

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

The Case for NAV-Based Lending

December 18, 2020 | Issue No. 107

Secondaries Investor recently ran an article that summarized various financing solutions available to funds – namely, capital call facilities, preferred equity solutions and NAV facilities. The article expands on some considerations that should be taken into account when deciding on which of the aforementioned options may be best-suited for the life stage and proposed objectives of the fund. The article concludes that while fund financing may not be the answer to all issues a fund may face, there are real opportunities for investors and GPs to align their interests and benefit from enhanced value creation and value extraction.

The full article is available [here](#).