# Neuberger Berman nears $5 billion secondary fund close amid rising investor appetite for liquidity solutions



Neuberger Berman is nearing the first close of its latest $5 billion secondary fund, driven by strong investor demand for liquidity solutions amid a vibrant secondary market, Bloomberg reports. The New York-based asset manager is expected to secure at least half of its fundraising target by the end of 2025. This launch follows the notable success of a related strategy that has already attracted $4 billion in commitments this year. In a show of confidence, Neuberger executives plan to personally invest a minimum of $50 million in the new vehicle.

This move builds on Neuberger Berman's ongoing expansion in private equity strategies targeting secondary assets. The firm has demonstrated robust fundraising capabilities across various private market segments, including the $2.5 billion fund raised by its NB Capital Solutions unit for minority equity investments in private equity-backed companies. This unit focuses on preferred equity, convertible instruments, and other financing forms tailored to private company needs. Additionally, Neuberger Berman recently raised $1.05 billion for a real estate private equity secondary fund, outperforming its target by approximately 30%, underscoring the firm's diversified approach within private markets.

Industry sources highlight the strong pipeline for continuation funds — vehicles that enable the extension of ownership in private equity portfolio companies — as a key area of deployment for Neuberger's substantial capital pool. Despite prevailing concerns around valuations, particularly for deals under $1 billion, activity remains resilient, reflecting ongoing investor appetite for tailored secondary market solutions.

Meanwhile, BlackRock is set to broaden its footprint in the secondary market with the launch of a venture secondaries fund targeting discounted stakes in venture capital portfolios, according to regulatory filings and Bloomberg reports. This move marks BlackRock’s inaugural dedicated fund focused exclusively on secondhand venture positions, which traditionally trade at a higher discount compared to buyout stakes—around 75% of net asset value versus 94%, respectively. The new fund will be managed by BlackRock executives Jarid Colucci, Derek Krouner, and Lisa Sun, signifying a strategic expansion into the rapidly growing segment of venture capital secondaries.

The thriving secondary market trend parallels robust activity in traditional private equity circles, as illustrated by record fundraising levels. A notable example is Blackstone’s recent landmark $22.2 billion secondaries fund, eclipsing its initial $13.5 billion target, which represents the largest ever raised in this space. This surge signals a broad institutional pivot toward acquiring stakes from pensions, endowments, and sophisticated investors looking for liquidity options beyond primary buyouts.

Parallel to developments in private equity secondaries, London’s retail property market is experiencing a pronounced rebound, largely driven by private equity firms and sovereign wealth funds. Savills forecasts more than £2 billion ($2.7 billion) in retail investment across central London in 2025—the highest level since 2018—with particularly strong momentum in the West End. In the first half of this year, the West End accounted for £495 million of investment, marking a 19% year-on-year increase. Market observers attribute this resurgence to long lease structures, relatively low capital expenditure, and an accommodating debt environment, which collectively enhance the appeal of this asset class despite wider economic uncertainties.

This revival comes amid broader shifts in the UK real estate sector, which has faced significant challenges from rising interest rates and evolving work patterns. Transaction volumes for offices and retail malls have plunged by as much as 80% in recent quarters, and values in London's financial districts have fallen by about 21%. Yet, the retail market’s selective strength highlights a nuanced real estate landscape adapting to higher yields and inflationary pressures.

Taken together, these trends underscore a dynamic environment in private equity and real estate markets. The increasing emphasis on secondary funds—whether in private equity or venture capital—and the selective resurgence of real assets in prime locations signal evolving investor strategies aimed at balancing liquidity, risk, and returns in a complex macroeconomic backdrop.

### 📌 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), [[4]](https://www.bloomberg.com/news/articles/2025-02-26/neuberger-berman-raises-1-billion-for-new-real-estate-fund)
* Paragraph 2 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/), [[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)
* Paragraph 3 – [[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 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/), [[6]](https://www.bloomberg.com/news/articles/2023-01-18/blackstone-raises-record-22-2-billion-for-secondaries-fund)
* Paragraph 6 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/)
* Paragraph 7 – [[1]](https://pe-insights.com/fund-friday-top-fundraising-news-in-private-equity-10/), [[7]](https://www.bloomberg.com/news/videos/2023-05-25/state-of-the-uk-real-estate-market-bloomberg-uk-show)

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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 raise additional capital to extend ownership of companies. Despite concerns over valuations, there remains a robust pipeline of opportunities 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 that finances companies owned by private equity firms, raised about $2.5 billion for a fund, around $1 billion more than its initial target. The group focuses on minority equity investments, including preferreds and convertible instruments, as well as other related forms of financing, in private companies.
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, exceeding its target by about 30%. The new fund, NB Real Estate Secondary Opportunities Fund II LP, is about 48% bigger than its predecessor fund, which had total investor commitments of $712 million.
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 bought out by private equity firms. With the new fund, Neuberger Berman’s private credit funds will have about $4.2 billion of capital available for loans.
6. <https://www.bloomberg.com/news/articles/2023-01-18/blackstone-raises-record-22-2-billion-for-secondaries-fund> - Blackstone Inc. raised a record $22.2 billion for a fund that will acquire stakes from pensions, endowments and other investors as the private equity giant further expands beyond its buyout roots. The haul, which far exceeds the firm’s initial $13.5 billion target, is the biggest secondaries fund ever raised.
7. <https://www.bloomberg.com/news/videos/2023-05-25/state-of-the-uk-real-estate-market-bloomberg-uk-show> - The UK real estate market is experiencing significant changes due to rising interest rates and changing work patterns. Transaction volumes in offices and malls are down by as much as 80% in the past two quarters. Values in the City of London are down by 21%. The market is adjusting to higher property yields and inflationary pressures.