Middle Market Breakdown

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Despite other views, the middle market has three parts, each with their own features.

	Lower Middle Market	Traditional Middle Market	Upper Middle Market	Broadly Syndicated Market
Company Size (EBITDA)	$3 to $15 million	$15 to $75 million	$75 to $150 million	$150+ million
Size of Lending Group	1 to 5	3 to 5	10 to 25	25 to 100+
Borrower Compliance Metrics	Traditional Covenants	Traditional Covenants	Majority Covenant-Lite	Covenant-Lite
Loan Sourcing	Direct transactional driven	Direct relationship driven	Relationship driven via agents and sponsors	Buyer model
Liquidity	Illiquid	Relatively illiquid	Partially illiquid	Liquid
Level Of Borrower Diligence	Primary due diligence	Extensive primary and/or secondary due diligence	Primary and secondary due diligence	Less due diligence

Source: Churchill Asset Management