US Private Secondary Volume Hits $138 Billion, Tripling Since 2021

Yanne Capital research paper on founder liquidity finds company-led tenders drove 41 percent of 2025 volume as median Series A to IPO stretched to 10.7 years.

NEW YORK, NY, UNITED STATES, August 19, 2026 /EINPresswire.com/ -- US private-company secondary volume reached $138 billion in 2025, up from $52 billion in 2021, with company-led tenders accounting for an estimated 41 percent of that flow, according to new research from Yanne Capital. The paper argues that secondary tenders have shifted from an occasional accommodation to a structural feature of growth-stage capital planning.

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> *Alex Ozdemir, Managing Partner, Yanne Capital*

The Exit Window Has Closed, and the Market Has Repriced Around It

Yanne Capital's read across live growth-stage mandates is that the IPO is no longer the assumed terminal event for founders and early employees. The desk now treats a liquidity plan as a distinct workstream, negotiated alongside the next primary rather than deferred to a public offering that may be four to six years away.

The data supports the shift. Median time from Series A to IPO has stretched from 6.9 years in 2014 to 10.7 years in 2025, and 1,247 US venture-backed companies are now private for eight years or longer with no announced exit path (PitchBook US Venture Monitor, Q1 2026). The share of unicorns aged eight years or older without a public exit has moved from 14 percent to 53 percent over the same window.

The consequence is a large and growing population of holders sitting on paper value with no natural clearing mechanism. The secondary tender has become the primary instrument for translating that paper value into cash without waiting for a listing that may not arrive.

Company-Led Tenders Have Become the Default Structure

In the firm's view, the company-led tender has won out over direct secondaries and continuation vehicles for one practical reason: it is the only structure that scales cleanly when demand is distributed across dozens or hundreds of employee and founder holders. A fixed-price offer filed under SEC Rule 13e-4 sets a single clearing level, preserves 409A discipline, and gives the board control over who gets liquidity and how much.

Announced tenders rose from 94 in 2020 to 287 in 2025, and across 314 completed company-led tenders tracked in 2025, 65 percent cleared between 70 and 90 percent of the most recent primary price, with the 80 to 90 percent band the modal outcome (Carta State of Private Markets H1 2026). The discount to primary is not arbitrary. It reflects illiquidity, information asymmetry, and the absence of the preference stack that primary buyers receive.

Continuation vehicles remain the right answer in a narrower set of cases, generally when liquidity demand sits with one or two institutional holders at the end of a fund life. Where the demand is broad-based across the cap table, the tender wins on cost, speed, and cap-table hygiene.

Pairing the Tender With a Primary Is the Pricing Lever

The single most important structural choice the firm sees founders get wrong is running the tender in isolation. A standalone tender forces buyers to price against a stale primary mark and their own diligence, which pushes the clearing level down. A tender run alongside a contemporaneous primary gives buyers a live price signal and compresses the discount.

Yanne Capital's analysis of paired transactions finds that tender-and-primary structures typically clear 8 to 14 percentage points higher than standalone tenders. In dollar terms on a $200 million tender, that spread is worth $16 million to $28 million to selling holders. The desk has seen tenders clear at 78 percent of the most recent primary, and it has also seen tenders fail because the cap table could not absorb the dilution of the parallel primary leg. Sequencing matters.

The other recurring failure mode is under-scoping the buyer syndicate. A tender priced correctly still needs committed capital on the buy side before the offer opens, or the company faces the reputational cost of a withdrawn or under-subscribed offer.

Four Buyer Pools Are Now Underwriting the Market

The buyer base has broadened materially, and in the firm's read this is what has made $138 billion of annual volume durable rather than cyclical. Dedicated direct-secondary funds hold roughly $34 billion of dry powder within a broader secondary fund AUM of approximately $198 billion. That capital is raised specifically to buy private company stock and cannot be redirected to primary rounds.

Sovereign wealth funds participated in 47 US private-company tenders in 2025, up from 11 in 2021, with check sizes concentrated in the $50 million to $300 million range. Family-office pooled vehicles represented approximately $19 billion of 2025 volume. Crossover managers, historically focused on pre-IPO primaries, now regularly anchor secondary allocations at the same names they hold in public portfolios.

For issuers, the practical implication is that the buyer universe for a well-structured tender is deeper than it was three years ago, and the composition of that universe should be actively managed. Not every dollar is the right dollar. Sovereign capital brings size and patience but slower diligence timelines. Secondary funds close faster but negotiate harder on price.

What the Framework Means for Founders and Boards

The firm's position is that the question is no longer whether to offer liquidity but which structure routes the right dollars to the right holders without breaking the next financing. That requires making four decisions in sequence: whether to pair with a primary, how to set the price band against the most recent round, which holders are eligible and up to what percentage of their position, and which buyers are invited into the syndicate.

Each decision has downstream consequences for 409A, Rule 701 compliance, and the optics of the next primary. A tender that clears at 90 percent of the last round sends a different signal to the next lead investor than one that clears at 65 percent. Boards that treat the tender as a standalone HR exercise rather than a capital markets transaction consistently leave value on the table.

"The founders who get this right are treating the tender as a capital markets transaction with the same rigor as a primary round, not as an accommodation to employees. The discount to the last round is negotiable, and the buyer syndicate is the lever that moves it." said Alex Ozdemir, Managing Partner, Yanne Capital.

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