
Unlocking NAV: A Guide Across Private Markets

NAV for Family Offices

NAVIGATING UNCERTAIN MARKET ENVIRONMENTS

In times of economic uncertainty, traditional exit and liquidity strategies can become less reliable, posing challenges for investment groups. However, for those with available capital, these periods could also present attractive opportunities to acquire assets at attractive valuations.

Family offices are often uniquely positioned to navigate turbulent markets due to their distinct investment structures. In our experience, speed matters—and family offices can move quickly to capitalize on market inefficiencies and distressed opportunities. Unfortunately, they often also typically hold a higher proportion of illiquid assets which can limit their dry powder in slow exit environments.

One strategic tool that has gained prominence in these uncertain times is the NAV (Net Asset Value) loan. The collateral for these loans is often a portfolio of illiquid assets. Rather than liquidating these assets to generate capital, family offices can utilize NAV loans as a source of short to medium-term financing. These loans, provide a bridge, allowing families to maintain their asset base while securing the liquidity needed to navigate through, and capitalize on, economic turbulence.

NAV loans offer several key benefits to family offices:

- **Preservation of Assets:** By leveraging existing assets to secure financing, family offices can avoid the need to sell investments at potentially depressed prices.
- **Increased Liquidity:** NAV loans can provide immediate capital, which may enable family offices to seize new investment opportunities or cover operational needs without disrupting their long-term investment strategies.
- **Flexibility:** The terms of NAV loans can be tailored to the specific needs of the family office, offering flexibility in repayment and use of funds. This feature can be incredibly valuable today given the uncertainty surrounding the duration of the current environment.
- **Strategic Advantage:** Access to additional capital during market dislocations could position family offices to acquire undervalued assets and help enhance their portfolio's overall performance.

We believe these benefits make NAV loans a valuable tool for family offices facing uncertain market environments. By providing a non-intrusive financing option, they can help enable families to sustain their investments and emerge from economic downturns stronger and more resilient. As the market landscape continues to evolve, we believe that the strategic use of NAV loans is likely to be a crucial component of a family office's financial strategy.

To learn more, watch our video here: [Unlocking NAV | Family Office](#)

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About Crestline Investors - Fund Liquidity Solutions Group

Crestline's Fund Liquidity Solutions Group provides bespoke financings to private equity funds and other asset vehicles seeking additional capital to support, grow and protect underlying portfolio companies, make additional acquisitions, provide liquidity to investors and other opportunistic portfolio management needs.

Our dedicated 14-person team has over 25+ years of average industry experience and has been active in the NAV Finance market since 2013. As market leaders, we have closed more than 65 transactions and committed over \$3.4bn to Private Equity, Growth, Venture, Real Estate, Family Offices, and Infrastructure managers active across a wide range of industries and geographies.

About Crestline Investors

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