

## Key Takeaways: 2026 Charlotte Finance Symposium

---

March 17, 2026

---

PRACTICES Fund Finance

---

It was an energizing day in Charlotte as Haynes Boone and the UNC Kenan-Flagler Business School welcomed a mix of industry leaders and legal and finance professionals for a deep dive into the issues shaping today's finance and dealmaking landscape. The event drew a highly engaged crowd, and the conversations throughout the day reflected just how quickly the market is evolving.

Panels tackled some of the most dynamic areas of change – from restructuring and fund finance to AI adoption, healthcare transactions and specialized lending. Across sessions, a consistent theme emerged: new technologies, shifting capital sources and an increasingly complex regulatory environment are creating fresh opportunities while also introducing new risks for market participants.

Below are the major insights that stood out from this year's [Charlotte Finance Symposium](#).

### AI Infrastructure and the Data Center Boom

AI's rapid growth is transforming every corner of the data center ecosystem, from how facilities are built and powered to how they're financed and operated.

- **Power availability has become one of the industry's biggest bottlenecks:** With demand outpacing traditional grid capacity, developers are increasingly turning to hybrid solutions that blend grid electricity with natural gas, renewable energy and battery storage. Nearly half of new projects now include some form of behind-the-meter or off-grid power.
- **Computing demands in these buildings are evolving just as quickly:** To support AI workloads, server racks are moving toward unprecedented power densities, with some designs targeting up to one megawatt per rack. This surge in energy use and heat output is accelerating the adoption of liquid cooling systems, which are rapidly becoming a standard requirement rather than a niche option.
- **New business models are emerging as operators adapt to this next wave:** Operators are supplementing long-term leases with master services agreements that allow greater flexibility across multiple sites. A new class of "NeoCloud" providers is emerging, leasing large blocks of GPU capacity and reselling it to AI companies on shorter-term contracts.

These trends offer attractive new opportunities but also heighten risk exposure, especially given the long-term capital and rapid pace of technological change.

### AI Is Becoming a Core Tool in the Deal Cycle

Artificial intelligence is increasingly being integrated into middle market transactions. Today, firms are using AI for research, industry analysis, due diligence review and verification of legal or financial information – leveraging its ability to process large volumes of data quickly.

The next phase of adoption will likely involve deeper integration into everyday workflows. Rather than serving as a standalone tool, AI will become embedded in institutional processes to help

teams move transactions more efficiently. Many firms are also exploring passive workflows that process analytical tasks overnight so teams can begin the day with synthesized insights and data.

Governance and human oversight remain essential – while AI can accelerate analysis, professionals remain responsible for decisions made using these tools, and regulators will continue to expect transparency in how AI outputs are used.

## Fund Finance Continues to Expand

Demand in the fund finance market remains strong as private capital grows globally.

- **Subscription lines** remain the foundation of the market, providing short-term liquidity secured by investor capital commitments.
- **NAV facilities** are rising in importance as funds mature and uncalled capital declines, with portfolio assets serving as collateral.
- **Insurance capital** is fueling new structures such as rate note feeder structures designed for specific regulatory and investment mandate requirements.
- **Layered leverage** offers enhanced returns but raises additional risk and requires careful analysis of leverage across multiple investment layers.

Panelists expect capital availability to continue increasing yet acknowledge that growing complexity may eventually lead to credit losses as the market evolves.

## The Evolving Bankruptcy, Restructuring and Lending Landscape

Restructuring professionals highlighted several trends shaping modern Chapter 11 proceedings, including:

- **Liability management litigation is increasing:** Creditors continue to challenge structures that provide enhanced recoveries to select lenders within the same class. Courts have taken varying approaches, but recent cases show increasing scrutiny of non-pro rata arrangements.
- **Debtor-in-possession financing is playing an even larger role:** Prepetition roll-ups have grown significantly, often reducing recoveries for unsecured creditors. Pricing has also risen, with current rates commonly falling between SOFR plus 800 to 1,200 basis points.
- **Governance is under the microscope:** Independent directors, chief restructuring officers and financial advisors each play distinct roles during restructuring. Independent directors are particularly common in private credit situations, where they may oversee investigations, solvency determinations and other sensitive matters.
- **Third-party releases are in flux:** Following the U.S. Supreme Court's Purdue Pharma decision rejecting nonconsensual third-party releases, courts continue to interpret consent requirements differently, making venue selection an important strategic decision.

## Lessons for Lenders

Several high-profile bankruptcies underscore the need for strong diligence and collateral verification. Cases involving alleged borrowing base manipulation and irregularities in accounts receivable and inventory reporting highlight how fraud can persist, even in sophisticated lending environments.

### Common warning signs include:

- Resistance during diligence

- Limited access to key personnel and weak internal controls
- Long-standing relationships with auditors or advisors that may limit verification

Audit opinions alone do not guarantee the absence of fraud. Lenders should focus on objective verification procedures, particularly when evaluating inventory and receivables that support borrowing base calculations.

## Healthcare Deal Activity Is Rebounding

Healthcare transactions appear poised for renewed activity following a slower period in 2025 in which policy uncertainty and regulatory developments caused many deals to pause. But early 2026 data shows increases in activity, with some advisors reporting significantly higher deal volume compared with the same period last year. As valuations continue to adjust, more deals may rely more heavily on stock consideration rather than all-cash structures.

### High-interest subsectors include:

- Ambulatory services
- Infusion providers
- Technology-enabled healthcare services
- Behavioral health

Investors remain focused on fundamentals such as cash flow management, revenue cycle performance and operational consistency.

## Restaurant Finance Remains Challenging

Restaurant finance continues to present a mix of opportunity and elevated risk for lenders. Industry pressures – from declining foot traffic and lower ticket sales to rising operating costs – remain significant. At the same time, restaurants are investing in technology such as delivery platforms and customer loyalty programs to drive engagement and revenue.

- **Despite the challenges, capital is still available for well-positioned borrowers:** Lenders remain competitive for deals involving established brands and experienced franchise operators, particularly those that have demonstrated resilience through past economic cycles.
- **However, the sector is still viewed as higher risk from an underwriting perspective:** As a result, lenders focus heavily on brand strength, franchisee experience and operational consistency.
- **Operational visibility is equally critical:** Detailed metrics and accounting practices remain key diligence areas, particularly in franchise systems where consistency across locations can be difficult.

## ESOP Financing Is Gaining Momentum

Employee stock ownership plans (ESOPs) are becoming an increasingly attractive exit strategy for business owners, especially as many baby boomer founders consider succession planning. As a result, thousands of companies are evaluating ESOP structures as a way to transition ownership while maintaining operational continuity and rewarding employees.

Industries such as construction and sub-contracting continue to lean heavily toward ESOP structures, but interest is beginning to expand into additional sectors like electrical contracting.

Lenders are also increasingly comfortable financing ESOP transactions and are engaging earlier in the transaction process than in past years.

For companies considering this path, experienced advisors and careful planning around tax considerations, internal loans and long-term repurchase obligations are key.

## **Looking Ahead**

Across all discussions, one clear message emerged: innovation is accelerating across the financial landscape.

Artificial intelligence, private capital growth and evolving deal structures are expanding opportunities for lenders, investors and operators. At the same time, these developments are introducing new legal, regulatory and operational risks that require thoughtful oversight.

As these trends continue to unfold, collaboration among financial institutions, investors and advisors will be essential to navigating the next wave of change.

## **Thank You**

Thank you to the exceptional group of industry panelists whose insights shaped the dialogue throughout the event: Robert Albergotti, Stephanie Alger, Michael Andry, Jimmy Austin, Scott Chappell, John Deering, Kira Deter, Jenn Faulk, Dylan Florig, Andrew Frank, Kaveh Gilanshah, Josh Goldblatt, Davidson Hall, Michael Hoffman, Darvyn Jean-Baptiste, Jeremy Johnson, Jordan Lee, Scott Li, Mike Mascia, Elliott McCabe, Max McEwen, Lee Palmer, David Pauker, Ryan Samii, Marc Thompson and Scott Venus.

We also extend our appreciation to the Haynes Boone partners and leaders who guided the day's discussions and contributed their expertise as panelists: Ingrid Bagby, Brent Beckert, Errol Brown, Tony Capecci, Eli Columbus, Bryan Diebels, Matt Ferris, Ann Gittleman, Brian Giovannini, Charlie Harris, Jennifer Kreick, Deborah Low, Michele Maman, Jeffrey Moerdler, Frasher Murphy, Ben Owens and Brent Shultz.