

## Fund Finance Friday



### Secondaries Investor Analyzes Use of Leverage During Covid-19 in Part Two of Its Mini-Series

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*Secondaries Investor* analyzes how a decline in second-quarter valuations could impact the SPV-leverage market. While banks are healthy, a temporary decrease in lenders participating in the SPV-lending market could lead to secondaries portfolios trading at lower prices and large buyers sitting out the action. Before COVID-19, the use of deferrals for purchase prices in the secondaries market increased significantly in 2019, as did lengthier deferred payment structures. If portfolio values drop, lower interim distributions for buyers to pay off the purchase price could lead to both underwater portfolios and greater use of deferment mechanisms. To read the article, click [here](#).