

Why Consistency Wins: The Case for Aspen's Credit Fund

The Illusion of High Returns vs. The Reality of Compounding

Investors often chase the highest projected IRRs - but as the data shows, long-term wealth is built not by the biggest swings, but by **reliable, compounding growth**.

Using two simulated portfolios starting with \$100,000, we modeled the impact of:

- **Consistent 11% annual returns** (comparable to Aspen's target profile)
- **Higher but volatile returns** - including years with -10% to -30% losses

Return Profile	Ending Value (30 Years)
11% Annual, Steady	\$2.29M
Volatile (Avg. Higher)	\$591k - \$1.98M

Despite higher individual year returns, the **volatile portfolio significantly underperformed** due to negative years dragging down compounding momentum.

What Makes Aspen Different?

Aspen's private credit fund is **built for stability**. It targets **low double-digit returns**, paid monthly, by investing in **preferred equity and mezzanine debt** - capital positions that offer:

- **Priority payment** over common equity
- **Built-in equity buffers** (typically 25-40%)
- **Takeover rights** and downside protection
- **Tax-advantaged Income** due to equity structuring

Why This Matters for Your Portfolio

In today's uncertain environment, **predictable cash flow and principal preservation** are more valuable than ever. Aspen's credit fund offers a low-volatility complement to higher-risk strategies, helping balance overall return expectations without sacrificing long-term growth.

This is why Gould Capital selected Aspen - **our first allocation of 2025 out of 200+ reviewed this year**.

Bottom Line

Here at Gould Capital, we're preparing to take some big swings over the next few years - high-upside investments where timing and execution are key. But we also believe that **consistency wins over time** and that our portfolio needs a **stable, income-generating core** that compounds quietly in the background.

Aspen's credit fund provides exactly that: consistent, tax-efficient cash flow, protected by strong downside safeguards. It's a smart way for us to diversify beyond the stock market and balance more aggressive strategies with reliable, steady growth.

Lower Returns, but Consistent

Year	Return	Account	Year	Return	Account	Year	Return	Account
1	11%	\$ 111,000	11	11%	\$ 315,176	21	11%	\$ 894,917
2	11%	\$ 123,210	12	11%	\$ 349,845	22	11%	\$ 993,357
3	11%	\$ 136,763	13	11%	\$ 388,328	23	11%	\$ 1,102,627
4	11%	\$ 151,807	14	11%	\$ 431,044	24	11%	\$ 1,223,916
5	11%	\$ 168,506	15	11%	\$ 478,459	25	11%	\$ 1,358,546
6	11%	\$ 187,041	16	11%	\$ 531,089	26	11%	\$ 1,507,986
7	11%	\$ 207,616	17	11%	\$ 589,509	27	11%	\$ 1,673,865
8	11%	\$ 230,454	18	11%	\$ 654,355	28	11%	\$ 1,857,990
9	11%	\$ 255,804	19	11%	\$ 726,334	29	11%	\$ 2,062,369
10	11%	\$ 283,942	20	11%	\$ 806,231	30	11%	\$ 2,289,230

<-- Ending Value

Higher Returns, but More Volatile

Year	Return	Account	Year	Return	Account	Year	Return	Account
1	30%	\$ 130,000	11	30%	\$ 235,119	21	30%	\$ 425,237
2	15%	\$ 149,500	12	15%	\$ 270,387	22	15%	\$ 489,023
3	15%	\$ 171,925	13	15%	\$ 310,945	23	15%	\$ 562,376
4	-25%	\$ 128,944	14	-25%	\$ 233,208	24	-25%	\$ 421,782
5	20%	\$ 154,733	15	20%	\$ 279,850	25	20%	\$ 506,139
6	10%	\$ 170,206	16	10%	\$ 307,835	26	10%	\$ 556,753
7	15%	\$ 195,737	17	15%	\$ 354,010	27	15%	\$ 640,266
8	-30%	\$ 137,016	18	-30%	\$ 247,807	28	-30%	\$ 448,186
9	10%	\$ 150,717	19	10%	\$ 272,588	29	10%	\$ 493,004
10	20%	\$ 180,861	20	20%	\$ 327,106	30	20%	\$ 591,605

<-- Ending Value

Lower Returns, but Consistent

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1	11%	\$ 111,000	11	11%	\$ 315,176	21	11%	\$ 894,917
2	11%	\$ 123,210	12	11%	\$ 349,845	22	11%	\$ 993,357
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<-- Ending Value

Higher Returns, but More Volatile

Year	Return	Account	Year	Return	Account	Year	Return	Account
1	30%	\$ 130,000	11	15%	\$ 359,228	21	30%	\$ 958,341
2	15%	\$ 149,500	12	10%	\$ 395,151	22	15%	\$ 1,102,093
3	15%	\$ 171,925	13	15%	\$ 454,423	23	10%	\$ 1,212,302
4	-7%	\$ 159,890	14	-4%	\$ 436,246	24	-10%	\$ 1,091,072
5	20%	\$ 191,868	15	15%	\$ 501,683	25	20%	\$ 1,309,286
6	10%	\$ 211,055	16	10%	\$ 551,852	26	5%	\$ 1,374,750
7	15%	\$ 242,713	17	15%	\$ 634,630	27	15%	\$ 1,580,963
8	-10%	\$ 218,442	18	-12%	\$ 558,474	28	-5%	\$ 1,501,915
9	10%	\$ 240,286	19	10%	\$ 614,321	29	10%	\$ 1,652,106
10	30%	\$ 312,372	20	20%	\$ 737,186	30	20%	\$ 1,982,527

<-- Ending Value