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# PE exit/investment ratio

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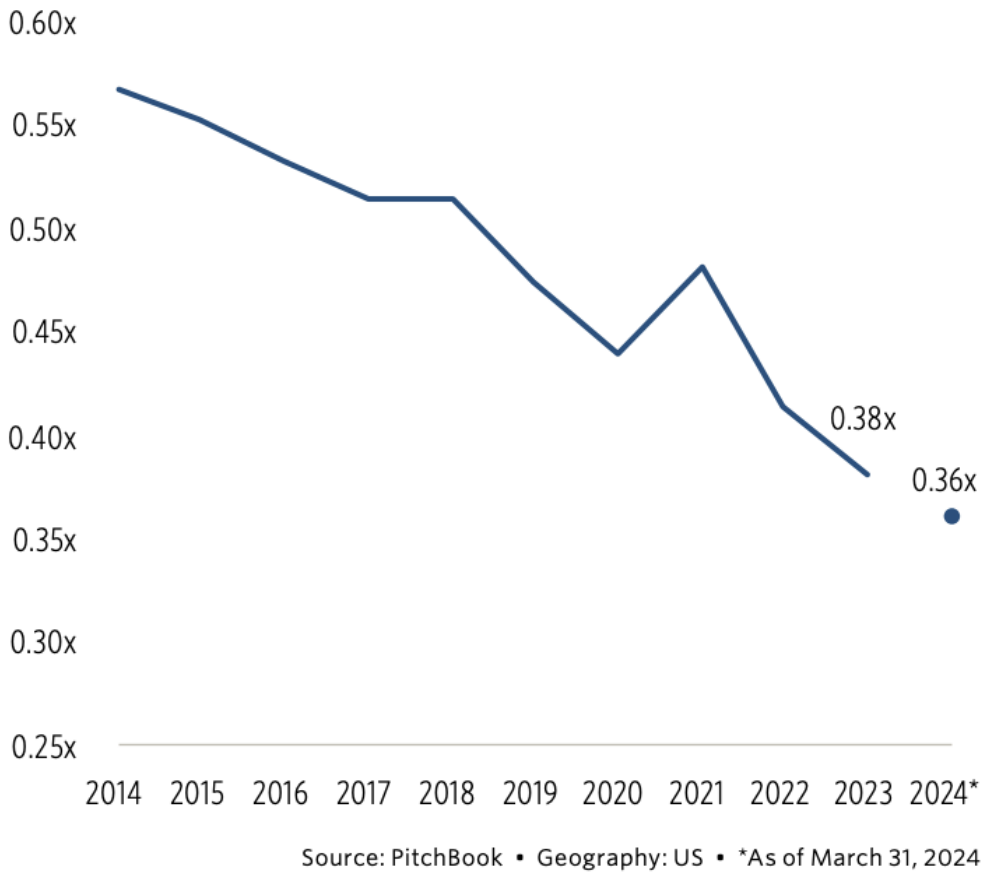


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GPs need to address the oncoming maturity wall of their existing investments, and many are turning to continuation funds to extend exit timelines or secure liquidity without forced selling. This trend has been prevalent in the middle market, with secondary funds willing to wager that smaller companies stand a better chance of exiting in a traditional M&A process within the time frame of two to three years that continuation funds typically require to exit. For example, Renovus Capital Partners, a PE firm focused on the lower middle market, rolled four assets into the Renovus Continuation Fund in Q1 for an undisclosed amount. We expect to see more utilization of continuation vehicles in the middle market to prevent unfavorable exits.

*(Past performance is no guarantee of future results.)*