

# Setter Price Report

April 2016

Setter Price Reports provide in-depth insight into secondary market pricing across variables such as fund vintage, funding level, size, geographic focus and its Setter Liquidity Rating.

Based on over 2000 recently priced funds, Setter Price Reports capture the ebb and flow of buyer demand of over 1300 institutional buyers Setter Capital covers.



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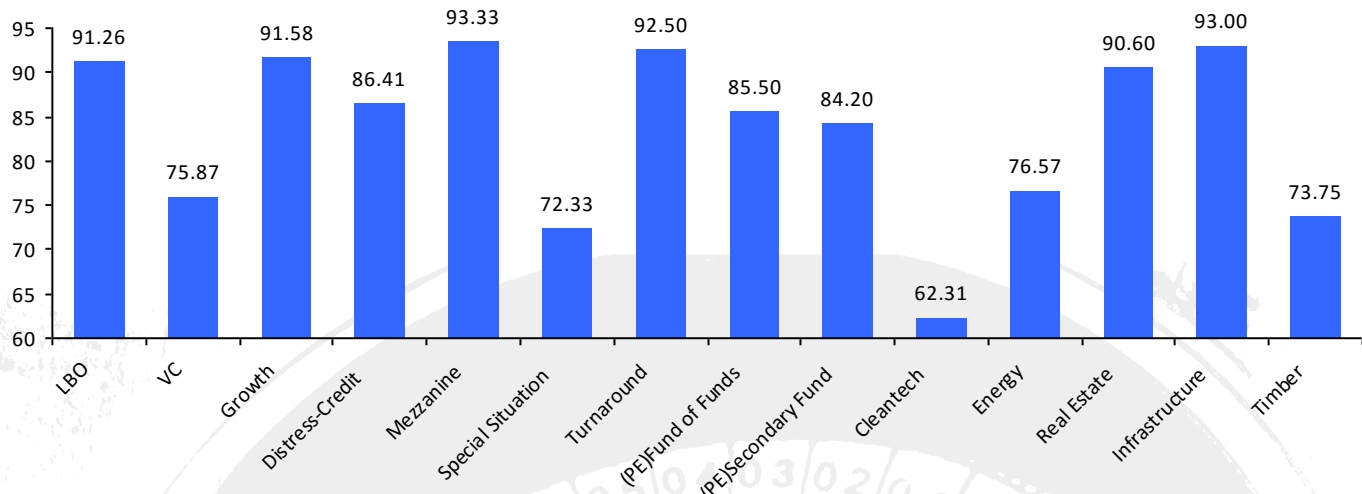
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## Price Analysis of Different Fund Strategies

The below data records the average of top prices across various alternative asset classes and time intervals. The average top price is generally derived from prices that Setter observed over the preceding 90 day period through actual bids or indications given by the over 1300 buyers covered by Setter.

The reader should be aware that Setter receives more prices for more saleable funds (Setter Liquidity Rating of 'Good', 'Very Good' and 'Excellent'), so less saleable funds, which often price lower, are underrepresented in this report. Also, certain strategies (e.g. cleantech) and smaller time intervals may not accurately reflect the actual market given smaller sample sets.

### Average Top Prices Over The 90 Days Preceding 4/30/2016



### Changes in Price

Apr 30, 2015 vs Apr 30, 2016

Type	Funds Priced	Average IRR	Average Multiple	Starting Price	Ending Price	Price Change	
LBO	341	9.50	1.38	95.99	91.26	-4.93%	▼
VC	106	12.30	1.38	90.22	75.87	-15.90%	▼
Growth	28	9.58	1.35	94.65	91.58	-3.24%	▼
Distress-Credit	25	18.71	1.30	96.39	86.41	-10.36%	▼
Mezzanine	17	15.37	1.30	96.82	93.33	-3.60%	▼
Special Situation	7	1.16	1.10				
Turnaround	8	9.23	1.40	99.92	92.50	-7.42%	▼
Fund of Funds (PE)	36	9.49	1.43	89.75	85.50	-4.74%	▼
Secondary Fund (PE)	17	13.42	1.40	91.58	84.20	-8.06%	▼
Cleantech	8	0.93	0.99		62.31		—
Energy	81	4.09	1.20	95.55	76.57	-19.87%	▼
Real Estate	160	10.60	1.18	97.94	90.60	-7.50%	▼
Infrastructure	23	8.94	1.18	99.25	93.00	-6.30%	▼
Timber	7	0.69	1.03	91.00			

## About Setter Capital

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse institutional client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 500 transactions, representing more than \$20 billion in liquidity across venture capital, private equity, infrastructure, real estate, real asset, and hedge fund investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants. To this end, Setter provides the market with complimentary secondary market research and analytical tools such as:

### [The Setter Liquidity Rating™](#)

A unique rating system that allows buyers, sellers and creditors to assess the relative liquidity of over 7000 different fund families.

### [The Setter Volume Report™ and the Setter Price Report™](#)

Two semi-annual reports that provide the most comprehensive and accurate assessments of the secondary market. Data is based on pricing of over 2000 funds and a survey of over two thirds of the most active secondary buyers globally.

### [SecondaryLink.com™](#)

A professional network where over 4000 institutional LPs and GPs connect on primary due diligence and the secondary market.

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## Definitions

<sup>1</sup> Exposure: NAV + Undrawn

<sup>2</sup> Prime Buyers are buyers that are existing investors in the fund family, have it on their shortlist or have recently priced it. Other buyers, who have a general interest in buying this type of fund but not the fund specifically (“General Buyers”), are not included in the number of indicated prime buyers

<sup>3</sup> The Setter Liquidity Rating (SLR) is a subjective measure of the relative liquidity of non-redeemable alternative investment funds and is not a measure of the investment merits or quality of a fund. The SLR and number of Prime Buyers<sup>2</sup> are determined by Setter Capital and rely in part on subjective assessments of: the seriousness, capacity and number of interested buyers for a fund; and the ease of transfer. The SLR and number of Prime Buyers<sup>2</sup> should not be relied upon to make any investment decision or to predict the future liquidity of a fund. Also, the SLR is not intended as a measure or indicator of the liquidity of a fund's underlying portfolio holdings. The SLR applies to an entire series of funds, or 'fund family', and individual funds within a fund family may be more or less illiquid than the SLR indicates. For instance, lightly funded funds or very old funds are often less liquid than funds that are greater than 30% funded or less than seven years old. Also, smaller interests and very large interests have fewer buyers with less liquidity. The liquidity of a fund and the SLR can change at any time, as demand for a fund family changes or transfer becomes more or less restrictive or Setter Capital re-evaluates or gains new insight into a fund's relative liquidity. See the article 'Setter Capital Liquidity Rating' for more details. The SLR is not provided as a service and Setter Capital, SecondaryLink and DiligenceLink therefore assume no responsibility for any losses alleged to be the result of the use of the SLR or for any purported reliance upon the rating. The SLR may be flawed and Setter Capital welcomes suggestions to improve its usefulness.

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