The Smart Income Investor: Accessing Stable, High-Yield Opportunities Without Market Volatility

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Meet Our Managing Director & Contact Us

Matthew Maher, Managing Director

Matthew brings over a decade of wealth management expertise across multiple asset classes. Successfully guided organizations to exceed $1 billion in funds under advice. He specializes in compliance, portfolio management, and financial products including derivatives and equities. Experience with FTSE and ASX-listed businesses in senior management roles.

Get In Touch With Our

Questions about our bespoke investment services? We're here to help.

- Email: info@baysideam.com.au
- Phone: 02 7251 8714
- Website: www.baysideam.com.au

Schedule a consultation to discuss your private credit investment opportunities.

About Bayside Asset Management

Who We Are

Bayside Asset Management is a leading Sydney-based wealth management firm specialising in private credit and income-focused investment strategies.

Our Clients

We serve wholesale and sophisticated investors seeking strong, consistent returns with lower volatility.

Our Approach

Our team works closely with highly experienced fund managers and alternative investment experts to provide our clients with access to premier opportunities typically reserved for institutions.

Our Values

Our clients value our disciplined approach, transparency, and focus on capital preservation. Over the past few years, our strategies have helped investors generate attractive income streams while being shielded from market turmoil.

The Problem With Traditional Income Investing

Low Bond Yields

Bond yields are low and often fail to keep pace with inflation.

Volatile Equities

Equities are volatile, with dividend yields rarely compensating for the risk.

REIT Vulnerability

REITs and listed property can suffer from market sentiment, even when the underlying assets are sound.

In today's market, income investors are stuck between a rock and a hard place. Investors are left searching for alternatives that can deliver strong income without the rollercoaster of public markets.

What is Private Credit?

Definition

- Private credit refers to loans made to borrowers that aren't traded on public markets. These loans are typically secured by real assets such as real estate, and are funded by non-bank lenders like asset managers or private investment firms.
- One of the most secure forms of private credit is first mortgage lending — where the lender holds the first priority on the asset in the event of default. This means investors are at the top of the capital stack, unlike equity investors who are last in line.

Key Features of Private Credit

- Consistent Income: Many private credit strategies aim to deliver 10%+ p.a. returns.
- Capital Protection: Secured by real assets with low loan-to-value ratios.
- Low Volatility: Not impacted by day-to-day market movements.
- Diversification: Adds a new source of returns that doesn't correlate with equities or bonds.

Why Investors Are Turning to Private Credit now

Bank Retreat

With banks retreating from certain lending markets due to regulatory pressures, non-bank lenders have stepped in — creating an opportunity for private investors to earn strong yields on secured, well-underwritten loans.

Monthly Income

As of 2025, several high-quality first mortgage funds are paying monthly income distributions.

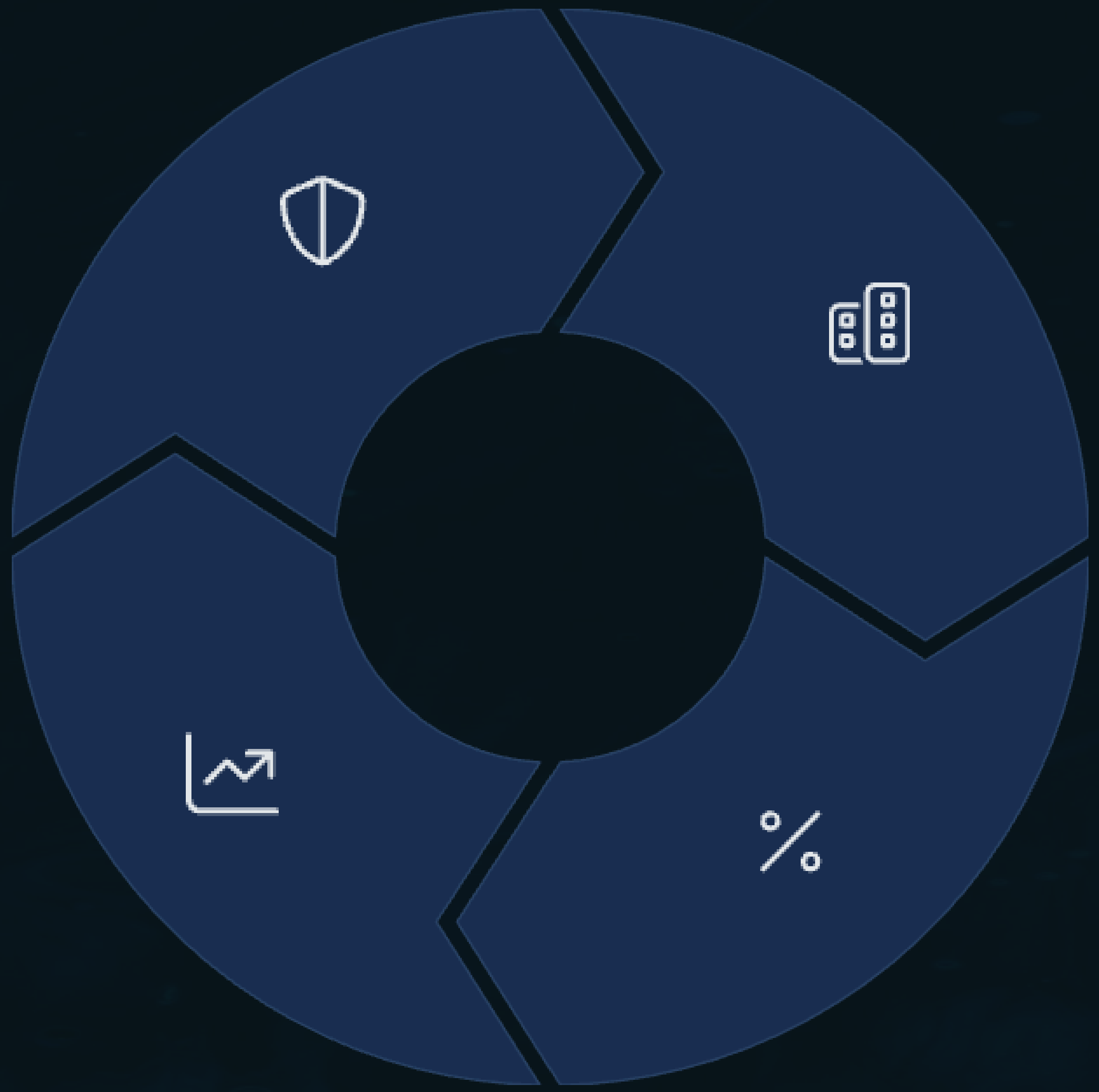
Strong Returns

These funds are targeting returns between 10% and 12% p.a. net of fees.

Institutional Quality

Backed by institutional-grade teams with deep experience and due diligence processes, managing diversified portfolios across property types and geographies.

How Private Credit Shields Against Market Volatility



Emotional Stability

Unlike equities, your investment isn't subject to emotional investor behaviour.

Real Asset Backing

Valuations are tied to real, income-producing assets.

Zero Drawdown

Many of our clients experienced zero drawdown during recent market corrections thanks to the stability of the private credit strategies they were invested in.

Interest-Driven Returns

Returns are driven by loan interest, not price speculation.

How It Works

1. You invest in a private credit fund focused on high-quality, secured loans.
2. Your capital is diversified across multiple borrowers and property types.
3. You receive monthly income (targeting 10%+ p.a.) from interest payments.
4. Your capital is protected by being the first in line should anything go wrong.

These funds are typically structured for wholesale investors only and offer open-ended access with monthly liquidity.

Shares vs Bonds vs Private Credit: A Comparison

Investment Type	Typical Return	Volatility	Income Frequency	Capital Protection	Market Exposure
Shares (Equity)	6-9% p.a.	High	Dividends (irregular)	Low	High
Bonds	3-5% p.a.	Medium	Semi-annual or annual	Moderate	Medium
Private Credit	10-12% p.a.	Low	Monthly	High (secured)	None

Wholesale Investor

To access private credit funds, investors generally need to qualify as a wholesale investor under Australian law. This typically requires:

- Net assets of $2.5 million, or
- Gross income of $250,000+ for the last two financial years (verified by an accountant)

Our team can help assess your eligibility and guide you through the process.

Case Study: A Stable Income Portfolio

Client Profile

58-year-old business owner nearing retirement, looking for stable monthly income with low exposure to market volatility.

Strategy

We constructed a portfolio of diversified first mortgage private credit funds across residential and commercial property sectors, with monthly distributions and average LVRs under 65%.

Result

Target income of 10.5% p.a., received monthly. No drawdowns through recent equity market corrections.

Frequently Asked Questions (FAQ)

What are the risks with private credit?

While private credit is generally lower risk than equities, risks include borrower default and liquidity. However, first mortgage structures offer capital protection through legal priority and conservative lending.

Can I access my money?

Most private credit funds offer monthly liquidity, subject to notice periods. It's not as liquid as cash or listed shares, but far more flexible than traditional private equity.

Is this suitable for my SMSF?

Yes, many of our clients invest through their self-managed super funds (SMSFs). We can work with your administrator to ensure compliance.

What if interest rates change?

Many loans are fixed-rate or structured with minimum returns. Returns are less sensitive to rate moves than bonds or listed fixed income.

BAYSIDE
ASSET MANAGEMENT

Why Work With Bayside Asset Management

Thorough Due Diligence
We carefully vet every fund and manager we work with

Comprehensive Review
Reviewing the underlying loan book and security structures

Stress Testing
Stress testing scenarios and downside

Track Record Evaluation
Evaluating the fund manager's track record and investment

We only partner with teams that have a proven history, robust governance, and a clear commitment to capital preservation.

Disclaimer

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