

FUND FINANCE FRIDAY

Pitchbook Examines Subscription Facility Interest Rate Impact

September 15, 2023

 PitchBook

Analyst Note

The Changing Landscape of
Capital Call Facilities



One-month term SOFR ramped up from less than 10 bps in the Spring of 2022 to around 5.33% now. Not surprisingly, higher subscription facility cost of funds can affect fund performance metrics. In [The Changing Landscape of Capital Call Facilities](#) published this week, Pitchbook analysts take a look at the IRR and TVPI sensitivities to SOFR levels, concluding that smaller facilities and increased use of hybrid facilities may be possible market adaptations to the current environment.