

Private Equity Now – Impact on Fundraising (GP Perspective)

THE LEAD | December 19, 2024

A successful track record of investment exits is always a given, but doing so today is essential to attract new LP commitments. Timing is key – entering a fundraising cycle with recent realizations proves a manager can navigate a challenging market and generate realizations even in tough conditions. Featuring recent exit activity and distribution-to-paid-in (DPI) ratios compared to industry benchmarks have become a mainstay in marketing documents.

With fresh capital hard to come by, investing that dry powder with precision is a priority. Experienced GPs often call on co-investors to fill equity voids for new platform opportunities. The GP can then fully invest their existing commitments, and make additional investments, while also buying time to find liquidity in older vintages. Sponsors are also using structured capital in lieu of new equity to fund large acquisitions or right-size balance sheets. These tools help keep critical investors engaged and allow managers to prolong their current fund's runway before returning to market...

?? Read Nov 18th, 2024 Newsletter: [here](#)

