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**MARKET VIEW:** The second quarter of 2019 was marked by a strong performance in U.S. equities as the S&P 500, Dow Jones, and NASDAQ rose 3.3%, 2.0%, and 2.6%, respectively. Despite these gains, lingering U.S.-China trade tensions caused a mid-quarter pullback, but the market rebounded as the Fed took a more dovish stance on interest rates. The economic data showed softening growth as consumer and business confidence indices weakened, but the unemployment rate remained at an all-time low of 3.6%. Economists have conceded that while a quarter-point rate cut at the end of July is needed to correct the inverted yield curve, a half-point cut seems too drastic in the face of robust jobs numbers. In addition to the gains in

the equity markets, U.S. corporate bonds had another strong quarter as the Bloomberg Barclays U.S. Aggregate Bond Index posted a 3.1% gain. U.S. M&A deal value outpaced Europe and Asia in the first half of 2019, taking 53.2% of global M&A value in the 2<sup>nd</sup> quarter compared to ~36% during the same period last year. From Q1 2019 to Q2 2019, number of M&A transactions in the specialty finance & consumer finance sectors decreased by about 20%, while private placements increased by almost 40%.

### FIXED INCOME

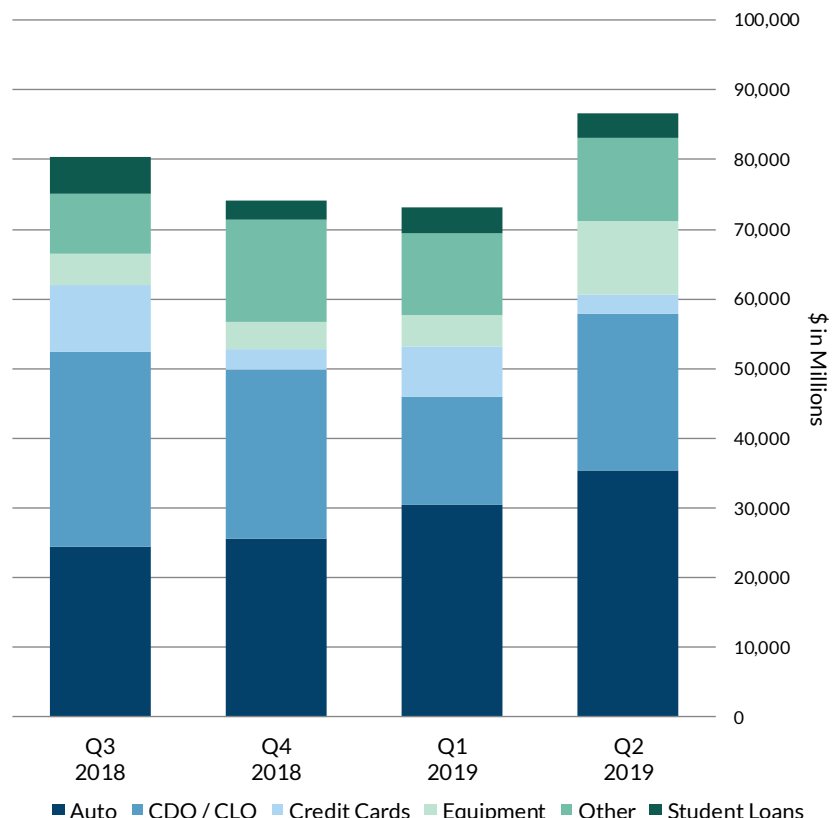
#### BOND MARKET

- Bloomberg Barclays U.S. Aggregate Bond Index posted a 3.1% gain to close out Q2 2019.
- Modest inflation, flagging growth expectations, and the Federal Reserve's dovish shift supported bond prices. Bond yields in all categories are now in the bottom quartile of their long-term histories, with credit spreads also generally below their long-term averages.

#### ASSET-BACKED SECURITIES

- Issuance of asset-backed securities increased by roughly 15.41% to \$86.6 billion in Q2 2019 from \$73.2 billion in Q1 2019.
- Auto loans outpaced all other categories for a third consecutive quarter with \$35.5 billion, followed by Collateralized Debt Obligations and Collateralized Loan Obligations: \$22.4 billion; Other: \$11.9 billion; Equipment: \$10.5 billion; Student Loans: \$3.5 billion; and Credit Cards: \$2.8 billion.

U.S. ASSET-BACKED SECURITIES ISSUANCE

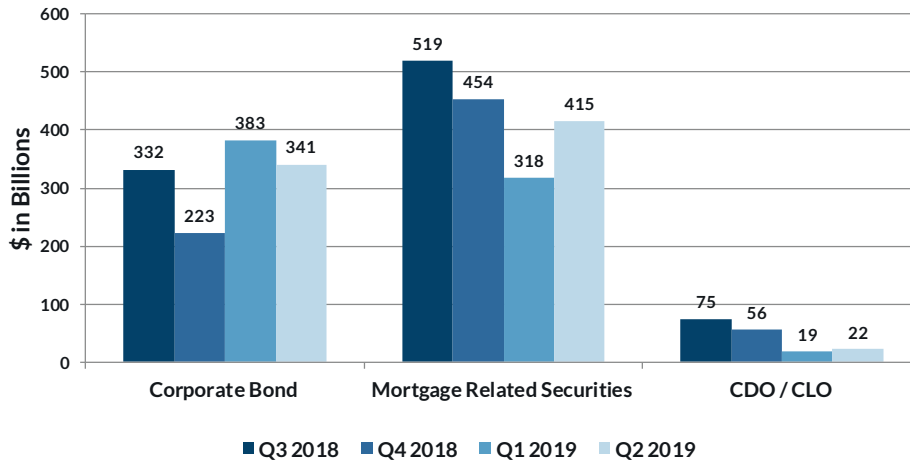


Sources: Bloomberg, Fidelity, SIFMA



### FIXED INCOME

#### FIXED INCOME ISSUANCE



### INTEREST RATES

The Federal Open Market Committee (“FOMC” or the “Committee”) met most recently on June 19, 2019, and announced the target federal funds rate would remain at the current level of 2.25% to 2.50%. The committee cited a strong job market with consistently low unemployment rates. Even with the growth of household spending increasing from earlier in the year, the committee recognized a slow down in business fixed investment. Labor market conditions, indicators of inflation pressures, and financial and international developments will be assessed to determine the timing and size of future adjustments to the FOMC target range. Going forward, the Committee expects inflation levels to maintain the 2% objective rate and will be patient in determining any rate changes.

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



#### RATES AS OF 07/19/2019

1 Year	2.03%
5 year	1.78%
10 year	1.96%
30 year	2.20%
LIBOR - 1 month	2.61%
Prime Rate	5.50%

#### DEFINITIONS KEY

- 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: SIFMA, Federal Reserve, and ICE

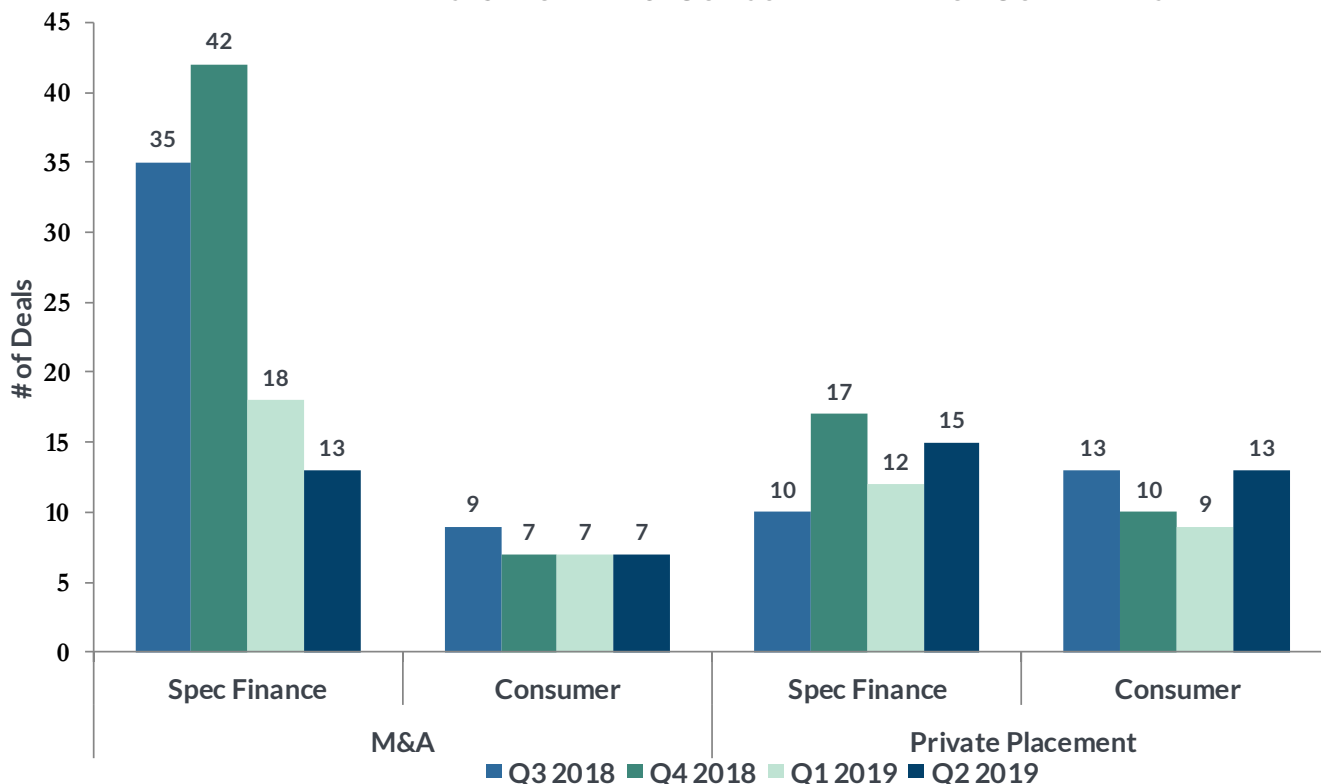


## MERGERS AND ACQUISITIONS

### OVERALL MARKET TRENDS

- In H1 2019, U.S. M&A deal value totaled \$957.3 billion, the highest on record for a first half.
- The U.S. had its highest ever share of global M&A value during H1 2019 with 53.2%. This was a result of its own 14.6% increase from last year, and Europe and Asia's downturns, which were 38.8% and 34.2% respectively.
- Three mega-buyouts have happened so far in the first half of 2019, reaching the same number as all of 2018 and including two large cross-border private deals in Q2 2019.

### 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.



### TRANSACTIONS: MERGERS AND ACQUISITIONS

- *June 19<sup>th</sup>* - **AlmaPact Inc. (OTCPK:CFGX)** acquired **Base Capital, LLC**. Base Capital, LLC provides income share agreements (ISAs) for college students, in exchange for a percentage of their future income. The company was founded in 2014 and is headquartered in Chicago, Illinois.
- *June 4<sup>th</sup>* - **Goal Structured Solutions, Inc.** acquired **Skills Fund, LLC**. All of Skills' workers will join the new owner, and Skills Fund will operate as a wholly owned subsidiary of Goal. The company is a student financing and quality assurance platform for outcomes-based skills training programs. The company was founded in 2015 and is based in Austin, Texas.
- *May 1<sup>st</sup>* - **BankNewport** acquired **JustBoatLoans by Vertisol, Inc.** JustBoatLoans, A Division of BankNewport, is a marine financial service company. They specialize in consumer marine as well as recreational vehicle financing programs. The company is based out of Severna Park, Maryland.
- *April 30<sup>th</sup>* - **RushNet Inc. (OTCPK:RSHN)** acquired **Investment Partner Holdings, LLC**. Investment Partner Holdings, LLC offers equipment financing, real estate, stocks and bonds LOC, and corporate financing services. The company was incorporated in 2019 and is based in Dacula, Georgia.
- *April 26<sup>th</sup>* - **The Beneficient Company Group, L.P.** and others acquired 11.99% stake in **GWG Holdings, Inc.** The company purchases life insurance policies at a discount to the face value from the secondary market and policy holders, and continues to pay the premiums to collect the policy benefits. The company was founded in 2006 and is based in Minneapolis, Minnesota.
- *April 25<sup>th</sup>* - **Revint Solutions** acquired **Payment Partners, Inc.** Payment Partners, Inc., a payment processor, provides electronic funds transfer and payment services. The company does this in two formats: En-point Online and En-point Direct. The company was founded in 2009 and is headquartered in Irvine, California.
- *April 17<sup>th</sup>* - **Reali, Inc.** acquired **Lenda Inc.** Lenda Inc., previously known as GoRefi, Inc., is an online database for homeowners to complete their loan process by acting as a direct mortgage lender. The company was founded in 2012 and is based in San Francisco, California.
- *April 17<sup>th</sup>* - **Global Finance Credit, LLC** acquired **Omni Holdings, LLC**. Omni Holdings LLC, a medical lien financing company, helps to finance medical treatment for patients and provides pre settlement advances for individuals in need. The company was incorporated in 1999 and is based in South Plainfield, New Jersey.
- *April 10<sup>th</sup>* - **YieldStreet, Inc.** acquired **Athena Art Finance Corp.** from **The Carlyle Group L.P. (NasdaqGS:CG)** for an enterprise value of \$170 million. Athena Art Finance Corp. is a specialty finance company that provides art dealers, galleries, and collectors financing alternatives secured by fine art. The company was founded in 2015 and is headquartered in New York, New York.
- *April 9<sup>th</sup>* - **TimePayment Corporation** acquired **Kingswood Leasing, Inc.** Kingswood Leasing, Inc. offers commercial finance solutions for equipment sellers in multiple industries: restaurant, food services, hospitality, and c-store. The company was founded in 1991 and is based in Dover, New Hampshire.
- *April 1<sup>st</sup>* - **WebBank Inc.** acquired **National Partners PFco, LLC.** from **Maple Life Financial, LLC**. National Partners PFco, LLC is a commercial premium finance solutions company who generally works with brokers, insureds, and agents. The company was founded in 2016 and is based in Denver, Colorado.



### TRANSACTIONS: PRIVATE PLACEMENTS

- *June 27<sup>th</sup>* - **Prepaid2cash Holdings, Inc.** recently announced that it has received a round of funding from **Alabama Futures Fund, LP**. Prepaid2cash Holdings, Inc. is a service that allows for people to exchange gift cards for cash via their smart phones. The company was incorporated in 2010 and is based in San Francisco, California.
- *June 26<sup>th</sup>* - **Renovo Financial, LLC** announced that it has received a round of funding led by Investors **Sean Conlon, Andy Gloor, Tom Scott, and five others**. Renovo Financial, LLC loans to real estate companies that invest in single-family and small multi-family projects. The company was founded in 2011 and is based in Chicago, Illinois.
- *June 25<sup>th</sup>* - **Aura Financial Corporation**, previously known as Insikt, Inc., announced that it has received \$10 million in funding from new investor, **Prudential Financial, Inc.** Aura Financial Corporation works as a Community Development Financial Institute (CDFI), which offers loans to working-class families in America. The company was incorporated in 2011 and is based in San Francisco, California.
- *June 25<sup>th</sup>* - **New Providence Capital Lending, LLC** announced that it will receive approximately \$7 million in funding over the course of the second quarter from undisclosed investors. New providence Capital Lending provides loans to real estate development services and offers capital to fund equity for acquisitions. The company was founded in 2011 and is based in Chicago, Illinois.
- *June 21<sup>st</sup>* - **AccrueMe LLC** announced that it has received \$250,000 in funding. AccrueMe offers credits to sellers on Amazon. The company was incorporated in 2015 and is based in Los Angeles, California.
- *June 12<sup>th</sup>* - **Sunbit, Inc.** announced that it has received \$26 million in equity from investor **Zeev Ventures, LLC**. Sunbit allows people to split purchases into multiple, affordable payments. The company was incorporated in 2015 and is based in Los Angeles, California.
- *June 11<sup>th</sup>* - **Brex Inc.** announced that it has received \$100 million in its round of funding led by investor **Green Growth Capital**. Brex Inc. produces corporate credit cards, which offer rewards on programs such as rideshare, Brex Travel, recurring software, and restaurants. The company was founded in 2017 and is based in San Francisco, California.
- *June 10<sup>th</sup>* - **Splash Financial, Inc.** announced that it has received \$4.3 million in its round of funding. Splash Financial, Inc. acts as a student loan refinancing company that allows graduates to refinance their student loan debt. The company also acts as an online lending source. The company was founded in 2013 and is headquartered in Cleveland, Ohio.
- *June 7<sup>th</sup>* - **Shepherd's Finance, LLC** announced that it has issued 2 series C cumulative preferred units at a price of \$100,000 per unit for gross proceeds of \$200,00. Shepards Finance, LLC lends to builders for building homes and lots. The company was founded in 2007 and is based in Jacksonville, Florida.
- *June 5<sup>th</sup>* - **Biz2Credit Inc.** announced that it has received \$52 million in its series B round of funding from investor **WestBridge Capital Partners LLC**. Biz2Credit is an online database that allows financial institutions to properly and easily manage their loans to small and medium businesses. The company was founded in 2007 and is based in New York, New York.
- *May 29<sup>th</sup>* - **PureJoy Inc.** announced that it has received \$20 million in a round of funding from investor **Greylock Partners**. PureJoy Inc. is a startup company that provides smart phone technology to give further access to credit. The company was founded in 2015 and is based in Saratoga, California.
- *May 23<sup>rd</sup>* - **ForwardLine** announced that it has received a \$100 million credit facility from **Credit Suisse AG, Cayman Islands Branch**. Forwardline is a nationwide non-bank lender focusing on American Businesses that cannot obtain a bank loan. The company was founded in 2003 and is headquartered in Woodland Hills, California.



### TRANSACTIONS: PRIVATE PLACEMENTS

- *May 16<sup>th</sup>* - **Spruce Finance Inc.** announced that it has received \$50 million in a round of funding from investor **HPS Investment Partners**. Spruce Finance Inc. operates a portfolio with solar and residential energy companies who are headquartered in the United States. The company was founded in 2011 and is based in San Francisco, California.
- *May 14<sup>th</sup>* - **Align Income Share Funding LLC** announced that it has received a round of funding from investors **CMFG Ventures, LLC** and **CUNA Mutual Group**. Align Income Share Funding offers income share agreements (ISA), which allows you to receive an amount of money for a percentage of your current income. The company was founded in 2011 and is based in Chicago, Illinois.
- *May 9<sup>th</sup>* - **Critical Ideas, Inc.** raised \$2.38 million in equity funding. Critical Ideas, Inc. uses Chipper Cash, which allows users to receive, request, and send money through the app. The company was incorporated in 2014 and is based in San Francisco, California.
- *April 24<sup>th</sup>* - **Carver Edison** announced that it has received a round of funding from investor **Eli Broverman**. Carver Edison provides an employee stock purchase plan (ESPP), which allows employees of a company to buy the stock of that given company for a discounted rate. The company was incorporated in 2016 and is based in New York, New York.
- *April 8<sup>th</sup>* - **Upstart Network, Inc.** announced that it has received a \$50 million equity round of funding from **Progressive Investment Company, Inc.**, **The First National Bank of Omaha**, and **Healthcare of Ontario Pension Plan**. Upstart Network, Inc. is an online marketplace where people can get fixed rates for personal loans. The company was incorporated in 2012 and is based in San Carlos, California.



## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 07/17/2019)

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

Company	Ticker	Market Statistics		Operating Metrics							Valuation Metrics						Price / BV <sup>(a)</sup>	
		Mkt Cap 7/17/19	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales		EV / EBITDA		P / E			
				LTM	LTM	Margin	2019 E	LTM	2019 E	2020 E	LTM	LTM	2019 E	2020 E	LTM	2019 E		2020 E
<b>Specialty Finance</b>																		
Asta Funding, Inc.	NasdaqGS:ASFI	\$30.4	\$24.3	\$22.5	\$7.1	31.4%	NA	\$4.6	NA	NA	1.1x	3.4x	NA	NA	6.6x	NA	NA	0.4x
Burford Capital Limited	AIM:BUR	\$5,137.7	\$5,469.4	\$426.4	\$355.2	83.3%	\$401.7	\$190.7	\$347.9	\$425.5	NM	15.4x	13.6x	11.3x	26.9x	14.8x	12.1x	3.8x
Encore Capital Group, Inc.	NasdaqGS:ECPG	\$915.7	\$4,253.4	\$1,320.6	\$440.9	33.4%	\$468.2	\$106.2	\$163.0	\$180.3	3.2x	9.6x	9.1x	8.3x	8.6x	5.6x	5.1x	1.1x
GWG Holdings, Inc.	NasdaqCM:GWGH	\$371.1	\$2,097.4	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.6x
IMF Bentham Limited	ASX:IMF	\$387.3	\$466.4	\$14.6	(\$10.1)	(69.2%)	\$65.4	(\$7.1)	\$65.3	\$40.8	NM	NM	7.1x	5.3x	NM	5.9x	9.5x	2.1x
LawFinance Limited	ASX:LAW	\$22.3	\$57.0	\$4.6	(\$4.4)	(97.5%)	NA	(\$8.4)	NA	NA	NM	NM	NA	NA	NM	NA	NA	4.8x
LM Funding America, Inc.	NasdaqCM:LMFA	\$3.5	\$4.4	\$2.6	NA	NA	NA	(\$0.8)	NA	NA	1.7x	NA	NA	NA	NM	NA	NA	0.6x
Medallion Financial Corp.	NasdaqGS:MFIN	\$164.8	\$1,196.8	\$119.7	\$1.6	1.4%	NA	(\$21.3)	\$20.2	\$26.2	10.0x	NM	NA	NA	NM	8.1x	6.3x	0.6x
On Deck Capital, Inc.	NYSE:ONDK	\$403.1	\$1,162.7	\$202.8	NA	NA	\$51.6	\$21.8	\$35.7	\$42.9	5.7x	NA	NM	18.4x	18.5x	11.3x	9.4x	1.3x
PRA Group, Inc.	NasdaqGS:PRAA	\$1,248.3	\$3,657.6	\$908.3	\$204.6	22.5%	\$273.4	\$29.2	\$78.0	\$109.6	4.0x	17.9x	13.4x	11.1x	42.8x	16.0x	11.4x	1.1x
<b>Mean</b>						<b>0.8%</b>					<b>4.3x</b>	<b>11.6x</b>	<b>10.8x</b>	<b>10.9x</b>	<b>20.7x</b>	<b>10.3x</b>	<b>9.0x</b>	<b>1.8x</b>
<b>Median</b>						<b>22.5%</b>					<b>3.6x</b>	<b>12.5x</b>	<b>11.2x</b>	<b>11.1x</b>	<b>18.5x</b>	<b>9.7x</b>	<b>9.4x</b>	<b>1.2x</b>
<b>Leasing / Rental</b>																		
Chesswood Group Limited	TSX:CHW	\$129.0	\$577.2	\$47.8	NA	NA	\$24.4	\$13.7	\$14.5	\$15.7	NM	NA	NM	NM	9.4x	8.9x	8.2x	1.2x
Element Fleet Management Corp.	TSX:EFN	\$2,649.2	\$13,459.6	\$602.7	NA	NA	NA	(\$95.2)	\$255.1	\$291.9	NM	NA	NA	NA	NM	10.4x	9.1x	1.1x
Fly Leasing Limited	NYSE:FLY	\$475.4	\$3,298.1	\$413.6	NA	NA	\$405.6	\$60.1	\$108.9	\$97.6	8.0x	NA	8.1x	7.8x	7.9x	4.4x	4.9x	0.7x
Marlin Business Services Corp.	NasdaqGS:MRLN	\$269.1	\$312.3	\$97.4	NA	NA	NA	\$20.4	\$28.4	\$32.4	3.2x	NA	NA	NA	13.2x	9.5x	8.3x	1.4x
Mobile Mini, Inc.	NasdaqGS:MINI	\$1,660.1	\$2,650.4	\$602.2	\$213.2	35.4%	\$239.0	\$64.8	\$85.4	\$97.0	4.4x	12.4x	11.1x	10.4x	25.6x	19.4x	17.1x	2.0x
Textainer Group Holdings Limited	NYSE:TGH	\$568.3	\$3,873.6	\$676.9	\$451.9	66.8%	\$488.9	\$43.1	\$79.2	\$88.1	5.7x	8.6x	7.9x	7.3x	13.2x	7.2x	6.4x	0.5x
<b>Mean</b>						<b>51.1%</b>					<b>5.3x</b>	<b>10.5x</b>	<b>9.0x</b>	<b>8.5x</b>	<b>13.9x</b>	<b>10.0x</b>	<b>9.0x</b>	<b>1.1x</b>
<b>Median</b>						<b>51.1%</b>					<b>5.1x</b>	<b>10.5x</b>	<b>8.1x</b>	<b>7.8x</b>	<b>13.2x</b>	<b>9.2x</b>	<b>8.2x</b>	<b>1.1x</b>
<b>Asset Based Lending</b>																		
Accord Financial Corp.	TSX:ACD	\$63.2	\$247.6	\$26.6	NA	NA	NA	\$4.5	NA	NA	9.3x	NA	NA	NA	14.0x	NA	NA	1.0x
Callidus Capital Corporation	TSX:CBL	\$33.2	\$378.5	\$209.4	NA	NA	NA	(\$43.0)	NA	NA	1.8x	NA	NA	NA	NM	NA	NA	NM
CIT Group Inc.	NYSE:CIT	\$5,253.9	\$11,880.9	\$2,283.3	NA	NA	NA	\$429.8	\$468.4	\$531.1	5.2x	NA	NA	NA	12.2x	11.2x	9.9x	0.9x
<b>Mean</b>						<b>NA</b>					<b>5.4x</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>13.1x</b>	<b>11.2x</b>	<b>9.9x</b>	<b>1.0x</b>
<b>Median</b>						<b>NA</b>					<b>5.2x</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>13.1x</b>	<b>11.2x</b>	<b>9.9x</b>	<b>1.0x</b>
<b>Consumer Finance</b>																		
Atlantius Holdings Corporation	NasdaqGS:ATLC	\$48.1	\$485.5	\$55.9	NA	NA	NA	(\$20.2)	NA	NA	8.7x	NA	NA	NA	NM	NA	NA	NM
CURO Group Holdings Corp.	NYSE:CURO	\$544.2	\$1,279.5	\$1,094.3	\$200.5	18.3%	\$247.4	\$60.8	\$115.4	\$146.7	1.2x	6.4x	5.2x	4.5x	8.9x	4.7x	3.7x	NM
Elevate Credit, Inc.	NYSE:ELVT	\$193.4	\$697.2	\$786.7	\$101.9	12.9%	\$129.2	\$8.9	\$24.2	\$35.1	0.9x	6.8x	5.4x	4.7x	21.7x	8.0x	5.5x	1.7x
Enova International, Inc.	NYSE:ENVA	\$870.2	\$1,675.2	\$1,034.7	NA	NA	\$236.8	\$63.4	\$104.4	\$123.6	1.6x	NA	7.1x	6.4x	13.7x	8.3x	7.0x	2.5x
EZCORP, Inc.	NasdaqGS:EZPW	\$586.1	\$702.2	\$824.9	\$94.8	11.5%	\$121.7	\$36.4	\$51.1	\$60.0	0.9x	7.4x	5.8x	5.0x	16.1x	11.5x	9.8x	0.8x
FirstCash, Inc.	NasdaqGS:FCFS	\$3,960.5	\$4,735.8	\$1,798.7	\$290.0	16.1%	\$309.2	\$135.9	\$171.5	\$195.8	2.6x	16.3x	15.3x	13.9x	29.1x	23.1x	20.2x	3.0x
Green Dot Corporation	NYSE:GDOT	\$3,306.9	\$2,252.6	\$1,041.8	\$170.2	16.3%	\$317.7	\$88.5	\$193.6	\$221.7	2.2x	13.2x	7.1x	6.3x	37.4x	17.1x	14.9x	3.6x
LendingClub Corporation	NYSE:LC	\$1,464.2	\$1,808.2	\$694.8	NA	NA	\$127.9	(\$33.4)	(\$20.2)	\$17.1	2.6x	NA	14.1x	10.1x	NM	NM	NM	1.7x
Regional Management Corp.	NYSE:RM	\$306.2	\$953.9	\$306.7	\$88.2	28.7%	\$92.8	\$28.7	\$42.5	\$47.4	3.1x	10.8x	10.3x	9.4x	10.7x	7.2x	6.5x	1.1x
World Acceptance Corporation	NasdaqGS:WRLD	\$1,145.3	\$1,442.2	\$575.0	\$122.4	21.3%	NA	\$60.2	\$66.7	\$72.9	2.5x	11.8x	NA	NA	19.0x	17.2x	15.7x	2.0x
<b>Mean</b>						<b>17.9%</b>					<b>2.6x</b>	<b>10.4x</b>	<b>8.8x</b>	<b>7.5x</b>	<b>19.6x</b>	<b>12.1x</b>	<b>10.4x</b>	<b>2.0x</b>
<b>Median</b>						<b>16.3%</b>					<b>2.3x</b>	<b>10.8x</b>	<b>7.1x</b>	<b>6.3x</b>	<b>17.6x</b>	<b>9.9x</b>	<b>8.4x</b>	<b>1.8x</b>

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		Mkt Cap 7/17/19	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales	EV / EBITDA				P / E			
				LTM	LTM	Margin	2019 E	LTM	2019 E	2020 E	LTM	LTM	2019 E	2020 E	LTM	2019 E		2020 E	
<b><u>Automotive Financing</u></b>																			
America's Car-Mart, Inc.	NasdaqGS:CRMT	\$650.8	\$821.7	\$661.7	\$66.5	10.0%	\$78.2	\$34.4	\$47.5	\$54.7	1.2x	12.4x	10.5x	9.1x	18.9x	13.7x	11.9x	2.7x	
Consumer Portfolio Services, Inc.	NasdaqGM:CPSS	\$77.1	\$2,346.5	\$152.1	NA	NA	\$129.0	\$10.5	\$10.0	\$15.3	NM	NA	18.2x	16.2x	7.3x	7.7x	5.0x	0.4x	
Credit Acceptance Corporation	NasdaqGS:CACC	\$9,256.0	\$13,051.2	\$1,072.3	NA	NA	NA	\$471.9	\$624.9	\$675.6	NM	NA	NA	NA	19.6x	14.8x	13.7x	4.6x	
Nicholas Financial, Inc.	NasdaqGS:NICK	\$71.1	\$186.9	\$34.6	NA	NA	NA	\$1.2	NA	NA	5.4x	NA	NA	NA	NM	NA	NA	0.6x	
<b>Mean</b>						<b>10.0%</b>					<b>3.3x</b>	<b>12.4x</b>	<b>14.3x</b>	<b>12.7x</b>	<b>15.3x</b>	<b>12.1x</b>	<b>10.2x</b>	<b>2.1x</b>	
<b>Median</b>						<b>10.0%</b>					<b>3.3x</b>	<b>12.4x</b>	<b>14.3x</b>	<b>12.7x</b>	<b>18.9x</b>	<b>13.7x</b>	<b>11.9x</b>	<b>1.6x</b>	
<b><u>eFinance</u></b>																			
GAIN Capital Holdings, Inc.	NYSE:GCAP	\$204.1	(\$785.1)	\$341.4	NA	NA	\$29.4	\$23.2	(\$16.8)	\$23.9	(2.3x)	NA	(26.7x)	(9.5x)	8.8x	NM	8.5x	0.7x	
Intercontinental Exchange, Inc.	NYSE:ICE	\$45,557.7	\$52,375.7	\$4,974.0	\$3,067.0	61.7%	\$3,345.8	\$1,518.6	\$2,124.3	\$2,363.0	NM	17.1x	15.7x	14.6x	30.0x	21.4x	19.3x	2.6x	
Intact Gold Corp.	TSXV:ITG	\$1.1	(\$0.2)	NA	(\$0.3)	NA	NA	(\$0.2)	NA	NA	NA	NM	NA	NA	NM	NA	NA	0.7x	
MarketAxess Holdings Inc.	NasdaqGS:MKTX	\$9,880.5	\$9,710.4	\$445.3	\$235.7	52.9%	\$267.3	\$138.9	\$192.9	\$220.7	NM	NM	NM	NM	NM	NM	44.8x	15.7x	
Nasdaq, Inc.	NasdaqGS:NDAQ	\$14,829.6	\$18,061.6	\$4,165.0	\$1,290.5	31.0%	\$1,335.3	\$612.5	\$815.8	\$891.0	4.3x	14.0x	13.5x	12.7x	24.2x	18.2x	16.6x	2.7x	
<b>Mean</b>						<b>48.5%</b>					<b>1.0x</b>	<b>15.5x</b>	<b>0.8x</b>	<b>5.9x</b>	<b>21.0x</b>	<b>19.8x</b>	<b>22.3x</b>	<b>4.5x</b>	
<b>Median</b>						<b>52.9%</b>					<b>1.0x</b>	<b>15.5x</b>	<b>13.5x</b>	<b>12.7x</b>	<b>24.2x</b>	<b>19.8x</b>	<b>18.0x</b>	<b>2.6x</b>	
<b><u>Fin Tech</u></b>																			
Broadridge Financial Solutions, Inc.	NYSE:BR	\$13,311.4	\$14,255.5	\$4,318.5	\$812.3	18.8%	\$978.2	\$335.8	\$556.8	\$609.3	3.3x	17.5x	14.6x	14.0x	39.6x	23.9x	21.8x	11.9x	
CoreLogic, Inc.	NYSE:CLGX	\$3,385.3	\$5,093.8	\$1,788.4	\$390.0	21.8%	\$468.0	\$100.6	\$196.4	\$225.8	2.8x	13.1x	10.9x	10.1x	33.7x	17.2x	15.0x	3.4x	
Fiserv, Inc.	NasdaqGS:FISV	\$34,143.0	\$39,687.0	\$5,823.0	\$1,898.0	32.6%	\$2,359.4	\$845.0	\$1,355.7	\$1,511.8	6.8x	NM	16.8x	15.8x	40.4x	25.2x	22.6x	14.9x	
MoneyGram International, Inc.	NasdaqGS:MGI	\$139.8	\$895.3	\$1,447.6	\$205.6	14.2%	\$220.7	\$13.8	\$23.6	\$25.6	0.6x	4.4x	4.1x	3.9x	10.1x	5.9x	5.5x	NM	
The Western Union Company	NYSE:WU	\$8,465.1	\$10,925.3	\$5,589.9	\$1,375.1	24.6%	\$1,409.1	\$619.6	\$813.6	\$871.0	2.0x	7.9x	7.8x	7.6x	13.7x	10.4x	9.7x	NM	
WEX Inc.	NYSE:WEX	\$9,027.6	\$10,846.7	\$1,492.6	\$547.7	36.7%	\$696.8	\$151.4	\$393.0	\$455.4	7.3x	19.8x	15.6x	13.9x	NM	23.0x	19.8x	5.1x	
<b>Mean</b>						<b>24.8%</b>					<b>3.8x</b>	<b>12.5x</b>	<b>11.6x</b>	<b>10.9x</b>	<b>27.5x</b>	<b>17.6x</b>	<b>15.7x</b>	<b>8.8x</b>	
<b>Median</b>						<b>23.2%</b>					<b>3.1x</b>	<b>13.1x</b>	<b>12.7x</b>	<b>12.0x</b>	<b>33.7x</b>	<b>20.1x</b>	<b>17.4x</b>	<b>8.5x</b>	



## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 07/17/2019)

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

Company	Ticker	Market Statistics		Operating Metrics							Valuation Metrics						Price / BV <sup>(a)</sup>		
		Mkt Cap 7/17/19	Enterprise Value	Sales		EBITDA			Net Income		EV / Sales	EV / EBITDA				P / E			
				LTM	LTM	Margin	2019 E	LTM	2019 E	2020 E	LTM	LTM	2019 E	2020 E	LTM	2019 E		2020 E	
<b>SBA Lending/ BDC</b>																			
Ares Capital Corporation	NasdaqGS:ARCC	\$7,456.0	\$12,372.0	\$1,337.0	\$957.0	71.6%	NA	\$465.6	\$735.3	\$748.6	9.3x	12.9x	NA	NA	16.0x	10.1x	10.0x	1.0x	
FS KKR Capital Corp.	NYSE:FSK	\$2,849.0	\$6,136.0	\$394.0	NA	NA	NA	\$136.3	\$402.4	\$412.7	NM	NA	NA	NA	20.9x	7.1x	6.9x	0.7x	
Garrison Capital Inc.	NasdaqGS:GARS	\$116.0	\$393.4	\$38.8	NA	NA	NA	\$10.1	\$14.5	\$15.1	NM	NA	NA	NA	11.5x	8.0x	7.7x	0.7x	
Hercules Capital, Inc.	NYSE:HTGC	\$1,237.4	\$2,167.0	\$207.8	\$155.6	74.9%	NA	\$68.0	\$128.6	\$135.8	NM	13.9x	NA	NA	18.2x	9.6x	9.1x	1.3x	
Main Street Capital Corporation	NYSE:MAIN	\$2,291.2	\$3,233.2	\$233.4	NA	NA	NA	\$97.9	\$151.4	\$156.2	NM	NA	NA	NA	23.4x	15.1x	14.7x	1.6x	
Medley Management Inc.	NYSE:MDLY	\$17.8	\$52.7	\$56.5	\$13.1	23.2%	\$19.1	\$23.0	\$1.0	\$1.5	0.9x	4.0x	2.8x	2.4x	0.8x	17.0x	12.1x	NM	
Monroe Capital Corporation	NasdaqGS:MRCC	\$249.8	\$559.9	\$58.4	NA	NA	NA	\$20.6	\$31.0	\$31.3	9.6x	NA	NA	NA	12.1x	8.1x	8.0x	1.0x	
Newtek Business Services Corp.	NasdaqGM:NEWT	\$394.7	\$724.0	\$49.5	\$10.1	20.3%	NA	(\$7.6)	\$40.3	\$43.2	NM	NM	NA	NA	NM	9.8x	9.1x	1.4x	
Oaktree Capital Group, LLC	NYSE:OAK	\$3,615.6	\$10,430.3	\$1,386.1	\$399.3	28.8%	\$693.6	\$174.7	\$233.2	\$264.7	7.5x	NM	15.0x	14.7x	20.7x	15.5x	13.7x	3.6x	
Och-Ziff Capital Management Group LLC	NYSE:OZM	\$286.2	\$1,325.3	\$507.2	\$22.8	4.5%	\$378.9	\$18.7	\$70.3	\$72.7	2.6x	NM	3.5x	3.5x	15.3x	4.1x	3.9x	NM	
PennantPark Investment Corporation	NasdaqGS:PNNT	\$486.4	\$1,024.1	\$107.0	NA	NA	NA	\$32.5	\$54.5	\$58.0	9.6x	NA	NA	NA	15.0x	8.9x	8.4x	0.8x	
Prospect Capital Corporation	NasdaqGS:PSEC	\$2,468.0	\$4,910.1	\$705.2	NA	NA	NA	\$197.5	\$292.2	NA	7.0x	NA	NA	NA	12.5x	8.4x	NA	0.7x	
Solar Capital Ltd.	NasdaqGS:SLRC	\$906.1	\$1,172.4	\$153.5	NA	NA	NA	\$46.8	\$76.7	\$79.7	7.6x	NA	NA	NA	19.4x	11.8x	11.4x	1.0x	
Oxford Square Capital Corp.	NasdaqGS:OXSQ	\$297.3	\$431.6	\$56.3	NA	NA	NA	\$20.9	\$32.1	\$32.9	7.7x	NA	NA	NA	14.2x	9.3x	9.0x	0.9x	
TP ICAP plc	LSE:TCAP	\$2,025.3	\$1,915.7	\$2,201.1	NA	NA	\$393.2	\$165.8	\$224.7	\$254.7	0.9x	NA	4.9x	4.5x	12.2x	9.0x	8.0x	0.9x	
<b>Mean</b>						<b>37.2%</b>					<b>6.3x</b>	<b>10.3x</b>	<b>6.5x</b>	<b>6.3x</b>	<b>15.2x</b>	<b>10.1x</b>	<b>9.4x</b>	<b>1.2x</b>	
<b>Median</b>						<b>26.0%</b>					<b>7.6x</b>	<b>12.9x</b>	<b>4.2x</b>	<b>4.0x</b>	<b>15.1x</b>	<b>9.3x</b>	<b>9.1x</b>	<b>1.0x</b>	
<b>Real Estate Financing</b>																			
ARMOUR Residential REIT, Inc.	NYSE:ARR	\$1,196.4	\$7,912.2	(\$68.9)	NA	NA	NA	(\$66.2)	\$149.7	\$148.1	NM	NA	NA	NA	NM	8.0x	8.1x	1.3x	
Fidelity National Financial, Inc.	NYSE:FNF	\$10,699.4	\$10,560.4	\$7,592.0	\$973.0	12.8%	\$1,092.0	\$463.6	\$755.8	\$821.4	1.4x	10.9x	9.7x	9.3x	23.1x	14.2x	13.0x	2.3x	
First Acceptance Corporation	OTCPK:FACO	\$48.5	\$20.3	\$323.8	\$25.0	7.7%	NA	\$14.1	NA	NA	0.1x	0.8x	NA	NA	3.4x	NA	NA	0.6x	
Meta Financial Group, Inc.	NasdaqGS:CASH	\$897.6	\$1,057.0	\$320.2	NA	NA	NA	\$37.0	\$101.6	NA	3.3x	NA	NA	NA	24.3x	8.8x	NA	1.2x	
MFA Financial, Inc.	NYSE:MFA	\$3,342.6	\$11,951.0	\$389.5	NA	NA	NA	\$188.6	\$310.7	\$325.7	NM	NA	NA	NA	17.7x	10.8x	10.3x	1.0x	
Mr. Cooper Group Inc.	NasdaqCM:COOP	\$781.1	\$12,958.5	\$2,040.0	\$590.4	28.9%	NA	(\$205.5)	\$176.0	\$239.3	6.4x	NM	NA	NA	NM	4.4x	3.3x	0.4x	
Walker & Dunlop, Inc.	NYSE:WD	\$1,676.1	\$3,115.7	\$714.3	NA	NA	\$240.6	\$134.8	\$164.3	\$178.1	4.4x	NA	13.0x	11.6x	12.4x	10.2x	9.4x	1.9x	
<b>Mean</b>						<b>16.5%</b>					<b>3.1x</b>	<b>5.8x</b>	<b>11.3x</b>	<b>10.5x</b>	<b>16.2x</b>	<b>9.4x</b>	<b>8.8x</b>	<b>1.2x</b>	
<b>Median</b>						<b>12.8%</b>					<b>3.3x</b>	<b>5.8x</b>	<b>11.3x</b>	<b>10.5x</b>	<b>17.7x</b>	<b>9.5x</b>	<b>9.4x</b>	<b>1.2x</b>	

Source: CapIQ

(a) Price as of July 17, 2019 divided by the last reported book value

# Bryant Park Capital Specialty Finance Market Update Q2 2019



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  
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212-798-8200

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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>Amount Not Disclosed</p> <p><b>NORTH MILL EQUIPMENT FINANCE LLC</b> has been acquired by <b>WAFRA CAPITAL PARTNERS</b> EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$250,000,000</p> <p><b>DIVIDENDSOLAR</b> has merged with <b>Figtree</b> and secured equity and debt financing affiliates of <b>LL Funds, LLC</b> EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$30,000,000</p> <p><b>FOX POINT TRUCKS</b>  Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Up to \$120,000,000</p> <p><b>GOLDEN PEAR FUNDING</b>  Structured Portfolio Sale &amp; Forward Flow Agreement EXCLUSIVE FINANCIAL ADVISOR</p>
<p>\$75,000,000</p> <p><b>PAWNEE LEASING CORPORATION</b>  Term-Out Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$60,000,000</p> <p><b>Northern Control Systems, Inc.</b>  Senior Secured Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Up to \$50,000,000</p> <p><b>THRIVEST™</b>  Senior Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$20,000,000</p> <p><b>ADF</b>   APPLIED DATA FINANCE  Mezzanine Debt CO-ADVISOR</p>
<p>\$150,000,000</p> <p><b>GOLDEN PEAR FUNDING</b>  \$100,000,000 Senior Secured Credit Facility \$50,000,000 Additional Commitment EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Amount Not Disclosed</p> <p><b>RAPID CASH FUNDING</b> has been acquired by <b>J.G. WENTWORTH</b> EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Amount Not Disclosed</p> <p><b>FAIRFIELD FUNDING</b> The Right Solution at the Right Time  Structured Settlement Asset Sale EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$25,200,000</p> <p><b>THE MONEY PORTAL PLC</b>  Convertible Cumulative Redeemable Preference Shares EXCLUSIVE FINANCIAL ADVISOR</p>
<p>\$240,000,000</p> <p><b>J.G. WENTWORTH</b> has sold a majority stake in the company through a leveraged buyout transaction to <b>JLL Partners</b> EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Amount Not Disclosed</p> <p><b>peachtree FINANCIAL SOLUTIONS</b>  Lottery Financing Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$50,000,000</p> <p>Consumer Lending Company  Senior Secured Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$50,000,000</p> <p><b>CashReady</b>  Portfolio Purchase Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>
<p>Amount Not Disclosed</p> <p><b>CBC SETTLEMENT FINANCING</b> has been acquired by <b>Asta</b> EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$30,000,000</p> <p><b>PRINCIPIS CAPITAL</b>  Senior Secured Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$40,000,000</p> <p><b>peachtree PRE SETTLEMENT FINANCING</b>  Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$25,000,000</p> <p><b>LEISURE CONCEPTS MANAGEMENT</b> Redefining Resort Community Living  Acquisition Line of Credit and Consumer Finance Line of Credit FINANCIAL ADVISOR</p>
<p>\$150,000,000</p> <p><b>MoneyLion</b>  Senior Secured Credit Facility EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$60,000,000</p> <p><b>GOLDEN PEAR FUNDING</b>  \$30,000,000 Junior Secured Credit Facility \$30,000,000 Additional Commitment EXCLUSIVE FINANCIAL ADVISOR</p>	<p>Amount Not Disclosed</p> <p><b>JGWPT HOLDINGS, LLC</b>  Valuation Services EXCLUSIVE FINANCIAL ADVISOR</p>	<p>\$30,000,000</p> <p><b>GOLDEN PEAR FUNDING</b>  Portfolio Sale of Assets EXCLUSIVE FINANCIAL ADVISOR</p>

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