

[Home](#) > [News & Analysis](#) > [Mantra eyes first close on Fund III amid downturn - exclusive](#)

Fundraising

## Mantra eyes first close on Fund III amid downturn - exclusive

*The niche secondaries firm aims to raise 50% more than its predecessor fund as more 'serious' sellers come out of the woodwork.*

By **Adam Le** · 23 hours ago[Share](#) [A-](#) [A+](#) [100%](#)

[Mantra Investment Partners](#) is expecting to have raised around half the target of its third secondaries fund by the end of June as the covid-19-induced downturn puts large parts of secondaries market on pause.

The Paris-headquartered niche secondaries firm launched Mantra Secondary Opportunities III in January with a €150 million target, Fabrice Moyne, partner and head of secondaries investments, told *Secondaries Investor*. The fund's hard-cap is €180 million, a 50 percent rise on its 2018-vintage predecessor.

"This environment is the best I've ever seen since I started at Mantra in February 2011," Moyne said. "We're seeing a ton of sellers willing to transact, they want liquidity and they want it right now, they don't want to wait. We transact on the latest NAVs available, which means that in many situations, we're looking at very significant discounts, but [sellers are] still willing to transact with us at those discounts."

The fund will follow its predecessors' strategy of seeking 2x cash-on-cash multiple and a 25 percent net internal rate of return. The firm does not employ leverage of any kind, Moyne said.

Mantra is not using a placement agent to raise Fund III, though this could change after the first close, he added.

Mantra's 2018-vintage Fund II has three live deals set to close, bringing the vehicle to around 75 percent deployed, according to Moyne. The firm expects Fund II to be fully deployed by October.

Fund II's live deals comprise a portfolio of around five fund stakes with exposure to Asia-Pacific and two single-line deals focusing on western Europe and the US, respectively.

The firm's LP base is predominantly European and includes pension funds, insurance companies and family offices.

Moyne said the downturn has created more serious sellers.

"The number of transactions we're seeing is not the highest, but the flipside to that is that on almost every transaction we're seeing, we have a realistic and reasonable chance to close it. People that we engage with are extremely serious."

Mantra was founded in 2007 and has 10 staff across Paris, New York and Luxembourg, according to its [website](#). Its founder is Antoine Dréan, who established placement agent and advisory firm Triago in 1992.

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