

Omnigence Asset Management Spotlights Benefits of Lower Mid-Market Evergreen PE vs. Traditional Buy-and-Hold Strategies

CALGARY, ALBERTA, CANADA, July 18, 2025 /EINPresswire.com/ -- Omnigence Asset Management has released new analysis, "Lower Mid-Market, Evergreen PE," highlighting the structural advantages of lower mid-market (LMM) serial consolidation strategies executed through evergreen vehicles with



income-sweep mechanisms. According to the report, this approach can deliver 20%+ IRRs, monthly distributions, shorter capital lock-up, and greater adaptability than traditional private equity buy-and-hold funds.

"With properly structured income and equity sweeps, LMM serial consolidation PE can match the return potential of traditional PE—but with greater liquidity, higher DPI, shorter duration, and lower valuation risk," said Stephen Johnston, Managing Director at Omnigence Asset Management.

Key Findings

Omnigence's analysis compares the LMM evergreen model to conventional private equity structures and finds meaningful advantages:

- Target IRRs for both models are in the 20%+ range, but LMM achieves this through a combination of recurring yield and equity optionality, whereas traditional PE relies entirely on terminal equity appreciation.
- Distribution capacity (DPI) is materially stronger in the LMM model, often exceeding 1.0x within five years, while conventional PE typically delays distributions until final exits.
- Exit multiples required for equivalent returns are lower in the LMM structure (around 8x EBITDA) compared to traditional PE (often ~18x), reducing dependency on market timing and valuation stretch.
- Fund duration is significantly shorter in LMM models, averaging four years versus the ten-year

average for traditional closed-end PE funds.

- Adaptability to macroeconomic conditions is higher, allowing dynamic allocation and reinvestment as markets shift.
- Leverage usage is typically moderate (~3x) in LMM funds, in contrast to higher leverage (~6x or more) in many buyout-focused strategies.

Why It Matters

In an environment of heightened macroeconomic volatility, rising interest rates, and declining exit multiples, traditional PE structures face growing risk. Long-duration, illiquid, and exit-dependent models can leave investors exposed to capital lock-up and valuation compression. The LMM model offers a disciplined, agile, and income-sensitive alternative, allowing investors to benefit from recurring distributions, active reinvestment, and real-time liquidity improvements—without sacrificing return potential. “This isn’t just about returns—it’s about control, adaptability, and reducing reliance on macro factors you can’t influence,” Johnston added.

About Omnigence Asset Management

Omnigence Asset Management is a Canadian alternative investment platform delivering high-conviction strategies across farmland, operational private equity, secondaries, and healthcare. With offices in Toronto and Calgary, the firm is focused on providing investors with resilient, transparent, and structurally advantaged exposure in an increasingly complex private capital landscape.

DISCLAIMER: Our reports, including this paper, express our opinions which have been based, in part, upon generally available public information and research as well as upon inferences and deductions made through our due diligence, research and analytical process. The information contained in this paper includes information from, or data derived from, public third party sources including industry publications, reports and research papers. Although this third-party information and data is believed to be reliable, neither Omnigence Asset Management nor its agents (collectively “Omnigence”) have independently verified the accuracy, currency or completeness of any of the information and data contained in this paper which is derived from such third party sources and, therefore, there is no assurance or guarantee as to the accuracy or completeness of such included information and data. Omnigence and its agents hereby disclaim any liability whatsoever in respect of any third-party information or data, and the results derived from our utilization of that data in our analysis. While we have a good-faith belief in the accuracy of what we write, all such information is presented “as is,” without warranty of any kind, whether express or implied. The use made of the information and conclusions set forth in this paper is solely at the risk of the user of this information. This paper is intended only as general information presented for the convenience of the reader and should not in any way be construed as investment or other advice whatsoever. Omnigence is not registered as an investment dealer or advisor in any jurisdiction and this report does not represent investment

advice of any kind. The reader should seek the advice of relevant professionals (including a registered investment professional) before making any investment decisions. The opinions and views expressed in this paper are subject to change or modification without notice, and Omnigence does not undertake to update or supplement this or any other of its reports or papers as a result of a change in opinion stated herein or otherwise.

Matt Barr

Omnigence Asset Management

+1 587-393-0893

[email us here](#)

Visit us on social media:

[LinkedIn](#)

[X](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/827118920>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.