



CLO manager shoots for success with CLO captive fund

by Michelle D'souza

ArrowMark Partners has joined a plethora of US CLO managers this year to fundraise for a CLO captive fund, according to market sources. These funds afford managers the freedom to control their own pace of CLO issuance, rather than rely on third-party CLO equity.

The Denver, Colorado-headquartered firm is said to be on the fundraising trail for ArrowMark CLO Equity Strategic Partners Fund, a vehicle which will invest in the majority CLO equity of its own future 'Elevation' broadly syndicated loan CLOs.

ArrowMark debuted in CLO management in 2013, pricing Elevation CLO 2013-1 via Stifel. Since then, the firm has issued 13 CLOs under the Elevation platform, according to CLO-i. Sanjai Bhonsle, partner and portfolio manager who joined ArrowMark in 2012, leads the firm's CLO team.

ArrowMark also manages other types of CLOs. In 2014, the firm expanded its CLO offerings with middle market CLOs under its 'Peaks' branding and in 2019, developed the CLO business further with static deals under 'Apres' branding. The firm now has three mid-market Peaks CLOs and two Apres CLOs.

But *Creditflux* understands ArrowMark CLO Equity Strategic Partners Fund will not invest in future mid-market or static deals.

ArrowMark's BSL Elevation CLOs

Closing date	CLO	Arranger
2021	Elevation CLO 2021-13	Goldman Sachs
	Elevation CLO 2021-12	Citi
2020	Elevation CLO 2020-11	Goldman Sachs
	Elevation CLO 2018-10	Mitsubishi UFJ Securities
2018	Elevation CLO 2018-9	Goldman Sachs
	Elevation CLO 2017-8	Mitsubishi UFJ Securities.
2017	Elevation CLO 2017-7	Goldman Sachs
	Elevation CLO 2017-6	Goldman Sachs
2016	Elevation CLO 2016-5	Goldman Sachs
2015	Elevation CLO 2015-4	Deutsche Bank
2014	Elevation CLO 2014-3 (called deal)	Goldman Sachs
	Elevation CLO 2014-2	Jefferies
2013	Elevation CLO 2013-1	Stifel

Source: CLO-i

The \$23.2 billion asset manager joins several other managers looking to raise capital to place equity in their deals.

Last month, *Creditflux* reported that prospective US CLO manager Sycamore Tree Capital is targeting \$300 million for a captive equity and mezz fund. Neuberger Berman also raised \$150 million from a separately managed account to invest in equity of its own CLOs, alongside third-party debt tranches.

In April, Post Advisory Group, which debuted in US CLO management in 2018

and has priced one CLO, hinted at ending a three-year absence, filing a captive CLO equity fund with US regulators in April, while in March, Angelo Gordon launched AG CLO Equity Fund to invest in its own CLO equity and warehouses.

Kayne Anderson and GoldenTree Asset Management kickstarted the year closing \$600 million and \$725 million captive CLO funds.