

FUND FINANCE FRIDAY

Fund Finance November Update

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By Michael Mascia
Partner | Fund Finance

A couple of short updates as we head into the Fund Finance Association's "Virtual Week."

Cadwalader Finance Forum. Over 1,300 people attended our fifth annual Finance Forum yesterday. We really appreciate those of you who were able to make time to attend; it is always fun for me to see these events grow and flourish. Thanks to all of the speakers for participating and especially to Bill Ackman for his opening remarks. Video replays of Sam Hutchinson and Brian Foster's panel on NAV facilities and of Wes Misson, Tim Hicks and Holly Loftis' presentation on the U.S. fund finance market will be available in the coming days.

Deal Flow and Forward Indicators. One of the key themes in our data analysis is the growing disconnect between 2020 fund formation (meaningfully down) and 2020 fund finance transaction volumes (meaningfully up). Wes, Holly and Tim spent some time on this in their session yesterday, and I'll come back later in the month with some detailed thoughts and theories around it. But, as of this time, all our current evidence suggests there is no 4th quarter reversal of that trend in the works. Our deal activity levels have remained largely steady since May/June, and we continue to see LPA reviews and prospective transaction hours meaningfully above their rolling 12-month averages. Additionally, many of the larger U.S. banks have been extremely active with prospective deals and new mandates as the 4th quarter has progressed, suggesting activity levels may actually increase in the go forward.

Congrats to Holly Loftis! I'm so pleased to announce that Cadwalader Fund Finance Counsel Holly Loftis was promoted to Special Counsel this week. Holly has been representing lenders in fund finance transactions with us for over a decade, and her commitment to her clients is well known market-wide. She is also a terrific mentor and teacher to our newer lawyers and a great all-around contributor to our practice. Congratulations, Holly!

FFA Updates. As Michelle Bolingbroke penned in her note today, the FFA's Virtual Week kicks off Monday. I plan to be dialed in for as much as possible and hope to connect with many of you during breaks and in the evenings. The FFA has also dropped the paywall for the Diversity and Inclusion panel and the Women in Fund Finance panel next Friday, so I hope many of you

will log on and check out these important sessions. Also, the deadline for Rising Stars nominations is next Friday, so let's make sure our great young people get recognized.

Hope everyone has a great weekend, and please call on me if we can do anything to be helpful.