

# Ares Management Acquires \$300 Million Consumer Loan Portfolio from AI Lending Marketplace Upstart

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NEW YORK – February 13, 2024 – Ares Management Corporation (NYSE: ARES) (“Ares”), a leading global alternative investment manager, announced today that funds managed by its Alternative Credit strategy (“Ares Alternative Credit”) have acquired a \$300 million consumer loan portfolio (the “Portfolio”) from Upstart (NASDAQ: UPST). The Portfolio is comprised of consumer loans that Upstart held on its own balance sheet.

Upstart connects millions of consumers to more than 100 banks and credit unions that leverage Upstart's AI to approve more borrowers at lower loss rates, while simultaneously delivering the exceptional digital-first experience customers demand. More than \$35 billion in loans have been originated on Upstart’s platform since its inception in 2012.

“We are excited to partner with the Upstart team as they continue to diversify their capital base in pursuit of providing affordable credit to U.S. consumers,” said Felix Zhang, Partner in Ares Alternative Credit. “This transaction is the product of Ares’ substantial experience in making structured investments in consumer credit and Upstart’s leadership in AI lending.”

“Ares’ deep investment track record and scaled, highly flexible capital base make them an ideal partner in our efforts to build large, enduring capital relationships,” said Sanjay Datta, CFO of Upstart. “We’re excited to continue exploring new opportunities to grow our relationship with Ares in the future.”

In the past year, Ares Alternative Credit has been an active investor in consumer credit and portfolio acquisitions, having recently closed a \$310 million buy-now-pay-later warehouse facility, the acquisition of a \$3.5 billion lender finance portfolio, and \$250 million of growth capital into a consumer credit platform.

“Our team is an established leader in identifying and executing on compelling asset-based credit investment opportunities,” said Joel Holsinger, Partner and Co-Head of Alternative Credit. “We believe consumer credit origination platforms can benefit from diversified capital providers like Ares to achieve their strategic objectives and weather macroeconomic uncertainty.”

## **About Ares Management Corporation**

Ares Management Corporation (NYSE:ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, private equity, real estate and infrastructure asset classes. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of December 31, 2023, Ares Management Corporation's global platform had approximately \$419 billion of assets under management, with over 2,850 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit [www.aresmgmt.com](http://www.aresmgmt.com).

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