# Neuberger Berman nears first close on $5 billion secondary fund amid surging private equity liquidity demand



Neuberger Berman is moving closer to the first close of its ambitious new $5 billion secondary fund, responding to growing investor demand for liquidity solutions amid a record surge in the secondaries market. The New York-based asset manager aims to secure at least half of this target by the end of 2025, building on a strong foundation established earlier this year when it raised $4 billion for a related secondary strategy. Notably, Neuberger Berman executives plan to commit a minimum of $50 million to the new vehicle, signalling their confidence in the fund’s prospects and alignment with investor interests.

This move by Neuberger Berman reflects a broader trend in the private equity landscape where secondary funds—vehicles that purchase existing stakes in private equity portfolios—are experiencing unprecedented activity. Industry data shows that investors are increasingly seeking liquidity options and ways to reallocate their portfolios amid fluctuating market conditions. Neuberger Berman, which has a track record of raising significant sums for secondary and private equity-related strategies, is diversifying across various approaches. For instance, earlier efforts include raising approximately $2.5 billion for a fund dedicated to financing private equity-backed companies, which surpassed its initial target by about $1 billion. The firm also has a history of deploying capital into continuation funds, which aim to extend the ownership horizon of portfolio companies by raising additional capital—especially for deals typically under $1 billion.

In the broader spectrum of Neuberger Berman’s fundraising capabilities, the company has also successfully raised over $1 billion for a real estate secondary fund, exceeding initial targets by 30%, as investor interest in real estate secondaries has gained momentum. This real estate focus complements the firm’s diverse secondary strategies, bolstering its position in multiple segments of the market. Additionally, the firm's direct lending initiatives for mid-sized private equity-owned companies, with $1.7 billion raised previously, illustrate its multifaceted approach to providing capital solutions beyond equity investments.

Meanwhile, BlackRock is making strides in the secondary market by preparing to launch a venture secondaries fund that targets discounted stakes in venture capital portfolios. This new vehicle, which will be led by BlackRock executives Jarid Colucci, Derek Krouner, and Lisa Sun, marks the firm’s first exclusive step into venture secondhand positions. These typically trade at about 75% of net asset value, a notable discount compared to the generally higher valuations seen in buyout stakes where prices hover closer to 94% of NAV. This development highlights the secondary market's growing complexity and specialisation as large asset managers like BlackRock expand into sectors with distinct return profiles and risk characteristics.

Beyond private equity and venture capital secondaries, London’s retail property market is also experiencing a significant resurgence, driven by private equity firms and sovereign wealth funds. Savills forecasts investment in central London retail property to exceed £2 billion ($2.7 billion) in 2025, the highest level since 2018. The West End has been a particular hotspot, contributing nearly a quarter of that total with £495 million in investment during the first half of the year—marking a 19% year-on-year increase as investors are attracted by long lease structures, low capital expenditure requirements, and a favourable debt environment. This trend underscores how shifting real estate dynamics are influencing capital deployment decisions alongside private equity secondary market growth.

Moreover, Neuberger Berman's interest in diverse sectors is reflected in its involvement in substantial transactions beyond secondaries. Notably, the firm is part of a consortium investing in Nord Anglia, the international school operator valued at $14.5 billion including debt. This consortium, which includes EQT AB and the Canada Pension Plan Investment Board (CPPIB), is planning a capital injection of at least $5 billion. Neuberger Berman’s participation in these discussions demonstrates its strategic positioning within education sector investments, an area that has shown robust growth and investor appeal.

In summary, Neuberger Berman’s approach to fundraising across secondary markets, continuation funds, real estate secondaries, and strategic sector investments, combined with BlackRock’s new venture secondaries initiative and the revival of London’s retail property market, reflects a dynamic phase in private equity and related asset classes. These developments illustrate how established and emerging fund managers are adapting to and capitalising on evolving market demands for liquidity, growth opportunities, and diversified risk exposures.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/), [[2]](https://www.bloomberg.com/news/articles/2022-09-23/neuberger-berman-eyes-continuation-funds-with-4-9-billion-cash), [[3]](https://www.bloomberg.com/news/articles/2023-07-26/neuberger-berman-raises-2-5-billion-fund-for-pe-backed-firms)
* Paragraph 2 – [[2]](https://www.bloomberg.com/news/articles/2022-09-23/neuberger-berman-eyes-continuation-funds-with-4-9-billion-cash), [[3]](https://www.bloomberg.com/news/articles/2023-07-26/neuberger-berman-raises-2-5-billion-fund-for-pe-backed-firms), [[5]](https://www.bloomberg.com/news/articles/2019-04-23/neuberger-berman-raises-1-7-billion-for-a-direct-lending-fund)
* Paragraph 3 – [[4]](https://www.bloomberg.com/news/articles/2025-02-26/neuberger-berman-raises-1-billion-for-new-real-estate-fund), [[5]](https://www.bloomberg.com/news/articles/2019-04-23/neuberger-berman-raises-1-7-billion-for-a-direct-lending-fund)
* Paragraph 4 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/)
* Paragraph 5 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/), [[7]](https://www.bloomberg.com/news/articles/2024-10-21/neuberger-backs-nord-anglia-school-chain-at-14-5-billion-value), [[6]](https://www.bloomberg.com/news/articles/2024-09-06/eqt-cppib-weigh-5-billion-capital-injection-for-nord-anglia)
* Paragraph 6 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/), [[2]](https://www.bloomberg.com/news/articles/2022-09-23/neuberger-berman-eyes-continuation-funds-with-4-9-billion-cash), [[3]](https://www.bloomberg.com/news/articles/2023-07-26/neuberger-berman-raises-2-5-billion-fund-for-pe-backed-firms), [[4]](https://www.bloomberg.com/news/articles/2025-02-26/neuberger-berman-raises-1-billion-for-new-real-estate-fund), [[5]](https://www.bloomberg.com/news/articles/2019-04-23/neuberger-berman-raises-1-7-billion-for-a-direct-lending-fund), [[7]](https://www.bloomberg.com/news/articles/2024-10-21/neuberger-backs-nord-anglia-school-chain-at-14-5-billion-value)

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## Bibliography

1. <https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/> - Please view link - unable to able to access data
2. <https://www.bloomberg.com/news/articles/2022-09-23/neuberger-berman-eyes-continuation-funds-with-4-9-billion-cash> - Neuberger Berman is planning to deploy a portion of the $4.9 billion it has raised for second-hand private equity deals into continuation funds. These funds aim to extend ownership of companies by raising additional capital. Despite concerns over valuations causing other investors to be cautious, Neuberger Berman sees a robust pipeline of opportunities, especially for deals seeking less than $1 billion.
3. <https://www.bloomberg.com/news/articles/2023-07-26/neuberger-berman-raises-2-5-billion-fund-for-pe-backed-firms> - NB Capital Solutions, a unit of Neuberger Berman, has raised approximately $2.5 billion for a fund that focuses on financing private companies owned by private equity firms. The fund, which exceeded its initial target by about $1 billion, offers financing options including minority equity investments, preferreds, and convertible instruments, aiming to provide equity funding to companies backed by leveraged buyout firms.
4. <https://www.bloomberg.com/news/articles/2025-02-26/neuberger-berman-raises-1-billion-for-new-real-estate-fund> - Neuberger Berman Group has raised $1.05 billion for its latest real estate private equity secondary fund, surpassing its target by approximately 30%. The new fund, NB Real Estate Secondary Opportunities Fund II LP, is about 48% larger than its predecessor, which had total investor commitments of $712 million. This indicates strong investor interest in real estate secondary opportunities.
5. <https://www.bloomberg.com/news/articles/2019-04-23/neuberger-berman-raises-1-7-billion-for-a-direct-lending-fund> - Neuberger Berman has raised $1.7 billion for a fund that will directly lend to mid-sized companies acquired by private equity firms. This move reflects the firm's strategy to provide financing solutions beyond equity investments, aiming to support companies in the private equity portfolio through direct lending.
6. <https://www.bloomberg.com/news/articles/2024-09-06/eqt-cppib-weigh-5-billion-capital-injection-for-nord-anglia> - EQT AB and the Canada Pension Plan Investment Board (CPPIB) are considering a joint capital injection of at least $5 billion into Nord Anglia, the international school operator. Neuberger Berman is among the investors in discussions with the owners to participate in this additional funding, highlighting the firm's interest in the education sector.
7. <https://www.bloomberg.com/news/articles/2024-10-21/neuberger-backs-nord-anglia-school-chain-at-14-5-billion-value> - A consortium including Neuberger Berman is investing in Nord Anglia, valuing the international school operator at $14.5 billion, including debt. Existing shareholders, EQT AB and CPPIB, are also reinvesting in the company, indicating strong confidence in Nord Anglia's growth prospects and the education sector's appeal to investors.