**Eye on
Private Credit**

CELEBRATING **10 YEARS**
**NXT
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Survey Results

Since the onset of the pandemic, have you made any new direct lending fund commitments?

Response	Percentage
Yes	69.7%
No, but currently consider	12.5%
No, and not currently considering	18.7%
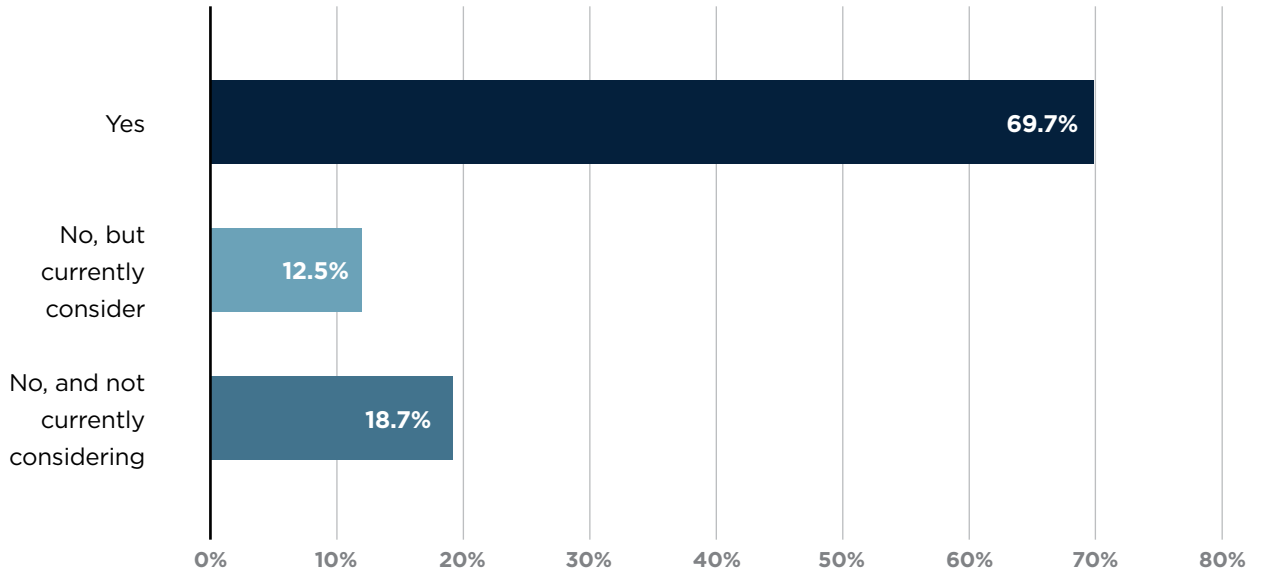
If yes, please describe the nature of the fund manager relationship.

Response	Percentage
Re-up with an existing manager in a comparable private credit strategy	61.5%
First investment with an existing manager in their private credit strategy	15.4%
Investment with a new manager	23.1%

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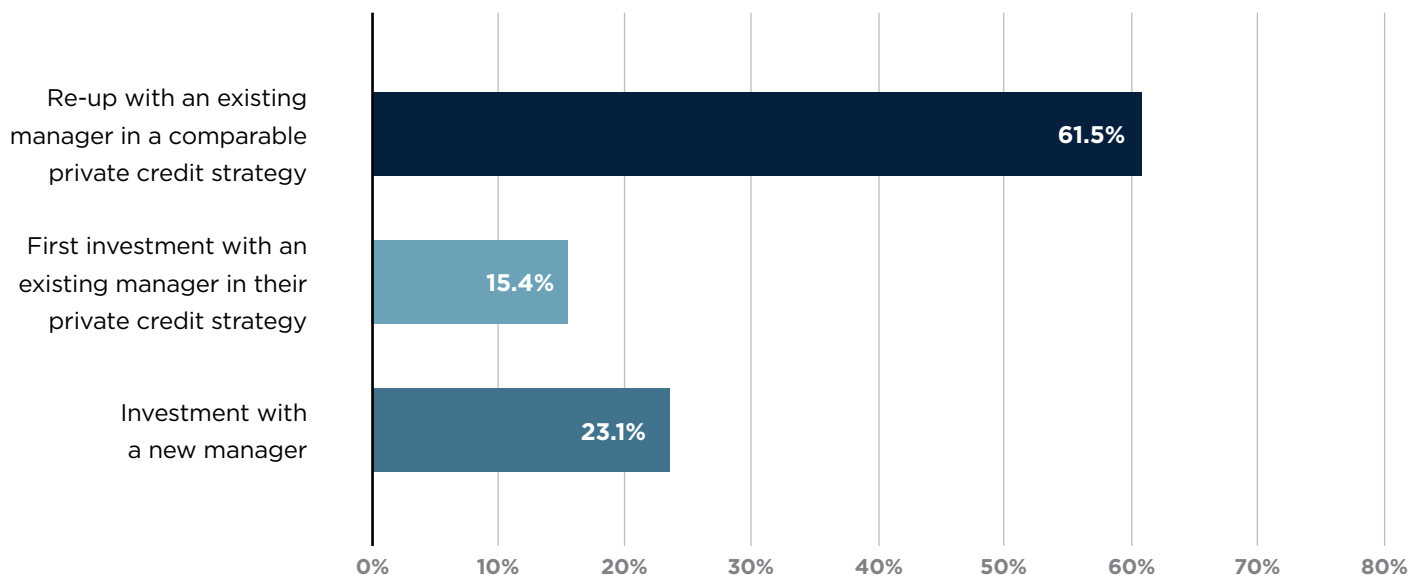
Survey Results

In our opinion the latest Eye on Private Credit survey results reveal an encouraging outlook for investors and direct lenders. Nearly 70% of respondents made a new fund commitment during the pandemic, proving that LPs were seeking out private credit investment opportunities even during uncertain times. Only about 19% of investors reported being sidelined or paused on new commitments since the onset of COVID-19.

Not surprisingly, investor sentiment regarding new investments seems explicitly interlaced with pre-existing manager relationships. The survey shows the large majority of LPs that made new commitments, 61.5%, re-upped or invested with an existing manager. Contributing to the preference for re-ups, travel restrictions and social distancing provided key barriers, hampering investors from meeting new GPs and conducting on-site diligence. However, the survey shows that over 20% of investors have adapted approval processes and models to allow for investments with brand new managers even while sheltering in place.

Based on this survey and in recognition of what we believe are attractive returns offered by the asset class, we expect interest in private debt to remain positive for the remainder of 2020 and into 2021.

If you have any other recommendations, comments or feedback you would like to share please e-mail **marketing@nxtcapital.com**.

Survey was conducted in September/October 2020.

This information is not being provided as any impartial investment recommendation or investment advice. Information provided by NXT Capital, LLC.
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