

MARKET UPDATE



January 2022 | Volume 26

Tree Line Completes Record 2021 With Over \$1B in Commitments, Continued Team and Product Growth

2021 Key Highlights

\$2.2B

INVESTABLE CAPITAL

\$1.1B

NEW COMMITMENTS
ISSUED

5

NEW TEAM MEMBERS

24

NEW PLATFORMS

86%

TRANSACTIONS AGENTED
OR LED BY TREE LINE

30

PRIVATE EQUITY GROUPS
FINANCED

“Tree Line is starting 2022 in its strongest position ever,” said Managing Partners Tom Quimby and Jon Schroeder.

“2021 was a year of record deployment, team growth and product expansion. We’ve built a reputation as a go-to lower middle market financing partner for sponsors based on our approach of efficient execution, creativity and ability to significantly grow with our borrowers. More and more new sponsors are establishing relationships with Tree Line each year, including 14 in 2021, for these reasons. We’re excited for another year of lower middle market leadership in 2022.”

Recent Transaction Activity



A portfolio company of

O2 O2 Investment Partners, LLC

October 2021

First Lien Term Loan, Revolver, DDTL & Equity Co-Investment

Tree Line acted as Agent and Lead Arranger for a first lien credit facility to support the partnership between SIB Fixed Cost Reduction and Shipware.

The Company provides cost reduction services for invoice analysis, vendor negotiation and cost monitoring for businesses. This represents Tree Line's fifth platform with O2.



A portfolio company of

NORWEST VENTURE PARTNERS

November 2021

ARR-Based Unitranche Last-Out Term Loan

Tree Line acted as Agent and Lead Arranger on for a Unitranche term loan in partnership with a bank to support AbsenceSoft's acquisition of Presagia.

The Company provides flexible software to manage forms of leave including FMLA, ADA and Disability.



A portfolio company of

ALPINE

December 2021

First Lien Term Loan, DDTL & Revolver

Tree Line acted as Agent and Joint Lead Arranger for a first lien credit facility to support current and future acquisitions at AlpineX.

The Company is an investment platform focused on lower middle market services businesses in the professional education, training and certification spaces. This represents Tree Line's tenth platform with Alpine.



A portfolio company of

OSCEOLA
CAPITAL MANAGEMENT

December 2021

First Lien Term Loan, Revolver & Equity Co-Investment

Tree Line acted as Agent and Sole Lender on a first lien credit facility to support Top Gun's purchase of American Striping Company and Apex Pavement Solutions, to form the Tendit Group platform.

The Company is a leading provider of exterior facility maintenance services in the Mountain West, including pressure washing, asphalt maintenance, window cleaning and pavement marking.



A portfolio company of

hkw

December 2021

First Lien Term Loan & Revolver

Tree Line acted as Agent and Sole Lender on a first lien credit facility to support HKW's purchase of Technical Toolboxes.

The Company is a leading provider of cloud-based software for engineers and pipeline operators to assist in environmental risk reduction and analysis for midstream operations.

Target Investment Criteria

Targeted Industries



Business Services



Tech-enabled Services



Healthcare



Financial Services



Consumer



Manufacturing

Borrower and Deal Size

\$3M+

EBITDA

\$8M+

ARR

\$5-150M

Investment Size

Other Key Criteria

**Sponsored
Non-sponsored**

Ownership

North America

Geography

**1st Lien Term Loans
Unitranche Term Loans
Equity Co-Investments**

Security Type

**Cash Flow
ARR**

Loan 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 and at least \$8M of ARR in North America in transaction sizes up to \$150M. Tree Line currently manages \$2.2B in investable capital, and has completed over 200 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 for additional detail.

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