

Fund Finance Friday



'We Talk Banking and (Fund) Finance': New Walkers Podcast Series

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This week, I speak with the Walkers team who are launching a new podcast series – *We Talk Banking and Finance*. Their first episode looks at fund finance and features guest Mohith Sondhi, Senior Director – Debt Finance at OakNorth Bank, with co-hosts Walkers' Group Partner Zoë Hallam and Senior Counsel Julia Keppe.



Fund Finance Friday caught up with Zoë and Julia to ask their view of the fund finance market as we go into the last quarter and also to talk about their plans for the podcast series.

A link to the podcast is [here](#). We'll be sure to link to future fund finance editions in *FFF*.

FFF: Before we talk about the podcast, can you let us know your views of the fund finance market at the moment?

ZH: Busy! That would be the number one word. Based on our YTD deal flow, the number of deals being done across the fund finance product spectrum is looking to surpass prior performance. The industry has been impressively resilient to global issues and proved the worth of fund finance products to GPs.

JK: Agreed. It's also clear that, over the last 18 months, GPs and, importantly, investors have gained an increasing understanding of the financing options available to them. As offshore counsel, we work directly with onshore counsel and through them with a variety of decision-making individuals on the lender and sponsor side – there's a real sense that funds are now seeing the financing opportunities at all levels of their capital structure.

FFF: What are you seeing as the main developments in fund finance at the moment, given your view across the market?

JK: With an offshore lens, the trend that has developed over the last two or three years is lenders becoming more mindful of the consequences of decisions about negotiation points that relate to offshore documents. An example in certain jurisdictions is investor notices, which have had a big shift: the days of notice in the next quarterly reports have passed and, in those jurisdictions, the market seems to have settled on notice being very proximate to closing for understandable reasons.

ZH: The example Julia gives is a good one. Lenders are becoming much more aware, particularly in Europe, that their fund and security documents are offshore and, therefore, so is their recourse. Lenders now pay a lot more attention to their offshore finance documents, and it's a positive development that leads to a far better credit position.

FFF: We're pleased to see FF content from all sources. What was the thinking with the podcast?

ZH: Like most people involved in financial services, we've been doing a lot of content-sharing during the pandemic. We've found the knowhow that has gained real traction has been about trends and themes in the market – so, thought leadership, market commentary and that sort of thing. As offshore counsel, we're in a privileged position where we speak to the full spectrum of market participants, and so we wanted to talk about trends and themes to fill the WFH gap.

JK: The series is not just about fund finance, although that is what Zoë and I specialise in, so there will be quite a lot of fund finance material in there. We've already spoken to some key fund finance participants and will also be covering issues that relate to all finance market participants, such as ESG and Islamic finance.

ZH: That's right. Our focus is on thought leaders, so we hope you enjoy Mo Sondhi's insights.