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Fundraising Trends & The Evolving LP Landscape

September 2026

Fundraising has become one of the most consequential challenges facing private market managers. The current environment is particularly complex, as firms across strategies navigate slower distributions, extended fundraising cycles, increasingly selective LP decision-making, and heightened competition for commitments.

Many institutional investors remain constrained by overallocation and denominator effects or are concentrating capital with existing manager relationships. They are placing greater emphasis on liquidity, realized performance, organizational maturity, and a manager's ability to demonstrate clear and sustainable differentiation. These dynamics have extended fundraising timelines and increased the importance of understanding where genuine investor appetite and the capacity to deploy capital exist.

At the same time, the capital landscape is broadening. While traditional institutional investors, including public pension plans, remain essential sources of capital, private market managers are increasingly engaging family offices, insurance companies, private wealth platforms, sovereign wealth funds, and other pools of institutional and private capital. The result is a fundraising environment that is simultaneously more competitive and more diversified, creating additional pathways for managers that can articulate a differentiated investment advantage, demonstrate institutional readiness, and build the long-term relationships required to convert investor interest into durable commitments.

This report explores how these broader market dynamics are affecting fundraising for diverse-owned and emerging managers. In February 2026, NAIC analyzed fundraising data to identify the LPs that have allocated capital to our member firms, a network of 178 diverse-owned managers that invest across the full spectrum of alternative strategies. Additionally, we conducted a Market Pulse Member Fundraising Survey in July/August to look beyond publicly reported allocations and provide greater visibility into capital sources and fundraising activity that are not typically captured in commercial databases.

The Path to Capital is Changing

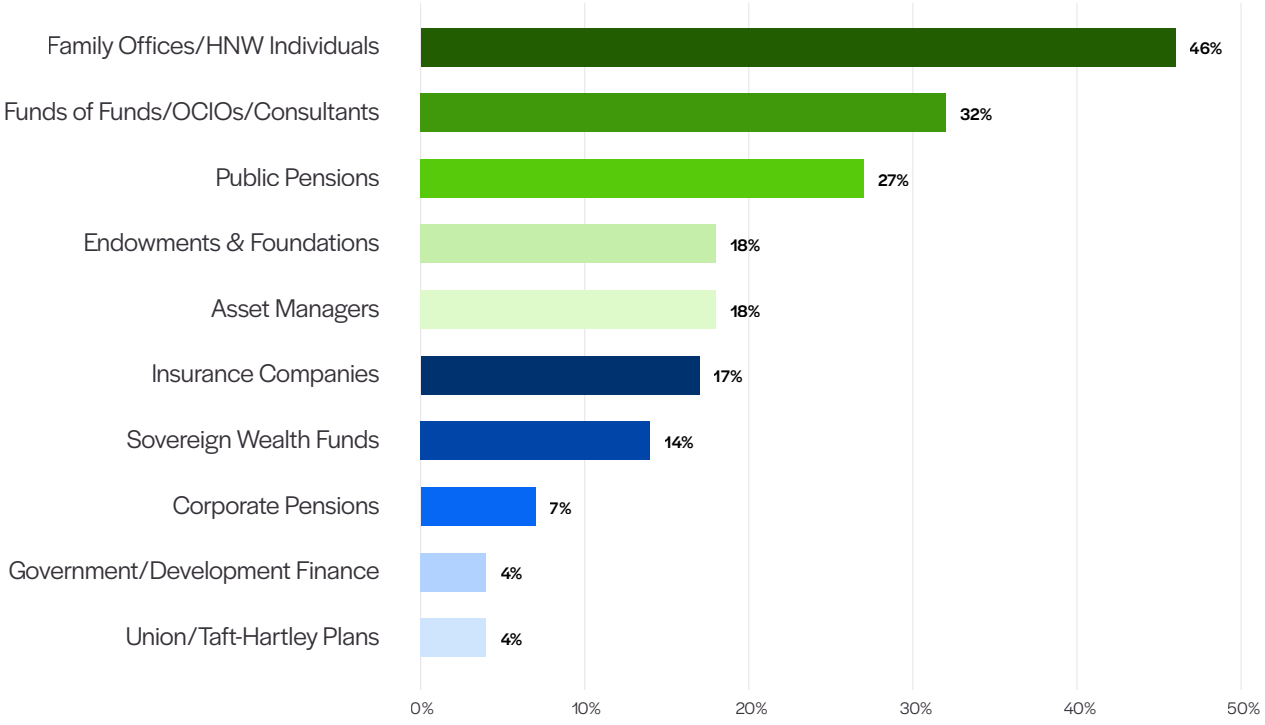
NAIC's commitment analysis and member survey show that while established institutional relationships remain important, members are gaining traction across a broad range of capital sources. We asked member firms to estimate the % of commitments from each LP type in their most recent fund to provide an exclusive look into the current fundraising landscape. Family offices/HNW individuals have become a strong source of capital for many firms, and recent significant investments were also noted from Insurance Companies, Government/Development finance, and Funds of funds/OCIOs/Consultants.

Approximate % of Commitments in Firm's Most Recent Fund

INVESTOR TYPE	>50%	26–50%	11–25%	1–10%	0%
Public Pensions	13%	27%	7%	17%	37%
Corporate Pensions	4%	0%	4%	31%	62%
Union/Taft-Hartley Plans	0%	0%	0%	12%	88%
Endowments & Foundations	3%	10%	7%	52%	28%
Family Offices/HNW Individuals	17%	14%	28%	34%	7%
Insurance Companies	0%	14%	14%	21%	52%
Sovereign Wealth Funds	0%	0%	4%	8%	88%
Funds of Funds/OCIOs/Consultants	4%	4%	21%	46%	25%
Asset Managers	0%	7%	7%	30%	56%
Government/Development Finance	0%	12%	0%	12%	76%

Respondents also noted increased interest and relationship building with these LPs in the last 5 years, even if those relationships haven't yet led to commitments. Nearly half of respondents reported increased interest from Family offices/HNW individuals, and more than a quarter reported increased interest from Funds of funds/OCIOs/Consultants and Public pensions.

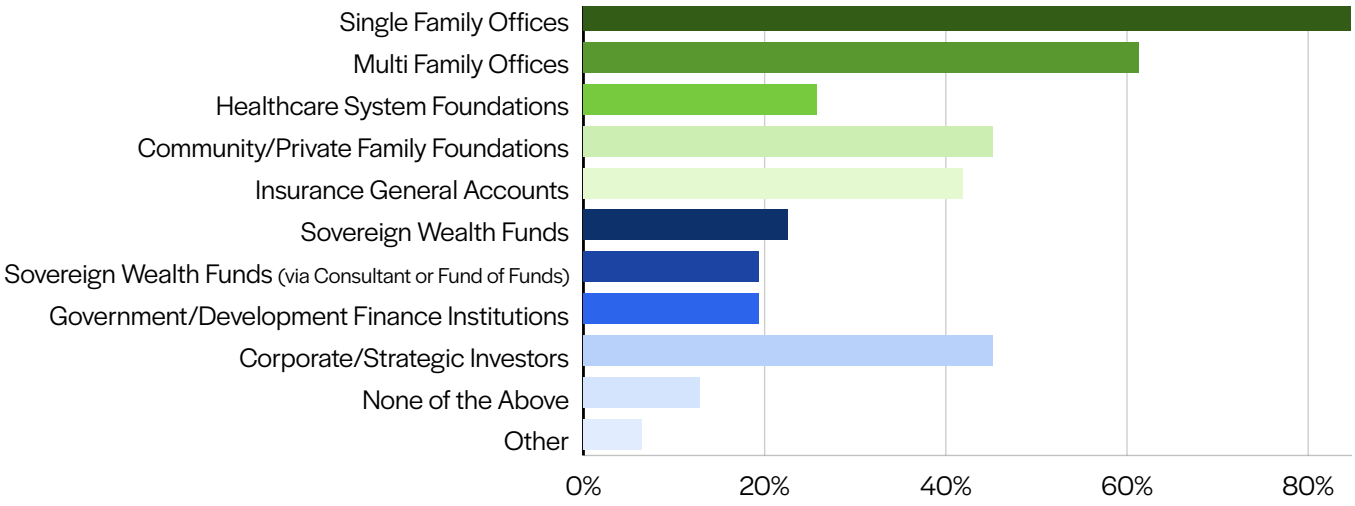
% of Respondents Reporting More Interest in the Last 5 Years



The Path to Capital is Changing (continued)

Our survey explored activity among private and underreported investors (such as family offices, sovereign wealth funds, and community foundations), so we could supplement the fundraising data available from public sources to provide a more complete picture of the breadth of the current LP landscape for diverse and emerging managers. 87% of survey respondents reported commitments from, or active conversations in the last 3 years with single-family offices, followed by multi-family offices (61%), Community/Private family foundations (45%) and Corporate/strategic investors (45%).

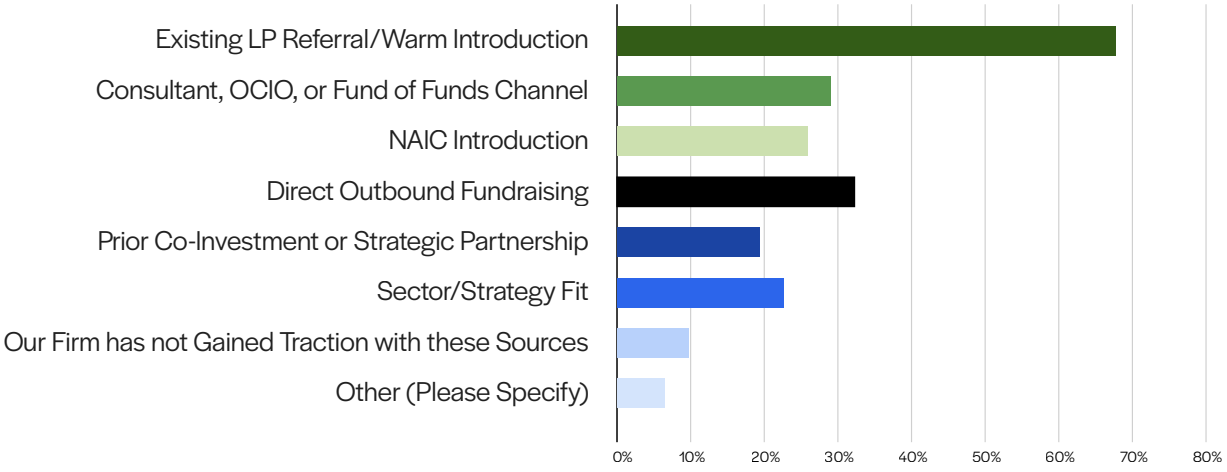
Private/Underreported Investors Members Received Commitments From or Had Active Conversations With in the Last 3 Years



The survey confirmed that the path to capital is highly relationship-driven, with 68% of respondents identifying existing LP referrals or warm introductions as a leading path to engagement, compared with 32% citing direct outbound fundraising and 29% citing consultants, OCIOs, or funds of funds. The findings suggest that successful access depends on more than identifying prospective investors. Fund size, track record, institutional requirements, established relationships, visibility within allocator networks, and familiarity with a manager's background and organizational profile can all influence which firms receive consideration. For emerging managers whose firms or professional networks may not resemble those of established platforms, building familiarity and institutional credibility can therefore become an additional part of the fundraising process.

The Path to Capital is Changing (continued)

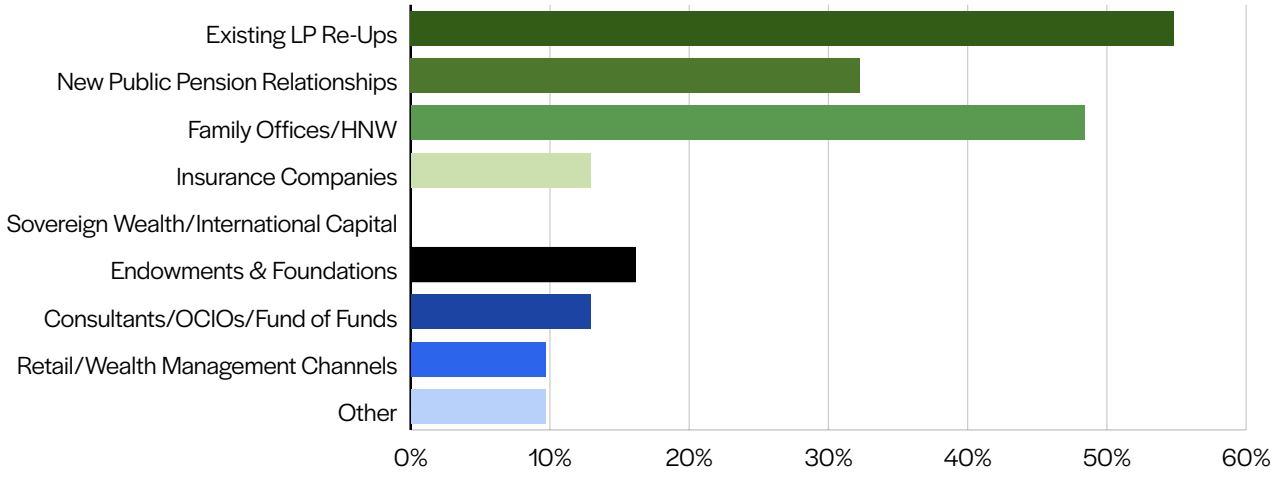
Most Important Path to Engagement for Private/Underreported LPs



The Value of Nurturing and Cultivating Relationships

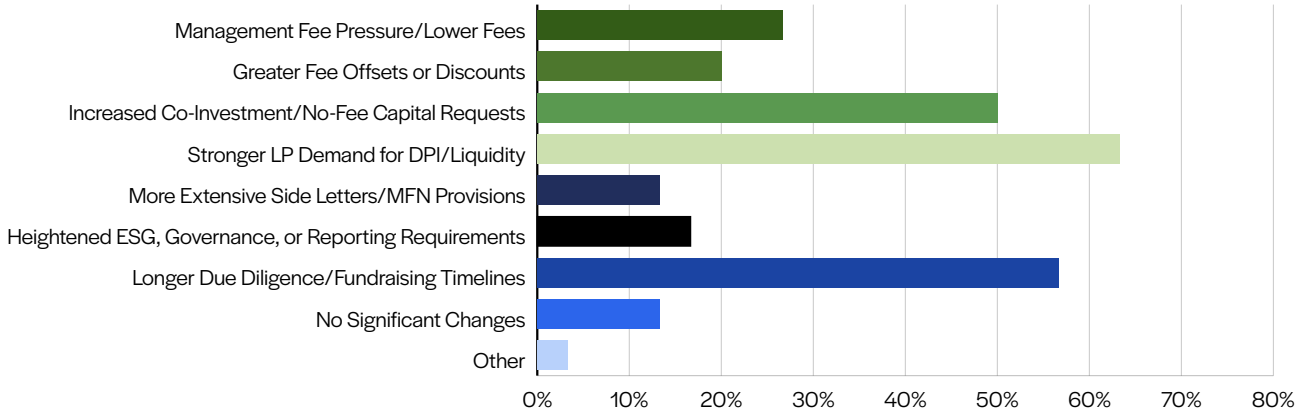
Not surprisingly, existing LP re-ups remain the most frequently cited path to fundraising success, identified by 55% of respondents, underscoring the continued value of established relationships. New relationships with Family offices and HNW individuals followed closely at 48%, while 32% cited new public pension relationships. Together, the findings suggest that successful fundraising increasingly depends on retaining existing LPs while building new relationships across a broader investor base.

Most Important Path to Engaging with Private/Underreported Investors



Evolving LP Expectations

LP expectations are constantly evolving, and the survey revealed that the most common changes in LP terms and negotiations members have seen in the past 3 years were stronger LP demand for DPI or liquidity (63%), longer due diligence or fundraising timelines (57%), and increased requests for co-investments or other no-fee capital (50%).



Those pressures are also reflected in the fundraising challenges survey participants identified. 42% of respondents noted their single biggest challenge is a longer time to close or slower LP decisions. Other significant challenges mentioned were track record/fund number constraints (16%) and access to new LP types (13%). These results highlight some of the challenges emerging managers have as they are raising their first few funds and are establishing visibility in the institutional space.

Broadening the Path to Capital in a Competitive Market

The current fundraising conditions are requiring managers to look more broadly for capital sources. Some institutional plans no longer invest in venture capital or first-time funds, while others are heavily committed and concentrating capital with existing relationships. **Robert L. Greene, NAIC President & CEO**, said these dynamics have forced many managers "to become much more creative in where they source capital providers," including family offices, foundations, high-net-worth individuals, insurance companies, and endowments.

Greene noted that firms often must approach hundreds of prospective LPs to secure a relatively small number of commitments, reinforcing the value of developing a broader investor network. At the same time, the institutional bar is rising. Emerging firms increasingly recognize the need to field fully developed teams, systems, infrastructure, and robust back-office capabilities. As Greene observed, "Managers are showing up better prepared than they did 10 years ago."

Overall, NAIC's survey points to a fundraising model supported by a more diverse range of capital sources. Family offices are showing particularly strong momentum, while insurance companies, government/development finance investors, and sovereign wealth funds are providing additional avenues to capital. For diverse and emerging managers, the message is not to move away from traditional LPs, but to build a broader network around them.

Public Pensions Remain the Cornerstone

Public pension plans remain an important institutional foundation for diverse managers. NAIC's member fundraising commitment analysis demonstrates the depth of these relationships, as 19 of the top 20 largest allocators to NAIC members are pensions. The New York State Common Retirement Fund leads the list, with approximately $13.28 billion committed across 95 NAIC member funds managed by 30 member firms. Other major pension systems—including those in Connecticut, Oregon, California, Illinois, New York, New Jersey, Maryland, Wisconsin, Texas, and Pennsylvania—also rank among the largest allocators to NAIC members. Not surprisingly, many of the top pension investors have large emerging manager programs that ensure they allocate a portion of capital to newer and diverse-owned firms.

Public pension relationships are particularly valuable in a fundraising environment where slower distributions and greater selectivity can make new LP relationships difficult to establish. Longstanding pension partnerships provide an important institutional base, while successful new relationships demonstrate that the channel remains active for managers able to meet allocator requirements.

Top 20 LP Commitments to NAIC Member Firm

	TOTAL COMMITTED (BILLIONS)	MEMBER FIRM COMMITMENTS	MEMBER FUND COMMITMENTS
New York State Common Retirement Fund	$13.28	30	95
Connecticut Retirement Plans and Trust Funds	$5.58	17	58
Connecticut State Employees Retirement System	$4.53	17	50
Oregon Public Employees Retirement System	$3.20	4	16
New York State Teachers' Retirement System	$2.89	9	30
California Public Employees' Retirement System	$2.80	21	45
Teachers Retirement System of the State of Illinois	$2.72	20	53
Los Angeles County Employees' Retirement Association	$2.62	16	34
CPP Investments	$2.58	3	8
New Jersey Division of Investment	$2.38	5	19
Maryland State Retirement and Pension System	$2.10	7	27
New York City Employees' Retirement System	$2.04	13	42
Teachers' Retirement System of the City of New York	$2.04	15	41
Illinois Municipal Retirement Fund	$2.02	12	37
State of Wisconsin Investment Board	$1.72	6	26
The University of Texas/Texas A&M Investment Management Company	$1.55	5	20
Teacher Retirement System of Texas	$1.33	12	24
Pennsylvania State Employees' Retirement System	$1.33	5	18
New York City Police Pension Fund	$1.30	15	42
California State Teachers' Retirement System	$1.22	10	23

The significance of public pensions therefore extends beyond the size of their commitments. They remain an important part of the institutional foundation on which managers can build a more diversified LP base to succeed in today's increasingly competitive fundraising environment.

Developing Family Office Relationships

The Market Pulse Fundraising Survey clearly shows members are seeing increased interest and allocations from family offices. Family offices and HNW individuals reached the survey's highest commitment range, potentially accounting for more than half of commitments to an individual firm's most recent fund or current fundraising effort. 46% of respondents reported increased interest from this group over the past five years—the highest percentage among LP categories surveyed—while 48% cited family offices/ HNW individuals among the areas where they are finding the most fundraising success in the last year.

Beyond providing capital, family offices can play an important role in an emerging manager's development. The experience of **5th Century Partners (5CP)** provides one example. The Chicago-based lower middle market private equity firm, which invests in healthcare and business services companies, launched in 2020 with backing from Financial Investments Corporation (FIC), a Chicago family office experienced with seeding and investing in emerging managers. 5CP subsequently raised a $144 million inaugural fund in 2022 and a $276 million Fund II, which closed in early 2026, while developing an LP base that includes pensions, endowments, insurance companies, and family offices.

FIC's early commitment validated the fund with prospective investors, and its relationships helped introduce 5CP to additional family offices and capital allocators. **Managing Partner Marques Torbert** described how family offices can amplify those relationships by sharing with others "what they're doing, why they're excited about it, and how it's differentiated."

For managers seeking to build similar relationships, Torbert emphasized starting well before capital is needed. He recommended beginning conversations ideally 18 to 24 months before a fundraise because many LPs plan allocations well in advance of making the commitments. Managers should also target investors based on demonstrated behavior rather than stated interest. "Everyone will say they love emerging managers," Torbert said and believes most mean it. Minimum check sizes, diligence capacity, limits on total manager count, and consultant approval processes are what constrain who can act on that interest. His screen is whether the LP has actually committed to a first or second-time fund, whether they have done so more than once and recently, and whether the person who championed that commitment is still in the seat.

Once a relationship begins, Torbert recommends maintaining substantive contact between fundraises. 5CP shares portfolio and acquisition updates, invites select prospective LPs to events with portfolio company CEOs, and includes them at annual meetings well before seeking a commitment. The objective is to give investors repeated evidence of the team's capabilities and execution. In what Torbert described as a "show-me period," demonstrable progress in sourcing, investing, portfolio performance, and distributions can carry greater weight than what a manager promises in a presentation.

Understanding the individual investor is equally important. Family offices can differ significantly based on their generation of wealth, internal investment capabilities, use of an outsourced CIO, liquidity needs, and allocation practices. Torbert's broader lesson for emerging managers is that "all investors aren't created equal simply because they have capital." Effective fundraising therefore requires understanding not simply an investor type, but how each prospective investor makes decisions and where a manager's strategy fits within those priorities.

Developing Family Office Relationships (continued)

Family office backing can also provide credibility as emerging managers build the infrastructure required by institutional investors. Torbert cited credit facilities, subscription lines, fund administration, and other capabilities that new firms must establish while simultaneously raising and investing capital for a first time fund. Investors experienced in underwriting emerging managers may therefore contribute not only capital, but also validation and relationships as firms develop the capabilities expected by a broader LP base.

Family offices can play an important role in emerging manager fundraising, with their value extending beyond individual commitments to include validation, introductions, and support as firms develop. For managers, the lesson is equally important: begin relationships early, target LPs based on actual investment behavior, understand how each investor operates, remain engaged between fundraises, and build a record of execution that gives prospective LPs reasons to develop conviction over time.

Sovereign Wealth Funds are Gaining Momentum

Sovereign wealth funds (SWF) remain a relatively underdeveloped source of capital for diverse and emerging managers, but the Market Pulse Fundraising Survey indicates that meaningful engagement is occurring with members. 23% of respondents reported receiving commitments from or having serious active conversations directly with SWFs during the past three years, while 19% cited engagement through consultants or funds of funds. Yet 88% received no SWF commitments in their most recent fund or current fundraise, highlighting the gap between investor engagement and actual commitments.

The survey nevertheless points to increasing momentum, with 14% of respondents reporting increased interest from SWFs over the past five years. **OceanSound Partners** provides one example of how that interest can develop. The private equity firm, which specializes in technology and technology-enabled services across aerospace, defense, government, and other highly regulated markets, experienced increased engagement from SWFs and other global institutions while raising its $3.0 billion Fund III.

Sector specialization appears to be an important component of that engagement. **Julie Marracino, Principal, Investor Relations at OceanSound**, said international investors have shown greater appetite for specialized aerospace- and defense-focused strategies. For managers, that experience suggests that deep expertise in sectors aligned with global institutional priorities can provide a point of differentiation when competing for SWF capital.

Converting interest into commitments, however, can require years of relationship building. Marracino said OceanSound often maintained dialogue with prospective investors for several years before a mandate became available or the institution developed sufficient conviction. Once established, she noted, SWF relationships can result in meaningful commitments and consistent long-term partnerships. The experience helps explain why NAIC's survey can simultaneously show growing engagement with SWFs and relatively limited commitments to recent member funds.

Institutional readiness is equally important. According to Marracino, global investors evaluated team development, organizational maturity, portfolio construction, and performance across different environments, alongside OceanSound's specialization, ownership model, and operating capabilities. For emerging managers, the broader lesson is the need to establish what Marracino described as a

Sovereign Wealth Funds are Gaining Momentum (continued)

compelling "right to exist"—a differentiated strategy supported by evidence that the firm can source investments, execute transactions, create value, and generate exits across market cycles.

Our research shows that sovereign wealth funds represent a challenging but potentially significant source of long-term capital. Sector expertise can help create an opening, but specialization alone is insufficient. Managers must pair differentiation with performance, institutional maturity, and relationships developed over time. For diverse and emerging managers capable of meeting that standard, SWFs can add another global institutional channel to an increasingly diversified fundraising strategy.

Insurance Companies are a Meaningful Capital Source

Market Pulse Fundraising Survey respondents indicated that insurers accounted for 26–50% of capital in their most recent fund or current fundraising effort. Additionally, our fundraising commitment analysis shows insurance companies have allocated more than $2.4 billion to NAIC member firms.

Top 10 Insurance Companies Investing in NAIC Member Firms

	TOTAL COMMITTED (MILLIONS)	MEMBER FIRM COMMITMENTS	MEMBER FUND COMMITMENTS
The Northwestern Mutual Life Insurance	$290	10	34
The Prudential Insurance Company of America	$145	7	18
Teachers Insurance and Annuity Association of America	$145	22	37
Cathay Life Insurance	$90	2	2
Fubon Life Vietnam	$70	1	1
Principal Life Insurance Company	$35	4	7
Massachusetts Mutual Life Insurance	$31	5	5
St. Paul Fire and Marine Insurance Company	$30	4	5
Jackson National Life Insurance Company	$18	2	6
Great American Life Insurance	$14	3	3

Our research shows that insurers are not simply a prospective source of capital for diverse and emerging managers. They are already participating meaningfully in member fundraising and provide another avenue for diversifying the institutional LP base. For managers, the question is therefore not simply whether insurers are allocating capital, but how they can ensure they have the characteristics insurers prioritize when selecting investment partners.

The New Fundraising Playbook

A more selective fundraising market requires a more deliberate approach to capital formation. NAIC's research points to several common practices: targeting investors based on demonstrated behavior, establishing clear differentiation, developing LP relationships well before a fundraise, and pursuing a broader range of capital sources. The objective is not simply to contact more investors, but to focus resources where there is evidence of fit and build conviction over time.

1. Target LPs Based on Demonstrated Behavior

Fundraising resources are best focused on investors with both the capacity and demonstrated appetite to engage. Commitment data from sources such as PitchBook and Preqin can help managers identify which LPs are active, have invested in similar strategies and similarly sized funds, or have previously backed emerging managers. NAIC members can utilize NAIC's LP Green Book to identify LPs that have made commitments to members, and the Market Pulse Fundraising Survey adds visibility into recent fundraising activity.

The distinction between stated interest and actual investment behavior is important. Managers interviewed for this report emphasized researching which LPs have actually invested in or seeded emerging firms rather than relying on expressed interest alone. Understanding allocation policies, governance, liquidity needs, portfolio objectives, and experience underwriting emerging firms can further help GPs distinguish investors with a genuine potential fit rather than treating LPs within a particular category as interchangeable.

2. Differentiate—and Demonstrate the Ability to Execute

As fundraising becomes more competitive, specialization can provide an alternative to competing primarily on scale. PitchBook reports that specialist managers captured nearly 74% of capital raised in 2025, demonstrating the appeal of focused strategies. For diverse and emerging managers, differentiation can come from sector expertise, niche investment strategies, geographic specialization, thematic investing, proprietary sourcing, and operational expertise—capabilities that allow managers to articulate not simply what they invest in, but why they possess an advantage in sourcing opportunities and creating value.

Differentiation, however, must be demonstrated through execution. Managers interviewed for this report described an environment in which LPs increasingly seek tangible evidence that a GP can execute its stated strategy, including investment activity, sourcing, portfolio progress, distributions, and other proof points. For emerging firms, building conviction therefore requires demonstrating the ability to source and transact effectively, manage investments, create value, and ultimately generate exits across different market environments.

That scrutiny extends to the organization behind the strategy. Repeatable processes, a cohesive investment approach, responsible stewardship of capital, the ability to attract and develop talent, and evidence that the firm can navigate challenges all contribute to institutional credibility. For emerging managers, the goal is not simply to present a differentiated strategy, but to demonstrate the ability to execute it consistently and build an enduring investment organization.

3. Build Relationships Before You Need Capital

Relationship development should begin well before a fund is launched. Managers interviewed for this report emphasized beginning conversations at least a year—and potentially 18 to 24 months—before seeking a commitment, particularly because many LPs establish allocation plans well in advance. Early engagement gives prospective investors time to understand the manager, observe its development, and potentially incorporate an upcoming fund into their allocation planning.

NAIC's survey supports that relationship-oriented approach, with 68% of respondents identifying an existing LP referral or warm introduction as a leading path to private or underreported investors.

Engagement should also provide LPs with meaningful evidence of progress. Portfolio and acquisition updates, interaction with investment teams and portfolio-company executives, annual meetings, and other substantive touchpoints can allow prospective investors to follow a manager's development before being asked for a commitment. Smaller investments and co-investments may also provide opportunities to develop familiarity where appropriate. The objective is to build conviction progressively rather than beginning the relationship when capital is immediately needed.

That approach can also pay dividends across successive funds. Fund managers described LP relationships that developed over multiple years, with investors increasing commitments as performance, portfolio development, strategic consistency, and organizational maturity provided additional proof points. In some cases, relationships can evolve from emerging-manager programs into primary private equity allocations. The goal is therefore not simply to secure an initial commitment, but to establish the performance, trust, and institutional credibility that can support a long-term LP relationship.

4. Broaden the LP Universe

NAIC's research clearly indicates that managers are finding capital across a broader LP universe. The most promising channels will differ by manager. Family offices may offer experience underwriting emerging firms, while insurers and sovereign wealth funds can provide substantial institutional capital but often require greater organizational maturity. Government-related investors, foundations, funds of funds, OCIOs, and private wealth provide additional possibilities. The objective is not to pursue every LP category, but to identify those whose mandates, investment behavior, and requirements align most closely with the manager's strategy and stage of development.

Fundamentally, the new fundraising playbook is about improving the quality, timing, and durability of LP engagement. Historical investment behavior can identify investors with genuine appetite; specialization establishes a reason to invest; demonstrated execution and institutional maturity build credibility; and sustained engagement develops conviction. A broader LP universe creates additional pathways to capital, but the longer-term objective is to build an organization that investors can support not simply through one fundraise, but across multiple funds as the manager develops.

The LP Case: Differentiated Sources of Alpha

The case for investing with diverse and emerging managers is fundamentally fiduciary. As institutional investors seek differentiated sources of alpha, these managers can provide specialized expertise, proprietary sourcing, and access to sectors, geographic niches, and underserved markets that larger platforms may overlook. Their focused strategies can also broaden portfolio exposure across managers, sectors, and sources of return.

The middle market illustrates the potential performance benefits. ILPA's 2025–2026 LP Sentiment Survey found increasing institutional interest in the segment. Since 2013, top middle-market funds have outperformed large-cap peers by approximately 719 basis points. According to PitchBook, the Middle Market Buyout Index returned 469.5% over the past decade, compared with 311.2% for megafund buyouts.[1]

Manager selection, however, remains critical. For 2018–2021 vintages, top-decile middle-market managers generated a 27.3% internal rate of return, compared with 14.4% for top-decile megafunds, while bottom-decile middle-market managers underperformed their megafund counterparts.[1] For LPs, this dispersion places a premium on identifying managers with differentiated capabilities and strategies.

Emerging managers can offer another potential advantage: access to promising firms before they become institutional-scale platforms. Establishing relationships earlier can provide exposure to specialized strategies, sourcing networks, and investment capabilities before those managers become broadly sought after. Realizing that potential requires rigorous underwriting and the ability to evaluate organizations at earlier stages of their development.

NAIC member performance reinforces the investment case. NAIC's 2025 Affirming the Returns report found that the NAIC Private Equity Index significantly outperformed the benchmark BURGISS median return, generating an internal rate of return (IRR) of 16%, versus the BURGISS median return of 9%, representing 700 basis points of outperformance over the period studied.[2] The findings provide additional evidence that expanding the manager universe can give LPs access to managers capable of generating competitive investment results.

Fundraising results provide another measure of investor demand. Since 2010, 44 NAIC member firms have closed at least 85 oversubscribed funds, collectively raising approximately $40.2 billion above target.[3] That pattern has continued through the recent fundraising slowdown, indicating sustained LP demand across different market environments.

For LPs, the broader takeaway is straightforward. Diverse and emerging managers can provide specialized expertise, exposure to underserved markets, differentiated deal flow, potential portfolio diversification, and access to promising firms earlier in their development. Combined with evidence of competitive performance and sustained investor demand, these characteristics position such managers squarely within the institutional search for alpha and investment capabilities that may be less accessible through larger platforms.

[1] ILPA, LP Sentiment Survey 2025–2026; PitchBook, Q2 2026 Analyst Note: U.S. Private Equity's New Fundraising Reality; Suntera Capital, Middle-Market Private Equity Outlook: Momentum Builds for 2026.

[2] NAIC Affirming the Returns 2025: Further Evidence of Diverse-Owned Private Equity Firm Outperformance (2025).

[3] NAIC IntelligentNAIC member fundraising and oversubscription data

The Opportunity Ahead

The evidence throughout this report points to an important evolution in how diverse and emerging managers are raising capital. Public pensions remain an important institutional source, but NAIC members are increasingly finding success beyond that traditional base. Family offices and HNW individuals are demonstrating particularly strong momentum; insurers have established meaningful relationships with member firms; and engagement with sovereign wealth funds and other global institutions is emerging.

These developments suggest that fundraising strategies will need to become increasingly diversified. Family offices can provide capital, introductions, and early validation; insurers offer another source of long-term institutional capital; and sovereign wealth funds can become significant partners for managers able to demonstrate specialization, performance, and institutional maturity. Rather than replacing established LP relationships, these sources provide additional pathways to capital and can reduce dependence on any single investor channel.

For GPs, capital diversification requires a deliberate fundraising strategy. Managers must identify LPs whose investment behavior aligns with their strategies, develop relationships well before a fundraise, and clearly demonstrate what differentiates their approach. As the LP universe expands, sector expertise, proprietary sourcing, operational capabilities, and institutional readiness will become increasingly important in converting investor interest into durable relationships.

The capital base could broaden further as access to private markets expands. Retail and private wealth channels remain relatively early in their development but could eventually become significant sources of capital for private-market managers. As individual investors gain greater access to private-market strategies, the retailization of alternatives could add another dimension to the fundraising landscape. The timing remains uncertain, but the trend could further diversify the investor base available to managers.

For LPs, this evolution can also broaden the search for investment excellence. Diverse and emerging managers can provide specialized expertise, differentiated sourcing networks, exposure to underserved markets, and access to investments that may be less accessible through larger platforms. Evaluating these managers as part of the broader search for differentiated returns can expand the range of strategies and capabilities available to allocators while providing earlier access to promising firms.

Ultimately, the fundraising landscape is becoming broader even as it remains highly competitive. Managers that combine strong performance with differentiated strategies, institutional readiness, and relationships across a wider range of investors will be better positioned to compete for capital. For diverse and emerging managers, the next phase of fundraising may be defined less by reliance on a single traditional LP channel and more by the ability to build a diversified capital base spanning institutional, private, global, and eventually retail investors.

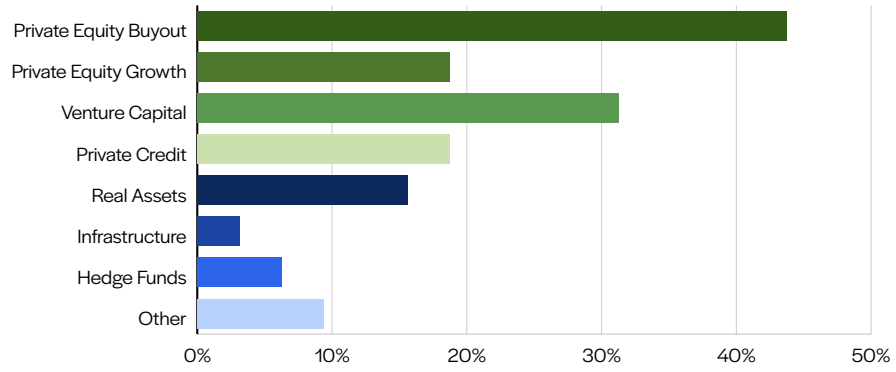
About the NAIC Market Pulse Survey

Established in 1971, NAIC is the largest trade association and network of diverse-owned alternative investment firms. NAIC currently has 178 member firms with an aggregate AUM of more than $520 billion. Our members invest across the alternatives spectrum, including private equity growth, private equity buyout, venture capital, private credit, real estate, infrastructure, hedge funds, and other strategies.

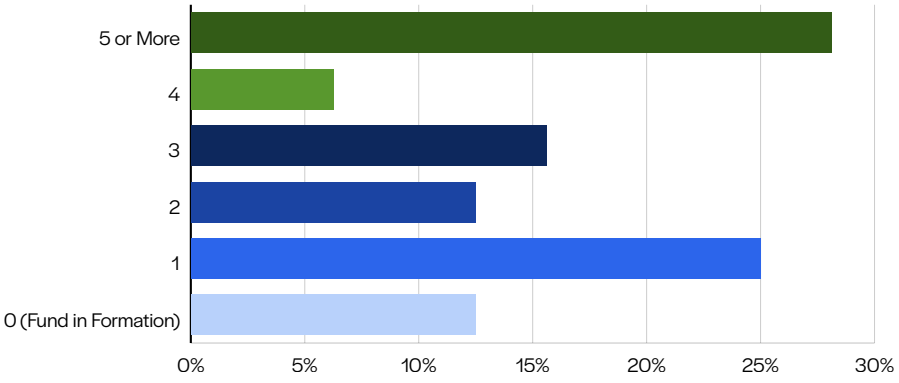
Thirty-two NAIC member firms participated in the Market Pulse Fundraising Trends survey, which was conducted in July and August 2026. The survey respondents represent a broad range of investment strategies and firm stages.

Demographics of Survey Respondents

Strategies Firms Invest In



Total Number of Funds Raised



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