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DAKOTA INSIGHTS
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THEMATIC REPORT BRIEF · PRIVATE MARKETS

The Evergreen Fund Market Landscape.

Private markets in a perpetual structure — how a $46B niche became a $505B platform on the verge of a $12T retirement-plan unlock.

$505B	**252**	**27%**	**$12.2T**
U.S. PERPETUAL FUND AUM (2024)	ACTIVE REGISTERED EVERGREEN VEHICLES	10-YEAR ANNUALIZED GROWTH	DC RETIREMENT PLANS ELIGIBLE

POWERED BY DAKOTA MARKETPLACE

The proprietary LP/GP database.

Tracking 252 evergreen vehicles, 600+ funds with performance data.

THE TOP 10

Ten Insights Every Allocator and GP Should Know

01

From $46B to $505B in a Decade

U.S. perpetual fund AUM for individual investors grew from $46B in Q4 2014 to $505B in Q4 2024 — a 27% annualized growth rate. Global perpetual AUM across all investor types now sits above $1 trillion.

02

252 Funds, $431B AUM — One New Filing Per Business Day

Dakota tracks 252 active registered evergreen vehicles holding $431B in total net assets. 93 new funds were filed in 2024, 100 in 2025, and the 2026 pace is running at ~114 per year.

03

Three Forces Are Compounding

A $150T wealth channel with almost no private markets exposure, regulatory reforms (ELTIF in Europe, DOL safe harbor in the U.S.), and distribution infrastructure (iCapital, CAIS) that has finally scaled.

04

The $12.2 Trillion Retirement-Plan Unlock

The March 2026 DOL safe-harbor proposal puts U.S. defined-contribution plans — $12.2T with effectively zero private markets exposure — on a 2–3 year path to opening. A 2% target-date shift would bring in $244B; a 5% shift, $610B.

05

IRR vs. CAGR Is Not Apples to Apples

$100 invested at a 15% headline return over 10 years produces $216 in a drawdown fund vs. $405 in an evergreen. Industry research estimates only ~44% of a drawdown fund's committed capital is actually invested at any given moment.

THE TOP 10 · CONTINUED

Ten Insights Every Allocator and GP Should Know

06 Private Credit and Real Estate Dominate

Most of the $431B sits in two strategies. Both produce regular income — interest payments and rent — that funds quarterly redemptions. Average fund size in credit and real estate runs ~$3.6B; PE and multi-strategy launches average under $1B.

07 The Top 10 Funds Hold Half the Market

Roughly half of the $431B sits in the ten largest funds. BCRED alone holds more assets than the next four credit funds combined. Partners Group leads PE evergreens at $15.9B; BREIT, SREIT, and ORENT lead real estate.

08 Manager Selection Matters More Here Than in Drawdowns

Five-year net CAGRs in Dakota's cohort span from 1.3% at the bottom to 23.5% at the top — a 22-point spread. First-quartile beats third-quartile roughly two-to-one in the same asset class, because the manager controls the cash buffer in an evergreen.

09 Multi-Asset Is the New Launch Trend

Direct lending is only 10% of new filings despite being 55% of existing AUM. Most new launches are multi-strategy or multi-asset vehicles bundling PE, credit, and real assets — because one allocation that covers everything is an easier sell.

10 Partnerships, Not In-House Builds

Traditional asset managers are entering through partnerships: T. Rowe Price + Goldman Sachs, Capital Group + KKR, Lincoln Financial + Bain, Carlyle + AlpInvest. Building a private markets origination network takes years; the wealth channel is already open.

SUMMARY

A Niche Wrapper Has Become Core Infrastructure

An evergreen fund is an open-ended investment vehicle with no fixed end date — most are registered under the Investment Company Act of 1940 as interval funds, tender offer funds, non-traded BDCs, or non-traded REITs. Investors subscribe monthly at NAV, redemptions are capped at ~5% per quarter, and the fund runs indefinitely. The terms semi-liquid, perpetual-life, and evergreen are used interchangeably.

A decade ago, this was a niche wrapper. Today it is core infrastructure for delivering private markets to anyone other than the largest institutions. The structure suits credit and real estate first because regular income matches the redemption obligation. PE evergreens exist and are growing — Partners Group, AMG Pantheon, Hamilton Lane — but they require more careful portfolio construction.

The catalyst ahead is regulatory. The August 2025 executive order and the March 2026 DOL safe-harbor proposal put $12.2T in defined-contribution assets on a 2–3 year path to opening. Managers who have already built daily NAV systems, ERISA-compliant share classes, and record-keeper integrations are positioned. The rest will be partners or laggards.

> *The perpetual strategies market has grown from $46 billion to $505 billion over the past decade. Today, 252 registered vehicles hold $431 billion in AUM, and new filings are running at more than one per business day.*
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> — DAKOTA INSIGHTS, THE EVERGREEN FUND MARKET LANDSCAPE (MAY 2026)

KEY TAKEAWAYS

Five Things That Matter for Allocators and GPs

01 Use Evergreens for the Core, Drawdowns for the Satellite

A useful portfolio frame: evergreens hold permanent positions in buyout PE, direct lending, and core real estate. Drawdowns belong in the satellite — specialist mandates where vintage control, co-investment access, or GP relationships matter more than liquidity. Most large allocators use both.

02 Capital Utilization Is the Hidden Alpha

A drawdown fund needs a 25% IRR to match an evergreen running at 14.8% CAGR if uninvested capital earns 7% in public equities. Multiple on Committed Capital (MOCC) — not Multiple on Invested Capital (MOIC) — is the number that matters to a real investor.

03 Scale Is a Real Moat in Evergreens

A firm running $50B gets co-investment allocations, secondaries deal flow, and GP relationships that a $500M fund cannot access. Partners Group's PE Master Fund holds $15.9B across 3,000+ companies — a level of diversification a new $500M launch cannot replicate.

04 Manager Selection Is Structurally More Important

In a drawdown fund, the investor controls what happens to uncalled capital. In an evergreen, the manager controls everything, including how the cash buffer is invested. A manager who deploys slowly or lets the liquidity sleeve grow is a drag on every dollar in the fund.

05 The Retirement Channel Is the Defining Catalyst

Wealth channel adoption has been the story of the past decade. Retirement plans are the story of the next one. A 2% target-date fund shift = $244B; a 5% shift = $610B — more than the entire current wealth-channel AUM base. Direction is clear even if the timeline is 2–3 years.

Source: Dakota Insights — The Evergreen Fund Market Landscape: Private Markets in a Perpetual Structure, May 2026. Research powered by Dakota Marketplace, the proprietary LP/GP database tracking 252 active evergreen vehicles, 600+ funds with performance data, and the full universe of private market managers, allocators, and transactions globally.