Proskauer's Private Credit Default Index Reveals Rate of 2.46% for Q4 2025

January 26, 2026

NEW YORK, January 26, 2026 – Proskauer today released its latest Private Credit Default Index (the "Index"), which tracks senior-secured and unitranche loans in the United States. The Index revealed a default rate of 2.46% for the period of October 1, 2025 - December 31, 2025. The rate represents an increase from 1.84% in Q3 and 1.76% in Q2 2025.

This quarter's Index encompasses 691 loans representing $144.5 billion in original principal amount.

"Although we saw a modest increase in defaults this quarter, the broader picture remains one of stability and resilience in private credit. As lenders navigate shifting macroeconomic conditions, we're seeing a sector that is adapting well and managing through the bumps in the road." said Stephen A. Boyko, partner and co-founder of Proskauer's Private Credit Group.

In companies with EBITDA of less than $25 million, defaults held steady (0.1% increase). For those with EBITDA of $25 million to $49.9 million, we observed a modest increase from 2.6% in Q3 2025 to 3.6% in Q4 2025. Companies with EBITDA equal to or greater than $50 million also rose to 2.4% in Q4 2025 from 1.2% in Q3 2025.

The Proskauer Index contains a comparison to default rates published by the rating agencies, historical trends by industry and EBITDA bands, defaults by type, defaults in cov-lite loans and defaults by year of origination. The full report is available only to the Firm's direct lending clients.

About Proskauer

The world’s leading organizations and global players choose Proskauer to represent them when they need it the most. With 800+ lawyers in key financial centers around the world, we are known for our pragmatic and commercial approach. Proskauer is the place to turn when a matter is complex, innovative and game-changing. We work seamlessly across practices, industries and jurisdictions with asset managers, private equity and venture capital firms, Fortune 500 and FTSE companies, major sports leagues, entertainment industry legends and other industry-redefining companies.

The Firm’s Private Credit Group is made up of cross-disciplinary finance and restructuring experts exclusively dedicated to private credit investors. It includes over 110 finance and restructuring lawyers focused on representing credit funds, business development companies and other direct lending funds in the restructuring of “clubbed” and syndicated credits, preferred equity, special situations and alternative investments. Over the past five years, Proskauer has been involved in over 1,600 deals for more than 100 private credit clients across the U.S. and Europe with an aggregate transaction value exceeding $420 billion.

Related Professionals

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  Partner
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