Juniper Square

Private credit: How AI is rewriting operational efficiency

A five-step roadmap for scaling across the investment lifecycle

The old way: Why traditional processes fall short

Private credit sits at the intersection of customization and complexity:

- No two deals look the same
- Every borrower's story evolves
- Documents behind those deals are often non-standardized

These characteristics make the asset class dynamic, but they also create operational challenges:

- **Critical information is scattered** across PDFs, emails, spreadsheets, and institutional knowledge
- **Due diligence cycles stretch** weeks or months
- **Risks surface late** due to quarterly or manual reviews
- **Transparency is constrained** by data latency and manual reporting

“AI is already reshaping how information moves through private credit—shifting platforms from static systems of record to dynamic systems of insight.

Tony Chung
Managing Director, Private Equity and Private Credit

How AI can solve key private credit challenges

1 Underwriting

From manual review to data-driven insight

AI does the heavy lifting by:

- Automating data extraction from financials, operational reports, and cash flow statements
- Normalizing borrower data for analysis
- Detecting anomalies, seasonality shifts, and projection deviations
- Allowing analysts to focus on judgment, not data cleanup

2 Deal execution

Removing manual bottlenecks and low-value tasks

AI steps in to:

- Review term sheets, draft agreements, and compliance documents
- Extract covenants, collateral terms, and payment schedules
- Ensure consistent, standardized data across internal systems
- Reduce back-and-forth and bottlenecks between teams

3 Risk modeling

Bringing structure to fragmented data

AI powers smarter models by:

- Enhancing models for covenant tracking, exposure mapping, and scenario testing
- Incorporating alternative data (ESG, regulatory filings, performance metrics, sentiment)
- Converting unstructured borrower and sponsor data into structured inputs
- Updating metrics continuously, not quarterly

4 Portfolio monitoring

Powering real-time visibility into portfolio health

AI enables oversight by:

- Shifting monitoring from periodic to continuous
- Flagging early warning signals (e.g., cash-flow dips, late payments, liquidity stress)
- Reading borrower notices and amendments in real time
- Highlighting portfolio-wide exposure changes as they emerge

5 Client reporting

Enhancing transparency in near-real-time

AI improves reporting by:

- Converting loan notices and financials into real-time, auditable data
- Reducing reporting cycles from weeks to minutes
- Powering on-demand reporting portals for exposure, covenants, and performance
- Preserving human oversight for analysis and narrative

“Over the next three to five years, AI will deepen that intelligence layer. Structured platforms will evolve from static systems of record into dynamic systems of insight: continuously reading, validating, and surfacing information in real time. The latency between a portfolio event and the people who need to act on it will shrink to near zero.

Tony Chung
Managing Director, Private Equity and Private Credit

How private credit lenders can begin their AI journey

Three foundational steps:

1. **Get data in order** with connected systems and a single source of truth
2. **Be clear on how AI will inform human decision-making** with Explainable AI models that connect the human-led reasoning and the output
3. **Work with a trusted fund operations partner** that combines private credit expertise with AI capabilities

Juniper Square: A unified platform for private credit

The first private credit platform delivering AI loan operations

Investment book of record: Central system for private credit investments with integrated data management, loan schedules, correspondence, and performance

AI document processing: AI data extraction for credit agreements, loan notices, automating security master setup, and processing of loan activity

Reporting and analytics: Integrated performance, reporting, analytics dashboards, and scenario analysis across the loans, deals, and funds

Native AI: The platform's native AI capabilities are integrated throughout the platform to support workflows, data extraction, and queries

Talk to Juniper Square today to scale private credit operations with AI

Book a demo

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