

What are terms in European Direct Lending?

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We continue our conversation with Lincoln International's European office.

"US and Europe are competing markets," Xenia Sarri told us. "The US was increasingly aggressive six years ago, but now terms are more favorable in Europe. There are no baskets around restricted payments. No excess cash flow sweeps, no amortization and tighter flex language.

Are there pricing differences? "Arrangement fees are twice as high in Europe as in the US," Dominik Spanier said. "We think this is because the US is a more mature market. But margins (as our Chart of the Week shows) are very similar. Also, the European secondary market is less well-established."...

?? Read July 12 2021 newsletter: [here](#)

?? Chart of the Week: [here](#) (by Lincoln International)

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