

In Profile: FIRSTavenue

Since its launch in 2006, corporate placement agent and fundraising adviser FIRSTavenue has made a point of doing things differently. As the alternative assets market continues to grow and evolve, the firm's unique approach is serving it well.

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hen corporate placement agent and fundraising adviser FIRSTavenue opened its doors for business in 2006, the market for alternative assets was very different to what it is now.

Private equity buyout funds and hedge funds dominated investor allocations. Credit funds and real assets didn't garner much attention. FIRSTavenue, however, saw change coming.

"The firm was specifically set up to focus on four alternative asset classes – private credit, private equity, real assets and real estate – and that placed it in an ideal position following the financial crisis," says FIRSTavenue partner Clive Norton. "We were early movers in our markets post-crisis and ready to respond to the changes in the investor landscape. We saw what was coming and prepared ourselves for it."

The firm's focus across the alternative asset space meant that as the private equity fundraising market slowed post-crisis FIRSTavenue played an important role in building up the nascent private credit market, which has expanded rapidly since. Now, as private equity firms widen their offerings to include strategies beyond buyouts,

FIRSTavenue has been able to bring its experience across the alternatives spectrum to the fore.

"We recognised that against a backdrop of low interest rates and risk-adjusted yield income, direct lending and infrastructure strategies were going to become increasingly attractive and important for investors, especially those with large pension deficits to manage," FIRSTavenue partner Chris Leach says. "We also identified that tighter banking regulation would see a change in the SME lending landscape and open up an opportunity for private capital to play an increasingly prominent role in backing a new breed of independent fund managers."

No conflicts. Genuine alignment. Truly Global.

FIRSTavenue also saw the value of independence and the fact that the investor base was expanding beyond North America and Europe.

Since it was founded the firm has remained 100 per cent privately owned and focused exclusively on raising private funds and direct private placements, thereby avoiding conflicts and creating genuine alignment with its clients.

The firm is also truly global, with 55 staff based in London, New York, Dallas, Hong Kong and Sydney.

"Building out a substantive presence in each region and investing in best in class GP advisory and distribution capabilities, attuned to the idiosyncrasies of the local markets, is a very important part of what we do. We are a global firm with local acumen and cultural affinity," Leach says.

FIRSTavenue has differentiated itself through its offering too, providing clients with customised approaches, depending on their fundraising needs.

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FIRSTavenue can advise on global cross-border fundraises of up to \$5bn, work with clients on building up new, regional LP bases, work with spin-out teams to raise first time funds or take on "rifle-shot" mandates of \$100m or more into specific jurisdictions.

"It is important to recognise that the GP and investor universe is diverse and ever changing. Rolling out a standardized fundraising process doesn't necessarily meet a client's needs or objectives. If a GP wants us to run a large global fundraise, of course we can do it, but we can also work with their IR team to top-off funds by taking them to a region they are yet to tap into. Equally, a sophisticated institutional investor with teams spread across the globe has very different needs to a regional LP who works across the alternatives spectrum from a single office," Norton says.

"We want to be innovative and become a trusted advisor throughout the fundraise process," Leach adds. "We advise clients across strategies and into new product areas, particularly as their businesses evolve and new opportunities arise."

FIRSTavenue's independence, global reach and focus across alternative assets has served it well. In the last five years the team has raised over \$13.7bn of investor commitments across the four asset classes.

FIRSTavenue's flexibility suggests that it is well-placed to continue growing its business and winning more mandates.

The firm is ideally positioned, for instance, to meet the needs of the growing number of GPs adopting "multi-strategy" approaches.

"A number of GPs with successful private equity strategies have seized the opportunity to expand into new asset classes. They have the skills, but moving into, say, private credit, involves a very different sell to LPs. We can add a lot of value in these scenarios because we have the depth of experience, relationships and track record," Norton says.

According to Leach, the investor approaches to alternative assets continue to evolve.

"In addition to the strong distributions made in recent years, investors are receiving larger allocations for alternative assets. The need to deploy capital and find new managers is ever-increasing. Successful GPs are responding to this by broadening the products that they offer into adjacent strategies, thereby leveraging their brands and capitalising on dealflow that would otherwise go begging," Leach says. "The need for current income is as strong as ever so we anticipate that the secular growth in allocations to the private credit and infrastructure sectors will continue. We also see continued and growing appetite for co-investment as investors look for ways to improve the net performance of their portfolios."

For a firm set up specifically to be flexible and responsive to market shifts, the ongoing changes in the market bode very well indeed. ●