

insights

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Jennifer Post authors Law360 article on venture lending as a solution to down equity markets

As equity markets face pressure and growth companies encounter challenges, they are increasingly turning to the private debt market, specifically venture lending, as a solution.

[Jennifer Post](#), Managing Partner of the Firm's Los Angeles Office, published a new *Law360* article discussing how companies are seeking debt financing to protect their valuations, avoid down rounds, and continue their growth. Private debt funds raised \$122 billion globally in 2023, marking a 10% increase compared to the previous year. This trend is further supported by the entry of banks into the venture debt market following the decline of Silicon Valley Bank. Venture debt offers non-dilutive working capital, making it an attractive option for companies looking to secure funding. New entrants, including banks, are capitalizing on the opportunity created by the changing landscape in venture lending, with HSBC and others expanding their presence. However, not all venture debt is the same, and borrowers must consider factors like domain expertise and flexibility when choosing lenders. The terms of venture lending have also evolved, with a focus on higher-quality companies and milestones tied to revenue generation and profitability.

Read the full article [here](#).

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jennifer

Jennifer A. Post