

Recent Developments in Fund Level Financings

July 21, 2020

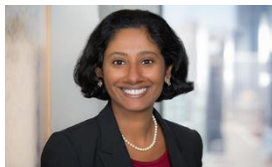
Private equity sponsors have focused since the outset of the pandemic on access to liquidity for their portfolio companies. This keen focus on liquidity has extended to fund-level financings as sponsors seek to raise funds not only as a defensive measure but also to make opportunistic investments at a time of market dislocation. Below are some updates in the fund finance market that may be of interest to private equity sponsors and investors.

- **NAV Credit Facilities and Preferred Equity Solutions.** While NAV credit facilities and structured equity solutions were always available, sponsors are increasingly looking to these facilities as the means to provide fund-level leverage. We recently spoke with Tom Glover of Investec, Richard Golaszewski of 17Capital and Ted Moscoso of Goldman Sachs—all lenders with deep experience in this market—about the growth in these facilities. Key takeaways from the panel are available [here](#).
- **Trends in Subscription Credit Facilities.** We recently participated in the Practising Law Institute’s one-hour briefing on Trends in Fund Finance. We discussed higher pricing, increased use of “qualified borrower” joinders and more LPA amendments as some of the key trends in subscription credit facilities. Slides from the briefing are available [here](#).
- **ESG-Linked Financings.** The fund finance market is also looking to the future by using traditional capital call facilities to advance ESG goals. We recently acted on a EUR2.3bn ESG-focused subscription line facility, which was the first of its size and kind in the fund finance market. More information about this facility can be found [here](#).

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Please do not hesitate to contact us with any questions.

NEW YORK



Ramya S. Tiller
Partner
+1 212 909 6204
rstiller@debevoise.com



Michael P. McGuigan
Counsel
+1 212 909 6217
mpmcguigan@debevoise.com



Lee Henderson
Associate
+1 212 909 6362
ldhenderson@debevoise.com

LONDON



Thomas Smith
Partner
+44 20 7786 9174
tsmith@debevoise.com



Andrew C. Rearick
International Counsel
+44 20 7786 9158
acrearick@debevoise.com