

FinaTech's Revolutionary Private Equity Financing Solution Aligns with BlackRock's Expansion into Private Credit

FinaTech's new PE financing solution cuts costs & boosts liquidity, aligning with BlackRock's private credit expansion.

PHOENIX, AZ, UNITED STATES, February 17, 2025 /EINPresswire.com/ -- FinaTech's Revolutionary Private Equity Financing Solution Aligns with BlackRock's Expansion into Private Credit



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Scott Smith, CEO of FinaTech

FinaTech, LLC, a pioneering financial technology firm, today announced its innovative solution for private equity (PE) fund financing, which aligns seamlessly with BlackRock's recent expansion into private credit. As reported by Yahoo Finance, BlackRock is looking to reshape private credit markets by providing financing to PE funds. FinaTech's cutting-edge solution offers a complementary mechanism

that enhances fund formation efficiency, reduces capital costs, and provides greater financial flexibility for fund managers.

Private equity fund managers have historically relied on limited partners (LPs) to secure financing, a process that is both costly and time-consuming. The conventional PE model locks up investor capital for over a decade, creating liquidity challenges and high capital costs. FinaTech's patented solution disrupts this model by leveraging computational technologies to issue a series of short-term, credit-enhanced securities, allowing funds to grow without the immediate reliance on LPs. This innovative approach significantly lowers the cost of funds while offering greater agility in fund structuring.

BlackRock's recent push into private credit aims to bridge liquidity gaps for PE firms by offering structured financing solutions. FinaTech's technology is uniquely positioned to complement this initiative by enabling more efficient capital formation and providing multiple revenue streams, including advisory fees, credit enhancement services, and asset management fees.

"Private markets are a strategic priority," said Martin Small, Chief Financial Officer of BlackRock. "We think this opportunity to index the private markets is really one of the most attractive that

we've had in the history of BlackRock.”

reuters.com

“Our technology represents a paradigm shift in private equity financing, providing fund managers with greater autonomy and flexibility in structuring their capital,” said Scott Smith, CEO of FinaTech. “With BlackRock’s strategic move into private credit, we see tremendous synergy between our solution and their objectives. By reducing reliance on traditional LP funding and optimizing liquidity through structured credit instruments, we are revolutionizing how private equity funds operate.”

FinaTech’s platform offers multiple benefits, including:

- Lower cost of capital – Reduced reliance on LPs decreases the dilution of fund returns.
- Enhanced liquidity – The issuance of short-term, tradable securities mitigates long-term capital lock-up challenges.
- Scalability & flexibility – Fund managers can pivot between credit-enhanced debt and structured LP interests as market conditions evolve.
- Revenue expansion opportunities – The solution enables firms like BlackRock to capitalize on advisory, credit enhancement, and asset management fees.

As BlackRock seeks to redefine private credit financing, FinaTech’s solution provides a scalable and disruptive framework that aligns with its mission to enhance liquidity solutions for private equity. With a projected market penetration of even a fraction of industry assets, the financial impact is expected to be in the tens of billions annually.

For more information about FinaTech’s private equity financing solutions, visit <https://www.finatech.llc> or contact Shannon Kendall at 832-643-3459.

About FinaTech

FinaTech is a financial technology firm dedicated to revolutionizing private equity and real estate financing through proprietary AI, blockchain, and digital lending solutions. With a portfolio of patented technologies, FinaTech enables more efficient, scalable, and cost-effective fund formation. The founders of FinaTech are some of the earliest pioneers in structured finance, having originated the first mixed-property CMBS with DLJ.

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Note: The quote from Martin Small was sourced from a Reuters article titled "Larry Fink's private index dream may be holy grail."

#PrivateEquity #AlternativeInvestments #CapitalMarkets #BlackRock #PrivateCredit

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