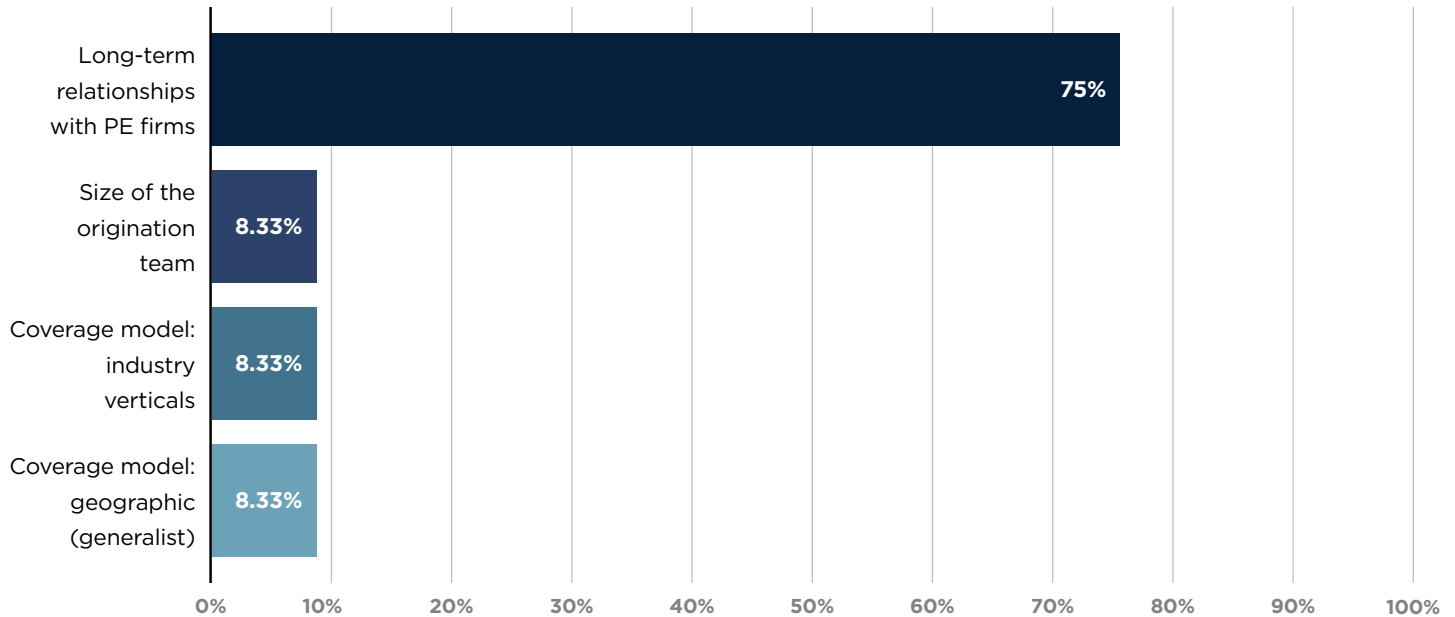




## Survey Results

### What is your best indicator of consistent access to directly originated private equity sponsor backed deal flow?



In direct lending, healthy deal flow is one of the most important factors of success. Every lender wants it, but how do they achieve it? We posed this question to our readers and found a clear winner with 75% of respondents saying long-term relationships have the most influence on the level of directly originated deal flow. Much less weight was given to the size of the originations team and coverage models (industry or geography).

In today's direct lending market, many of the better-known PE firms have a consistent stable of relationship lenders that they typically do business with. For a sponsor to work with a new financing partner introduces a level of risk that is not taken lightly. While a new lender may sometimes be more aggressive, flashing a bit more leverage or quoting a slightly lower price, these variables are often not enough to warrant the risk of trying out a new lender.

Good business reputations and relationships take time to develop. They are an investment of resources, time and shared experiences for both parties. And like other successful investments, mutually beneficial relationships can grow and compound over time.

Thank you to everyone who participated in the survey. If you have any other question recommendations, comments or feedback you would like to share please e-mail [marketing@nxtcapital.com](mailto:marketing@nxtcapital.com).

Survey was conducted in February 2021.

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