

## Fund Finance Friday



### Recent Trends in Lending to Nonbank Financial Institutions

November 7, 2025



By **Chris van Heerden**

Director of Market Research | Fund Finance

CADWALADER

*Law360*

## Recent Trends in Lending to Nonbank Financial Institutions

Chris van Heerden, director at Cadwalader, recently authored an article, “Recent Trends in Lending to Nonbank Financial Institutions,” that appeared in *Law360*.

In the piece, Chris examines 2025 data on bank lending to nondepository financial institutions (NDFIs) and what it reveals about the fastest-growing, and cleanest-performing, loan category on bank balance sheets. He also discusses how the recent bankruptcies of Tricolor Holdings and First Brands Group underscore the importance of tailored diligence, structuring, and control mechanisms when lending to NDFIs.

“The ability of NDFI business units to help drive differentiated loan growth, combined with the clean credit performance of these loans to date, provides compelling reasons for continued focus on the sector,” said Chris.

Read the full article [here](#).