Private Credit Myth #5: No One Uses Mezzanine Debt Anymore

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Here are the next two fables in our special series on myths of #PrivateCredit:

Myth #5: “No one uses #mezzanine debt anymore.”

Private sub debt regularly gets kicked around at conferences for being “dead.” Particularly with the advent of unitranche financings.

Whether you want to call it – sub or junior debt, second lien, PIK notes – mezz has been a feature of the private capital landscape for decades and remains as active as ever. Why is that?

Being so-called “patient capital,” mezz is often deployed at the lower end of the middle market with more cyclical or first-time borrowers…

#PrivateCreditMyth

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