



The Last Mile of Private Markets

Why the competitive advantage for Independent Sponsors is shifting from deal sourcing to execution certainty.

Insights from conversations with Independent Sponsors at the iGlobal Independent Sponsors Summit & Awards: Miami.

March 2026



Executive Summary

Deal Execution Infrastructure: The Competitive Advantage Independent Sponsors Underestimate

Private markets have spent decades refining how deals are sourced, structured, and financed. Independent Sponsors today operate in a highly sophisticated ecosystem of intermediaries, diligence providers, and capital partners.

Yet many transactions that begin with strong conviction ultimately stall during the most fragile stage of the process: **the operational window between LOI and closing.**

In conversations with sponsors across the market, a consistent pattern emerges.

**Deals rarely fail because the opportunity was wrong.
They fail because execution between LOI and close breaks down.**

Execution friction has become the primary reason deals stall between LOI and close.

The sponsors who consistently win are not simply those who source compelling opportunities. They are the ones who build the operational discipline required to close transactions **cleanly and predictably.**



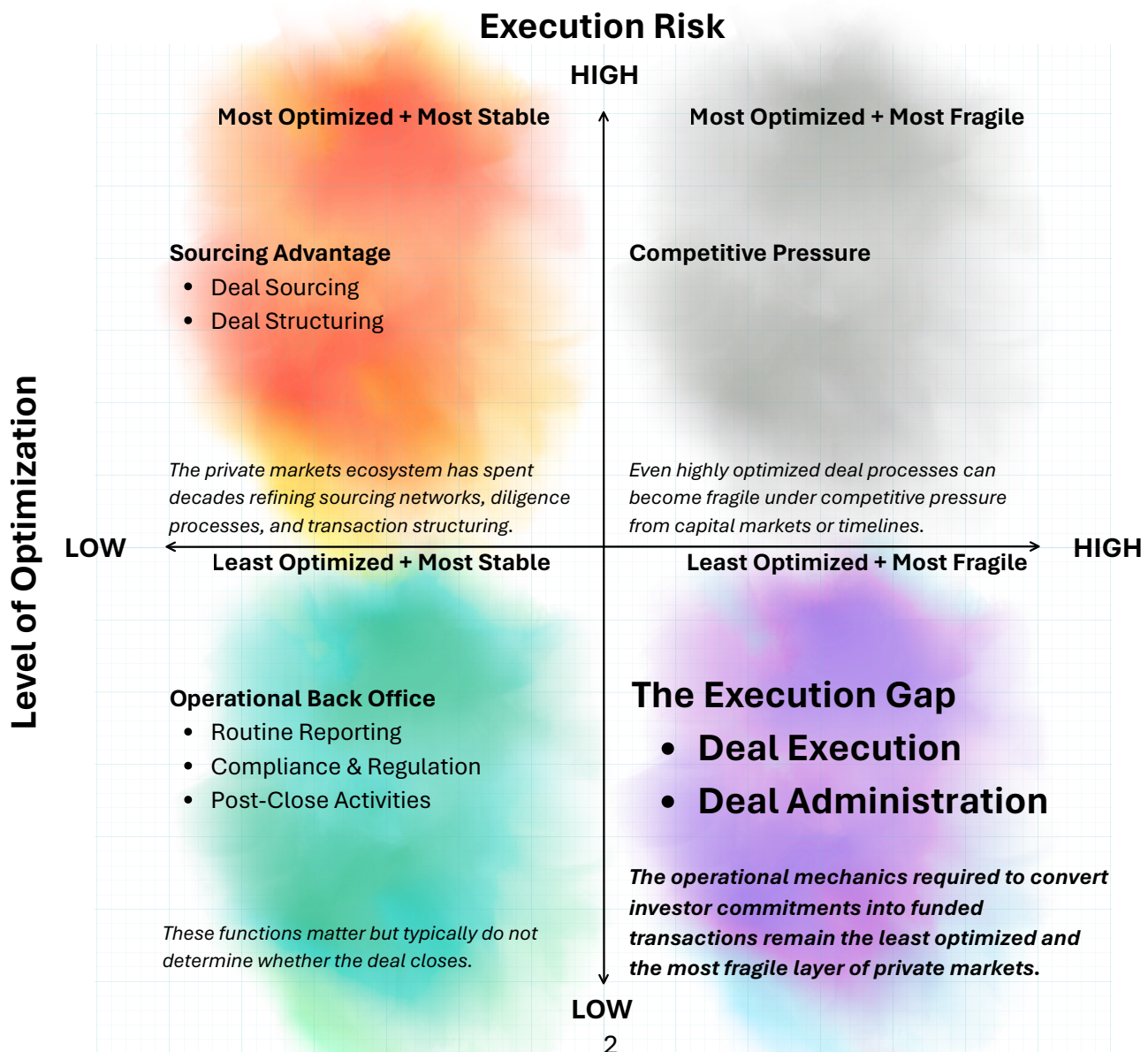
The Execution Gap

The Most Fragile Areas Of The Deal Lifecycle Are The Least Optimized

Private markets have become highly optimized around the front end of the deal with sophisticated capabilities for sourcing opportunities, structuring transactions, and coordinating capital relationships.

Yet a different pattern emerges when examining where transactions actually stall. The operational mechanics required to move a deal from LOI to funded close remain far less structured than the processes used to identify and structure the opportunity itself.

This creates what can be described as The Execution Gap: the areas of the deal lifecycle that are most operationally fragile are often the least optimized.



Market Signals

Three Market Signals Suggest Execution Discipline Is Becoming The Next Competitive Advantage

Signal

Independent Sponsors Are Managing Larger Investor Bases

The capital side of transactions has changed significantly.

Independent Sponsors increasingly coordinate capital from a diverse group of investors, including:

- **family offices**
- **high-net-worth individuals**
- **sponsor networks**
- **institutional partners**
- **syndicate participants**

Transactions that once required coordination among a small group of investors now frequently involve dozens—or even hundreds—of participants.

As investor counts grow, the operational complexity of managing commitments, documentation, and capital flows increases dramatically.

Execution complexity grows exponentially with increases in investor counts.



Market Signals (cont.)

Three Market Signals Suggest Execution Discipline Is Becoming The Next Competitive Advantage

Signal

Capital Is Increasingly Sensitive to Friction

Private markets have expanded significantly over the past decade. Investors now evaluate a growing number of opportunities across multiple asset classes.

In this environment, capital is increasingly mobile.

When investors encounter friction during the subscription process—whether through slow onboarding, unclear communication, or administrative delays—they often redeploy capital elsewhere.

Sponsors report losing investors not because the deal lacked conviction, but because the process created unnecessary friction.

Execution discipline is increasingly becoming part of the investment experience.



Market Signals (cont.)

Three Market Signals Suggest Execution Discipline Is Becoming The Next Competitive Advantage

Signal

Sellers Are Evaluating Certainty of Close

In competitive transactions, sellers and intermediaries increasingly evaluate buyers based on their ability to close reliably.

This evaluation extends beyond purchase price and deal terms. Sellers look for signals such as:

- **clarity of capital commitments**
- **organization of the closing process**
- **speed of execution**
- **operational discipline**

Sponsors who demonstrate structured execution processes inspire greater confidence that the deal will reach closing.

Execution discipline becomes a form of market credibility.



The Private Markets Stack

Private Markets Have Optimized for Deal Access, But The Execution Layer Remains Fragmented

The modern private markets ecosystem can be understood through three layers:

Deal Structure

This layer includes the activities most sponsors focus on:

- sourcing opportunities
- negotiating terms
- performing diligence
- structuring transactions

These capabilities determine whether a deal **can work**.

Execution Infrastructure

This layer governs the operational mechanics of closing:

- investor onboarding
- subscription workflows
- capital coordination
- communication management
- funds flow execution

This layer determines whether the deal **actually gets funded**.

Returns

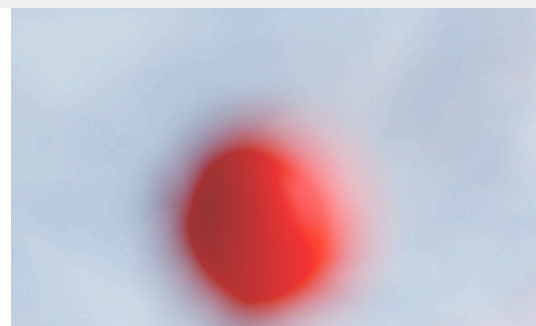
The final layer represents performance outcomes:

- operational improvements
- exits and liquidity
- distributions to investors

This layer determines whether the deal **creates value**.

While the industry has become highly sophisticated in sourcing and structuring transactions, the execution layer in the middle often remains fragmented.

And it is this layer that determines whether deals reach the finish line.



The Most Fragile Window in a Deal

The Operational Risk Of Transactions Peaks Between LOI And Close

For Independent Sponsors operating without committed capital, the period between LOI and closing represents the most fragile stage of the transaction.

During this window, sponsors must simultaneously manage:

- **diligence processes**
- **investor commitments**
- **subscription documentation**
- **capital coordination**
- **closing logistics**

These activities often occur concurrently and under significant time pressure.

As one Independent Sponsor recently described:



“If I found a deal I liked but couldn’t close it, that would keep me up every night for months.”

The emotional reality behind that statement reflects a structural challenge.

The most stressful part of many deals is not identifying the opportunity, it is ensuring the transaction actually closes.

Where Deals Actually Break

Most Execution Failures Are Operational Rather Than Strategic

When deals stall late in the process, the root cause is rarely strategic.

Instead, breakdowns often occur within a handful of operational areas that govern the execution process.

Capital Commitment Visibility

Sponsors frequently struggle to maintain real-time clarity around:

- **which investors have committed**
- **who is still reviewing documentation**
- **who has completed subscription materials**

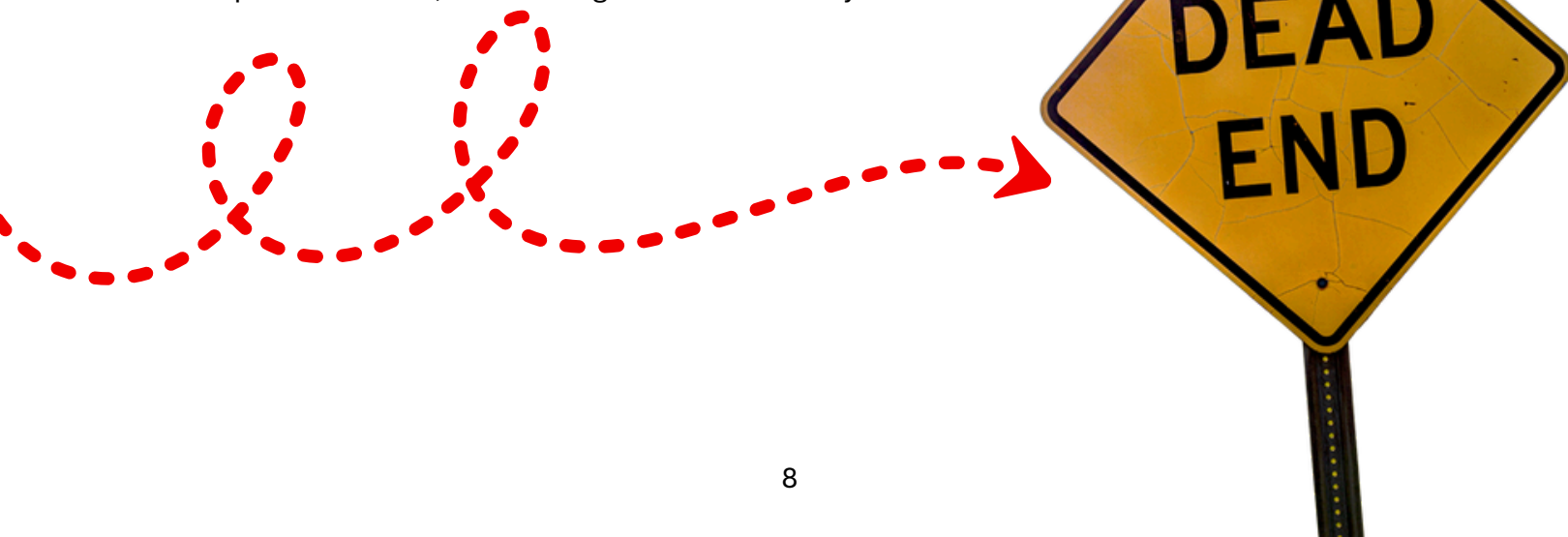
Without structured tracking, sponsors may spend valuable time reconciling commitment status.

Investor Communication Fragmentation

Investor communications often spread across multiple channels including:

- **email threads**
- **shared documents**
- **updated deal materials**

As requests increase, maintaining information clarity becomes difficult.



Where Deals Actually Break (cont.)

Most Execution Failures Are Operational Rather Than Strategic

Subscription Execution

Operational bottlenecks commonly arise during the subscription process, including:

- **incomplete documentation**
- **missing signatures**
- **compliance delays**

Each introduces additional friction into the closing process.

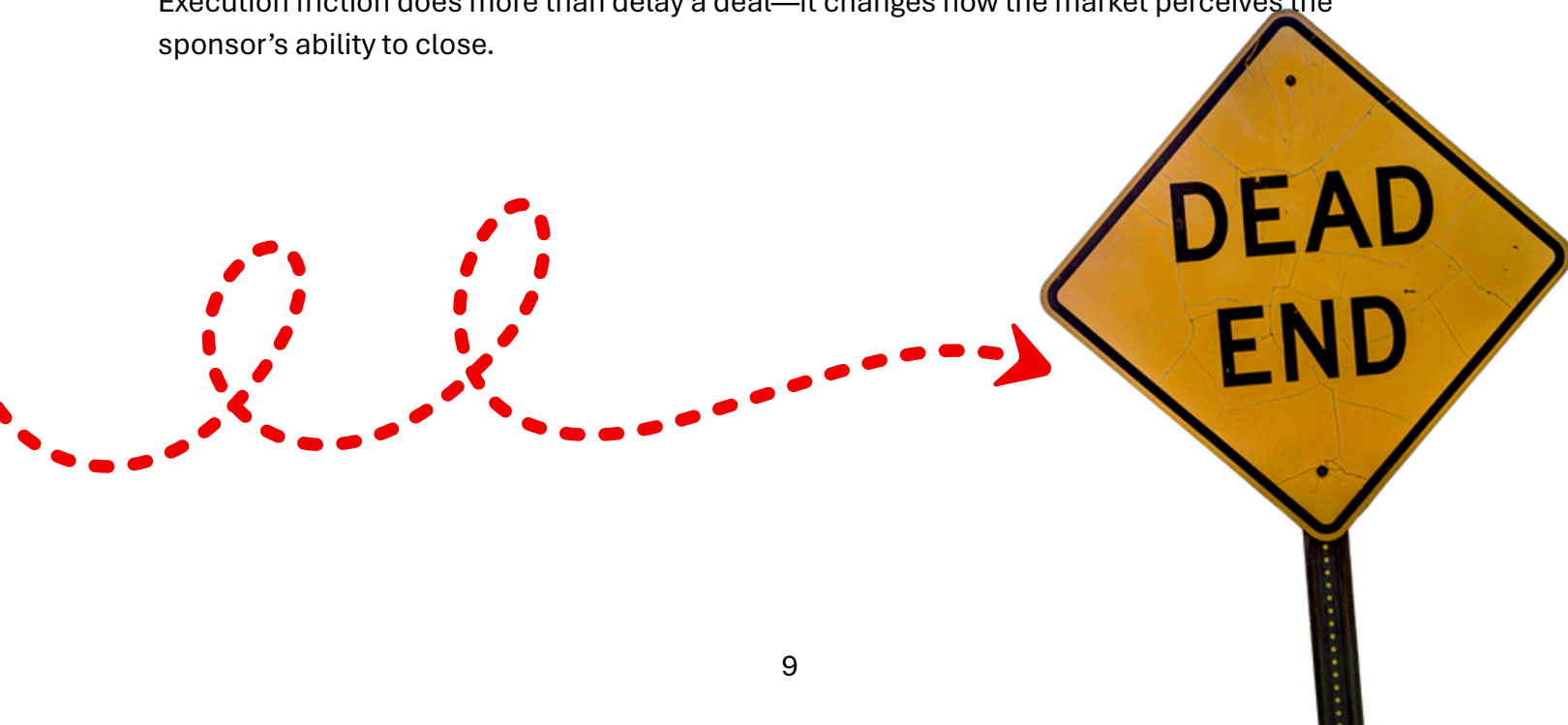
Funds Flow Coordination

The final stages of funding require careful coordination around:

- **wire instructions**
- **capital call timing**
- **confirmation tracking**

Even minor delays can slow the transaction timeline.

Execution friction does more than delay a deal—it changes how the market perceives the sponsor's ability to close.



Investor Experience Begins Before the Close

Investor Perception Forms During The Capital Formation Process

Many sponsors associate investor experience primarily with post-closing activities such as:

- **reporting**
- **performance updates**
- **distributions**

In practice, investor perception forms much earlier.

The moments that shape investor confidence often occur during the execution phase, including:

- **onboarding**
- **subscription documentation**
- **capital calls**
- **communication clarity**



In one recent transaction, an Independent Sponsor reported losing two investors not because the opportunity lacked merit—but because the onboarding and subscription process moved too slowly.

The investors simply moved their capital to another opportunity.

Execution friction quietly erodes investor confidence long before returns are realized.



Deal Administration Is Not Fund Administration

The Operational Mechanics Of Closing Deals Remain An Overlooked Layer Of Private Markets

Another common misconception is that fund administration solves execution challenges.

Fund administration typically focuses on activities that occur after the deal closes, including:

- **accounting**
- **K-1s**
- **financial reporting**
- **tax documentation**

These functions are essential (*and included in Deal Administration*), but they do not govern the capital formation process itself.

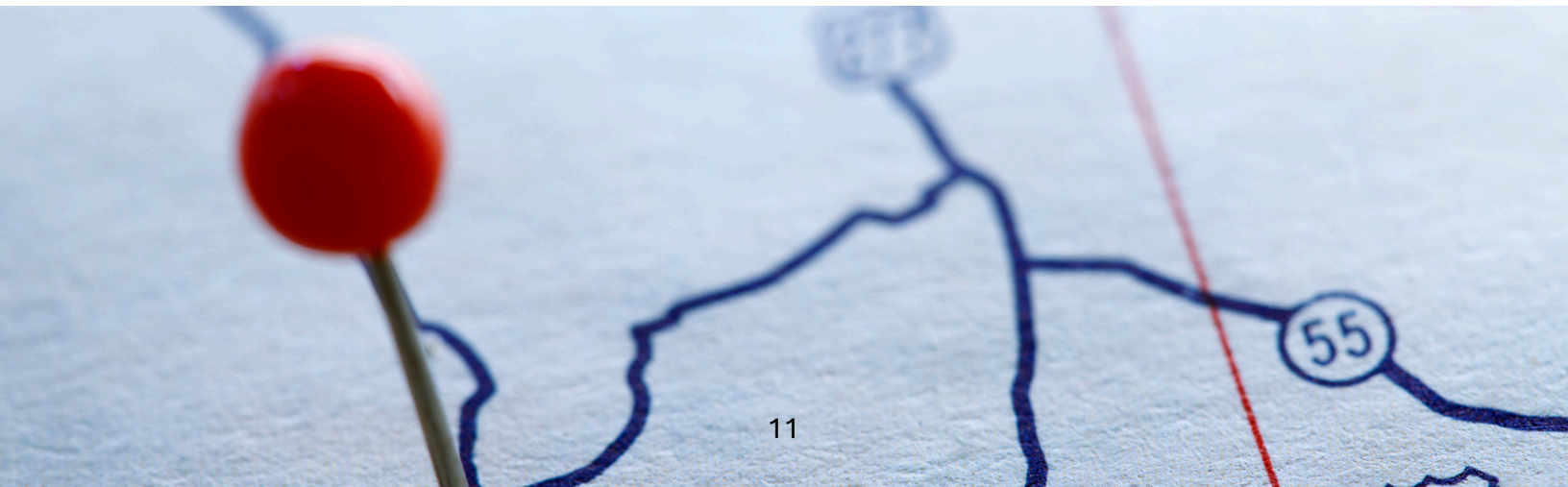
Deal administration governs the operational mechanics of closing a transaction, including:

- **managing investor commitments**
- **coordinating subscriptions**
- **executing capital calls**
- **managing funds flow**
- **coordinating closing logistics**

In simple terms:

Fund Administration protects the books.

Deal Administration determines whether the deal closes cleanly.



The Sponsors Who Win Will Close Predictably

Deal Execution Discipline Is Becoming A Defining Advantage

Independent Sponsors compete on many dimensions:

- **creativity in deal structuring**
- **strength of relationships**
- **access to proprietary opportunities**

These capabilities remain critical.

However, the market increasingly rewards something simpler.

Sponsors who consistently succeed share a common characteristic: they close transactions cleanly and predictably.

Structured execution processes create powerful advantages:

- **investors commit with greater confidence**
- **sellers trust the sponsor's ability to close**
- **intermediaries bring additional opportunities**

Over time, execution discipline becomes reputation capital.

Sourcing creates opportunity.

Structuring makes the transaction viable.

Execution infrastructure is what turns investor commitments into funded deals.

Execution Infrastructure in Practice

Verivend provides infrastructure designed to help Independent Sponsors coordinate investor onboarding, subscription workflows, and capital movement within a single system. The result is a more predictable path from investor commitment to funded transaction.

Learn more: [verivend.com](https://www.verivend.com)