Yield premium on direct lender arranged MM sponsored deals tightened in 4Q25

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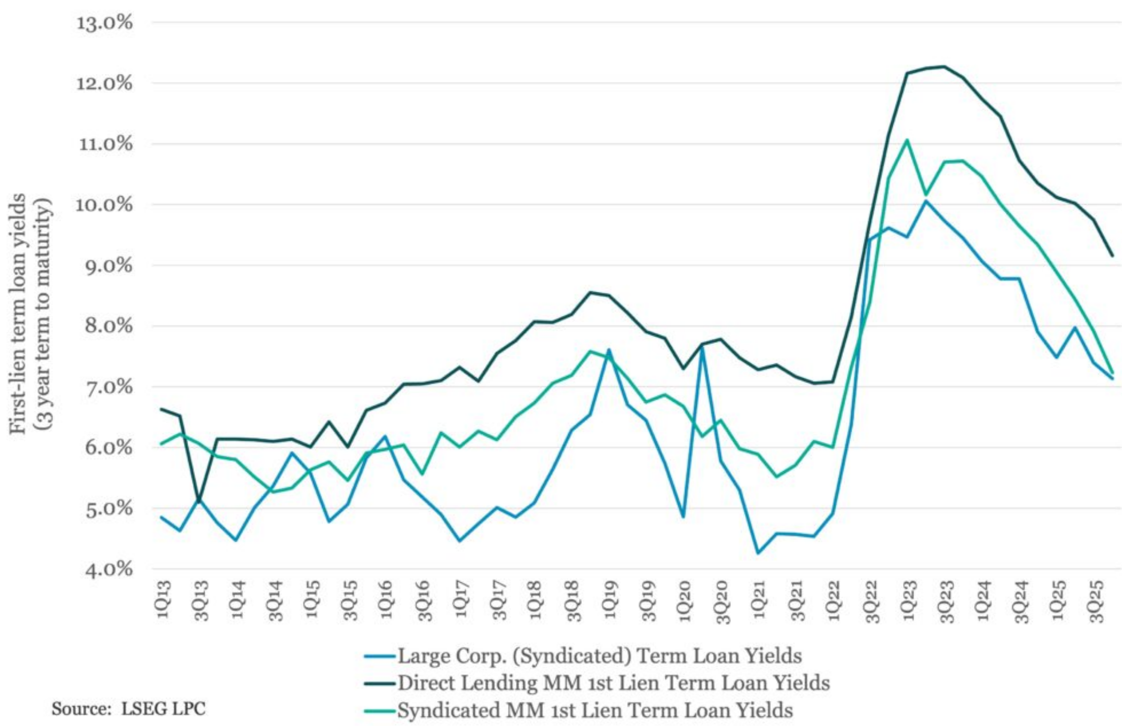

Yields for large corporate and middle market(MM) sponsored loans – whether executed via the broadly syndicated or direct lender loan markets – tightened in 4Q25 amid abundant lender liquidity and inadequate supply of new deal flow to meet demand. The average all yield on sponsored large corporate syndicated term loans tightened 26bps during the quarter to 7.13%, the lowest level since 2Q22. In turn, the all-in yield on sponsored syndicated MM term loans edged down 69bp to 7.23% during the same time period. The average all-in yield on all first lien direct lender arranged sponsored MM term loans tightened by 59bps to 9.16% quarter over in 4Q25. Yield premiums among MM syndicated versus direct lender placed first lien term loans came in 193bp and 203bp for direct lender MM sponsored vs large corporate sponsored syndicated term loans.