

A horizontal banner with a green-to-blue gradient background. The text "FUND FINANCE FRIDAY" is centered in a white, sans-serif font. The banner is framed by a white grid pattern that curves inward from the corners.

## FUND FINANCE FRIDAY

### **Institutional Investor Article on Subscription Facilities**

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*Institutional Investor* published an article earlier this week titled "The Faulty Metric at the Center of Private Equity's Value Proposition." The author, Amy Whyte, does a thorough job of summarizing the two recent academic studies of the impact on IRR from the use of subscription facilities. She also interviews and provides quotes from ILPA and private equity placement agents and advisors. The article does include some level of balance, explaining that subscription facilities can help investors by allowing sponsors to forecast the anticipated timing of future capital calls. The article is available [here](#).