



# 2025 Credit Secondary Market Survey

Evercore Private Capital Advisory  
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# 2025: Credit Secondaries Enter a New Phase of Growth

**\$20bn**

**Secondary Transaction Volume**

▲ 83% YoY

**\$12bn**

**GP-led Volume**

▲ 202% YoY

**\$8bn**

**LP-led Volume**

▲ 15% YoY

**\$37bn**

**Estimated Dry Powder**

**\$18bn<sup>1</sup>**

**EVR-Advised Credit Secondaries – Active and Last 18 Months**

## Introduction

The credit secondaries market accelerated materially in 2025, with annual transaction volume reaching \$20.0bn, nearly doubling from \$10.9bn in 2024. As private credit AUM continues to expand and portfolios mature, GP-led credit transactions are increasingly being utilized as a scalable solution for LP liquidity needs and GP portfolio management. Market growth has been supported by the continued expansion of private credit and a broadening set of buyers with dedicated credit secondaries strategies.

While the market has historically been dominated by LP-led transactions, GP-led activity has become a growing share of overall volume as sponsors adopt secondaries more proactively. In 2025, credit secondaries represented ~11% of the \$106bn GP-led secondaries market, and GP-led transactions accounted for approximately 60% of total credit secondaries activity, reflecting increased use of structured solutions to address liquidity and portfolio management objectives. Pricing has also strengthened relative to prior periods, when transactions often required wider discounts to clear amid a higher cost of capital, and first-lien-weighted portfolios have increasingly traded in the mid-to-high 90s, with select transactions clearing at par or better.

Fundraising momentum remained strong, with leading secondaries managers continuing to raise dedicated pools of capital for credit secondaries. Dedicated dry powder for credit secondaries reached ~\$37bn, representing 15%+ of total secondaries dry powder in 2025, and fundraising momentum has continued into 2026 as established platforms raise additional credit-focused vehicles.

## Key Trends & Market Drivers

### GP-Led

#### LP Liquidity & Fund Optimization

GP-led solutions provide structured liquidity while enabling continued ownership and optimization of portfolios

#### Realign Incentives & Terms

GP-led transactions are increasingly used to reset alignment—updating economics, governance, and terms to reflect the current opportunity set

#### Strategy Diversification Accelerates

Secondaries are becoming a recurring tool for portfolio management and rebalancing—supporting continuity, flexibility, and improved outcomes for stakeholders

### LP-Led

#### Portfolio Rebalancing & Liquidity

LPs use secondaries to rebalance asset allocation, manage pacing, and generate liquidity to meet portfolio needs

#### Active Portfolio Management

Secondaries support broader portfolio management objectives, including strategy shifts, navigating market dislocations, and better matching assets and liabilities

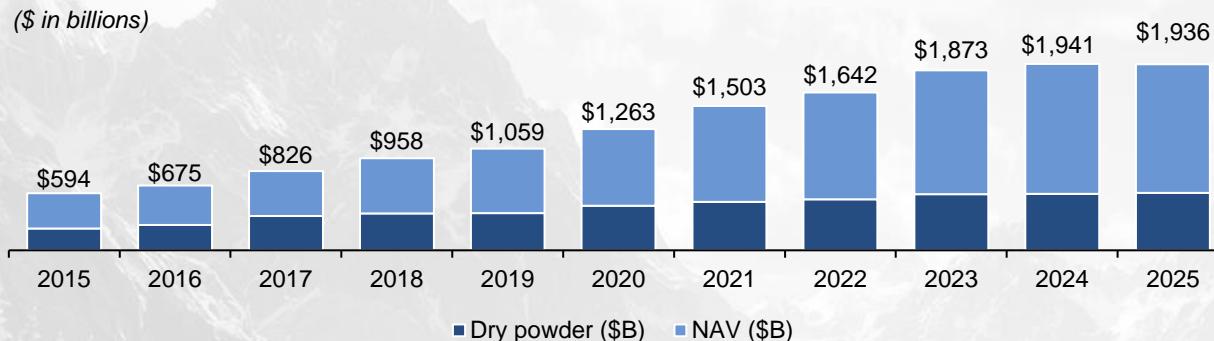
#### Governance / Exposure Rationalization

LPs also transact to manage GP concentration and rationalize exposure across managers and vintages

1. Includes in-process deals

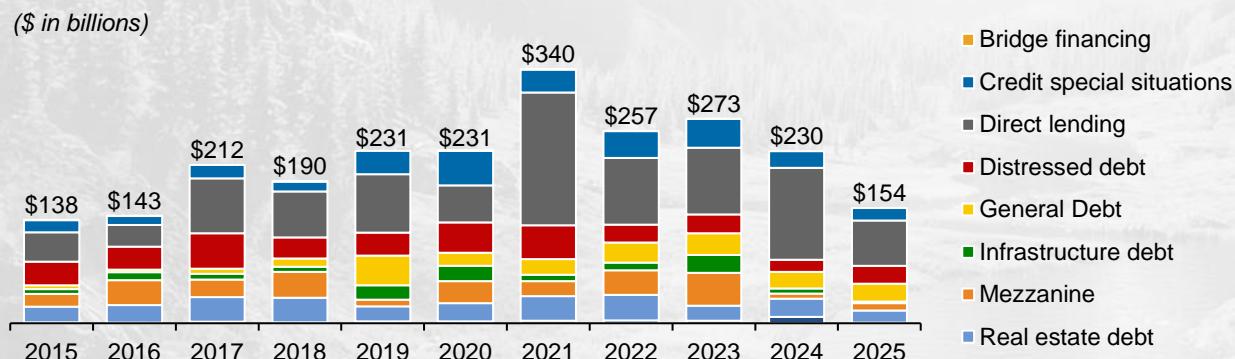
# Private Credit Market Update

## Private Credit Assets Under Management



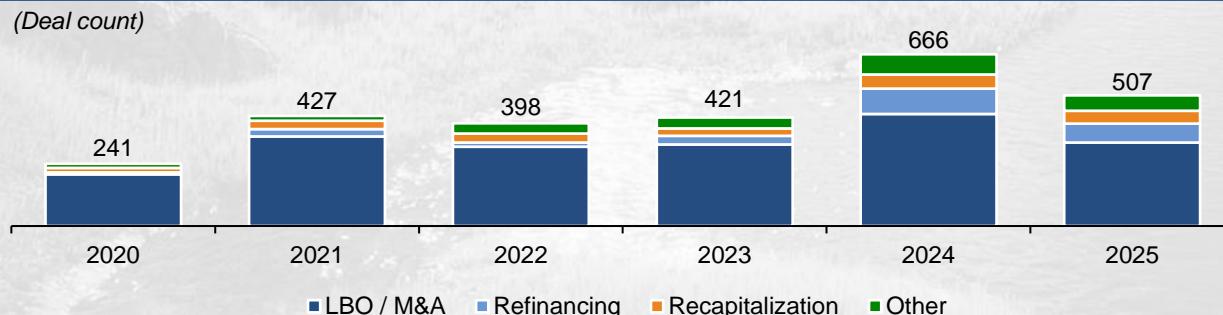
**AUM Growth Is Driving Portfolio Solutions**  
Ongoing private credit AUM growth is creating larger, more seasoned portfolios and expanding the opportunity set for active management. As portfolios mature and exposures concentrate, GPs are increasingly using secondary transactions to optimize risk, generate liquidity, and recycle capital rather than relying on natural run-off.

## Private Credit Fundraising by Strategy



**Direct Lending Dominance**  
New capital continues to flow predominantly into direct lending, reinforcing a market anchored in senior, buy-and-hold first-lien assets. As the stock of seasoned first-lien loans grows, the credit secondaries opportunity set has expanded, with portfolios generally easier to price, syndicate, and execute efficiently.

## Use of Direct Lending Proceeds



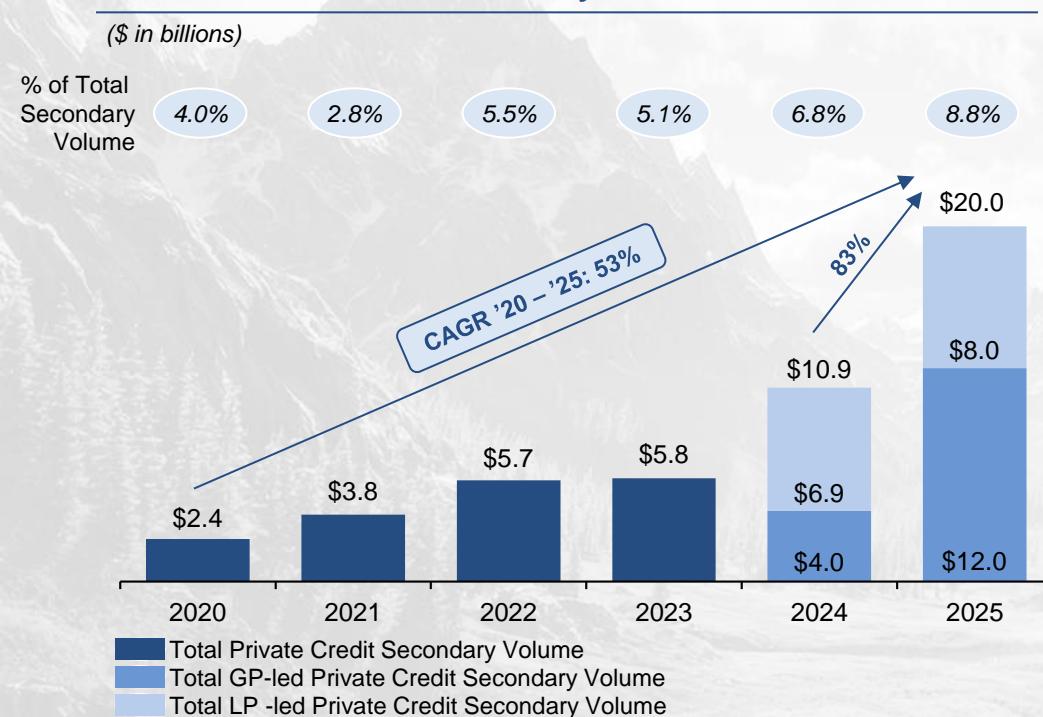
**Maturing Portfolios Expand Liquidity Needs**  
Refinancings and recapitalizations are taking a larger share of direct lending activity, as lower new-deal origination has made repricing a more prominent use of proceeds. As portfolios season and monetization paths become clearer, continuation vehicles and other secondary solutions are increasingly used as standard levers for liquidity and capital recycling.

Note: 2025 figures reflect YTD 2025 as of September 2025

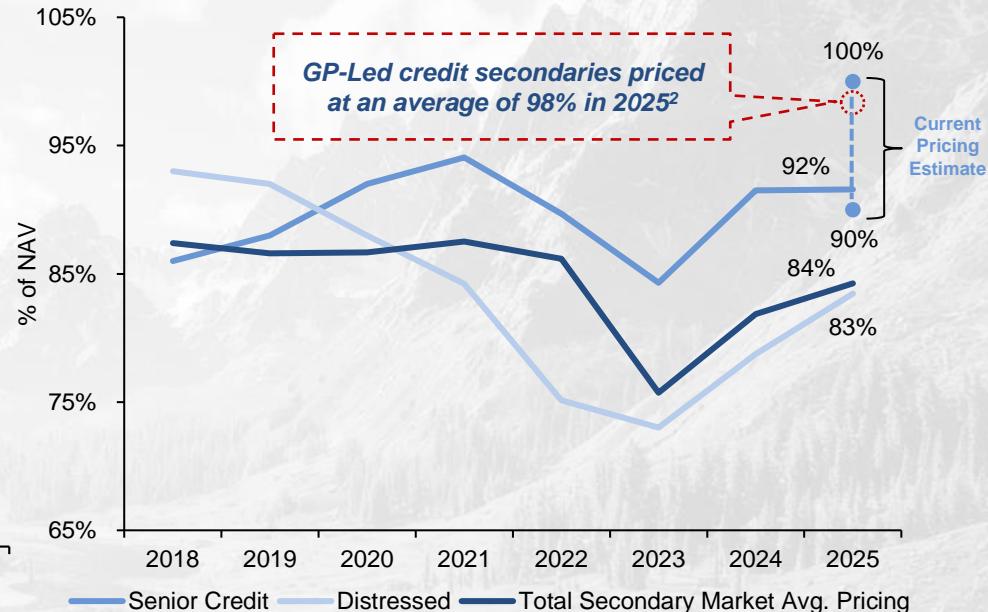
Source: Pitchbook Global Private Market Fundraising Report (Q3 2025); Pitchbook Private Credit Monitor (Q4 2025)

# Private Credit Secondaries Market Update

## Private Credit Secondary Transaction Volume<sup>1</sup>



## LP-Led Credit Secondary Transaction Pricing (% of NAV)



## Market Overview

- Credit secondaries transaction volume has continued to set **new highs each year** post 2020, reaching **\$20.0bn in 2025, up 80%+ YoY**
- With increasing market activity and strengthening demand, credit secondaries continues to be an emerging strategy, **supported by dedicated pools of capital from legacy buyers and new entrants**
- While LP-led transactions have historically dominated, **GP-led credit secondaries are taking a larger share** as sponsors adopt the market as a repeatable tool for liquidity and portfolio management
  - In 2025, GP-led activity accelerated materially, **representing ~60% of total credit secondaries volume**, reflecting increased use of structured solutions to address liquidity, fund optimization, and portfolio repositioning needs
- Buyer capacity and competitiveness are increasing**, with larger check sizes and continued capital formation across dedicated funds and SMA structures, **supporting sustained momentum and ongoing growth**

1. Based on Evercore estimates and the Evercore 2025 Secondary Market Survey

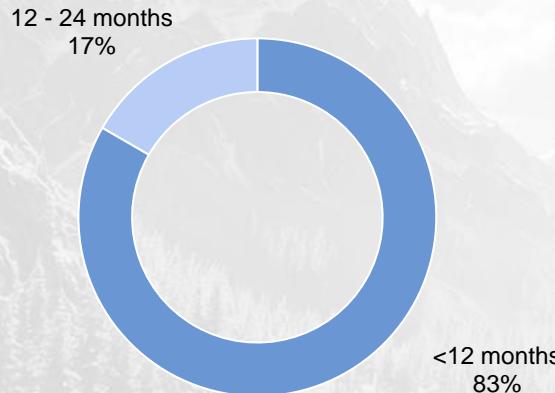
2. Based on Evercore estimates of average gross purchase price prior to post-reference date adjustments across 2025 GP-led credit transactions

# Credit Secondaries Investor Outlook<sup>1</sup>

Credit secondaries is expected to be a key area of growth as buyers raise dedicated pools of capital

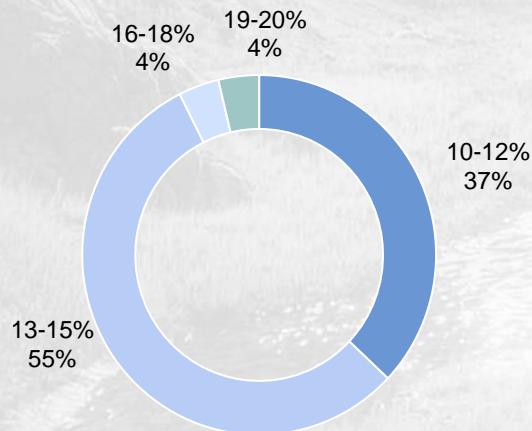
## Majority of Buyers Raising Capital In Next 12 Months

Months Until Planning to Raise More Capital (% of Respondents)



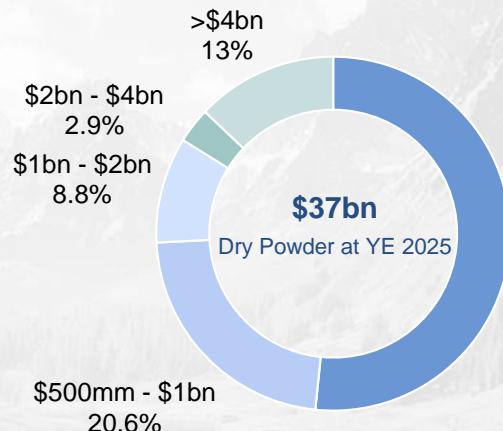
## 92% of Buyers Target 10-15% Minimum Net IRR

Minimum Net IRR Target (% of Respondents)



## Credit Dedicated Dry Powder Reaches \$37bn

Capital Available to Deploy Into Credit Secondaries (% of Respondents)

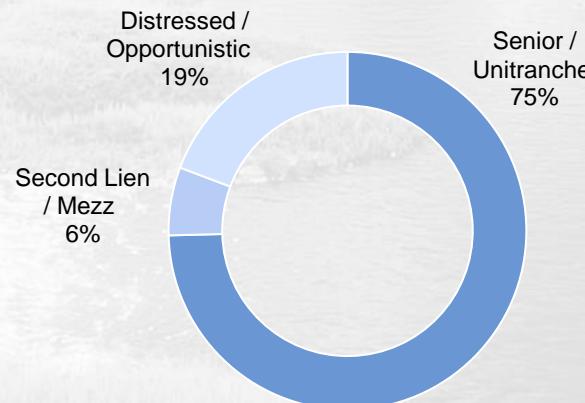


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47.1%

Dedicated dry powder for credit secondaries represented 15%+ of the total secondary market dry powder in 2025  
With the growing interest in credit secondaries, dry powder for the credit strategy is also expected from non-dedicated pools of capital

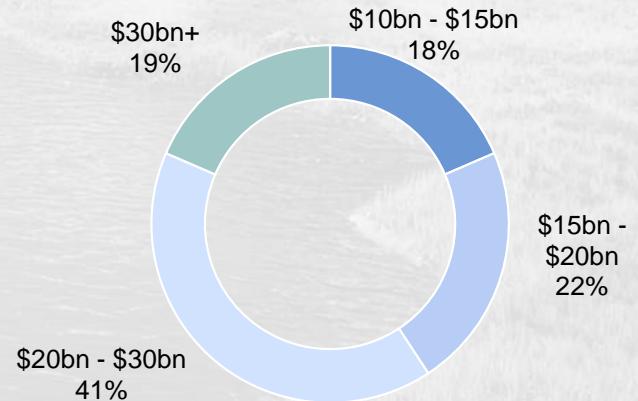
## Senior Debt is the Dominant Strategy by Volume

Split by Strategy (% of Dry Powder)



## ~60% of Buyers Estimate Transaction Volume to be \$20bn+

2026 Credit Secondary Market Size (% of Respondents)



1. Based on Evercore estimates and the Evercore 2025 Secondary Market Survey

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