

Libertas FS Recruiting

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Leveraged Finance Compensation Report: January 2026



Middle Market Leveraged Finance

2025 Compensation Overview & 2026 Outlook

Prepared by Libertas Recruiting - January 2026

This Compensation report reflects compensation for Middle Market Leveraged Finance professionals across U.S. banks and private credit firms, with a focus on the New York market.

Libertas Recruiting specializes in recruiting Leveraged Finance specialists (All Roles & All Levels) in New York and throughout the U.S. The compensation data and conclusions presented herein are derived from **direct discussions by the Libertas team with more than 1,000 Leveraged Finance bankers** interviewed over the past 18 months while executing retained and exclusive searches. Our insights are grounded in **actual offers structured, negotiated, and accepted as well as information we gather from Candidates we interview: Analysts through Managing Directors and Team Leaders.**

This report is designed for CIOs, Heads of Leveraged Finance, and Senior Credit leadership seeking market-accurate compensation intelligence based on real hiring outcomes and extensive compensation information we collect from Candidate interviews.

[We recommend a detailed walkthrough of the table on a call to provide you with details that align best with your Leveraged Finance group.](#)

[To Discuss the Compensation Table - Select a Time on My Calendar: \[Calendly link\]\(#\)](#)

[Or Email Gordon Muessel - Managing Partner, Libertas Recruiting | \[gmuessel@libertasgroup.com\]\(mailto:gmuessel@libertasgroup.com\)](#)  

Key Observations Regarding 2025 Compensation

- Base salaries were generally flat in 2025 as banks and private credit firms focused on expense control following limited leveraged finance activity in 2024.
- Bonuses paid in Spring 2025 at Middle Market banks increased approximately 15% year-over-year as activity picked up in late 2024, despite banks losing some market share to private credit firms.
- Bonuses paid in Spring 2025 at private credit firms increased approximately 20–25%, driven by their leadership in LBO financings and refinancings at wider spreads, resulting in higher net interest margins.

Key Market Drivers Supporting 2025 Compensation

- Rebound in leveraged loan issuance in late 2024 and throughout 2025 driven by refinancings and selective LBO activity.
- Private credit firms captured the bulk of middle-market leveraged finance volume as banks remained capital and regulatory constrained.
- Higher base rates and wider credit spreads generated elevated net interest margins for private credit firms, enabling higher bonuses and base salaries.
- Execution-intensive refinancing activity increased demand for experienced Associates, Vice Presidents, and Directors across underwriting, portfolio management, and capital markets. Hiring lag following 2023 and early 2024 pullbacks resulted in higher revenue per banker and materially larger bonus pools in 2025.

2026 Compensation Outlook

Based on deal flow observed in the second half of 2025 and ongoing momentum in M&A; and LBO activity, we expect continued upward pressure on compensation across Middle Market Leveraged Finance in 2026.

- **Bonuses:** Bonuses paid in Spring 2026 are expected to increase approximately **25–30%** at banks and private credit firms.
- **Base Salaries:** Base salary increases of **10–15%** are expected at the Senior Analyst through Vice President levels due to increased demand for experienced talent.
- **Senior Talent:** At the Director and Managing Director levels, compensation growth will be driven primarily by variable bonus pay, with ongoing carried interest participation at private credit firms.

CATCH UP CALL – To Discuss Your Compensation & Hiring Strategy

We recommend a detailed walkthrough of the compensation tables and market findings on a call to provide context and insights that align most closely with your leveraged finance platform, hiring plans, and retention priorities as you progress with 2026.

To Discuss the Compensation Report:

- Select a Time on Gordon Muessel's calendar:
- [Calendly Link](#)
- Or Email Gordon Muessel, Managing Partner, Libertas Recruiting – gmuessel@libertasgroup.com

2025 Middle Market Leveraged Finance Compensation Overview

Includes Base Salary + Bonus Paid in the Spring of 2025

Prepared by Libertas Recruiting, January 20, 2026

NOTE: This Report Excludes Carried Interest that is Provided to Directors and above as Additional Compensation by Many Private Credit Firms.

Analysts

Level	Base	Bonus	Total
1st Year	\$100K–\$110K	25–30%	\$125K–\$140K
2nd Year	\$110K–\$120K	30–35%	\$140K–\$160K
3rd Year (Sr.)	\$120K–\$125K	35–40%	\$160K–\$175K

Associates

Level	Base	Bonus	Total
1st Year	\$130K–\$140K	50–60%	\$190K–\$220K
2nd Year	\$140K–\$150K	60–80%	\$225K–\$270K
3rd Year (Sr.)	\$160K–\$170K	80–100%	\$290K–\$340K
4th Year (Sr.)	\$180K–\$190K	90–100%	\$340K–\$380K

Vice Presidents

Level	Base	Bonus	Total
1st Year	\$210K–\$220K	1.0×	\$420K–\$440K
2nd Year	\$220K–\$230K	1.0×	\$440K–\$480K
3rd Year	\$230K–\$240K	1.0–1.25×	\$460K–\$540K

Directors, Managing Directors & Team Leaders

Role	Base	Bonus	Total
Director	\$250K–\$275K	1.25–1.5×	\$560K–\$650K
Managing Director	\$275K–\$300K	1.5–2.0×	\$700K–\$900K
Senior MD	\$300K–\$350K	2.0–2.5×	\$900K–\$1.2M
Head of Team	\$400K–\$500K	3.0–4.0×	\$1.6M–\$2.5M+

We hope you find this report useful and welcome the opportunity to speak with you about this report and how we can help with your Recruiting Needs in 2026.

To discuss this report, contact:

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Select a Time on My Calendar to Discuss: [Calendly Link](#)