



Fund Finance: Case Studies

Structured lending to funds can provide similar returns at potentially lower risk than investing as an LP, with limited J-curve effect—and a range of duration, rate profile, collateral, and risk options to suit most investor needs.

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Key takeaways

- **The asset class:** Fund finance refers to lending to private and alternative asset management companies, with four main sectors based on structure and collateral types: Subscription lines, portfolio finance, GP finance, and structured fund finance such as collateralized fund obligations (CFOs) and rated note feeders (RNFs).
- **The appeal:** Fund finance is a diverse, well-established market with attractive spreads and a long history on which to base underwriting—and, in the areas where Voya specializes, primarily consists of investment grade opportunities.
- **Why now:** The rapid scaling of private markets, supported by a broadening investor base beyond traditional institutional LPs, has increased demand for fund level liquidity management, including capital call bridging, portfolio level leverage, and GP financing. In parallel, muted exit activity has accelerated growth in secondaries and continuation vehicles, expanding the need for financing to support LP liquidity.
- **Case studies:** Four case studies from recent transactions illustrate the wide nature of investment opportunities and collateral types in this asset class.

Exhibit 1: The four main types of fund finance



Subscription lines

Borrower rationale: Fast access to capital (vs. slow capital calls) and streamline fund operations

Tenor: 2-4 years

Coupon type: Fixed or floating rate

Structure: Single tranche

Collateral: Undrawn capital commitments. So-called “hybrid” facilities also benefit from security over fund assets

Advance rate: 50-75%



Portfolio finance

Borrower rationale: Fund growth and add-on acquisitions; capital infusions; LP liquidity provisioning; enhance returns

Tenor: Up to 5 years

Coupon type: Typically floating rate

Structure: Single or multiple tranche

Collateral: Fund assets

Advance rate: Below 25% for private equity NAV loan, 50-70% for private credit fund ABL



GP finance

Borrower rationale: Non-dilutive expansion capital, return leverage, stake buybacks

Tenor: 5-10 years

Coupon type: Typically fixed rate

Structure: Single tranche

Collateral: May include equity interests in management companies, or security over management / incentive fees and other related cash flows

Advance rate: Varies depending on collateral type



Structured fund finance (CFOs and RNFs)

Borrower rationale: For GPs as borrower: capital raise, provide liquidity. For LPs as borrower: obtain liquidity or leverage against existing LP interests.

Tenor: 5+ years

Coupon type: Fixed or floating rate

Structure: Multiple tranches

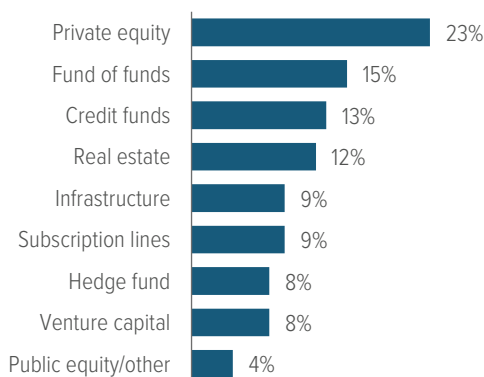
Collateral: Limited partnership interests in one or more funds

Advance rate: Depends on capital structure, for example 50% for senior tranches and 75% for junior debt tranches

Everybody borrows

Like any other type of business, the private asset management industry makes use of debt to provide liquidity, fuel growth, and leverage returns. The fund financing market has grown up alongside the rise of private assets from its early beginnings in 2000 as primarily fund-level subscription lines and NAV loans to the complex, circa \$1.6 trillion industry it is now. All types of private asset funds participate in fund financing (Exhibit 2).

Exhibit 2: S&P's fund finance ratings demonstrate the broad variety of borrower types



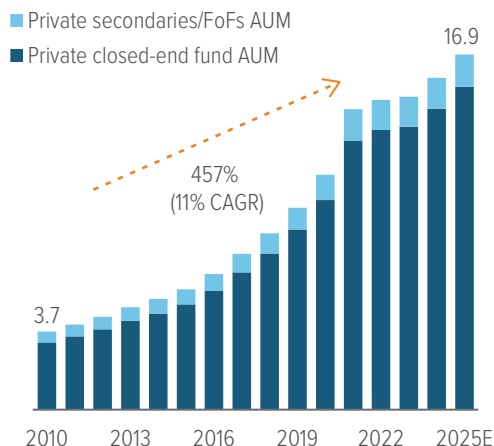
As of 3/12/25. Source: S&P Global Ratings. Percentages represent the number of fund finance transactions rated per category by S&P.

A few factors have driven the growth of fund finance. The first is the sheer, rapid growth of private assets under management themselves—the industry has had a 10.6% compound annual growth rate over the past 15 years and is now estimated to have \$17 trillion in assets under management (Exhibit 3).

As the market grew, financing demand grew alongside it. MSCI estimates that over 50% of private funds utilized a subscription line in their first year in 2023, up from under 20% in 2010 (Exhibit 7). The sophistication and complexity of financing solutions also grew as asset managers sought growth capital, giving rise to the GP finance and collateralized fund obligation markets.

Exhibit 3: Private AUM has grown at a 10.6% CAGR over the last 15 years

(\$ trillions)

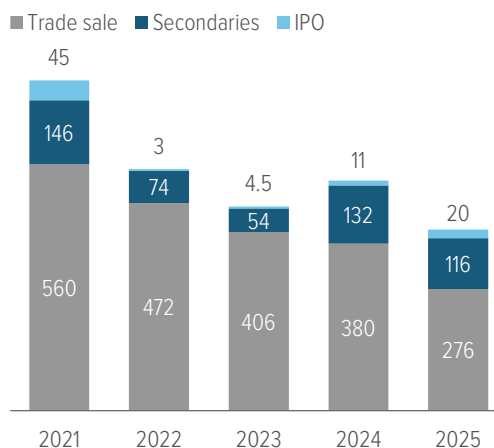


As at 12/31/25. Source: Pitchbook.

The past three years have seen exits in both private equity and private credit funds slow significantly (Exhibit 4), which has increased demand for liquidity management. Similarly, the rapid growth of secondaries funds—total secondaries market volume rose 48% in 2025 and 45% in 2024—and continuation vehicles is both a response to liquidity constraints among LPs and GPs, and a driver of fund financing demand in and of themselves.¹

Exhibit 4: 2025 PE exits were the slowest in five years, with 28% via secondary sales

(\$ billions)



As of 1/14/26. Source: S&P Global.

As private AUM has grown, debt has been widely used to fuel growth and leverage returns...

...and, increasingly, to help provide liquidity in an era of slow exits.

¹Jefferies, "Global secondary market review," 25/01/26.

Current market conditions have increased demand for the sort of complex, later-stage financing solutions where nonbank lenders like Voya excel.

Even when LPs themselves have no liquidity needs, a slow exit environment means portfolio companies may require additional capital from the fund for their own liquidity management or for acquisitions.

Lastly, LP expectations around GP commitments in funds have risen over the past few years from 3% to as much as 5%.² This has spurred the market for GP financing both to meet LP expectations and to potentially leverage returns.

The impact on fund financing demand has been a significant jump in needs for the sort of complex, later-stage financing solutions where nonbank lenders like Voya have traditionally excelled.

A high quality, growing market

While fund financing growth has by and large been driven by borrower demand, both bank and nonbank lenders have found the market appealing and have participated in it for decades—Voya, for example, undertook its first fund finance transactions in 2003.

Fund finance offers several benefits to both lenders and investors. Most of it is investment grade: Unitranche and senior tranche fund finance transactions tend to be A or BBB rated, with only junior tranches in CFOs tending to come in below investment grade (Exhibit 5).

The majority of fund finance is investment grade opportunities.

High quality collateral, careful structuring, and the potential of irreparable reputational damage to the sponsor if a loan goes bad means the fund financing sector has a history of low credit losses. Sub lines, which are the most established lending area and represent an estimated 60-70% of all fund finance outstanding, have had only two defaults in the three-decade-long history of the market, both of which involved fraud rather than credit issues.³

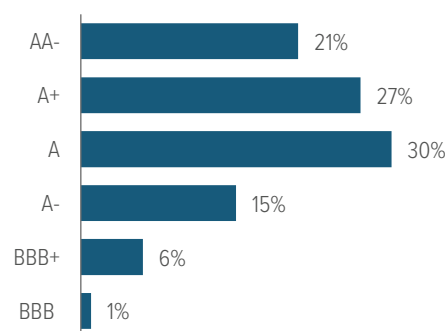
Similarly, NAV loans and asset-based lending to credit portfolios make extensive use of structural protections and conservative loan-to-value ratios such that if, for example, 20% of a fund's value were suddenly zeroed out, LPs and GPs would have a very bad time but the loan would likely still be fully repaid (Exhibit 6).

For investors in the investment grade private credit and asset-based finance (ABF) spaces, appropriately constructed fund finance portfolios can offer return profiles similar to direct participations in private credit funds, but with the added benefit of credit enhancement, as they avoid the risk of first-dollar loss.

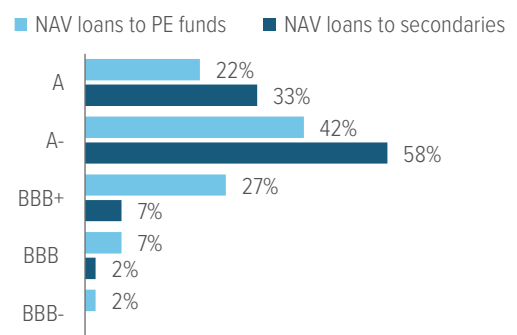
Furthermore, collateral is extremely diverse, and surprisingly little of it represents financial sector exposure. Real estate funds—both equity and debt—were among the first users of fund finance and remain active participants in the market.

Exhibit 5: Average ratings distributions indicate that most of fund finance is investment grade

KBRA ratings distribution at issuance by deal count, sub lines



KBRA rating distribution at issuance by deal count, NAV loans



As of 2/20/25. Source: KBRA.

²Jefferies, "Global secondary market review," 25/01/26.

³9fin, "Fund finance structures squeezed after record-breaking year," 18/12/25.

Fund finance collateral can encompass a broad diversity of asset types, company life stages, and industries.

Extensive structural protections and conservative LTVs can safeguard lenders if a fund marks down assets.

The collateral associated with ABL loans tends to be diversified corporate direct lending books, while NAV loans can be backed by a wide range of underlying portfolio assets, including equity stakes private credit investments, and hard or consumer assets, offering collateral exposure across a diversity of company life stages and industries.

The areas that are undoubtedly financial sector, such as GP finance, represent exposure to a higher-growth area of finance (private markets asset management) with inbuilt structural downside mitigation. As such, these investments can potentially represent a more attractive exposure than is available to credit investors in the public markets.

Exhibit 6: Covenants and risk mitigation in fund finance

Fund finance makes extensive use of structure to mitigate risk to lenders. Common to all fund finance product types we see is overcollateralization of debt with appropriately valued assets. Below are additional considerations for each type of fund finance.

Subscription lines: Secured on unfunded capital commitments with conservative advance rates and direct recourse to a diversified roster of high-quality limited partners. So-called hybrid facilities may further benefit from a pledge of the underlying fund's assets.

Portfolio finance: Secured on fund assets, with conservative loan-to-value (LTV) ratios and embedded cash sweep features if LTV limit is breached (or if time- or diversification-based criteria exceed defined thresholds). There is also a set percentage of cash flows (such as on exits) that must be applied towards debt repayment as assets are realized.

CFOs: Secured by limited partnership interests, with LTV and other performance-based amortization triggers similar to those outlined above. CFOs typically have multiple tranches where senior debt benefits from additional credit enhancement via subordination of lower-ranking debt as well as equity. Allocation of cash flows is governed by strict priority of payments that minimizes leakage of value to junior debt and equity.

GP finance: Credit support is provided by cash flow streams, including management fees, performance-based fees, and balance sheet earnings. GP financing may involve direct claims on various fee streams themselves or equity interests in a management company (which provides a right to receive those fee streams). We typically look for full coverage from management fees, which are often based on locked-up capital and are less volatile than performance-based income.

The line between banks as competitors and banks as partners is always fluid.

Even the highly commoditized sub line market can offer a significant spread premium to similarly-rated corporate bonds.

The role of nonbank lenders

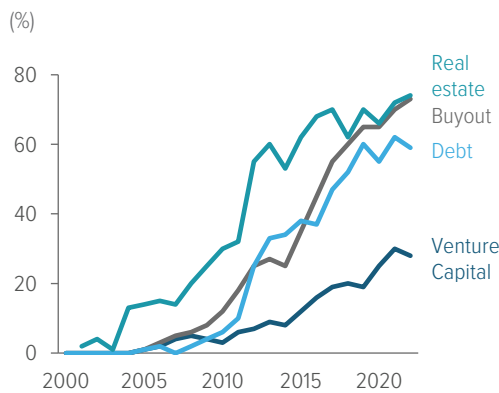
While overall fund finance market statistics often must be extrapolated from specialist law firms’ surveys, nonbank lender activity is best measured by rating agency figures as banks generally do not bother obtaining an external rating for their loans.⁴

As with the rest of investment grade private credit, fund finance exists on a spectrum from highly commoditized (and dominated by banks) to highly customized (and dominated by nonbank lenders). However, it’s important to remember that the line between banks as competitors and banks as partners remains fluid.

Subscription lines

Subscription line (“sub line”) lending represents around 60-70% of fund financing activity. The sector is the oldest and most commoditized part of the market, dating back to the early 2000s and experiencing explosive growth since then (Exhibit 7). The basic sub line consists of banks extending 1-4 year revolving facilities to funds in their first year of life, collateralized by undrawn LP commitments.

Exhibit 7: By the end of 2022, approximately 75% of young buyout and real estate funds used sub lines



As of 7/11/23. Source: MSCI.

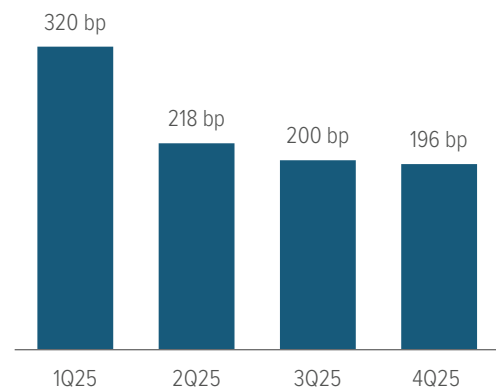
Unsurprisingly, these plain-vanilla sub lines also tend to face the most downward pressure on spreads, with average margins falling to below 200 basis points above SOFR in 4Q25 (Exhibit 8).⁵

That is not to say that nonbank lenders don’t participate in the sub line market. After all, with the A-rated corporate bond spread hovering around 65 basis points, potentially making triple that on an A-rated sub line is not a bad deal.⁶

Nonbank lenders frequently work with banks to take on subscription lines that are fully drawn down, cashing the bank out to make more loans while keeping the sub line out of the hands of a competing bank.

Nonbank lenders became more active originators in sub lines in 2023 and 2024, as the three banks that collapsed early in that year—Signature Bank, Silicon Valley Bank, and First Republic Bank—were major subscription line lenders.⁷ The resulting sharp decrease in bank sub loan supply encouraged borrowers to embrace alternative structures (such as term loans) and nonbank lenders.

Exhibit 8: Average sub line spreads faced downward pressure in 2025



As of 1/25/26. Source: Maples Group. These spreads represent only the \$22 billion of sub line production for which Maples provided counsel, but are indicative of the broader sub line market.

⁴Some banks are moving to collateralize their sub line loans and as such will get ratings for them.

⁵9fin, “Fund finance structures squeezed after record-breaking year,” 18/12/25; Maples Group, “FUNDED,” 1/15/26.

⁶Spread data as at 2/19/26. Source: FRED/Federal Reserve.

Sub lines and portfolio finance are the largest fund finance markets and also the most commoditized.

In late 2024 and 2025, banks returned to sub line lending and the plain-vanilla end of the market became extremely competitive again. Falling U.S. rates have also impacted the market—demand rose for sub line tenors of 1-2 years with extension options, with borrowers hoping to take advantage of Fed rate cuts and amend to lower rates on extension. The law firm Maples Group reports that on the \$22 billion in sub line volume it handled in 2025, extensions and amendments rose 44% year on year, with 35% involving a margin decrease versus 14% in 2024.⁸

The highly relationship-driven nature of the fund finance business and nonbank lenders’ expertise in complex, customized structures means that nonbank lenders continue to deliver in specific niches, such as non-standard sub lines that come late in a fund’s life (see Case Study #4 for one such example).

More complex, hybrid facilities also tend to be where nonbank lenders remain competitive, although these markets are small in comparison with the plain-vanilla sub line market. Hybrids are estimated to represent only 5-10% of new subscription line deals in the U.S. market.

Portfolio finance: NAV and ABL loans

Portfolio finance is the second largest sector in fund finance, with an estimated market size of \$200 billion. Unlike sub lines where the lender “looks up” to LP commitments for collateral, portfolio finance “looks down” to a fund’s investments for collateral.

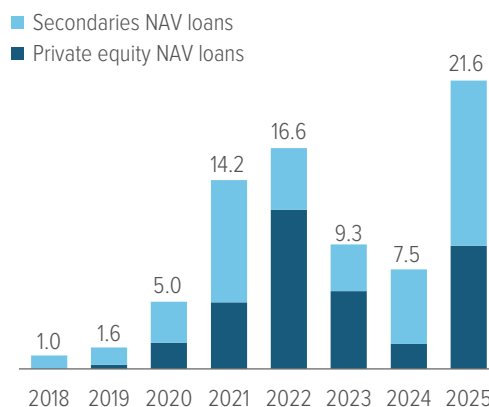
NAV loans are facilities underwritten to the net asset value of an investment portfolio, which may include equity, credit, or hard assets, whereas ABL structures typically rely on borrowing bases and advance rates against eligible assets.

The nonbank portfolio finance market has increased rapidly since 2022, driven mainly by the secondaries boom.

Banks are estimated to occupy 80-85% of the portfolio finance market, with nonbank lenders maintaining a defensible niche in transactions requiring significant due diligence, complex structuring, and/or a high degree of confidentiality (see Case Study #1 for an example of the sort of customization where nonbank investors flourish).

Exhibit 9: Secondaries fueled the portfolio finance market in 2025

(\$ billions)



As of 1/21/26. Source: KBRA. Numbers represent only NAV loan issuance rated by KBRA, not the total market.

Since 2019, the overall portfolio finance market has grown enormously, fueled on the NAV loan side by pandemic-driven liquidity needs of private equity portfolio companies followed by slow fundraising and longer holding periods from 2023 onwards. The explosion and subsequent maturing of private credit has similarly driven both ABL loan growth and secondaries growth.

The nonbank portfolio finance market in particular has increased rapidly since 2022, driven in large part recently by the boom in secondaries (Exhibit 9).

We believe this demand for portfolio finance will continue, given that private equity’s 2020-2022 vintages are likely to take significantly longer to return capital than prior vintages, at the same time as

⁷Private Funds CFO, “Borrowers turn to new approaches as sub lines are snipped,” 06/05/23.

⁸Maples Group, “FUNDED,” 1/15/26.

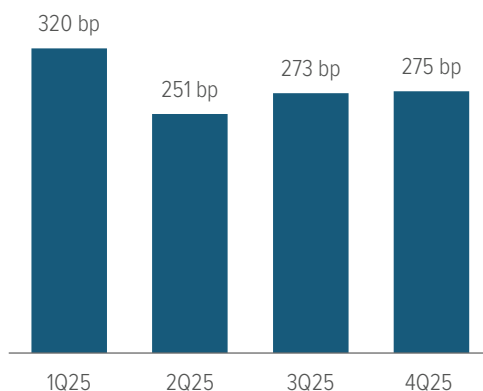
The very factors spurring portfolio finance demand growth may also imply a potential deterioration in portfolio quality; lenders must remain discerning.

full realizations have fallen to only 35% for the 2019 vintage year (versus 63% for 2014) and there has been a meaningful slowdown in distributions (Exhibit 4).⁹

This dynamic is further reinforced by the growing acceptance of the secondaries market and the expansion of nonbank lenders specializing in secondaries strategy across both private equity and private credit.

Some of these factors spurring portfolio finance market growth may imply a potential deterioration in quality in certain portfolios—at the same time as borrowers are pushing for more standardization and looser structures.¹⁰ This has also caused some downward pressure on spreads at the more commoditized end of the market where there is more bank competition (Exhibit 10).

Exhibit 10: Many NAV loan spreads came down in 2025



As of 1/25/26. Source: Maples Group. These spreads represent only the NAV loan production for which Maples provided counsel, but are indicative of pressures on the more commoditized end of the NAV loan market.

To avoid potential trouble down the road, lenders must remain discerning in their portfolio finance transaction choices and not compromise on structure, credit, or pricing for the sake of growing their book.

Moving up the complexity scale: RNFs, CFOs, and GP financing

The RNF / CFO and GP financing markets are each estimated to be around \$60 billion. It is in these highly-bespoke, complex, long-dated instruments where nonbank lenders shine.

In a CFO, a special purpose vehicle issues debt and equity to buy and hold a portfolio of limited partnership (LP) interests across multiple funds. In contrast, in a RNF, a special purpose vehicle issues debt and equity to invest in LP interests in a single underlying fund, typically as part of a new commitment. The capital structure is typically tiered into senior debt, junior or mezzanine debt, and an equity tranche, in order to appeal to investors with differing risk and return profiles.

However, CFO assets may not have predictable, scheduled interest payments or principal that matures at a specific date. This friction between notes with regular interest and principal obligations versus underlying assets with uncertain distribution timing and amounts is where skill and creativity in structuring really matters—see Case Study #2 for an example of how Voya addressed this conflict.

This is also why the tenor of CFOs tends to be 10 years or more, to mitigate the risk that fund interests remain unrealized at note maturity.

The investor benefit of CFOs are attractive spreads for their given risk levels and usually a high level of diversification. The borrower benefit for GP-led CFOs is being able to raise capital for new funds by broadening their investor base. For LP-led CFOs, LPs are able to increase liquidity in their private fund investments while holding on to the potential upside they would lose in a secondary sale.

RNFs invest in LP interest in a single fund; CFOs invest in a portfolio of LP interests across multiple funds.

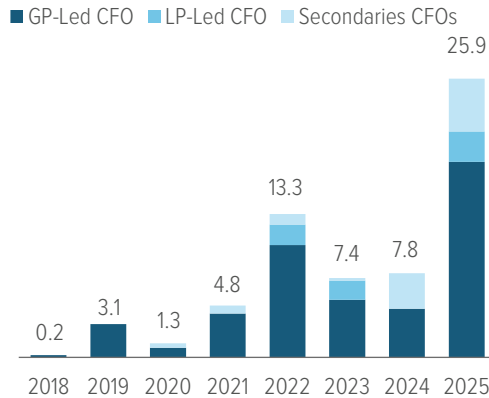
⁹Bain & Company, "Private Equity Outlook 2025: Is a Recovery Starting to Take Shape?", 03/03/25.

¹⁰Fitch, "Fund finance structures weaken amid growth and competition," 10/24/25.

Rating agency activity suggests CFOs had a very strong year last year (Exhibit 11), and we expect this to continue although the borrower market for CFOs is naturally more limited than that for portfolio finance or sub lines.

Exhibit 11: CFO issuance was strong in 2025

(\$ billions)



As of 1/21/26. Source: KBRA. Numbers represent only CFO issuance rated by KBRA, not the total market.

Like CFOs, GP financing is a highly bespoke, relationship-driven type of lending. GP financing can even be used to achieve a similar objective to CFOs—maintaining equity control while unlocking liquidity.

However, unlike CFOs, GP finance often relies at least in part on income streams that sit above fund structures: management fees, carried interest, and distributions. Some of these, such as management fees, are highly predictable recurring cash flows, and some are not so predictable.

Unlike CFOs, GP finance often relies on income streams that sit above fund structures, such as management fees.

As such, due diligence for GP finance is frequently complicated—it requires underwriters to understand a sponsor’s entire platform as well as the stability of the funds from which fees are being used for credit support. Similarly, the design of collateral packages can be both technically complex and commercially sensitive.

What this means is that lenders tapped for GP financing tend to be ones who the sponsor does not see as competitors, and who have a history of previous lending to the sponsor and associated due diligence to draw on. See our Case Study #3 for an example of that sort of relationship in action.

GP finance has traditionally been used to fund strategic investments and lever new fund commitments, which can significantly increase return upside. Other uses include bridging delayed distributions and monetizing carry, facilitating partner succession planning and liquidity needs, refinancing and balance sheet optimization, and simply providing working capital.

We expect demand for GP financing to remain high over the next year given the likely continuance of extended fundraising cycles and tight liquidity in private markets, along with stabilizing U.S. interest rates. We also see a growing intersection between GP financing and the secondary market, as GPs look to combine elements of GP-led secondary sales with broader liquidity optimization efforts.

Case study #1: Portfolio finance (asset-based lending to a credit fund)

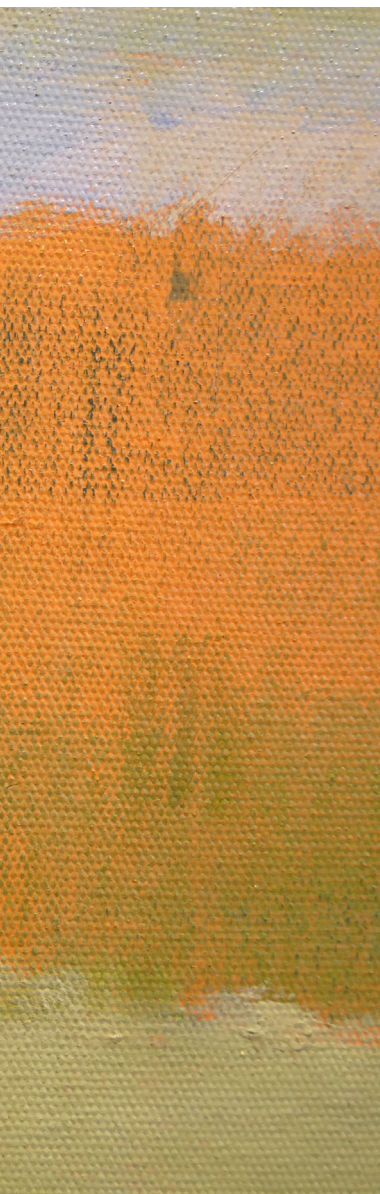
The transaction: Voya co-led a floating-rate credit facility composed of a senior revolving tranche and a junior term debt tranche. The borrower in this case is an investment vehicle that sits alongside a leading private credit GP's flagship direct lending fund for the benefit of a large institutional investor. Proceeds were used to recapitalize the structure, which required standalone financing with a customized leverage profile.

Source	GP (direct)
Instrument	RCF / term loan
Voya investment	\$60mn
Rating*	AA- / BBB
Spread to Treasuries	250 / 440 bp
WAL	4.1 / 4.5 years
Collateral	Loan portfolio

Investment thesis:

- **Collateral:** The portfolio supporting this transaction is composed entirely of first-lien, senior secured loans paying current income. The portfolio counts approximately 50 obligors, diversified across sectors and conservatively capitalized. Loans are underwritten with tight maintenance covenants, which help to expose credit weakness early (to the benefit of lenders), and Voya receives detailed reporting on the underlying loans and borrowers for monitoring purposes.
- **Partner:** Our GP partner was an early mover in the private credit market, with a long track record characterized by minimal losses across market cycles. Voya's investment team first ran due diligence on this GP more than 15 years ago; over the years, we have gained comfort with the manager's credit culture and sound investment process. This has led to several repeat transactions with the GP.
- **Structure:** The structure features day-one overcollateralization of greater than 1.5x. Asset and interest coverage tests open and close gates in the cash flow waterfall to ensure that lenders are protected at all times by ample asset cover, and that the structure receives rapid amortization if metrics touch certain (conservatively set) limits. Covenants include strict limitations on the type, quality, tenor, and diversification of loan assets that may be placed into the portfolio.

*KBRA, private rating.



Case study #2: Collateralized fund obligation

The transaction: Voya led the fixed-rate notes offering of the issuer, a special purpose vehicle. Proceeds from the transaction were used to construct a diversified portfolio of private markets funds.

Source	Investment bank
Instrument	Senior secured notes
Voya investment	\$245mn
Rating*	A-
Spread to Treasuries	335 bp
WAL	20 years
Collateral	Private markets portfolio

Investment thesis:

- **Collateral:** Each of the core underlying private equity and private credit strategies in this portfolio is diversified on a standalone basis. Together, the portfolio is highly diversified across strategy, geography, vintage year, sector, and sponsor, with exposure to more than 1,000 underlying companies.
- **Partner:** The GP is a repeat issuer of collateralized fund obligations. It has a long history of successfully managing private capital investments (at scale, across market cycles) on behalf of its parent organization, a highly rated financial institution. The parent also retained the residual tranche in this transaction, providing an important alignment of interest.
- **Structure:** Embedded within the structure is an allocation to U.S. Treasury bonds, guaranteeing repayment of the note principal balance at maturity. The structure also includes several performance-based triggers, including asset and interest coverage tests, as well as concentration limits and performance tests across the underlying strategies, all of which serve to de-risk our investment by diverting cash from equity to the notes in the event of underperformance.

*KBRA, private rating.



Case study #3: GP finance

The transaction: Voya led the senior secured notes offering for a GP stakes fund. The borrower in this case holds a portfolio of minority investments in leading private markets GPs. Proceeds were used to provide liquidity to existing limited partners in the fund.

Source	Investment bank
Instrument	Senior secured notes
Voya investment	\$154mn
Rating*	A
Spread to Treasuries	165 bp
WAL	10 years
Collateral	Earnings from GP stakes

Investment thesis:

- **Collateral:** A seasoned portfolio of minority stakes in blue-chip GPs provides significant diversification as well as a stable baseline of recurring income. Private markets GPs often benefit from a locked-up AUM base that provides good visibility on management-fee-related earnings. Management fees are generally less volatile than other cash flow streams, such as performance-based fees (carried interest) and co-investment proceeds, which can provide additional upside when things go well but may also decline meaningfully in a down year. In this case, there is also good diversification across underlying strategies (e.g., buyout, credit, real estate, infrastructure) and vintage year. On a look-through basis, the portfolio is supported by thousands of underlying companies and assets.
- **Partner:** Our partner is a scaled sponsor that was an early mover in GP stakes investing and is a leader in its field. Extensive diligence confirmed the sponsor to be a partner of choice for leading private markets GPs at the tops of their respective games, offering measurable value-add to their manager partners beyond purely financial capital. Voya has partnered with this sponsor across several funds and provided a range of solutions, including portfolio finance and subscription lines.
- **Structure:** The structure benefits from significant overcollateralization on day one. In addition to scheduled amortization, there are several performance-based triggers that trap and redirect cash to the benefit of senior noteholders if the structure underperforms. Importantly, the management fees of funds in the ground today are sufficient to repay the notes in full, an important mitigator of market risk, while numerous other cash flow streams (such as carried interest, co-investment earnings, and exit proceeds) are available to further support repayment.

*KBRA, private rating.



Case study #4: Subscription line

The transaction: Voya participated in a syndicate for a subscription credit facility that consisted of a revolving tranche and funded term debt. The borrower is a flagship fund of a leading private markets secondaries manager. Proceeds were used to term out an existing revolving credit facility as the fund entered into its harvest period.

Source	Investment bank
Instrument	Senior secured notes
Voya investment	\$25mn
Rating*	AA+
Spread to Treasuries	170 bp
WAL	5 years
Collateral	Undrawn commitments

Investment thesis:

- Collateral:** Notes were secured against contractually binding, undrawn capital commitments (UCCs) of the fund's limited partners—a diversified group of creditworthy institutions such as pension funds, insurance companies and asset managers. Historical defaults amongst these investor types are rare. Secondary credit support includes an unsecured creditor's claim on the unencumbered NAV of the fund's portfolio.
- Partner:** Our partner is a large private markets GP, widely regarded as a pioneer in the secondaries market who has demonstrated consistent fundraising abilities and the ability to generate top-tier returns across its flagship strategy. The subject fund is in its harvest period with no further LP capital expected to be called other than to backstop this facility.
- Structure:** At closing, lenders benefitted from approximately 2x coverage by UCCs, and a borrowing base framework that ensures lenders maintain a minimum of 1.4x coverage over the life of the facility. Unencumbered asset coverage tests serve to reduce the advance rate in the event that fund NAV declines below specified levels.

*Fitch, private rating.



The Voya advantage

Voya's long-standing presence in the fund finance market demonstrates that disciplined underwriting and rigorous, ongoing credit monitoring can consistently produce strong, stable outcomes in this asset class.

Since completing its first fund finance transactions in 2003, Voya has experienced zero credit losses across all of its fund finance production—a track record that reflects both the strength of its underwriting standards and the quality of its GP and LP relationships.

The team's investments have remained resilient across a wide range of market environments—including the Global Financial Crisis, the 2014–2016 oil price downturn, and the economic volatility of the pandemic—underscoring the durability of diversified portfolios backed by senior ranking credit obligations and led by well aligned, top tier sponsors.

Beyond credit performance, Voya has distinguished itself as a value added partner to the market's leading

GPs. The firm's approach goes well beyond simply purchasing notes; Voya frequently helps structure transactions with significant operational complexity and collaborates closely with sponsors to tailor solutions that meet their evolving financing needs.

These capabilities have enabled Voya to build long term strategic relationships with many of the industry's most respected GPs, creating a steady pipeline of repeat opportunities.

As investor interest in fund finance continues to grow, Voya's combination of underwriting discipline, structuring expertise, and enduring sponsor partnerships positions the platform as a compelling and reliable source of attractive investment opportunities.

We would welcome the opportunity to discuss how fund finance could enhance your portfolios.

A note about risk

All investing involves risks of fluctuating prices and uncertainties of rates of return and yield. All security transactions involve substantial risk of loss.

Private credit and ABF: Foreign investing does pose special risks, including currency fluctuation, economic, and political risks not found in investments that are solely domestic. As interest rates rise, bond prices may fall, reducing the value of the share price. Debt securities with longer durations tend to be more sensitive to interest rate changes. High yield securities, or "junk bonds," are rated lower than investment grade bonds because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities. Other risks of private credit include, but are not limited to: credit risks, other investment companies risks, price volatility risks, inability to sell securities risks, and securities lending risks.

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