
- We earn 14%+ and have 45% equity cushion

Key Underwriting Metrics

- Vertically integrated sponsor team
- NOI supports combined debt service
- Conservative business plan
- Significant margin for takeout financing within 3 years

INVESTMENT OVERVIEW*

Property Type	Multifamily – Lee’s Summit, MO
Purpose	Increase Leverage Ratio
Amount	\$1MM
Lien Position	Preferred Equity, with forced sale rights
Combined LTV	55%
Interest Rate	8% current + 6% accrued, 2% origination fee
Term	3 Years
Takeout Strategy	Refinance

**Illustrative purposes only, term sheet accepted, but deal not yet closed.*



PREF EQUITY #2 | Strategic Acquisition

Deal Highlights

- Acquiring Class A 217K sf Industrial building
- Former tenant owned building, now moving
- Acquisition basis is \$52/sf, ~30% below replacement cost
- Layering in preferred equity helps increase investor IRR
- We earn 18%+ annual. gross yield with 25% equity cushion

Key Underwriting Metrics

- Institutional-level sponsorship group with deep industrial experience
- Geographically strategic location in SE for distribution
- Conservative business plan
- Shorter-term business plan, expect to pay off within 2 years

**Illustrative purposes only, term sheet accepted, but deal not yet closed.*

INVESTMENT OVERVIEW*

Property Type	Industrial – Waycross, GA
Purpose	Increase Leverage Ratio
Amount	\$2.1MM
Lien Position	Preferred Equity, with <i>takeover & forced sale</i> rights
Combined LTV	75%
Interest Rate	8% current + 8% accrued, 2% origination fee, 2% exit fee
Term	2 Years
Takeout Strategy	Refinance



STRONG SUPPORT TEAM



CBIZ will complete a third-party financial audit of this Fund & tax preparation annually



The Polsinelli law firm completes our offering documents, advises on tax issues, and general business counsel.



The McDowell Rice law firm will assist in deal diligence, sponsor/lender negotiations, legal review, etc.



ASPEN FUNDS®



SHINING ROCK
-EQUITY-

SECTION 5

NEXT STEPS



GET MORE INFORMATION

If you have any questions, or are
ready to submit your commitment,
please reach out to our Investor Relations team:

Shining Rock Equity
Robert Stanley
980-333-2625
Rob@ShiningRockEquity.com