



Inside this issue:

Fixed Income	p.1
Interest Rates	p.2
M&A	p.3
Private Placements	p.5
Public Comps	p.8

**MARKET VIEW:** On June 13<sup>th</sup>, the Federal Reserve raised interest rates for the second time this year, bringing the Fed’s benchmark rate to a range of 1.75% to 2.00%. This marks the seventh time the Fed has raised target rates since the financial crisis of 2008, reflecting steady economic growth and a strengthened labor market. The national unemployment rate is now projected to fall to 3.6% by the end of the year, an improvement from an earlier forecast of 3.8% in March. Overall issuance of asset-backed securities decreased by roughly 33.0% between YTD 2017 and YTD 2018. Investment management firm Neuberger Berman launched Neuberger Berman Specialty Finance group with a focus on short-term credit, placing former Coastland Capital President Peter Sterling at its helm. As a sign of continued deregulation in the specialty finance space over the past year, the CFPB recently updated the Home Mortgage Disclosure Act to add data reporting exemptions to lenders that originated fewer than 1,000 loans in the past two years. Smaller banks have also benefited from deregulation policies of Q1 2018, including loosened lending restrictions and compliance requirements that were originally implemented through the 2010 Dodd-Frank Act. Deregulation in tandem with a favorable corporate tax rate environment are expected to accelerate deal activity in the overall financial sector.

### FIXED INCOME

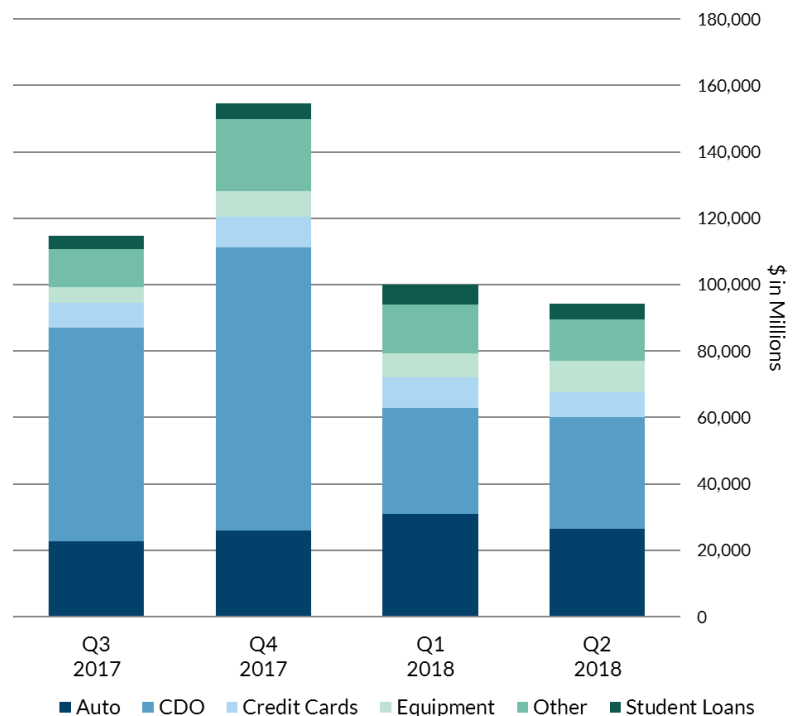
#### BOND MARKET

- Bloomberg Barclays U.S. Aggregate Bond Index posted a -0.16% return in Q2 2018.
- U.S. high-yield bond market issuance volume totaled around \$47 billion in Q2 2018 and \$61 billion in Q1 2018, which totaled is \$45 billion less than recorded in the first half of 2017.

#### ASSET-BACKED SECURITIES

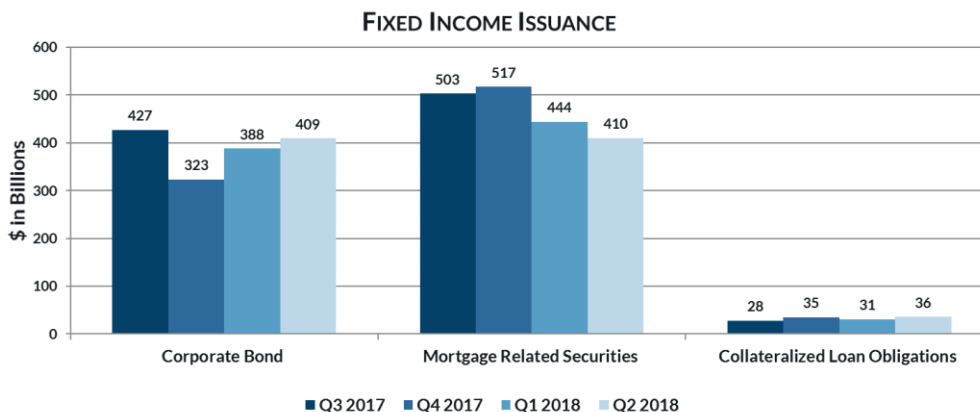
- Issuance of asset-backed securities decreased by approximately 5.73% to \$94.3 billion in Q2 2018 from \$100.1 billion in Q1 2018.
- CDO sector led total issuances with \$33.8 billion in Q2 018, followed by auto: \$26.3 billion; other: \$12.5 billion; equipment: \$9.5 billion; credit cards: \$7.5 billion; and student loans: \$4.7 billion.

U.S. ASSET-BACKED SECURITIES ISSUANCE





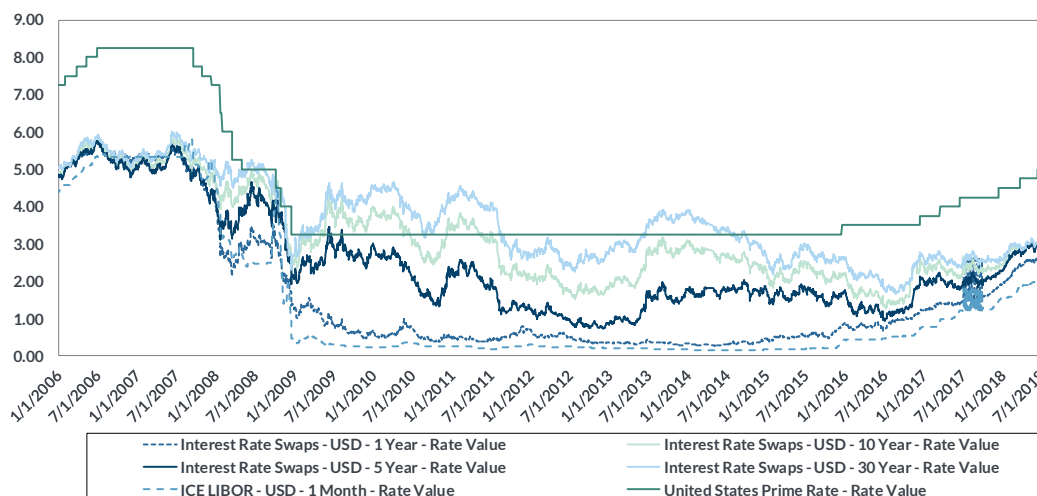
### FIXED INCOME



### INTEREST RATES

The Federal Open Market Committee (the “Committee”) met most recently on June 13<sup>th</sup>, 2018 and raised the federal funds rate by 25 basis points to 1.75% to 2.00%, which marks the seventh time that the Fed has raised rates since the 2008 recession. The Committee agreed that the economic expansion was progressing roughly as anticipated and that it would be appropriate to continue its gradual approach to policy firming. Since the Committee’s last meeting in May, the labor market had continued to strengthen, and economic activity had been rising at a solid rate. Job gains had been strong on average, and the unemployment rate had declined. The Committee is anticipating 1-2 more rate hikes this year, but will reevaluate based on the relative economic outlook.

#### HISTORICAL U.S. PRIME, LIBOR, AND SWAP RATES



**RATES AS OF  
07/25/2018**

1 Year	2.61%
5 year	2.88%
10 year	2.95%
30 year	2.99%
LIBOR - 1 month	2.07%
Prime Rate	5.00%

- *Fixed Rate Swaps* occur between two parties exchanging a set of fixed-rate payments and floating-rate payments based on LIBOR as a reference rate. The rate is the percentage over LIBOR that one side agrees to pay.
- *LIBOR* is the most used benchmark for short-term interest rates and is derived from an average of the most creditworthy banks’ interbank deposit rates.
- *Prime Rate* is the rate that creditworthy customers receive from commercial banks and is largely determined by the federal funds rate.

Sources: Federal Reserve, SIFMA, U.S. BLS, U.S. BEA, and ICE

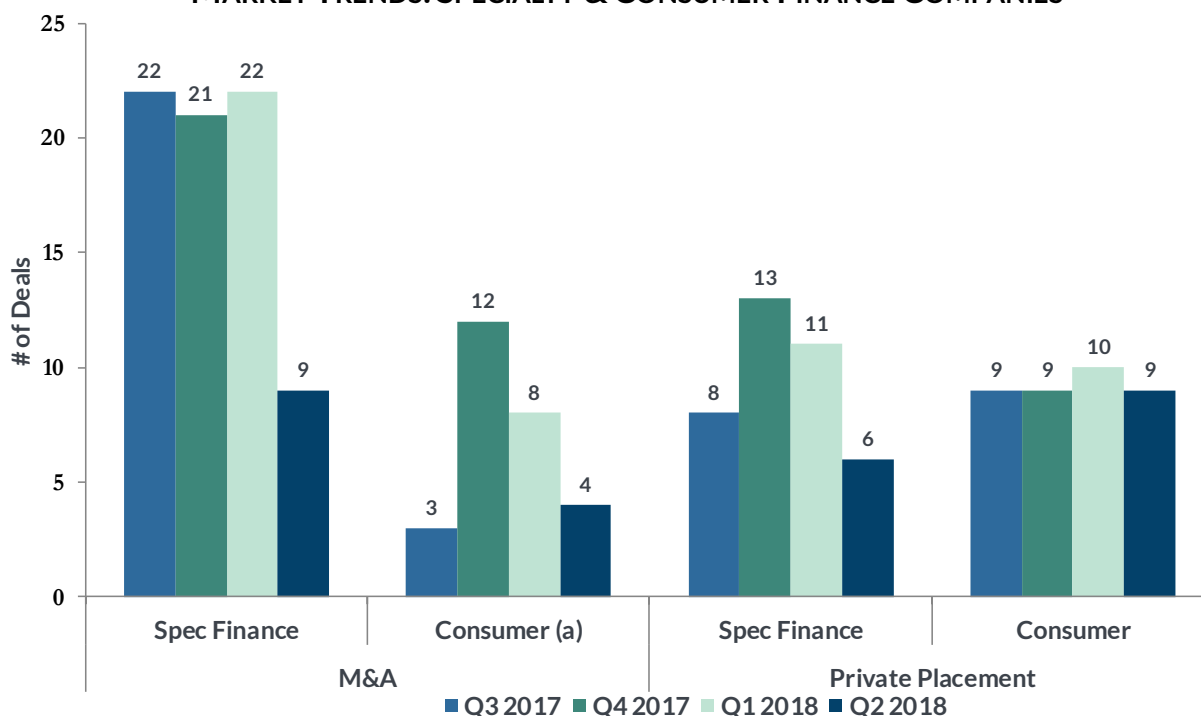


## MERGERS AND ACQUISITIONS

### OVERALL MARKET TRENDS

- The momentum seen in Q1 2018 has carried over into the second quarter, pushing global M&A to its highest post-crisis value on record with US\$ 1.94tn (8,560 deals) announced so far.
- Q2 (US\$ 1.01tn) became the most active quarter since Q4 2016 (US\$ 1.03tn) by value, breaching the US\$ 1tn mark for only the fourth quarter since the crisis.
- A buoyant M&A market has led to six deals above the US\$ 20bn mark announced in Q2.
- In H1 2018, US M&A deal value rose by 15.9% to US\$ 807.9bn from US\$ 697.1bn recorded in H2 2017 and by 31.1% from US\$ 616.3bn recorded in H1 2017
- Through the first half of the year, Financial Services recorded 222 deals worth US\$ 36.2bn, a 21% decrease in value with 22 fewer deals compared to H1 2017, though activity is expected to pick up in H2.

### MARKET TRENDS: SPECIALTY & CONSUMER FINANCE COMPANIES



(a) Consumer refers to companies which operate consumer loan, personal credit agencies, and offer fund transfers clearance and exchange services.  
Sources: Factset, Mergermarket, PWC, and CapIQ



### TRANSACTIONS: MERGERS AND ACQUISITIONS

- *July 10<sup>th</sup>* – **Axiom Bank** acquired **Allied Affiliated Funding L.P.** for an undisclosed amount. Allied Affiliated Funding L.P., a commercial finance company founded and headquartered in Dallas, Texas, provides accounts receivable factoring solutions for small- to medium-sized businesses in the United States. The new division will be known as Axiom Factoring and Allied Affiliated Funding L.P.'s Chief Executive Clay Tramel will stay on to run it.
- *June 25<sup>th</sup>* – **Apollo Management VIII, L.P.**, along with some other funds managed by **Apollo Global Management, LLC (NYSE:APO)** and **Värde Partners, Inc.** entered into a definitive agreement to acquire 40.6% stake in **OneMain Holdings, Inc. (NYSE : OMF)** from **Springleaf Financial Holdings, LLC** for \$1.4 billion. OneMain Holdings, Inc., through its subsidiaries, provides consumer finance and insurance products and services. Under the terms of transaction, 54.9 million common shares of OneMain Holdings will be acquired at a price of \$26 each. The transaction will be financed through the equity investments by buyer's limited partners.
- *June 11<sup>th</sup>* – **CoreNorth Capital Planning** acquired **Cornerstone Financial Planning** for an undisclosed amount. Cornerstone Financial LLC offers financial services and is based in Wichita, Kansas. The combined firm now carries the CoreNorth Capital Planning name. With the merger, CoreNorth now has 16 financial advisors and six support staff.
- *June 4<sup>th</sup>* – **MMA Energy Capital, LLC** acquired remaining stake in **Renewable Energy Lending, LLC** for \$5.1 million. As a result of the transaction, MMA Capital Management, LLC, parent of MMA Energy Capital, LLC is the sole member of Renewable Energy Lending, LLC. Renewable Energy Lending, LLC provides lending and financing for construction and operation of solar power projects located throughout North America. The company was founded in 2016 and is based in Baltimore, Maryland.
- *June 4<sup>th</sup>* – **Advantage Business Capital, Inc.** acquired **Far West Capital** for an undisclosed amount. Far West Capital Inc. provides invoice factoring, accounts receivable factoring, and asset-based lending solutions for small and large businesses. The company was founded in 2007 and is based in Austin, Texas where, after the merger, all its current employees will remain.
- *May 15<sup>th</sup>* – **AccessOne MedCard, Inc.** acquired **HealthFirst Financial, LLC**. HealthFirst Financial, LLC offers financing solutions for patients to access healthcare services. The company was founded in 2001 and is headquartered in Vancouver, Washington.
- *May 8<sup>th</sup>* – **Gulf Coast Bank** and **Trust Company** acquired **Phoenix Capital Group, LLC** for an undisclosed amount. Phoenix Capital Group, LLC provides freight factoring, equipment financing, and fuel card solutions to the transportation services market. All 37 employees from Phoenix Capital Group will join Gulf Coast Bank and Trust Company.



### TRANSACTIONS: PRIVATE PLACEMENTS

- **July 10<sup>th</sup> – Azure Source Capital, LLC** announced that it will receive \$2,275,000 in funding. Azure Source Capital, LLC is a special financial vehicle which provides loan capital for water service providers. The company was incorporated in 2018 and is based in Bethesda, Maryland. As part of the transaction, the company will issue common shares with the minimum investment accepted from any outside investor being \$10,000.
- **July 5<sup>th</sup> – Greenlight Financial Technology, Inc.** announced that it will receive \$10,000,000 in funding. As of December 19, 2017, the company has received \$6,000,000 in its first tranche. The transaction included participation from four investors. On February 20, 2018, the company received \$16,000,000 in its series A round of funding led by existing investor **TTV Capital**. The company received \$4,000,000 in its second tranche from 18 investors thereby finalizing the deal and raising \$20,000,000 in the transaction. Greenlight Financial Technology, Inc. provides debit card services for kids to help parents raise financially smart kids by developing debit cards for kids that let parents pick exact stores where children can spend money.
- **June 28<sup>th</sup> – Rio Grande Resources Trust II** announced that it has entered into a purchase agreement for a private placement of 4.07% senior guaranteed notes due August 15, 2025 for \$65,000,000. The transaction included participation from **The Northwestern Mutual Life Insurance Company, Insurance Investments, State Farm Life Insurance Company, Inc., State Farm Insurance Companies, Employee Retirement Trust, Great-West Life & Annuity Insurance Capital, LP, CoBank, ACB, and American Equity Investment Life Insurance Company**. Rio Grande Resources Trust II is a debt issuing vehicle based in El Paso, Texas.
- **June 22<sup>th</sup>– CreditWorks LLC** announced that it will receive \$500,000 from a single undisclosed investor. CreditWorks LLC, a consumer finance company, provides financial wellness program for employees and employers. CreditWorks LLC was incorporated in 2015 and is based in Miami, Florida.
- **June 20<sup>th</sup> – Drip Capital, Inc.** announced that it has received \$15 million in its series A round of funding led by new investor, **Sequoia Capital India**. Drip Capital, Inc. provides lines of credit to small businesses to fulfill their purchase/work orders. The company was incorporated in 2014 and is based in Sunnyvale, California.
- **June 7<sup>th</sup> – Lend Street Financial, Inc.** announced that it has received \$117 million in series A round of funding led by new investors **Prudential Financial, Inc. (NYSE:PRU)** and **Radicle Impact LLC**. Lend Street Financial, Inc. provides consumer lending solutions for people in financial distress to refinance their old debt and rebuild their credit. As part of the transaction, the company raised \$7 million in equity and \$110 million in debt.
- **June 6<sup>th</sup> – Sunlight Financial LLC** announced that it has received \$50,000,000 in a round of equity funding from new investor **FTV Capital**. Sunlight Financial LLC, a residential solar finance company, provides long-term solar loans to home owners. The company is based in Teaneck, New Jersey.
- **June 5<sup>th</sup> – Marqeta Inc.** announced that it has received \$25 million in its series D round of funding led by new investor **Visa Inc. (NYSE:V)**. The transaction included participation from existing investors, **83 North, Granite Ventures, LLC, IA Capital Group, CommerzVentures GmbH, Commerce Ventures**, and other new investor **Creditease Corp., Investment Arm**. Marqeta, Inc. provides prepaid, debit, and credit cards, as well as financial services including e-commerce, retail, and social media brands. The company was founded in 2010 and is based in Oakland, California.



**May 31<sup>st</sup> –** A newly formed company in the secondary life settlement market received a commitment of \$10 million in growth capital from an institutional investor focused in the life settlement sector. **Bryant Park Capital acted as exclusive financial advisor in connection with this transaction.**

- **May 30<sup>th</sup> – Lendbuzz Funding, LLC** announced that it has received \$30,000,000 in its growth round of funding with lead investments from **Bank Hapoalim BM, Investment Management Arm, Viola Credit, and ConnectOne Bancorp, Inc. (NasdaqGS:CNOB)**. Lendbuzz Funding, LLC offers car loans to expats and international students. Lendbuzz Funding, LLC was founded in 2015 and is based in Boston, Massachusetts.



### TRANSACTIONS: PRIVATE PLACEMENTS

- **May 29<sup>st</sup> – Channel Partners Capital LLC** announced that it has received an equity round of funding with participation from new investor **Elliot Management Corporation**. Elliot Management Corporation acquired a majority stake in the company, and funds advised by Elliot Management Corporation invested in the company as part of the transaction. Channel Partners Capital LLC provides business financing services to small and mid-size businesses in the United States by offering small business working capital loans and cash advances. The company was founded in 2009 and is based in Minnetonka, Minnesota.
- **May 22<sup>nd</sup> – Clearinghouse Community Development Financial Institution** announced that it has received \$500,000 in its class A equity round of funding with participation from new investor **Mohave State Bank**. Clearinghouse Community Development Financial Institution offers financial lending for projects that include community facilities, affordable housing, commercial real estate, new markets tax credits, and small businesses. The company was founded in 1996 and is based in Lake Forest, California.
- **May 14<sup>st</sup> – Fair Square Financial Holdings LLC** announced that it has received \$100 million in an equity round of funding from new investor **The Orogen Group**. Fair Square Financial Holdings LLC offers services to consumers with competitive credit card products. Fair Square Financial Holdings LLC was incorporated in 2016 and is based in Wilmington, Delaware.
- **May 2<sup>nd</sup> – Braggawatt Energy Inc.** announced that it has received \$1,950,000 in a round of funding with participation from new investor **Stina Resources Ltd. (DB:01X)**. Braggawatt Energy Inc. provides online financial services through its platform to small and medium sized companies. The company was incorporated in 2016 and is based in Charlotte, North Carolina.
- **May 2<sup>nd</sup> – Acima Credit, LLC** announced that it has received senior secured credit facility from new lender **Comvest Partners** for gross proceeds of \$125 million. Acima Credit, LLC provides consumer finance services. The company was founded in 2013 and is based in Sandy, Utah.
- **May 2<sup>nd</sup> – LendingPoint LLC** announced a private placement of mezzanine senior credit facility for gross proceeds of \$20,000,000 led by **Paragon Outcomes Management LLC**. LendingPoint LLC operates as a non-bank direct lender that offers consumer installment loans. The company was founded in 2014 and is based in Kennesaw, Georgia with an additional office in Austin, Texas.
- **May 2<sup>nd</sup> – The Premins Company, Inc.** has received \$3,814,361 in this transaction, with \$999,412 coming from 16 investors in its fourth tranche. The Premins Company, Inc. provides insurance premium financing services. The company was founded in 1965 and is based in Brooklyn, New York.
- **May 1<sup>st</sup> – Figure Technologies Inc.** announced that it has raised \$50 million in its round of funding led by **DCM Ventures** and **Ribbit Capital** and included participation from **Mithril Capital Management LLC**. Figure Technologies Inc. provides home equity release solutions offering home equity lines of credit, home improvement loans, and home buy-lease back offerings for retirement all while utilizing blockchain, AI, and advanced analytics. Figure Technologies Inc. was incorporated in 2018 and is based in San Francisco, California.
- **April 30<sup>th</sup> – Total Financial Solutions, LLC** received \$275,000 in its final tranche. The company has raised \$925,000 in funding so far in the transaction from six investors. Total Financial Solutions, LLC provides customized deposit management solutions to bank partners by offering Insured Deposit Program that enables institutions to receive a stable base of long-term deposits. The company was incorporated in 2015 and is based in Hackensack, New Jersey.
- **April 17<sup>th</sup> – InVenture Capital Corporation** announced that it has received \$65 million in its series C round of funding led by new investor **Revolution Growth**. InVenture Capital Corporation, a mobile technology and data science company, develops a mobile application that uses alternative data to deliver credit in form of micro-loans. InVenture Capital Corporation was incorporated in 2011 and is based in Santa Monica, California.



### TRANSACTIONS: PRIVATE PLACEMENTS

- *April 17<sup>th</sup>* – **PLUM, LLC** announced that it will raise \$15,000,000 in series B round of funding from two investors including new investor **Elliott Associates** and **Las Olas Venture Capital**. PLUM, LLC provides non-bank commercial mortgage specializing in loans from \$1 million to \$25 million to businesses in the United States. The company is based in San Francisco, California.
- *April 12<sup>th</sup>* – **Carbon-12 Labs, Inc.** announced that it will receive \$2,034,900 in funding from 24 investors and included **General Catalyst Partners, Digital Currency Group, FirstMark Capital, L.L.C., Plug & Play Ventures,** and **Attorneys' Title Fund Services, LLC**. Carbon-12 Labs, Inc. operates as a cryptocurrency. The company was founded in 2017 and is based in New York, New York.

## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 7/23/2018)

(US\$ in millions, except per share data)

Company	Ticker	Market Statistics		Operating Metrics							Valuation Metrics						Price / BV <sup>(a)</sup>	
		Mkt Cap 7/23/18	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales		EV / EBITDA		P / E			
				LTM	LTM	Margin	2018 E	LTM	2018 E	2019 E	LTM	LTM	2018 E	2019 E	LTM	2018 E		2019 E
<b>Specialty Finance - Other</b>																		
Asta Funding, Inc.	ASFI	\$19.4	\$88.7	\$48.0	\$2.4	5.0%	NA	(\$2.5)	NA	NA	1.8x	NM	NA	NA	NM	NA	NA	0.2x
Encore Capital Group, Inc.	ECPG	\$946.5	\$4,478.7	\$1,234.2	\$376.1	30.5%	\$454.8	\$75.6	\$124.2	\$145.6	3.6x	11.9x	9.8x	8.7x	12.5x	7.6x	6.5x	1.5x
GWG Holdings, Inc.	GWGH	\$44.1	\$794.4	\$58.6	NA	NA	NA	(\$19.9)	(\$3.9)	\$1.5	NM	NA	NA	NA	NM	NM	30.3x	(0.9x)
Medallion Financial Corp.	MFIN	\$129.8	\$439.5	\$19.4	\$4.0	20.5%	NA	(\$6.3)	\$9.0	\$14.7	NM	NM	NA	NA	NM	14.4x	8.9x	0.5x
On Deck Capital, Inc.	ONDK	\$544.4	\$1,215.4	\$204.8	NA	NA	\$27.5	\$3.1	\$23.7	\$31.7	5.9x	NA	NM	NM	NM	23.0x	17.2x	2.1x
PRA Group, Inc.	PRAA	\$1,971.7	\$4,075.8	\$830.2	\$305.5	36.8%	\$248.9	\$105.4	\$91.7	\$122.5	4.9x	13.3x	16.4x	13.7x	18.7x	21.5x	16.1x	1.7x
<b>Mean</b>						<b>23.2%</b>					<b>4.1x</b>	<b>12.6x</b>	<b>13.1x</b>	<b>11.2x</b>	<b>15.6x</b>	<b>16.6x</b>	<b>15.8x</b>	<b>0.8x</b>
<b>Median</b>						<b>25.5%</b>					<b>4.3x</b>	<b>12.6x</b>	<b>13.1x</b>	<b>11.2x</b>	<b>15.6x</b>	<b>17.9x</b>	<b>16.1x</b>	<b>1.0x</b>
<b>Leasing / Rental</b>																		
Chesswood Group Limited	TSX:CHW	\$143.3	\$518.4	\$46.3	NA	NA	\$25.4	\$13.2	\$15.1	\$16.5	NM	NA	NM	19.9x	10.9x	9.5x	8.7x	1.3x
Element Fleet Management Corp.	EFN	\$1,825.1	\$12,846.7	\$1,026.6	NA	NA	NA	\$110.4	\$207.3	\$224.9	NM	NA	NA	NA	16.5x	8.8x	8.1x	0.8x
Fly Leasing Limited	FLY	\$406.3	\$2,661.1	\$361.1	NA	NA	\$363.6	\$40.3	\$73.2	\$81.5	7.4x	NA	7.3x	6.3x	10.1x	5.5x	5.0x	0.7x
Marlin Business Services Corp.	MRLN	\$376.4	\$283.8	\$92.8	NA	NA	NA	\$18.7	\$25.4	\$29.5	3.1x	NA	NA	NA	20.1x	14.8x	12.8x	2.0x
Mobile Mini, Inc.	MINI	\$2,126.0	\$3,039.7	\$550.7	\$184.9	33.6%	\$213.1	\$52.0	\$74.5	\$85.9	5.5x	16.4x	14.3x	13.3x	40.9x	28.5x	24.7x	2.4x
Textainer Group Holdings Limited	TGH	\$853.6	\$3,902.4	\$507.4	\$392.1	77.3%	\$449.5	\$24.7	\$77.3	\$92.6	7.7x	10.0x	8.7x	8.1x	34.6x	11.0x	9.2x	0.7x
<b>Mean</b>						<b>55.4%</b>					<b>5.9x</b>	<b>13.2x</b>	<b>10.1x</b>	<b>11.9x</b>	<b>22.2x</b>	<b>13.0x</b>	<b>11.4x</b>	<b>1.3x</b>
<b>Median</b>						<b>55.4%</b>					<b>6.4x</b>	<b>13.2x</b>	<b>8.7x</b>	<b>10.7x</b>	<b>18.3x</b>	<b>10.3x</b>	<b>9.0x</b>	<b>1.0x</b>
<b>Asset Based Lending</b>																		
Accord Financial Corp.	TSX:ACD	\$58.0	\$199.6	\$22.5	NA	NA	NA	\$3.2	NA	NA	8.9x	NA	NA	NA	18.2x	NA	NA	1.0x
Callidus Capital Corporation	TSX:CBL	\$133.6	\$454.4	\$22.8	NA	NA	NA	(\$96.7)	(\$27.9)	NA	NM	NA	NA	NA	NM	NM	NA	1.0x
CIT Group Inc.	CIT	\$6,113.7	\$13,053.5	\$2,398.8	NA	NA	NA	\$582.1	\$456.1	\$560.0	5.4x	NA	NA	NA	10.5x	13.4x	10.9x	1.0x
Newsphone Hellas SA	NEWS	\$9.9	\$10.8	\$25.2	\$1.6	6.3%	NA	\$0.3	NA	NA	0.4x	6.8x	NA	NA	39.0x	NA	NA	0.3x
<b>Mean</b>						<b>6.3%</b>					<b>4.9x</b>	<b>6.8x</b>	<b>NA</b>	<b>NA</b>	<b>22.6x</b>	<b>13.4x</b>	<b>10.9x</b>	<b>0.8x</b>
<b>Median</b>						<b>6.3%</b>					<b>5.4x</b>	<b>6.8x</b>	<b>NA</b>	<b>NA</b>	<b>18.2x</b>	<b>13.4x</b>	<b>10.9x</b>	<b>1.0x</b>
<b>Consumer Finance</b>																		
Atlantius Holdings Corporation	ATLC	\$26.4	\$342.5	\$33.2	NA	NA	NA	(\$33.1)	NA	NA	NM	NA	NA	NA	NM	NA	NA	(0.6x)
CURO Group Holdings Corp.	CURO	\$1,299.9	\$1,794.1	\$1,000.8	\$220.0	22.0%	\$252.3	\$74.7	\$107.3	\$146.2	1.8x	8.2x	7.1x	5.9x	17.4x	12.1x	8.9x	30.5x
Enova International, Inc.	ENVA	\$1,297.5	\$1,985.3	\$829.3	NA	NA	\$207.6	\$48.3	\$82.7	\$98.4	2.4x	NA	9.6x	8.2x	26.9x	15.7x	13.2x	4.1x
EZCORP, Inc.	EZPW	\$667.2	\$805.6	\$772.9	\$87.3	11.3%	\$109.4	\$37.8	\$43.0	\$50.1	1.0x	9.2x	7.4x	6.3x	17.6x	15.5x	13.3x	1.0x
FirstCash, Inc.	FCFS	\$4,259.9	\$4,527.9	\$1,782.0	\$271.6	15.2%	\$291.7	\$124.1	\$159.8	\$189.7	2.5x	16.7x	15.5x	13.8x	34.3x	26.7x	22.5x	3.0x
Green Dot Corporation	GDOT	\$4,283.9	\$3,075.5	\$952.1	\$154.9	16.3%	\$243.4	\$72.8	\$156.2	\$177.9	3.2x	19.9x	12.6x	11.2x	NM	27.4x	24.1x	5.1x
LendingClub Corporation	LC	\$1,880.1	\$1,834.1	\$601.7	NA	NA	\$85.3	(\$40.4)	\$40.5	\$78.7	3.0x	NA	NM	14.0x	NM	46.5x	23.9x	2.1x
Regional Management Corp.	RM	\$421.6	\$964.3	\$268.6	\$75.2	28.0%	NA	\$26.0	\$36.8	\$43.1	3.6x	12.8x	NM	NA	16.2x	11.5x	9.8x	1.7x
World Acceptance Corporation	WRLD	\$1,091.1	\$1,304.0	\$548.7	\$131.1	23.9%	NA	\$64.8	\$76.3	\$78.7	2.4x	9.9x	NA	NA	16.8x	14.3x	13.9x	2.0x
<b>Mean</b>						<b>19.4%</b>					<b>2.5x</b>	<b>12.8x</b>	<b>10.4x</b>	<b>9.9x</b>	<b>21.5x</b>	<b>21.2x</b>	<b>16.2x</b>	<b>5.4x</b>
<b>Median</b>						<b>19.1%</b>					<b>2.5x</b>	<b>11.4x</b>	<b>9.6x</b>	<b>9.7x</b>	<b>17.5x</b>	<b>15.6x</b>	<b>13.6x</b>	<b>2.1x</b>



## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 7/23/2018)

(US\$ in millions, except per share data)

Company	Ticker	Market Statistics		Operating Metrics							Valuation Metrics						Price / BV <sup>(a)</sup>		
		Mkt Cap 7/23/18	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales		EV / EBITDA			P / E			
				LTM	LTM	Margin	2018 E	LTM	2018 E	2019 E	LTM	LTM	2018 E	2019 E	LTM	2018 E		2019 E	
<b>Automotive Financing</b>																			
America's Car-Mart, Inc.	CRMT	\$452.5	\$604.9	\$612.2	\$48.8	8.0%	\$51.3	\$24.4	\$30.3	\$33.5	1.0x	12.4x	11.8x	11.5x	18.6x	15.0x	13.5x	2.0x	
Consumer Portfolio Services, Inc.	CPSS	\$69.8	\$2,276.3	\$154.6	NA	NA	\$123.9	\$18.0	\$11.3	\$13.3	NM	NA	18.4x	17.1x	3.9x	6.2x	5.3x	0.4x	
Credit Acceptance Corporation	CACC	\$7,364.4	\$10,799.3	\$883.5	NA	NA	NA	\$373.3	\$504.3	\$549.2	NM	NA	NA	NA	19.7x	14.6x	13.4x	4.4x	
Nicholas Financial, Inc.	NICK	\$72.4	\$235.5	\$36.3	NA	NA	NA	\$2.0	NA	NA	6.5x	NA	NA	NA	36.6x	NA	NA	0.7x	
<b>Mean</b>						<b>8.0%</b>					<b>3.7x</b>	<b>12.4x</b>	<b>15.1x</b>	<b>14.3x</b>	<b>19.7x</b>	<b>11.9x</b>	<b>10.7x</b>	<b>1.9x</b>	
<b>Median</b>						<b>8.0%</b>					<b>3.7x</b>	<b>12.4x</b>	<b>15.1x</b>	<b>14.3x</b>	<b>19.1x</b>	<b>14.6x</b>	<b>13.4x</b>	<b>1.3x</b>	
<b>eFinance</b>																			
GAIN Capital Holdings, Inc.	GCAP	\$351.2	(\$716.0)	\$342.7	NA	NA	\$96.3	\$19.1	\$35.5	\$35.5	(2.1x)	NA	(7.4x)	(7.6x)	18.4x	9.9x	9.9x	1.1x	
Intercontinental Exchange, Inc.	ICE	\$44,363.1	\$50,760.1	\$4,688.0	\$2,904.0	61.9%	\$3,163.9	\$1,443.8	\$2,052.6	\$2,261.0	NM	17.5x	16.0x	15.0x	30.7x	21.6x	19.6x	2.6x	
Investment Technology Group, Inc.	ITG	\$743.9	\$566.5	\$492.4	NA	NA	NA	\$9.9	\$42.0	\$53.4	1.2x	NA	NA	NA	NM	17.7x	13.9x	2.0x	
MarketAxess Holdings Inc.	MKTX	\$7,916.5	\$7,671.5	\$409.2	\$226.0	55.2%	\$242.8	\$129.5	\$170.0	\$201.1	NM	NM	NM	NM	NM	46.6x	39.4x	14.7x	
Nasdaq, Inc.	NDAQ	\$15,946.9	\$19,589.9	\$4,147.0	\$1,303.0	31.4%	\$1,326.2	\$595.0	\$808.2	\$890.7	4.7x	15.0x	14.8x	13.9x	26.8x	19.7x	17.9x	2.8x	
<b>Mean</b>						<b>49.5%</b>					<b>1.3x</b>	<b>16.3x</b>	<b>7.8x</b>	<b>7.1x</b>	<b>25.3x</b>	<b>23.1x</b>	<b>20.1x</b>	<b>4.7x</b>	
<b>Median</b>						<b>55.2%</b>					<b>1.2x</b>	<b>16.3x</b>	<b>14.8x</b>	<b>13.9x</b>	<b>26.8x</b>	<b>19.7x</b>	<b>17.9x</b>	<b>2.6x</b>	
<b>Fin Tech</b>																			
Broadridge Financial Solutions, Inc.	BR	\$14,020.7	\$14,871.6	\$4,355.3	\$821.7	18.9%	\$808.6	\$367.3	\$497.4	\$549.6	3.4x	18.1x	18.4x	16.4x	38.2x	28.2x	25.5x	12.1x	
CoreLogic, Inc.	CLGX	\$4,468.0	\$6,053.6	\$1,856.2	\$400.1	21.6%	\$490.2	\$118.8	\$221.6	\$248.7	3.3x	15.1x	12.3x	11.5x	37.6x	20.2x	18.0x	4.4x	
Fiserv, Inc.	FISV	\$31,686.3	\$35,908.3	\$5,742.0	\$1,825.0	31.8%	\$2,179.2	\$851.3	\$1,279.3	\$1,437.9	6.3x	19.7x	16.5x	15.8x	37.2x	24.8x	22.0x	10.7x	
MoneyGram International, Inc.	MGI	\$355.3	\$1,061.9	\$1,596.0	\$211.5	13.3%	\$252.7	\$22.9	\$35.9	\$44.8	0.7x	5.0x	4.2x	4.0x	15.5x	9.9x	7.9x	(1.5x)	
The Western Union Company	WU	\$9,311.3	\$11,518.8	\$5,611.3	\$1,313.5	23.4%	\$1,400.5	\$575.6	\$856.8	\$893.1	2.1x	8.8x	8.2x	8.0x	16.2x	10.9x	10.4x	(24.8x)	
WEX Inc.	WEX	\$8,491.6	\$10,561.6	\$1,314.0	\$459.3	35.0%	\$623.4	\$144.0	\$347.8	\$399.5	8.0x	NM	16.9x	15.1x	NM	24.4x	21.3x	4.8x	
<b>Mean</b>						<b>24.0%</b>					<b>3.9x</b>	<b>13.3x</b>	<b>12.8x</b>	<b>11.8x</b>	<b>28.9x</b>	<b>19.7x</b>	<b>17.5x</b>	<b>0.9x</b>	
<b>Median</b>						<b>22.5%</b>					<b>3.3x</b>	<b>15.1x</b>	<b>14.4x</b>	<b>13.3x</b>	<b>37.2x</b>	<b>22.3x</b>	<b>19.6x</b>	<b>4.6x</b>	

## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 7/23/2018)

(US\$ in millions, except per share data)

Company	Ticker	Market Statistics		Operating Metrics							Valuation Metrics						Price / BV <sup>(a)</sup>		
		Mkt Cap 7/23/18	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales		EV / EBITDA			P / E			
				LTM	LTM	Margin	2018 E	LTM	2018 E	2019 E	LTM	LTM	2018 E	2019 E	LTM	2018 E		2019 E	
<b>SBA Lending/ BDC</b>																			
Ares Capital Corporation	ARCC	\$7,191.7	\$12,024.0	\$1,202.0	\$836.0	69.6%	NA	\$366.9	\$667.9	\$715.5	NM	14.4x	NA	NA	19.6x	10.8x	10.1x	1.0x	
FS Investment Corporation	FSIC	\$1,903.0	\$3,401.3	\$414.3	NA	NA	NA	\$125.9	\$196.4	\$203.2	8.2x	NA	NA	NA	15.1x	9.7x	9.4x	0.8x	
Garrison Capital Inc.	GARS	\$132.1	\$353.8	\$37.8	NA	NA	NA	\$11.2	\$17.6	\$16.4	9.3x	NA	NA	NA	11.8x	7.5x	8.1x	0.7x	
Hercules Capital, Inc.	HTGC	\$1,261.0	\$1,915.0	\$193.2	\$144.7	74.9%	NA	\$62.4	\$116.1	\$126.6	9.9x	13.2x	NA	NA	20.2x	10.9x	10.0x	1.5x	
KCAP Financial, Inc.	KCAP	\$122.7	\$221.0	\$27.3	NA	NA	NA	\$6.4	\$11.1	\$13.0	8.1x	NA	NA	NA	19.1x	11.0x	9.5x	0.7x	
Main Street Capital Corporation	MAIN	\$2,333.3	\$3,243.5	\$213.8	NA	NA	NA	\$88.2	\$148.7	\$151.7	NM	NA	NA	NA	26.4x	15.7x	15.4x	1.7x	
Medley Management Inc.	MDLY	\$20.5	\$82.7	\$66.0	\$23.2	35.1%	\$24.4	\$6.4	\$1.7	\$2.2	1.3x	3.6x	3.4x	2.9x	3.2x	12.1x	9.3x	(2.0x)	
Monroe Capital Corporation	MRCC	\$276.5	\$507.3	\$54.1	NA	NA	NA	\$17.4	\$31.0	\$31.7	9.4x	NA	NA	NA	15.9x	8.9x	8.7x	1.0x	
Newtek Business Services Corp.	NEWT	\$388.7	\$636.9	\$41.0	\$4.9	11.9%	NA	(\$7.1)	\$35.9	\$38.0	NM	NM	NA	NA	NM	10.8x	10.2x	1.4x	
Oaktree Capital Group, LLC	OAK	\$3,003.7	\$8,604.7	\$1,517.5	\$444.1	29.3%	\$597.8	\$80.7	\$218.3	\$254.8	5.7x	19.4x	14.4x	11.5x	37.2x	13.8x	11.8x	3.1x	
Och-Ziff Capital Management Group LLC	OZM	\$395.6	\$1,328.8	\$846.3	\$275.2	32.5%	\$421.5	\$160.8	\$83.6	\$85.2	1.6x	4.8x	3.2x	3.0x	2.5x	4.7x	4.6x	(1.0x)	
PennantPark Investment Corporation	PNNT	\$525.9	\$842.8	\$114.8	NA	NA	NA	\$36.0	\$52.1	\$57.6	7.3x	NA	NA	NA	14.6x	10.1x	9.1x	0.8x	
Prospect Capital Corporation	PSEC	\$2,510.2	\$4,787.3	\$650.5	NA	NA	NA	\$174.9	\$275.2	\$285.2	7.4x	NA	NA	NA	14.4x	9.1x	8.8x	0.8x	
Solar Capital Ltd.	SLRC	\$876.5	\$1,275.3	\$147.9	NA	NA	NA	\$43.4	\$77.3	\$81.1	8.6x	NA	NA	NA	20.2x	11.3x	10.8x	0.9x	
Oxford Square Capital Corp.	OXSQ	\$359.4	\$373.0	\$58.3	NA	NA	NA	\$19.5	\$33.0	\$32.6	6.4x	NA	NA	NA	18.4x	10.9x	11.0x	0.9x	
Triangle Capital Corporation	TCAP	\$582.9	\$910.1	\$118.9	\$97.1	81.7%	NA	\$41.4	\$39.0	\$39.7	7.7x	9.4x	NA	NA	14.1x	14.9x	14.7x	0.9x	
<b>Mean</b>						<b>47.9%</b>					<b>7.0x</b>	<b>10.8x</b>	<b>7.0x</b>	<b>5.8x</b>	<b>16.9x</b>	<b>10.8x</b>	<b>10.1x</b>	<b>0.8x</b>	
<b>Median</b>						<b>35.1%</b>					<b>7.7x</b>	<b>11.3x</b>	<b>3.4x</b>	<b>3.0x</b>	<b>15.9x</b>	<b>10.9x</b>	<b>9.7x</b>	<b>0.9x</b>	
<b>Real Estate Financing</b>																			
ARMOUR Residential REIT, Inc.	ARR	\$961.4	\$7,677.1	\$209.8	NA	NA	NA	\$108.2	\$100.9	\$95.0	NM	NA	NA	NA	8.9x	9.5x	10.1x	0.9x	
Fidelity National Financial, Inc.	FNF	\$10,763.9	\$7,270.9	\$7,782.0	\$963.0	12.4%	\$1,138.0	\$536.8	\$772.1	\$840.2	0.9x	7.6x	6.4x	6.0x	20.1x	13.9x	12.8x	2.3x	
First Acceptance Corporation	CPK: FACO	\$47.4	\$20.6	\$342.2	\$19.6	5.7%	NA	\$7.7	NA	NA	0.1x	1.1x	NA	NA	6.2x	NA	NA	0.7x	
Meta Financial Group, Inc.	CASH	\$955.4	\$1,249.2	\$269.9	NA	NA	NA	\$45.1	\$67.9	\$87.0	4.6x	NA	NA	NA	21.2x	14.1x	11.0x	2.2x	
MFA Financial, Inc.	MFA	\$3,092.3	\$9,883.2	\$395.0	NA	NA	NA	\$205.4	\$279.0	\$280.2	NM	NA	NA	NA	15.1x	11.1x	11.0x	1.0x	
Nationstar Mortgage Holdings Inc.	NSM	\$1,769.1	\$15,483.1	\$1,188.0	NA	NA	\$527.0	\$238.8	\$235.7	\$253.4	NM	NA	NM	NM	7.4x	7.5x	7.0x	0.9x	
PHH Corporation	PHH	\$352.3	\$478.3	\$450.0	NA	NA	NA	(\$108.3)	(\$100.3)	(\$29.6)	1.1x	NA	NA	NA	NM	NM	NM	0.7x	
Walker & Dunlop, Inc.	WD	\$1,847.6	\$2,612.6	\$691.9	NA	NA	\$261.1	\$137.7	\$164.5	\$179.8	3.8x	NA	10.0x	8.8x	13.4x	11.2x	10.3x	2.2x	
<b>Mean</b>						<b>9.1%</b>					<b>2.1x</b>	<b>4.3x</b>	<b>8.2x</b>	<b>7.4x</b>	<b>13.2x</b>	<b>11.2x</b>	<b>10.4x</b>	<b>1.4x</b>	
<b>Median</b>						<b>9.1%</b>					<b>1.1x</b>	<b>4.3x</b>	<b>8.2x</b>	<b>7.4x</b>	<b>13.4x</b>	<b>11.2x</b>	<b>10.6x</b>	<b>0.9x</b>	

Source: Cap IQ

(a) Price as of July 23, 2018 divided by the last reported book value

# Bryant Park Capital Specialty Finance Market Update Q2 2018



MERGERS & ACQUISITIONS

CAPITAL RAISING

ADVISORY

VALUATION

## SELECTED SPECIALTY FINANCE TRANSACTIONS

### EXECUTIVES & PRINCIPALS

**Joel Magerman**  
Managing Partner

**Dan Avnir**  
Managing Director

**Matt Pennino**  
Managing Director

**Raymond Kane**  
Managing Director

### LOCATIONS

**NEW YORK CITY**  
489 Fifth Avenue  
16<sup>th</sup> Floor  
New York, NY 10017

212-798-8200
























**PHILADELPHIA**  
Eight Tower Bridge  
161 Washington Street  
Suite 310  
Conshohocken, PA 19428

484-586-8200

### PLEASE VISIT

[www.finra.org](http://www.finra.org)  
[www.sipc.org](http://www.sipc.org)

[www.bryantparkcapital.com](http://www.bryantparkcapital.com)

<p>\$30,000,000</p>  <p><b>Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$250,000,000</p>  <p>and secured equity and debt financing affiliates of <b>LL Funds, LLC</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$50,000,000</p> <p>Consumer Lending Company</p> <p><b>Senior Secured Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>Up to \$120,000,000</p>  <p><b>Structured Portfolio Sale &amp; Forward Flow Agreement</b> EXCLUSIVE FINANCIAL ADVISER</p>
<p>\$75,000,000</p>  <p><b>Term-Out Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$60,000,000</p>  <p><b>Senior Secured Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>Up to \$50,000,000</p>  <p><b>Senior Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$20,000,000</p>  <p><b>Mezzanine Debt</b> CO-ADVISER</p>
<p>\$150,000,000</p>  <p>\$100,000,000 Senior Secured Credit Facility \$50,000,000 Additional Commitment EXCLUSIVE FINANCIAL ADVISER</p>	<p>Amount Not Disclosed</p>  <p>has been acquired by <b>J.G. WENTWORTH</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>Amount Not Disclosed</p>  <p><b>Structured Settlement Asset Sale</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>£25,200,000</p>  <p><b>Convertible Cumulative Redeemable Preference Shares</b> EXCLUSIVE FINANCIAL ADVISER</p>
<p>\$240,000,000</p>  <p>has sold a majority stake in the company through a leveraged buyout transaction to <b>JLL Partners</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>Amount Not Disclosed</p>  <p><b>Lottery Financing Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$25,000,000</p>  <p><b>Senior Secured Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$50,000,000</p>  <p><b>Portfolio Purchase Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>
<p>Amount Not Disclosed</p>  <p>has been acquired by <b>Asta</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$30,000,000</p>  <p><b>Senior Secured Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$40,000,000</p>  <p><b>Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$25,000,000</p>  <p><b>Acquisition Line of Credit and Consumer Finance Line of Credit</b> FINANCIAL ADVISER</p>
<p>\$150,000,000</p>  <p><b>Senior Secured Credit Facility</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$60,000,000</p>  <p>\$30,000,000 Junior Secured Credit Facility \$30,000,000 Additional Commitment EXCLUSIVE FINANCIAL ADVISER</p>	<p>Amount Not Disclosed</p>  <p><b>Valuation Services</b> EXCLUSIVE FINANCIAL ADVISER</p>	<p>\$30,000,000</p>  <p><b>Portfolio Sale of Assets</b> EXCLUSIVE FINANCIAL ADVISER</p>

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