Proskauer

Proskauer Releases 1H 2019 Private Credit Market Highlights

July 25, 2019

July 25, 2019 (New York) – International law firm Proskauer released its mid-year private credit highlights as an accompaniment to its annual Private Credit Insights report. The report keeps clients informed of the latest trends in the private credit market.

Steve Boyko, co-head of The Private Credit Group explains, “As we reach the mid-year point, we are pleased to provide our clients with a timely update as to the current state of the private credit market. Our proprietary data continuously tracks over 200 data points for each of our transactions, and this study provides an examination of the approximately 70 deals closed by Proskauer in 1H 2019.”

Key takeaways from the half year report include:

- Interest rate margins continue their decline across the majority of product types, a trend which began in 2015.
- Software & Technology deals represent 23% of all deals.
- The number of 1L/Unitranche deals increased by 23% to 83% of all deals.
- “Covenant Loose” deals represented 59% of deals, up from 26% in 2018.
- Equity contributions have remained consistent at 42% similar to 41% in 2018.
- EBITDA add-backs are increasing.

The Private Credit Group at Proskauer was the first to dedicate its practice solely to representing providers of private credit and is widely regarded as a pioneer in the field. The Group has consistently closed more than 150 deals a year for its clients, which provides us with unparalleled insight into market trends in deals of all sizes, structures and industries. Maintaining a number of proprietary databases, the group annually releases its deal data report, providing analysis of deal terms contained in more than 200 private credit transactions on both sides of the Atlantic.

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