

DECODING PRIVATE MARKETS

NAVIGATING EVERGREENS: COMPARING SINGLE- GP AND MULTI-GP APPROACHES





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Over recent years, a wave of new evergreen solutions has emerged to broaden access and enhance the user experience in private markets. These vehicles offer greater flexibility, improved liquidity and institutional-grade exposure, allowing investors to seamlessly integrate them alongside public markets and other close-end funds to build conviction-driven portfolios.

As the evergreen universe expands, a wider array of diverse strategies is becoming available, requiring investors to navigate manager selection and portfolio construction with greater care to sustain long-term returns. Similar to other asset allocations, private markets evergreen strategies are evolving toward a core-satellite framework; combining multi-GP funds (often with a secondaries focus) alongside high-conviction, single-manager strategies.

Two key models are emerging:

- Single-GP evergreen funds, deploying across a single sponsor's own underlying platforms and/or own closed ended funds.
- Multi-GP evergreen funds, investing across numerous third-party underlying managers and strategies, typically through primaries, secondaries, and co-investments.

Backing a single GP across all of their strategies may seem efficient and simple. It can provide an aligned investment culture, streamlined decision-making with institutional pedigree, and perhaps even a simpler reporting process. But this simplicity can come with risks under the surface.

Single-GP funds	Impact
Manager concentration	All returns depend on one house view, one central risk underwriting culture, and one playbook, no matter the asset class.
Cross-fund conflicts	When evergreen capital supports multiple in-house funds, allocation conflicts may arise (especially in oversubscribed deals and between evergreen investors and long term closed-end investors).
Lack of external benchmarking	Without exposure to external GPs, performance becomes insular. It can be hard to identify if a GP is truly outperforming or just self-selecting.
Liquidity pressure	A single GP may have limited secondary market optionality and track record if investor redemptions rise.

Alternatively, funds which invest across multiple GPs, geographies, sectors, and deal types are structurally designed to capture the upside while mitigating the idiosyncratic risks of any single manager or market cycle.



Navigating evergreens: comparing single-GP and multi-GP approaches

Multi-GP funds	Why it matters
Manager diversification	Reduces reliance on any single investment culture, strategy, or blind spot. Allows access to top-tier managers across the market, based on impartial benchmarking.
Diversification	Secondaries provide instant exposure to seasoned portfolios, creating natural vintage diversification and potentially avoiding any J-curve or timing risk.
Access to co-investments and GP-led deals	Allow targeted deployment into high-conviction deals, often with no to low additional fees or carry, enhancing net returns for the evergreen investors.
Faster capital deployment	Secondaries and co-invests minimize cash drag, and so capital gets to work much faster than in blind pool primary strategies. Additionally, the origination pipeline can be far smoother and more diversified.
Liquidity-friendly structures	Exposure to more mature portfolios may help support more stable NAV compounding and management of the redemption windows.
Discount reversal	In contrast to single GP funds, funds that invest in secondaries allow for the potential to acquire the portfolio at a discount, potentially providing returns as these assets are transferred into the portfolio.

Multi-GP evergreen funds are not without their risks, most importantly manager selection. Given the dispersion in private markets returns it is critical for an investor to assess a manager's track record of being able to access the best-quality GPs and co-investment deals. Notably this is also the risk that investors are taking with single manager GP funds.

Focus on your core

Single-GP evergreen funds offer exposure but carry hidden platform risks and potential return blind spots through their concentration, while multi-GP funds that include secondaries and co-investments provide built-in resilience, enhanced liquidity, and more ways to compound returns. But an investor does not simply have to opt for one strategy over another, and a well-constructed private markets allocation will take a more sophisticated approach.

In a core-satellite framework, multi-GP secondaries strategies are likely to be the foundation of an private market investor's approach, making up the bulk of what the portfolio is built around. The secondary strategy (including diversified and concentrated secondaries) can deliver:

- Broad exposure across managers, sectors, and geographies.
- Vintage diversification, by backfilling NAV and bringing distributions forward.

- High deployment velocity, and greater deployment optionality, reducing cash drag.
- A structure optimized for liquidity, resilience, and long-term compounding.

Single-GP evergreen funds can then be used as tactical satellites around this core foundation, allowing investors to benefit from:

- Concentrated exposure to one house view or specialization, which may prove helpful as you build your own conviction map and double down on specific themes.
- Complementary benefits, which may prove valuable particularly if the GP has proven alpha in a specialized niche (such as growth equity, infrastructure, tech buyouts, and so on).

But while a single-GP vehicle can add depth in a specific niche, it is a multi-GP led core that provides compounding power. A multi-GP evergreen strategy isn't just another private market product, it should be at the centre of any investor's modern allocation to private markets. Other funds can be used to complement it, but this is where the real work happens.



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