

Q&A with Lincoln International's Private Funds Advisory: Pushing the Edge of Possibility

As private equity general partners evolve their strategy and develop new, bespoke structures to secure a return in today's market, Lincoln International has brought on industry leaders [Steve Carre](#) and [Dan Posternak](#) to co-head [Private Funds Advisory](#) for the bank. We sat down with Steve and Dan to gather their insights on capital raising, continuation funds and more.

Tell us about your experience and your approach to advising private equity investors on their capital raising needs?

Dan: Steve and I have been partners for the last eight years; most recently, leading the private funds advisory group at UBS. We have deep experience advising general partners or private equity funds on their capital raising needs. When we think of the lifecycle of private equity investments, our mandate includes supporting GPs originating new funds, raising capital for individual investments, raising continuation vehicles or other GP-led structures, as well as co-invest funds.

When we met Lincoln, it was a real meeting of the minds—a perfect match. Lincoln is an intellectually curious firm, and they look to dive-deep, partner with managers and serve as a true advisor. This is how Steve and I have built our careers: by being thought partners of choice for private equity firms around the globe. The Lincoln approach matches our grit, creativity and hustle to serve our clients.

Steve: We love meeting private equity firms and really focus on getting to know who they are as investors, as business builders and as leaders. The magic happens in these conversations when you can discover what makes a firm tick, what makes them different and then you can help firms consider the full spectrum of potential strategic objectives, pushing the edge of possibility of what can be achieved.

We are personally committed to our clients' success. This is the foundation of our approach—and we found the same approach at Lincoln. We're thrilled.

You often advise clients on whether to explore the possibility of a continuation fund. What is the history behind these secondary solutions—and do you expect PE adoption to grow?

Dan: Continuation funds are growing in adoption—but there is a storied history behind the trend.

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There has always been a secondary market for trading existing holdings in private equity portfolio companies. “Secondary” used to be thought of as a dirty word: if you needed to do a secondary it was because something went wrong, and you hadn’t grown a portfolio company as you intended.

But in the last three or four years, continuation vehicles have developed into a more mature market—and private equity firms are recognizing the incredible possibilities in continuing to own a portfolio company for a longer duration than the initial fund structure. Last year some \$100 billion was put to work in continuation vehicles. The market is more robust than ever before. We expect further growth and a lot more capital being driven towards these funds in the years to come.

What are the factors that you consider when building a custom solution for a client?

Steve: It’s important there is a sound rationale to creating a continuation fund. There are many factors to consider: is the PE firm the best owner of the business, is there a strong partnership with management, are they still executing on the business plan, do they need more capital to execute the plan, do they need more time, are investors open to liquidity? Once we understand the underlying factors and dynamics at hand, we work to develop a creative solution and efficient process to position our client for a great result where they can continue their ownership - with new capital in a new setup!

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Steve has over 20 years’ experience advising private equity firms and portfolio companies on primary and structured transactions and fundraising. He is thoughtful in his approach to each opportunity, anticipating challenges and navigating changing market dynamics. Steve inspires confidence in his clients to be creative, blaze new paths and set new market landmarks to help them achieve their strategic objectives.

Contact Steve at scarre@lincolninternational.com.



Dan has over a decade of experience advising general partners on reaching their capital raising objectives. He develops deep connections with his clients, understanding their unique needs and providing creative capital raising solutions through a transparent and nimble approach that anticipates and navigates through challenges and changing market conditions.

Contact Dan at dposternak@lincolninternational.com.

For other perspectives, visit us at www.lincolninternational.com/perspectives.

Interested in learning more? Get to know Lincoln’s Private Funds Advisory at www.lincolninternational.com/services/private-funds-advisory.
