

FUND FINANCE FRIDAY

PERE Article: 'Sub Lines Gaining Momentum in Real Estate'

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Demand for subscription credit facility lines has significantly increased since the beginning of the COVID-19 pandemic, with the current market estimated at around \$500 billion in commitments across over 70 lenders. What are fund investors' thoughts on the increasing usage of subscription credit lines by managers? *PERE* surveyed 100 institutional investors to figure out just that in its Investor Perspectives 2021 Study.

In the study, a majority of investors polled expect fund managers to increase their use of these credit lines over the next year, while less than a tenth of those polled predict a decrease. Although most of the investors polled are not concerned with managers' increased use of subscription credit lines, a significant minority of the investors polled are concerned that the increased use of subsection credit lines could make it more difficult for funds to access other sources of debt liquidity, such as capital markets debt. For more detailed findings, including analysis on other insights gleaned from *PERE's* Investor Perspectives 2021 Study, check out *PERE's* full article [here](#).