FUND FINANCE FRIDAY

LPs Assess Risk of Capital Call Credit Lines - Buyouts

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According to *Buyouts*, with the recent market downturn, funds are reportedly concerned about the risk that banks may suddenly call in the credit facilities, which would lead to massive amounts of capital being called by general partners and likely a tidal wave of limited partner defaults as limited partners struggle right now to pay normal capital calls. Nevertheless, at the moment, banks are still holding strong, and there is not a substantial threat of the banks suddenly calling in the credit facility lines. The article is available here.