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2025

# Fund Economics Report

## 2025 Fund Economics Report

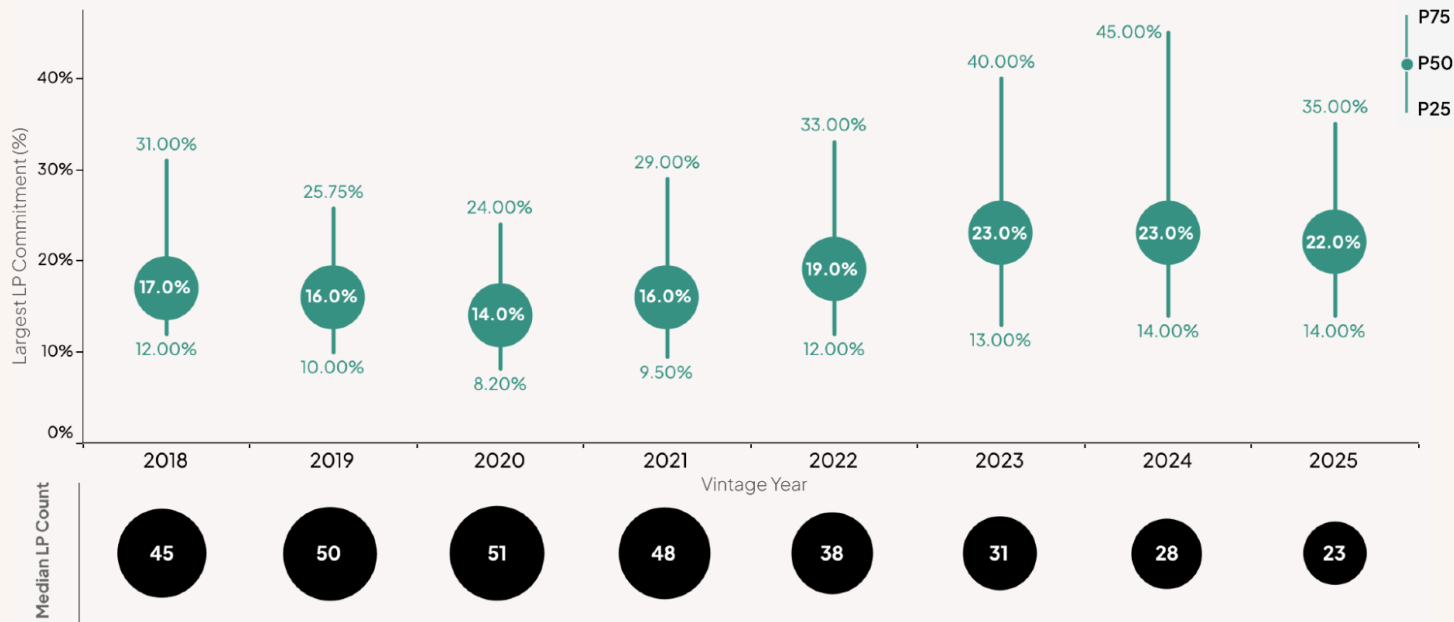
Authors: Hamza Shad, Kevin Dowd | Read time: 16 minutes

Published date: December 4, 2025

The details of how private funds operate have always remained behind the curtain. Now, Carta provides a never-before-seen glimpse at how VC and PE investors manage and operate their funds.

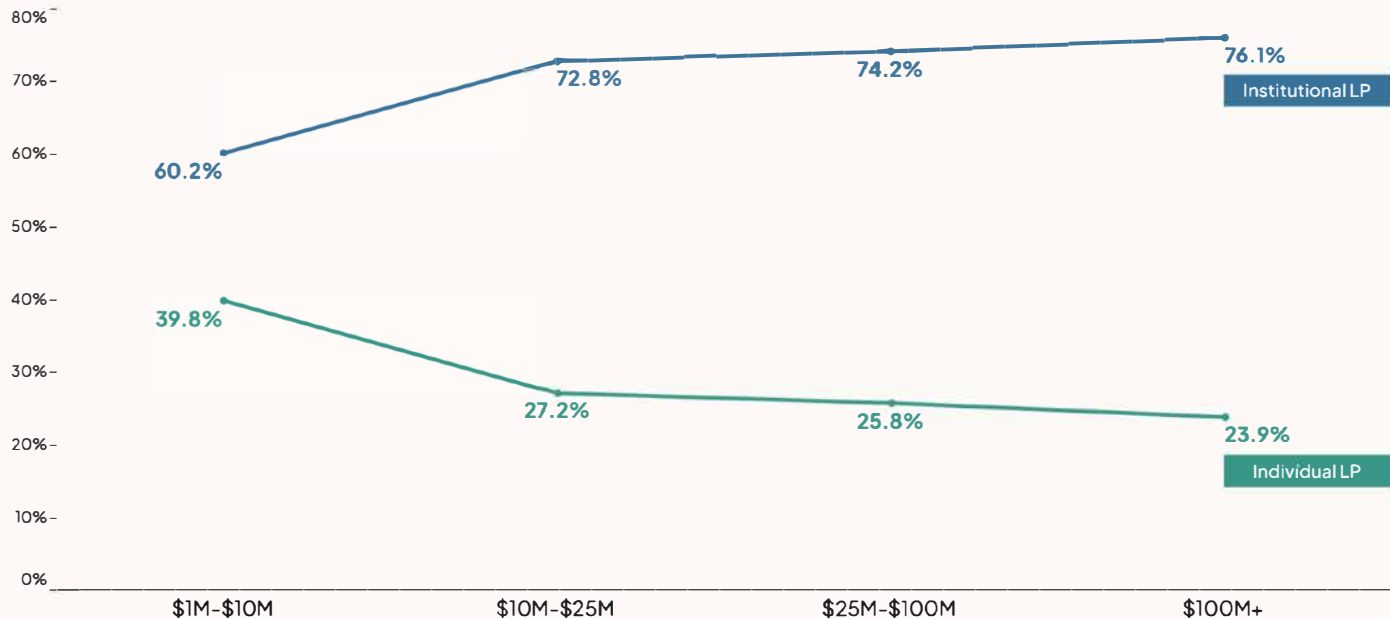
# 2023 and 2024 vintage VC funds have the relatively largest anchor checks

Distribution of largest LP commitment as a percent of VC fund size (P25 / P50 / P75) by vintage year | Data as of Oct. 2025



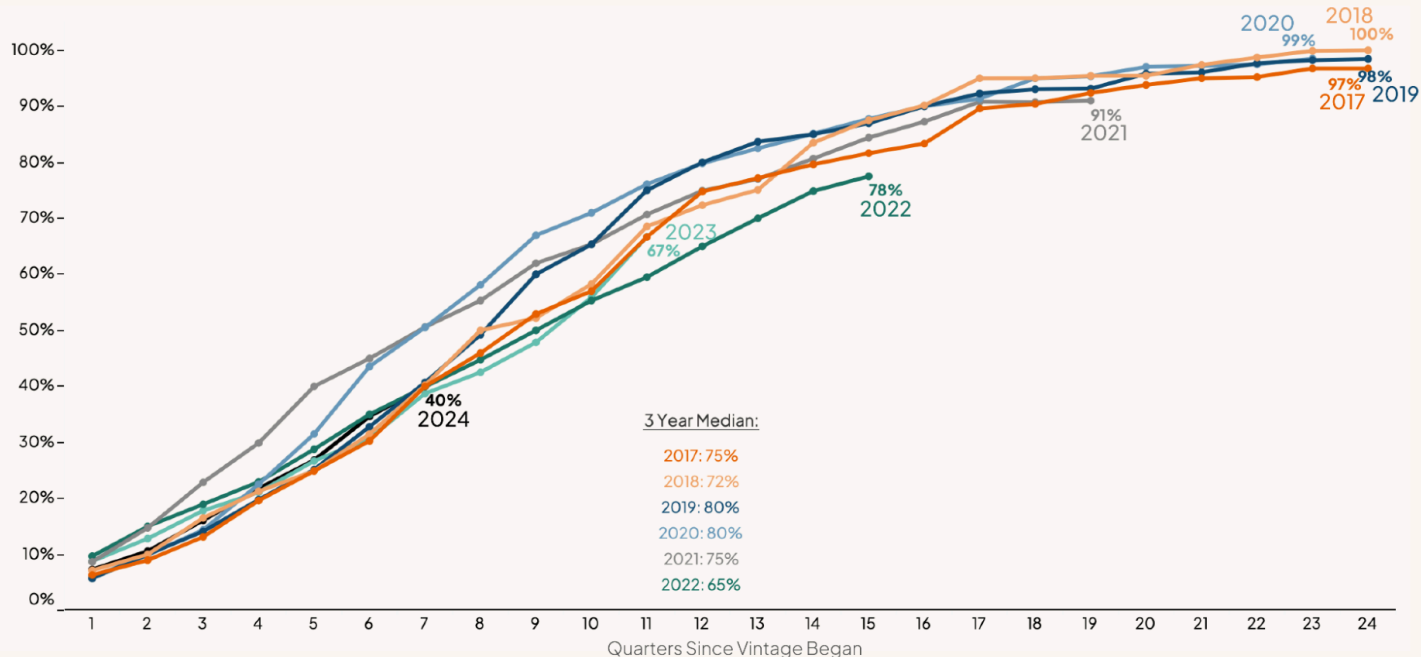
# 75% of VC funds between \$25M-\$100M have an institution as the anchor LP

Percent of VC funds by anchor LP type (individual vs. institutional) and fund size | Data as of Oct. 2025



# The median 2024 vintage VC fund has received 40% of its LP commitments

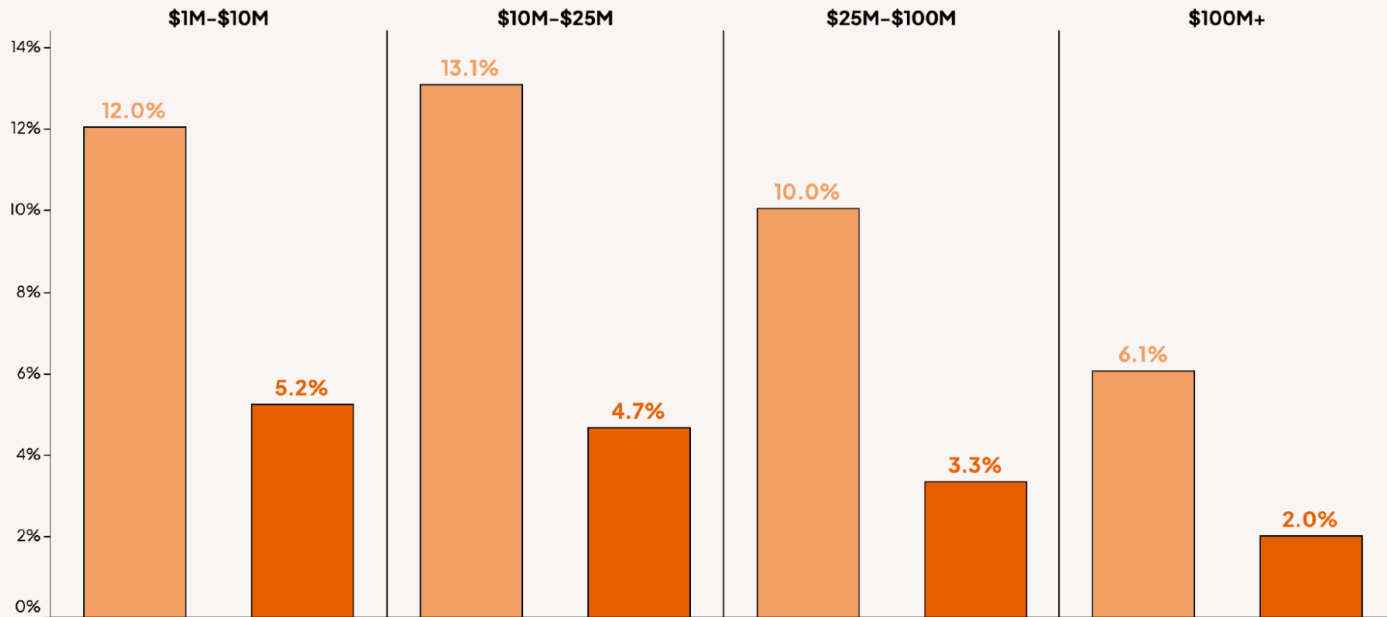
Median LP contributions received by VC funds over time as a share of total LP commitments by vintage year | Data as of Oct. 2025



# LPs at smaller VC funds are more likely to pay their capital calls late

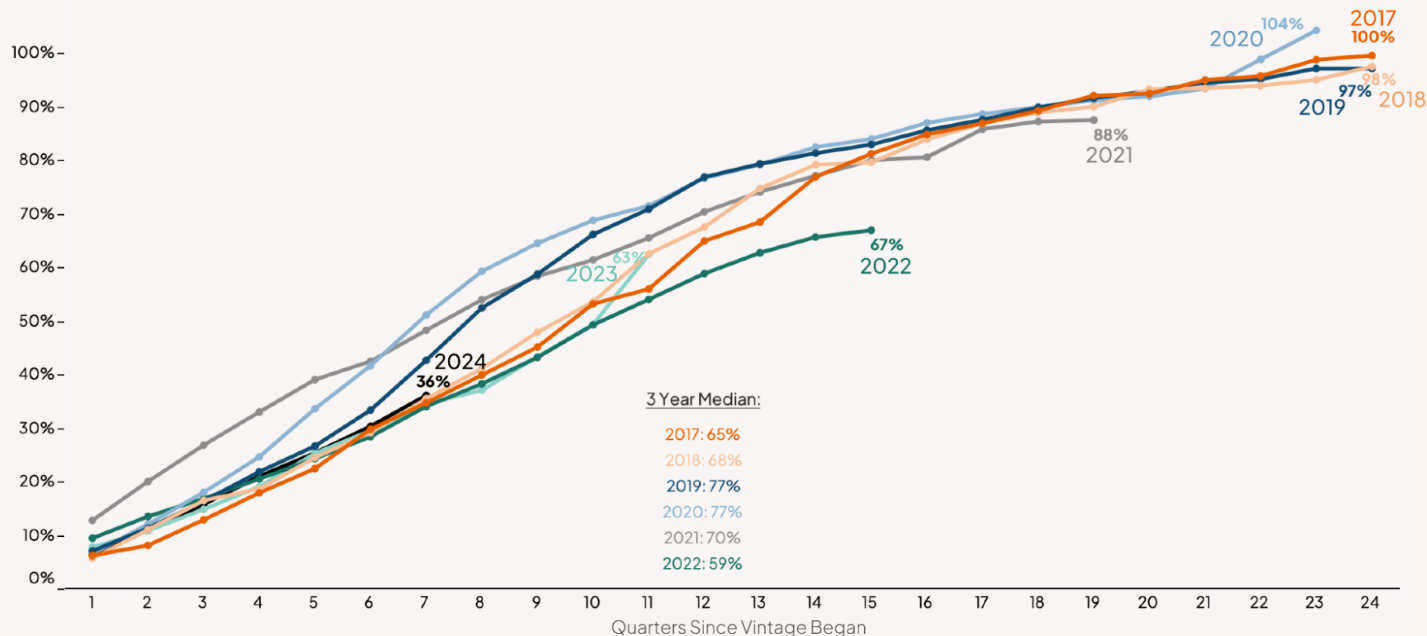


Percentage of LP capital calls paid **at least 1 week late** and **at least 1 month late** by VC fund size group | Jan 2024–Oct 2025



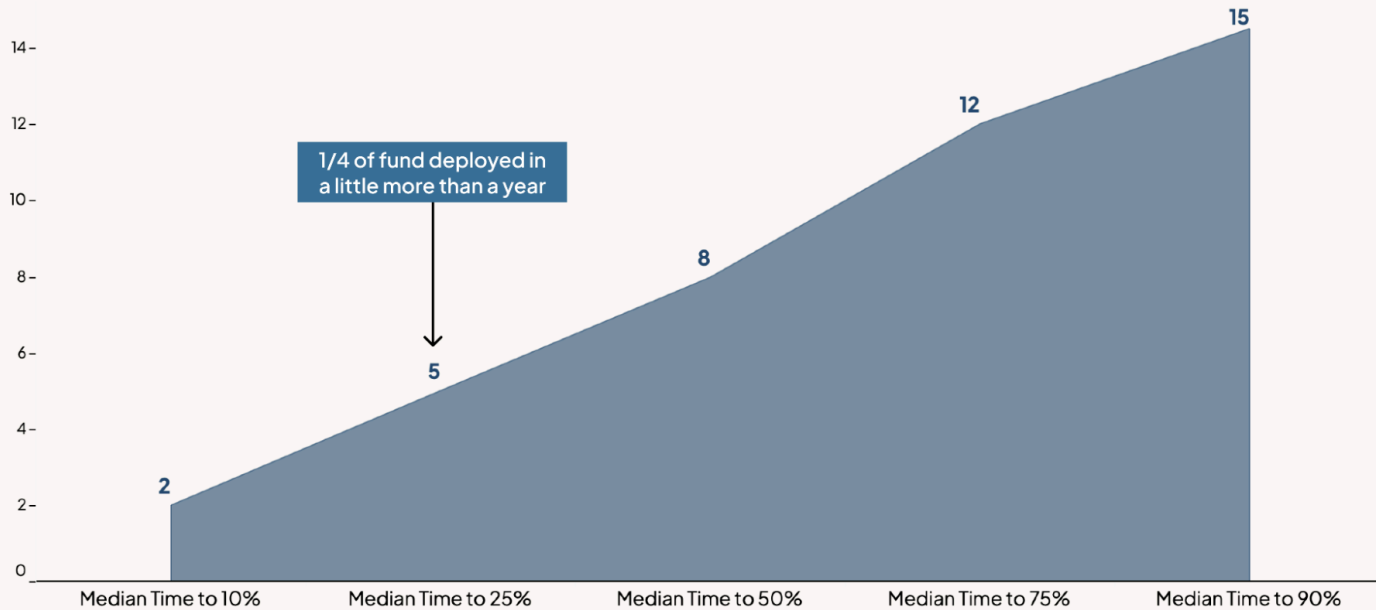
# Deployment pace has slowed for 2021 and 2022 vintage funds

Median percent of total fund size deployed\* by VC funds over time by vintage year | Data as of Oct. 2025



# Vintage 2017–20 funds took a median of 2 years to deploy 50% of capital

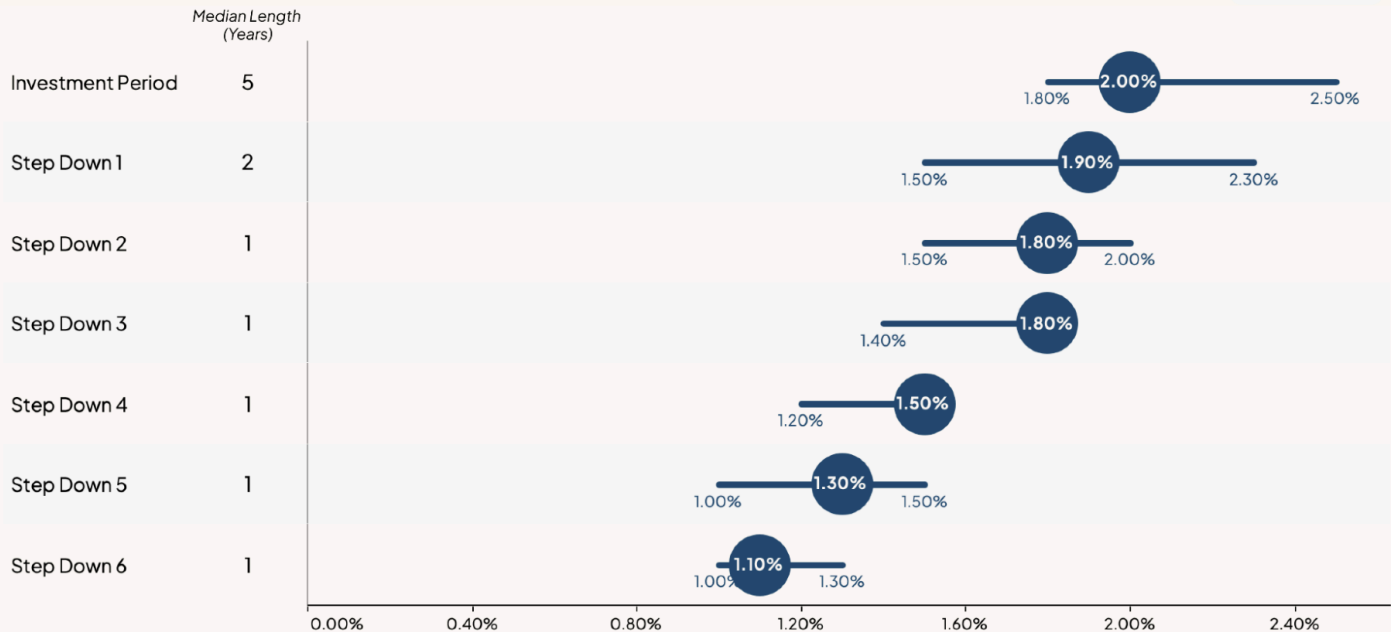
Median number of quarters to reach certain levels of capital deployment | VC funds from vintage years 2017–20



# Management fees decrease over the lifetime of a venture fund

Distribution of VC management fee benchmarks by fund period | Data as of Oct. 2025

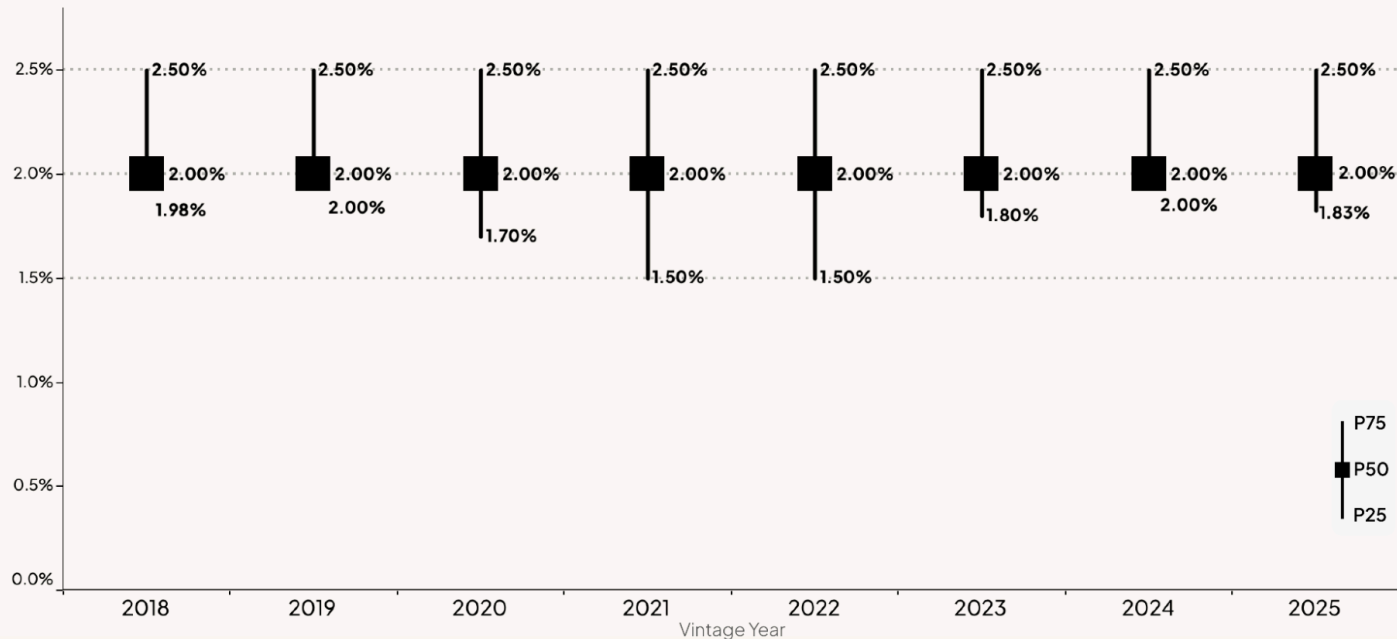
P25 P50 P75





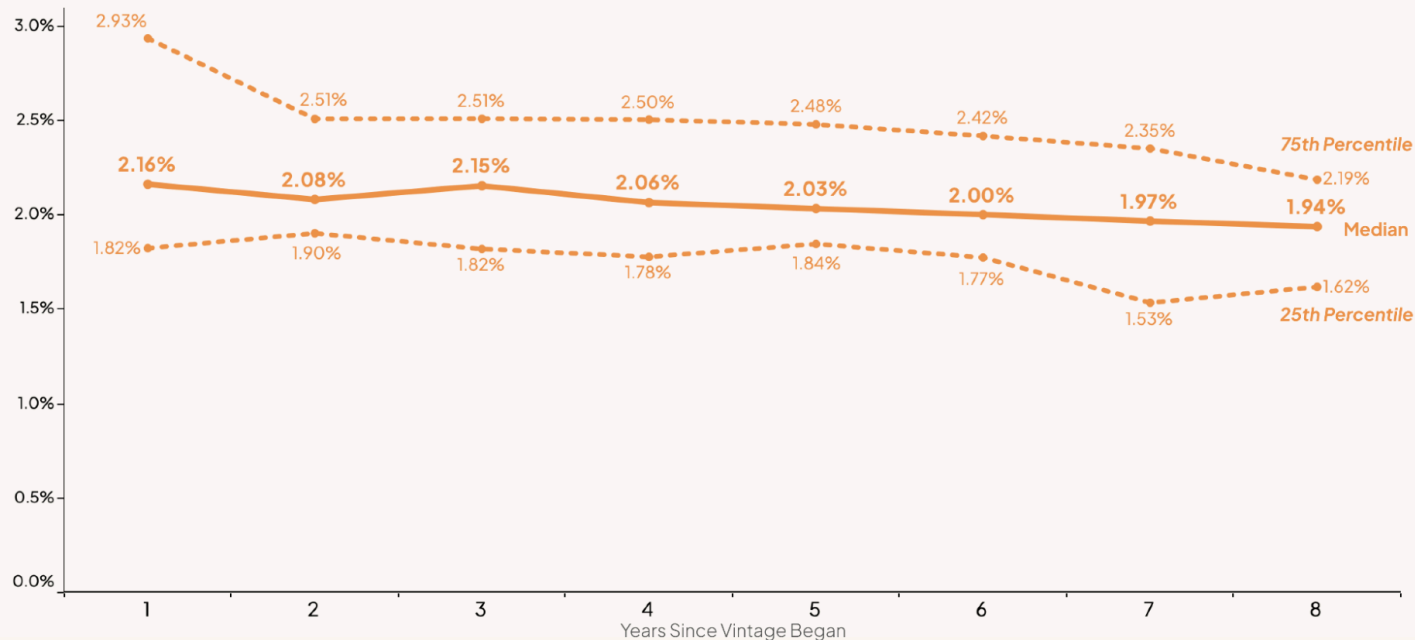
# Management fees have held steady for the top 50% of VC funds

Distribution of VC management fee benchmarks (P25 / P50 / P75) for the investment period by vintage year | Data as of Oct. 2025



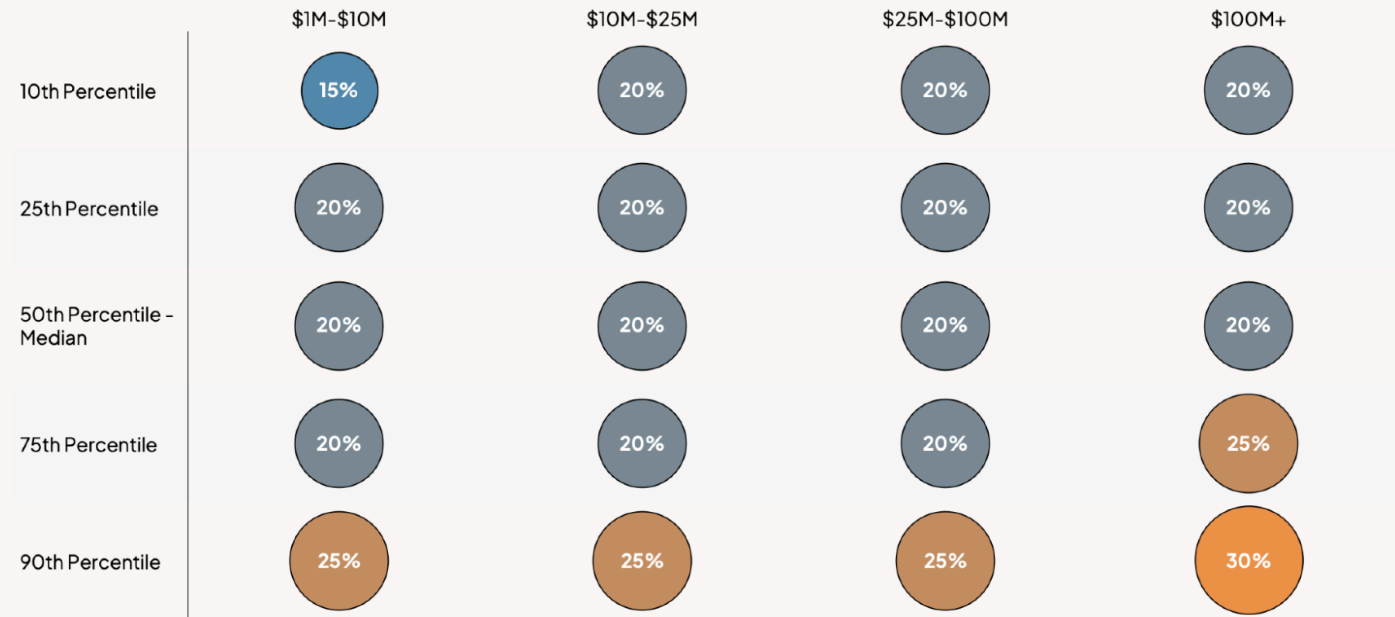
# The effective management fee rate paid by LPs declines with fund age

Distribution of annualized VC management fee\* paid by LPs (P25 / P50 / P75) by years since vintage began | Data as of Oct. 2025



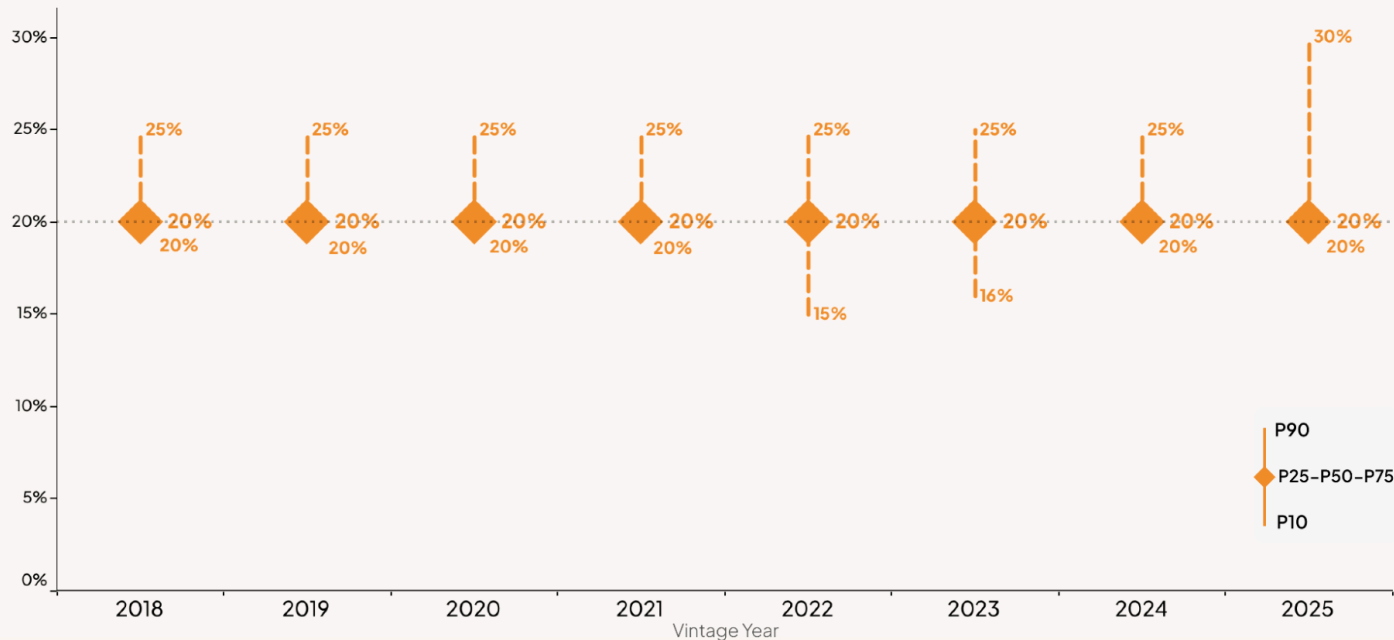
# Very few venture funds take less than 20% carry, though some take more

Distribution of VC carried interest benchmarks (P10 / P25 / P50 / P75 / P90) by fund size group | Data as of Oct. 2025



# Carried interest rates are very steady, even at the 10th and 90th percentiles

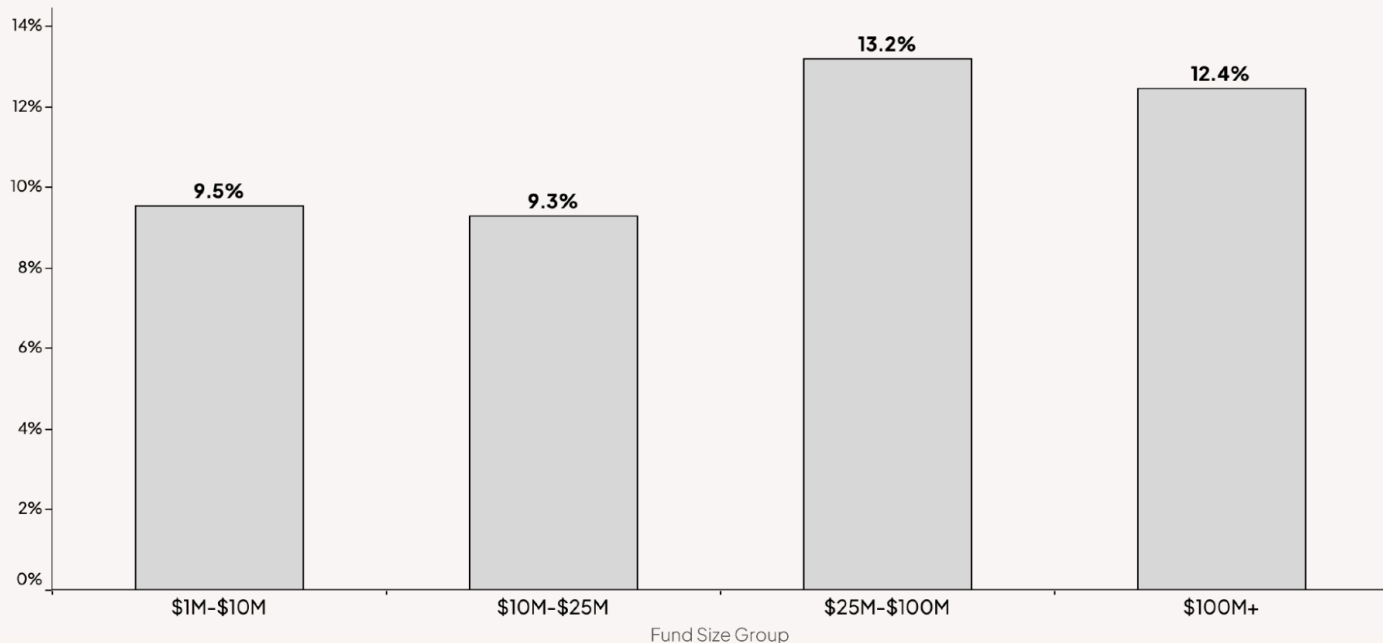
Distribution of VC carried interest benchmarks (P10 / P25 / P50 / P75 / P90) by vintage year | Data as of Oct. 2025



# Larger venture funds are more likely to give LPs a preferred return

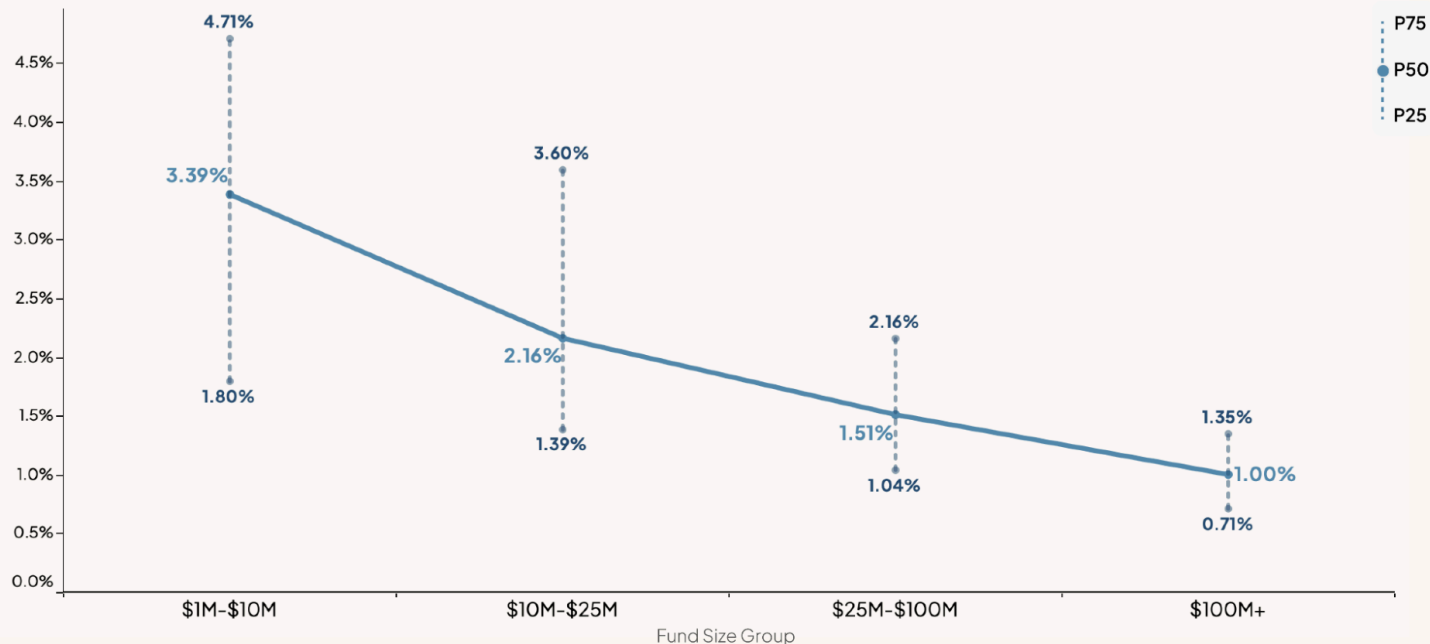


Percentage of VC funds with a preferred return (hurdle rate) by fund size group | Data as of Oct. 2025



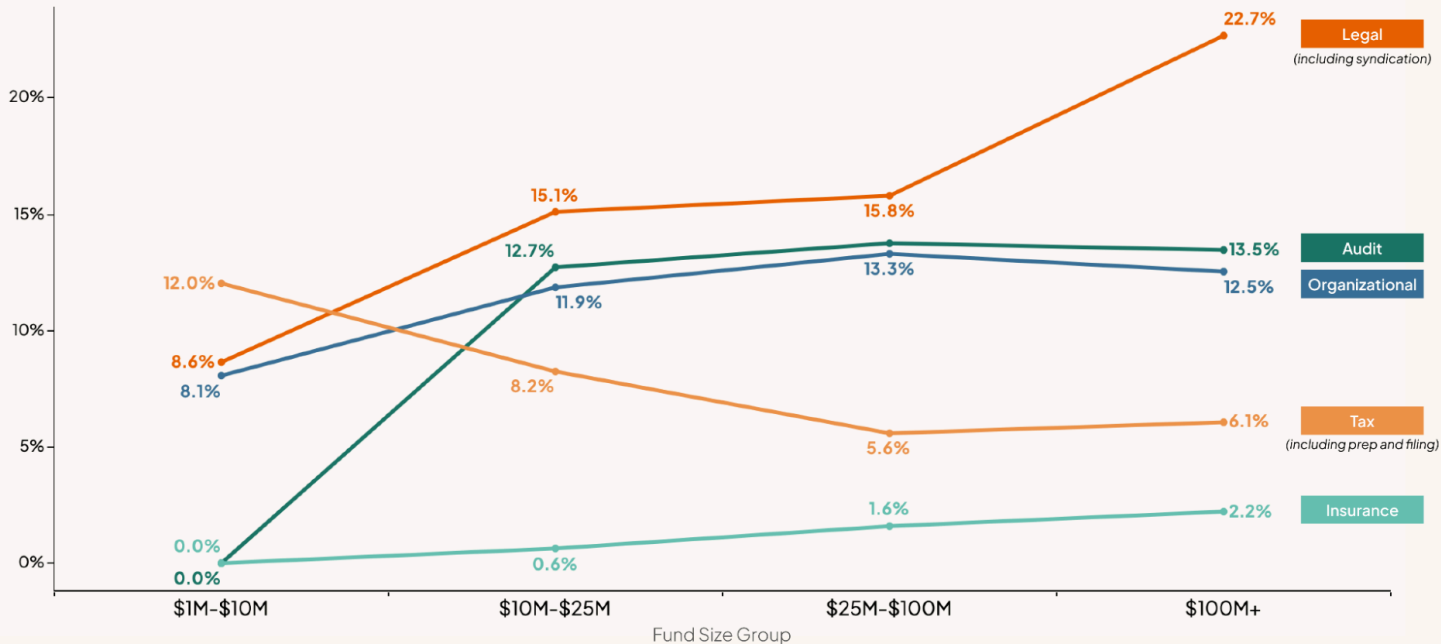
# \$50M VC funds spend 1.5% of their fund on operating expenses in the first 5 years

Median percent of committed capital spent on operating expenses in the first 5 years by VC fund size group | Vintage years 2017–20



# Legal fees scale up with VC fund size, while tax fees scale down

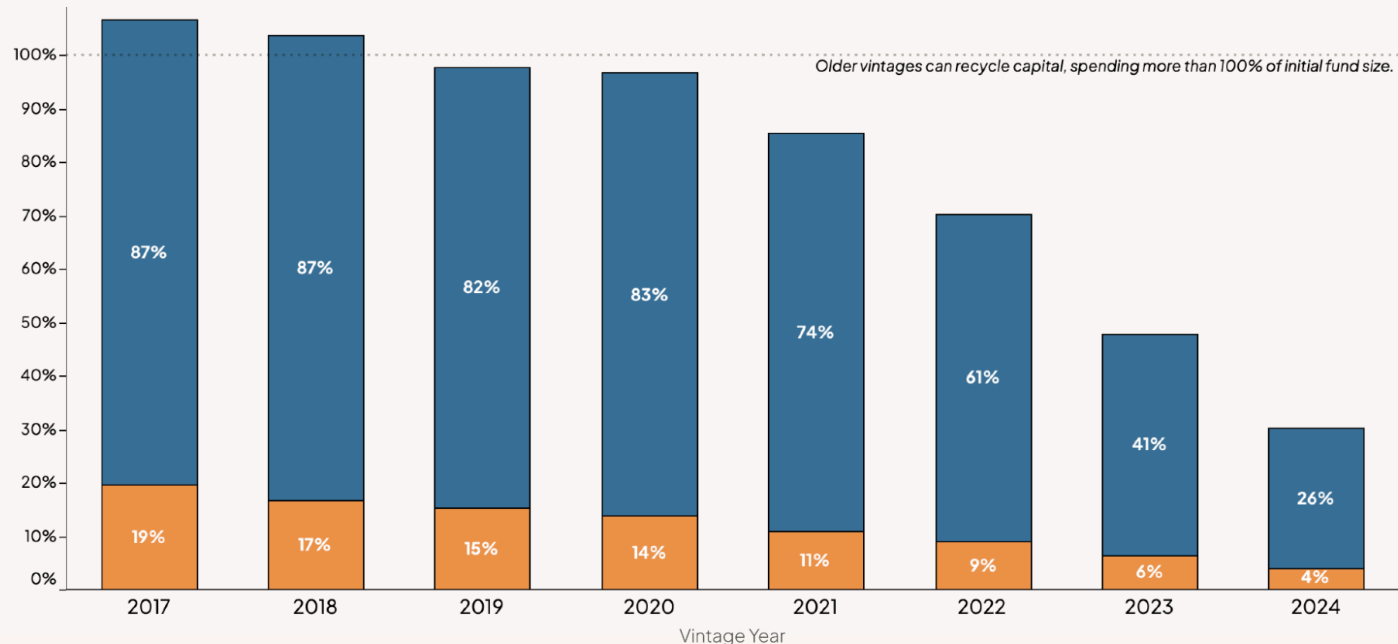
Median percent of operating expenses spent in each category in the first 5 years by VC fund size group | Vintage years 2017–20



# Less than 1/5 of VC funds' capital goes towards fees and expenses



Median percent of fund size spent in **management fees + operating expenses** vs. **investment costs** by vintage year | As of Oct. 2025







Hamza Shad is an insights manager at Carta, where he analyzes data on the VC and startup ecosystem. Previously, he conducted research on entrepreneurship in emerging markets at Endeavor.



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Kevin Dowd is a senior writer covering the private markets. Prior to joining Carta, he reported on venture capital and private equity at Forbes, where he wrote the Deal Flow newsletter, and at PitchBook, where he wrote The Weekend Pitch.

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DATA & RESEARCH

DECEMBER 2025

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