

Naftali Credit Partners' Glenn Grimaldi on Bridging Traditional Banking and Alternative Lending

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[Naftali Credit Partners](#) is making bold moves in the private credit space, with plans to raise a billion-dollar fund that would triple the size of its current lending platform. The ambitious expansion comes as the firm, led by veteran banker Glenn Grimaldi, positions itself at the intersection of traditional banking and alternative lending.

The growth trajectory tells a compelling story: from an initial proof-of-concept fund under \$100 million to their current \$300 million vehicle, which has already deployed approximately \$200 million across eleven deals. But for Grimaldi, who joined the platform after decades in traditional banking, the numbers only tell part of the story.

A Unique Development-Focused Approach

“We’re not approaching it as financial engineers,” Grimaldi explains, highlighting the firm’s distinctive edge. “On the other side of the house, we have an unbelievable owner, operator, developer that understands those needs as well, and there’s not a lot of debt funds or private credit that have that one-two punch.”

This combination of lending expertise and development know-how has proven particularly valuable as real estate capital stacks grow increasingly complex. Today’s deals often involve multiple layers of financing, from traditional senior debt to C-PACE financing, various tranches of mezzanine debt, and preferred equity. This complexity, rather than being an obstacle, has created opportunities for lenders who can navigate it effectively.

Evolution of Bank-Alternative Lender Relationships

The evolution of private credit’s role traces back to the 2008 financial crisis, which Grimaldi witnessed firsthand from the banking side. “That began a long cycle of government regulation and cutting back and capital rules around real estate financing that gave some ascendancy to private credit,” he notes. What started as a market gap has evolved into a structural shift, with banks consistently reducing their leverage positions in the capital stack.

This reduction has fostered a more collaborative relationship between traditional banks and alternative lenders. “Banks need a capital partner in the stack that understands what their needs are,” Grimaldi explains. The firm’s banking background has proved particularly valuable here – they speak both languages, understanding the needs of senior lenders while delivering solutions for borrowers.

Global Expansion on the Horizon

The planned billion-dollar fund aims to expand both the firm’s geographic reach and investor base. While their current investors are primarily from Israel and the Middle East, the next fund will target a more global LP base, including American domestic and European investors. However, Grimaldi emphasizes that growth won’t come at the expense of discipline.

“Capital is just a dead commodity,” he observes. “How you use that and how you help service your client, really is how you become successful.” This focus on fundamentals has served the firm well, particularly in navigating market cycles.

The Future of Private Credit

Looking ahead, Grimaldi sees private credit becoming a permanent fixture in real estate finance. “Maybe it’s an efficient way for the sector to operate so that every 10 years, you don’t have just a gigantic blow up in the banks,” he suggests. This perspective, coming from a veteran banker turned private credit leader, carries particular weight.

For Grimaldi, who spent his career watching his financed projects reshape city skylines, the move to private credit represents a return to more entrepreneurial roots. “At the end of the day, what we’re here to do is try to listen to our clients, try to respond to where the market wants our demand,” he reflects. With market optimism growing and their expanded platform taking shape, Naftali Credit Partners appears well-positioned to help write the next chapter in real estate finance.

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