

# MARKET UPDATE












April 2021 | Volume 22

## Tree Line Continues Expansion with Addition of ARR Loan Product, New Team Members and Record 1<sup>st</sup> Quarter Origination

- Completed **\$217M in new commitments** in the first quarter of 2021, including eight new borrowers and six add-ons, bringing total firm commitments to over \$2.0B since inception.
- Expanded product offering with the introduction of annual recurring revenue loans for software borrowers with over \$10M of ARR. **Closed two ARR-based loans** with sponsor-backed companies.
- **Continued to expand team** with the addition of Elizabeth Langhorne as Vice President - Investor Relations, in San Francisco, and Brigid O'Leary as an Analyst in Austin.

## Recent Transaction Activity

 <p><b>Software</b> A portfolio company of</p>  <p>February 2021</p>	<b>ARR-Based Last-Out Unitranche Term Loan</b>  <p>Tree Line acted as Sole Last-Out Lender to support Alianza's acquisition of CounterPath.</p> <p>The Company is a provider of communications SaaS solutions. Tree Line underwrote the business on an annual recurring revenue basis.</p>
 <p><b>Software</b> A portfolio company of</p>  <p>March 2021</p>	<b>ARR-Based Last-Out Unitranche Term Loan</b>  <p>Tree Line acted as Sole Last-Out Lender to support an add-on acquisition.</p> <p>The Company is a provider of virtual and physical event management software. Tree Line underwrote the business on an annual recurring revenue basis.</p>
 <p><b>Transportation and Logistics</b> A portfolio company of</p>  <p>February 2021</p>	<b>First Lien Term Loan, Revolver &amp; Equity Co-Investment</b>  <p>Tree Line acted as Agent and Sole Lender for a first lien credit facility to support Westward Partners' acquisition of Grant Aviation.</p> <p>The Company is a provider of logistics and required transport services in Alaska.</p>



### First Lien Term Loan, Revolver & TREE LINE Equity Co-Investment

Sustainability Solutions

A portfolio company of



Tree Line acted as Agent and Lead Arranger for a first lien credit facility to support O2 Investment Partners' acquisition of Fairbanks Energy Services through their existing investment in Mantis.

The Company provides building sustainability solutions.



### First Lien Term Loan, Revolver & TREE LINE Equity Co-Investment

Personal Protective Equipment

A portfolio company of

Private Sponsor

March 2021

Tree Line acted as Agent and Sole Lender for a first lien credit facility to support a Private Sponsor's acquisition of Dash Medical Gloves.

The Company provides personal protective equipment.

Frank Cupido, Partner of Tree Line, said "Our relationship-driven approach has yielded significant dealflow from repeat deal sources this year. In today's very active capital markets environment, sponsors are continuing to look to Tree Line for efficient, transparent processes requiring a reliable financing partner. We're excited about the portfolio growth and in particular our activity on the ARR lending front for lower middle market software companies."

## Target Investment Criteria

### Targeted Industries



### 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

## About Tree Line

Tree Line Capital Partners is a private credit asset management firm focused on direct lending to the lower middle market. The firm provides first lien term loans, unitranche term loans and equity co-investments to lower middle market borrowers with between \$3M-\$30M of EBITDA in North America in transaction sizes up to \$150M. Tree Line currently manages \$1.4B in investable capital, and has completed 121 transactions for acquisitions, recapitalizations, refinancings, expansion projects and other growth capital needs. Tree Line's team has extensive direct lending experience spanning multiple economic cycles and has generated significant repeat investment opportunities from the private equity community through reliable execution coupled with a direct relationship approach. Tree Line is headquartered in San Francisco with offices in New York, Los Angeles and Austin.

Visit [www.treelinecp.com](http://www.treelinecp.com) for additional detail.

Disclosure: The information contained herein is for informational and discussion 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.

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