

MARKET UPDATE

Volume 15 | November 2019

Lender of Choice for LMM Platform Builds

Delivering Sponsors Lower Middle Market Solutions
Driving Middle Market Exits**\$310M***Post-Close Add-On
Commitments Since Inception***29***Total Add-On Acquisition
Financings***\$150M***Deal Size Capability*

Tree Line has built a unique ability to support its private equity partners with dependable add-on acquisition capacity. Unlike other lenders, Tree Line's approach combines a focus on building early relationships with borrowers with less than \$10m of EBITDA with the demonstrated capability to support growth to \$30m+ EBITDA through add-on financings with \$150m+ total credit facilities. Tree Line has facilitated material value creation for sponsored platforms through 29 post-close add-ons as shown in the select examples below.

Recent Success Stories

COMPANY A

- 13 add-on financings
- Over 8.0x EBITDA growth since 2015

COMPANY B

- 9 add-on financings
- Over 3.5x EBITDA growth since 2016

COMPANY C

- 2 add-on financings
- Over 2.5x EBITDA growth since 2018

COMPANY D

- 1 add-on financing
- Over 2.4x EBITDA growth since 2017

Q3'19 Transactions

FIRST LIEN TERM LOAN AND EQUITY CO-INVESTMENT



A Portfolio Company of



Provided an incremental first lien term loan and equity co-investment to support O2 and EMEX's investment in BLUEFIN, creating significant growth opportunities via complimentary service offerings.

UNITRANCHE TERM LOAN



A Portfolio Company of



Provided incremental first lien last-out financing to support Flex Technology Group's acquisitions of CBE Office Solutions, Millennium Business Systems, and Laser Technologies Service, and expanded the facility to provide significant add-on acquisition capacity with incremental partner lenders.

FIRST LIEN TERM LOAN



A Portfolio Company of



Provided a first lien term loan to support LaSalle's investment in PRC. Tree Line's facility was structured to provide meaningful incremental capacity to fuel add-on acquisition growth.

FIRST LIEN TERM LOAN



A Portfolio Company of



Provided incremental first lien term loan financing to support Light Wave's expansion into North Carolina via its affiliation with three practices, and expanded facility to provide meaningful incremental add-on acquisition capacity with a partner lender.

Targeted Industries



Business
Services



Tech-enabled
Services



Consumer



Manufacturing



Healthcare



Financial
Services

Company Profile

\$10M+

Revenue

\$3M+

EBITDA

**Sponsored
Non-sponsored**
Ownership

North America
Geography

Loan Structures

\$5-150M

Investment Size

**Senior Secured
Term Loan**

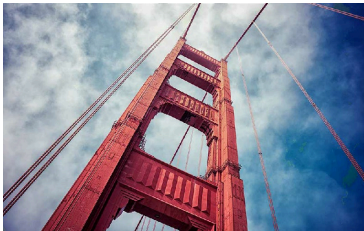
**Unitranche
Term Loan**

Security Type

3-6 years

Term

Contact



SAN FRANCISCO

101 California Street
Suite 1700
San Francisco, CA 94111

415.795.7580



NEW YORK

600 Lexington Avenue
Suite 1401
New York, NY 10022

212.207.3385



NEW ORLEANS

201 St. Charles Avenue
Suite 3400
New Orleans, LA 70170

504.569.7900

For investor relations inquiries, please contact:

Tom Quimby, Managing Partner | tquimby@treelinecp.com | 415.795.7576

Jon Schroeder, Managing Partner | jschroeder@treelinecp.com | 415.795.7577

For transaction inquiries, please contact:

Frank Cupido, CFA, Partner | fcupido@treelinecp.com | 415.795.7578

Jonah Glick, Senior Vice President | jglick@treelinecp.com | 646.829.3603

Stephan Schneck, Senior Vice President | sschneck@treelinecp.com | 415.795.7581

Drew McCauley, Vice President | dmccauley@treelinecp.com | 415.795.7579

Ben Perlman, Senior Associate | bperlman@treelinecp.com | 415.795.7585

Grant Saunders, Senior Associate | gsaunders@treelinecp.com | 415.795.7584



This report is intended for marketplace communication purposes only and is neither an offer to sell nor a solicitation of any offer to buy any securities, investment product, or investment advisory services. This is not an offering or the solicitation of an offer to purchase an interest in a fund.