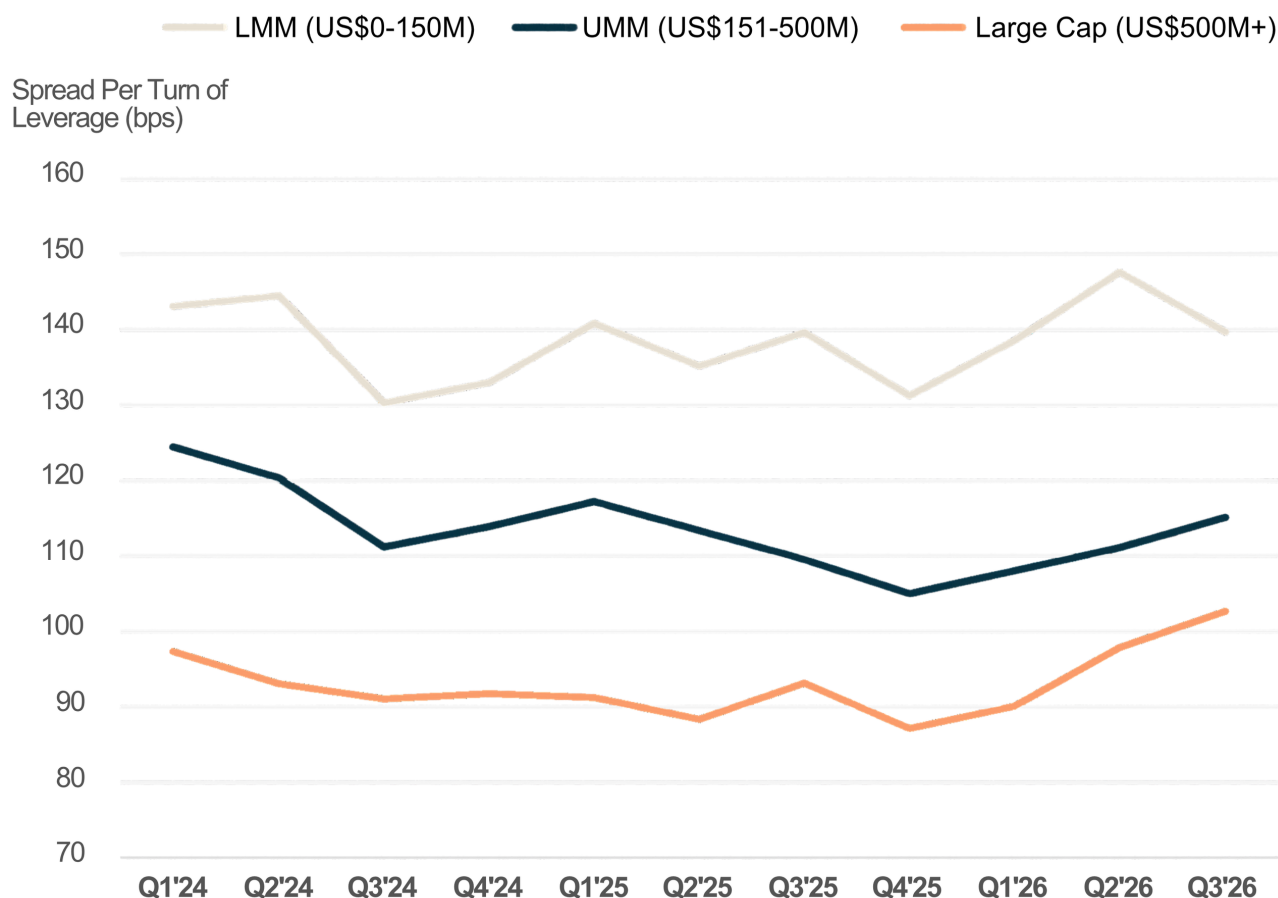


Spread per turn of leverage tightened 5% for lower middle market

Octus | October 28, 2026

The spread per turn of leverage widened for large deal sizes, tightened for lower MM deals



Please email us if you are interested in the full direct lending analytics report.

Lenders benefited from better risk-adjusted pricing for larger middle-market and large-cap deals in the third quarter. The lower middle market was the exception, as leverage for this market segment widened in the third quarter. In the lower middle market the average spread per unit of leverage decreased 5% quarter over quarter to 140 bps. For larger middle-market credits (with total deal size of \$151 million to \$500 million), the spread per turn of leverage widened 4% to 115 bps in the third quarter. In the large-cap market it was up by 5% to 103 bps in the third quarter of 2026.