

Haynes and Boone's Inaugural Fund Finance Market Review January 2020

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PRACTICES Fund Finance, Finance

As market leaders in fund finance, Haynes Boone's primary objective in conducting the global fund finance market review was to analyse the trends for both lenders and sponsors and explore the predictions for 2020. The survey was circulated to more than 200 institutions in the global fund finance industry across the Europe, U.S., and Asia. The results were also discussed briefly at the recent Fund Finance Market Review and NAV lending Seminar in London.

A snapshot from the market review revealed that:

- The global fund finance industry is seeing an increase in borrowers' bargaining power across all three major markets of U.S., Europe and Asia.
- There is confidence in the market that SMA transactions are likely to increase.
- Nearly a third of (the majority of) subscription line deals are between 251 million – 500 million.
- There were more subscription line deals than any other type of fund finance deals in the last 12 months.
- Over 50% of those who responded said that the fund finance deals are syndicated.
- Sponsors are likely to use the same lender for a NAV facility if there is already a subscription - line facility in place with that lender.
- Bank lenders still account for the majority of lenders, although recently non- bank lenders have a market share of almost 10%.
- Private equity funds continue to be the largest category of funds who utilise NAV facilities.

Haynes Boone is a full-service international law firm with a national presence and an international reach. With more than 575 lawyers located in 17 offices, we serve businesses around the world, including 20 percent of Fortune 500 companies.

The fund finance practice at Haynes Boone is a global leader in representation of commercial and investment banks arranging capital commitment subscription financings (or capital call/subsription financing) for private equity funds globally and specifically in North America, Europe, Latin America and Asia. The firm's clients benefit from our more than 25 years of industry experience with subscription facilities, and the multi-disciplinary approach we take to working with the clients and the clients' customers on each transaction.

If you have any questions about the survey or would like to know more about Haynes Boone's fund finance practice, please contact [\[email protected\]](#) in London and any of our other partners in our offices in the U.S. and Asia listed below.