



# Starfortis

Asset Management

Your Trusted Partner in  
Alternative Investments

# LEGAL NOTICE AND DISCLAIMER

The content of this promotion has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested.

The investments referred to in this prospectus are not suitable for all investors and are intended for certain categories of investor only.

Starfortis Asset Management T/A Verlencia Wealth Ltd does not give financial advice to investors about the suitability of the investments. Investors should seek advice from a person who specialises in advising on speculative, illiquid securities.

Unregulated investment opportunities in complex instruments are considered high risk.

Therefore, we can only deal with investors who are sufficiently knowledgeable and experienced in dealing with these types of investments and are classified as High Net Worth or Sophisticated Investors.

Investors who are not resident in the United Kingdom should ensure that they comply with the laws of their local jurisdiction before investing.

If you do not meet the above criteria, then do not take any further action.





**Starfortis**  
Asset Management

# FIXED INCOME INVESTING

## Risk Management And Capital Protection Framework

Returns Are Pursued Through Structure.

Risk Is Managed Through Discipline.



Investor capital always remains senior, while development profit is systematically reinvested beneath it, strengthening capital protection throughout the investment lifecycle.

# RISK MANAGEMENT AND CAPITAL PROTECTION

## Content

- Phased Investments
- Investment Model
- The Capital Stack
- Risk Adjusted Returns
- Diversification
- Liquidity
- Vertical Integration
- Redeployment of Margin
- Security Trustee



# DEVELOPMENT PHASE, INVESTMENT

Deploying Capital When Risk Is  
Reduced and Value Is Established

## THIS RISK MANAGEMENT AND CAPITAL PROTECTION FRAMEWORK

Applies specifically to our fixed income investments, which focus on bridging and mezzanine lending during RIBA Stage 4 - Technical Design.

i.e. Following the grant of planning permission and prior to construction commencement.

Starfortis deploys capital at defined stages of the development lifecycle alongside our development partner, Gentrified Real Estate.

By deploying capital through transitional stages, Starfortis seeks to balance capital preservation with the delivery of consistent, risk-adjusted returns.

## RIBA STAGE 3 - PLANNING

### INSTRUMENT:

Joint Ventures  
Type: Equity

### TIMEFRAME:

6 to 9 months

Phase: Joint Venture

## RIBA STAGE 4 - TECHNICAL DESIGN

### INSTRUMENT:

Fixed Income Investments  
Type: Debt

### TIMEFRAME:

6 to 9 months

## RIBA STAGE 5 - CONSTRUCTION

### INSTRUMENT:

Development Facility  
Type: Debt

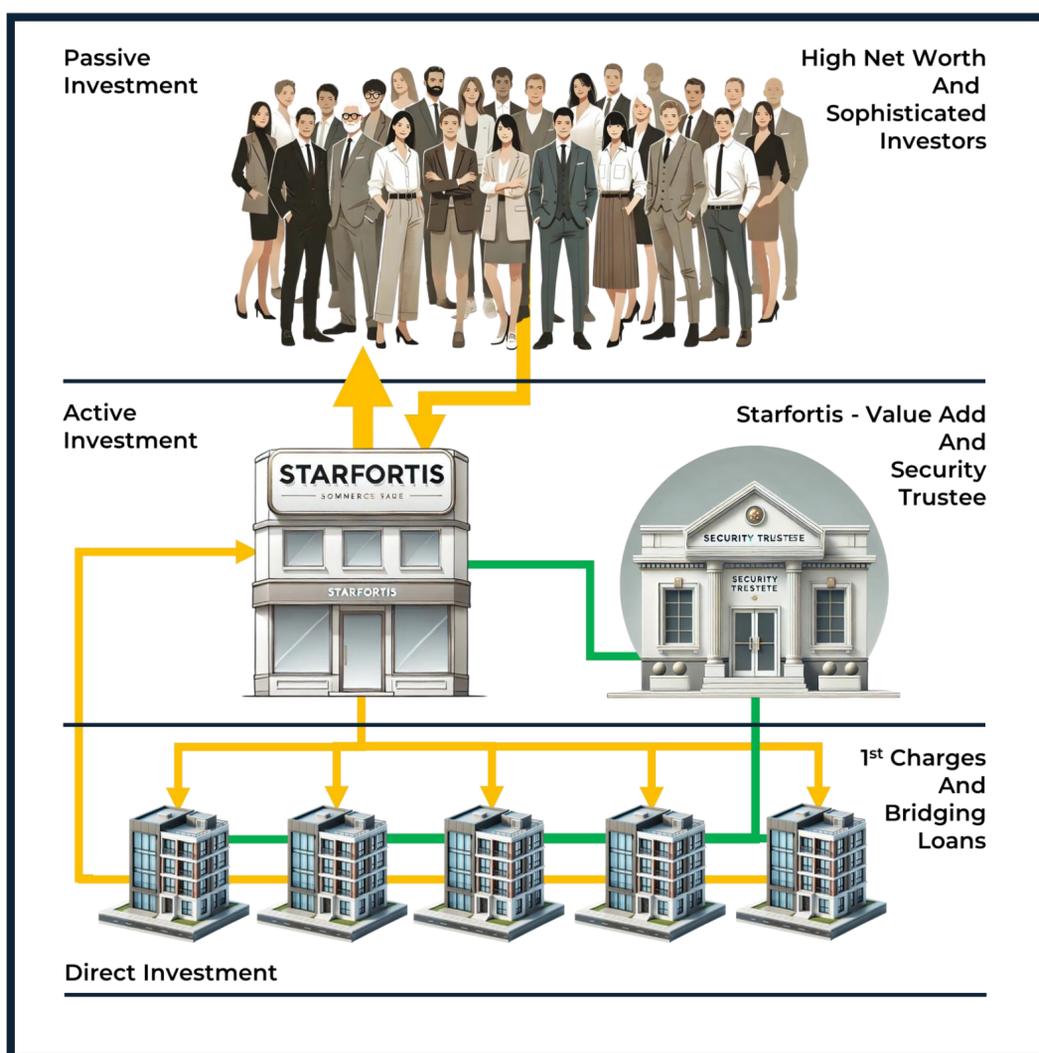
### TIMEFRAME:

12 to 15 months

Phase: Development Lender

# THE FIXED INCOME INVESTMENT MODEL

A Structured Approach To Fixed Income Investments



## INVESTMENT RETURNS

Returns are derived from interest received on short-term commercial bridging loans secured against real estate assets in the UK.

## PASSIVE INVESTMENT

Our Fixed Income products allows investors to participate in secured lending without direct investment in the underlying assets.

Capital is deployed through Starfortis providing bridging or mezzanine loans to asset-backed projects.

## ACTIVE INVESTMENT

Each loan is underwritten individually, with security and repayment priority defined within the capital structure.

## DIRECT INVESTMENT

Rather than owning property directly, investors participate through instruments issued by Starfortis. Returns are generated through loan interest payments.

## CAPITAL DEPLOYMENT

As loans are repaid, capital is returned and redeployed into new lending opportunities, maintaining portfolio continuity and income generation.

Supporting fixed income returns while reinforcing capital growth.

# THE CAPITAL STACK

An investor-first approach to capital priority and risk

## INVESTMENT POSITIONS

The capital structure provides multiple investor entry points, with defined priority, risk, and return characteristics.

S

### CAPITAL PRIORITY AND STRUCTURE

Investing through a defined capital structure establishes a clear order of priority, with senior capital positioned ahead of subordinated and equity capital within the investment stack.

#### SENIOR CAPITAL

- ❖ Priority Return
- ❖ Low Risk

J

#### JUNIOR CAPITAL

- ❖ Subordinated
- ❖ Behind Senior
- ❖ Medium Risk

E

#### EQUITY

- ❖ Behind Junior Capital



# RISK ADJUSTED RETURNS

Starfortis delivers risk-adjusted returns through bridging and mezzanine lending structures, secured against real estate assets. These transitional lending phases provide enhanced returns while maintaining defined exit pathways and protection.

## KEY DRIVERS OF RISK-ADJUSTED RETURNS

- ❖ Short-term bridging loans secured by first legal charge over real estate assets
- ❖ Mezzanine lending positioned beneath senior debt and supported by project equity
- ❖ Defined loan terms with contractual repayment structures
- ❖ Asset-backed security supported by underlying real estate value
- ❖ Structural protection through subordinated capital and equity

## STARFORTIS INVESTORS

Benefits from loan interest and repayments, asset-backed security, and defined capital stack positioning.

Enabling consistent fixed income returns aligned with disciplined risk management.

# DIVERSIFICATION ACROSS LOANS

Reducing concentration risk  
through structured allocation

## CAPITAL ALLOCATION

Investor capital is allocated across a diversified portfolio of either bridging or mezzanine loans, reducing exposure to any single asset, or project outcome.

This structured allocation limits concentration risk and enhances overall portfolio resilience.

In the event of an individual loan underperforming, exposure is contained, preserving the stability and performance of the broader investment portfolio.

Diversification across multiple assets provides an additional layer of capital protection while supporting consistent, risk-adjusted returns.

## PORTFOLIO OVERSIGHT

Active capital deployment and loan management across the portfolio, maintaining disciplined allocation and ongoing risk assessment to preserve capital and support consistent performance.



# LIQUIDITY MANAGEMENT

Defined repayment timelines  
and capital reserve management

## CAPITAL FLEXIBILITY

Investor capital is deployed into short-term bridging and mezzanine loans with defined contractual repayment dates, providing visibility over capital return timelines.

Starfortis maintains c.15% of capital in reserve, held unallocated to support liquidity requirements, manage repayment timing differences, and ensure operational flexibility across the portfolio.

This disciplined capital management approach enhances portfolio stability, supports timely investor repayments, and strengthens overall risk control.

## PORTFOLIO STABILITY

Liquidity management enhances the ability to maintain balanced exposure whilst supporting ongoing loan origination and repayment cycles.

Strengthening portfolio stability and supporting capital deployment.



# VERTICAL INTEGRATION

Gentrified Real Estate is the property development arm of Starfortis. This vertically integrated strategy means full integration between project origination and capital allocation allowing for aligned capital management throughout the development lifecycle.

## ENHANCED OVERSIGHT

Gentrified originates and develops a structured pipeline of projects aligned with Starfortis' investment criteria, enabling capital to be deployed into opportunities that meet defined risk, security, and exit parameters.

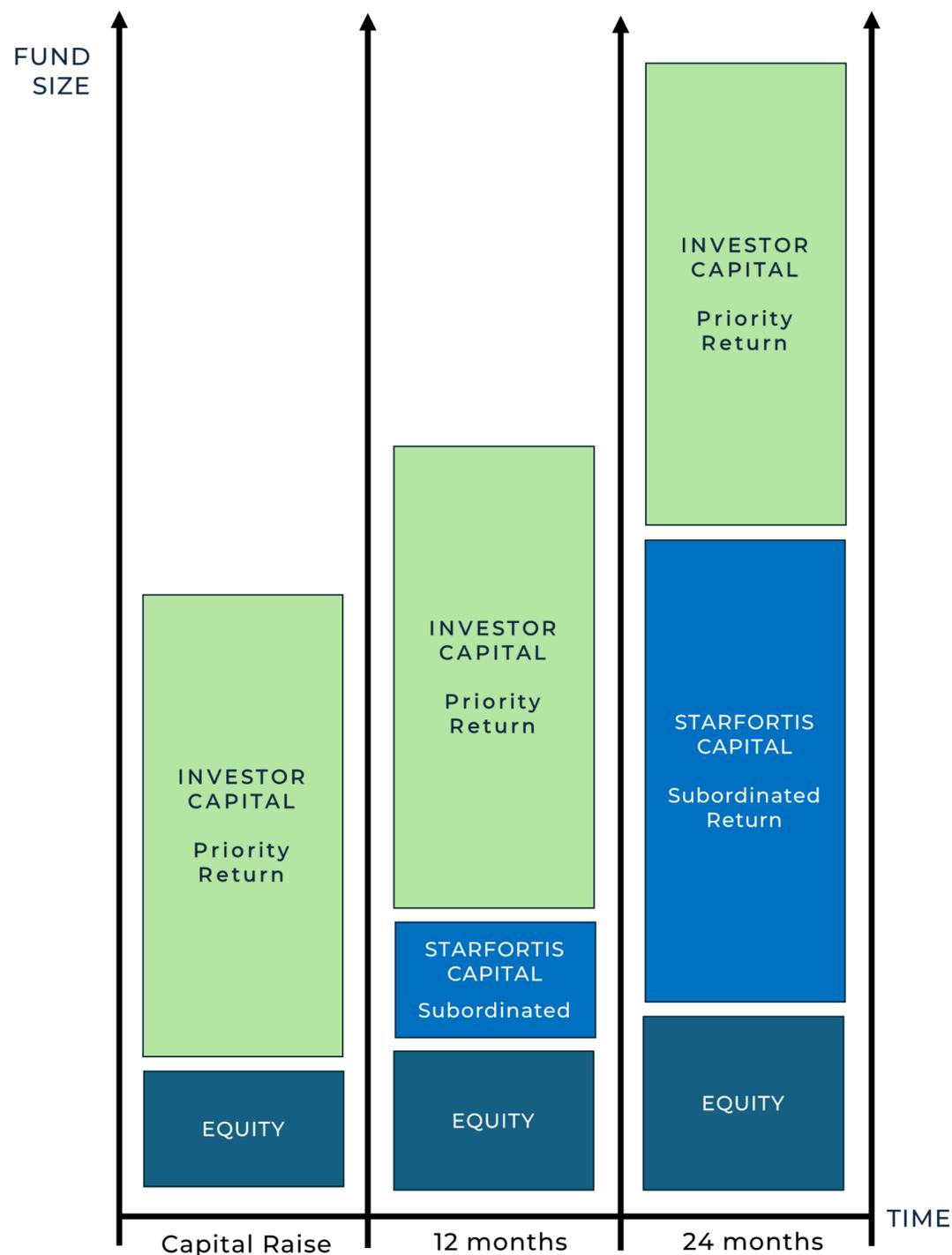
This close coordination enhances decision-making and allows Starfortis to forecast capital requirements, repayment timelines, and reinvestment opportunities with greater accuracy, supporting consistent portfolio management and capital preservation.

## ALIGNED INTERESTS

The integration between Starfortis and its development partner ensures alignment of capital structuring, project oversight, and execution. Strengthening investor protection and project delivery.

# REDEPLOYMENT OF DEVELOPMENT MARGIN MARGIN

Capital and Margin Redeployment Into Our Fixed Income Investments



## INITIAL CAPITAL

Investor capital is deployed through Starfortis and sits Senior within the capital structure.

## OVER THE INVESTMENT TERM

As development projects complete the margin is reinvested into our fixed income investment as subordinated capital. Whilst Investors capital remains senior and retains priority of return.

## DOWNSIDE STRENGTHENING

The continued reinvestment of development margin increases a layer of subordinated capital beneath investors.

This provides a capital buffer for our investors while maintaining their seniority within the structure.

## INVESTOR SECURITY

As investors are always senior within the capital structure. Subordinated capital and equity sit behind investor capital and absorb losses if they occur.

Significantly increasing investor downside protection over time.

# SECURITY TRUSTEE OVERSIGHT

## Holding and Protecting Security on Behalf of Investors

A Security Trustee is appointed to hold and administer legal charges over all assets and debentures over each project SPV on behalf of investors, ensuring their interests are protected throughout the investment term.

This structure ensures that security is held on trust on behalf of every investor providing an additional layer of protection.

In the event of a default, the Security Trustee has the authority to enforce security, recover assets, and act in the best interests of investors, ensuring priority of repayment in accordance with the capital structure.

## GOVERNANCE AND ENFORCEMENT

- ❖ Legal security held on trust for investors
- ❖ Enforceable rights in the event of a default
- ❖ Protection of investor interests throughout the term of the investment

# RISK MANAGEMENT SUMMARY

Starfortis provides investors with access to structured bridging and mezzanine lending opportunities secured against consented real estate assets.

A key structural differentiator of the Starfortis model is the systematic redeployment of development profit back into the capital structure as subordinated capital.

This progressively increases the capital buffer beneath investor positions, enhancing downside protection and strengthening capital preservation over time.

As projects progress, development margin is retained within the structure beneath investor capital, strengthening the capital buffer and enhancing investor protection over time.

Risk is further managed through diversification across multiple loans and defined exit pathways.

## CAPITAL PRESERVATION

Our vertically integrated model, combined with Security Trustee oversight, enhances governance and ensures investor interests remain protected throughout the investment term.

This structured approach enables Starfortis to deliver consistent, risk-adjusted fixed income returns while prioritising investor capital preservation.





# Starfortis

Asset Management

Email: [inquire@starfortis.co.uk](mailto:inquire@starfortis.co.uk)

Office: +44 (0)20 3004 1716

Address:

Starfortis Asset Management, International House, 307 Cotton Exchange  
Old Hall Street, Liverpool, England, L3 9LQ