Citigroup Inc. and Goldman Sachs Group Inc. are among Wall Street giants that served as matchmakers on recent transactions between smaller companies looking for loans and private lenders eager to provide financing. Their pitch to direct lenders boils down to this: we can use our vast network of corporate clients to help you find issuers that want financing, and take them through all the paperwork involved in getting a private loan, for a fee.

It’s the latest step that big banks have taken to reclaim business their leveraged lending desks have lost. Historically the biggest buyouts would be funded with junk bonds as well as leveraged loans that were arranged by big banks then syndicated to a wide array of investors. Leveraged finance and related businesses generated about a third of Wall Street’s investment banking fees.

But private lenders have been taking more of that business, forcing banks to consider other ways to get involved. In addition to advising direct lenders and smaller companies, firms including Wells Fargo & Co. and Barclays Plc have established formal partnerships with private credit firms to get a foothold in the market. In addition to setting aside a chunk of its own balance sheet to originate private credit deals, JPMorgan Chase & Co. has also been looking for partners.

“What we bring is an enormous and deep origination machine, and when the broadly syndicated market doesn’t make sense for certain borrowers we can pivot,” said John McAuley, the head of debt capital markets at Citigroup.

Direct lenders are clamoring for opportunities to loan money as the pace of buyouts slows. Private credit funds are sitting on a record $430 billion of uninvested capital they raised over five years of exponential growth, according to a recent survey by Barclays.

Private credit funds have long had relationships with private equity firms and can find opportunities to lend to companies that have been bought out. But banks may have relationships with other privately held companies, such as family owned businesses, that are less well known to direct lenders.

“That’s where banks can create value,” said Kipp deVeer, head of credit at Ares Management Corp., one of the largest players in the $1.7 trillion private credit market.

Banks can be a one-stop shop for firms looking to raise capital of any kind. Ares-backed Press Ganey enlisted Barclays to help it find lenders willing to offer it $1 billion of low-ranking preferred equity to take out more-expensive junior debt. Goldman Sachs is advising Blackstone Inc.-backed Encore Group USA on placing at least $500 million of preferred equity.

Citigroup has also capitalized on its existing leveraged finance relationships, privately placing $275 million of first lien notes for Pitney Bowes Inc., according to people with direct knowledge of the transaction who couldn’t be identified as details are confidential. The bank was able to place a $516 million first lien term loan in the private market as part of a debt package for Gannett Co., according to the same people.

For banks that have faced tougher capital restrictions following the 2008 global financial crisis, advising borrowers instead of lending to them is a way to cut risk, by keeping loans off their books.

At the same time, fees from partnering with direct lenders can earn Wall Street lenders extra revenue as they endure a deal drought that’s lasted more than a year as high rates deter new buyouts. That’s left leveraged bankers to arrange repricings and refinancings that typically pay lower fees.

Advisory work can also allow banks making a loan to collect fees from both the issuer and the direct lender. Even the large direct lenders will occasionally split fees with the banks that brought them the deal, according to people with knowledge of the market. They’re sometimes willing to share anywhere from 25 to 75 basis points with the banks, according to people with direct knowledge of the deals.

Marc Chowrimootoo, managing director and portfolio manager for private credit at Hayfin Capital Management LLP, is less willing to cede deal origination to banks — and the fees that come with it, he said.

His firm has brought banks into lending groups on its own deals, “but this is a very different dynamic to paying a fee and outsourcing your deal origination,” he said.

Despite the recent deals, advisory work remains something of a cottage industry on Wall Street. Neither Citigroup or Goldman Sachs has plans to hire a group devoted to private-credit advice. At Citigroup, leveraged finance bankers Scott Slavik and Justin Tichauer are adding it to their remit. Goldman’s bankers who advise small and mid-sized clients can also offer private-credit loans, according to Vivek Bantwal, co-head of the global financing group within Goldman Sachs’s investment-banking division.

“Its under the same tent, we don’t need to scale up to do it,” Bantwal said.