

Why AI is Creating New Opportunities in Venture Secondaries

KEY TAKEAWAYS

- Venture secondaries can help investors access high-demand AI companies that may be difficult to reach in primary rounds.
- They can also provide liquidity to shareholders as companies stay private longer and exits remain limited.
- The market is still early, which may create a compelling opportunity for specialist managers.

Investor interest in artificial intelligence (AI) continues to surge as startups and established companies drive innovation, fundraising and deal activity. But strong demand, oversubscribed rounds and elevated valuations can make it hard to access the fastest-growing companies, even as GPs, LPs and shareholders look for liquidity in a still-sluggish exit market. Venture secondaries can help solve both needs by offering investors AI exposure while providing liquidity to existing stakeholders.

AI is accelerating growth and widening the opportunity set

AI's transformative potential, growth of the secondaries market, and active shifts around portfolio management, create a compelling backdrop for venture secondaries. New companies are being built around AI, and existing companies are using it to drive innovation, efficiencies and revenue.

Databricks is a clear example of how AI can drive both growth and operating leverage. In 2024, the company grew 60% year over year, by 2026, that figure was more than 80%.¹ Databricks spent more than a decade building its business, and its 2024 tender offer—reported to be the largest in venture secondaries²—reflects a broader theme: as companies stay private longer, liquidity becomes more important.

Secondaries may provide a liquidity solution for private companies

Many of today's venture-backed companies are staying private longer, not just because of a constrained exit environment, but increasingly by choice. Remaining private can give

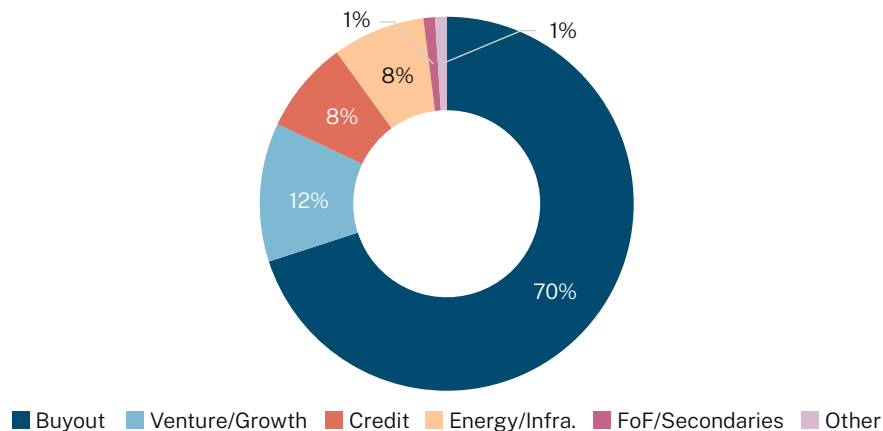
founders the flexibility to invest for the long term and prioritize product development. For private markets investors, that can mean a longer path to liquidity, which has helped drive the growth of the secondary market, creating liquidity without an IPO or sale.

A structural market, not a moment-in-time trade

The secondaries market is expanding quickly, and venture secondaries are growing even faster. Global secondaries transaction volume reached a record \$240B in 2025, up 48% from the prior year, driven by strong supply and growing pools of dedicated capital. Notably, venture/growth now represents 12% of the overall secondary market, making it the second-largest segment after buyout.³

LP Transaction Volume by Strategy

By Volume



Source: <https://pitchbook.com/news/reports/2030-private-market-horizons>

Despite this growth, the venture secondary market is still early and underpenetrated, suggesting meaningful room for expansion. Venture secondaries represent less than 0.5% of global venture AUM today, versus 2.5%–3.0% for buyout secondaries, implying a \$100B+ total addressable market (TAM) that is still less than 20% penetrated.⁴

Bottom line

As AI continues to drive innovation across venture-backed companies, we believe venture secondaries will play an increasingly important role. They can give investors a differentiated way to access private innovation while providing liquidity in a market where exits remain limited. For managers with strong sourcing, disciplined underwriting and the right capital base, we believe the opportunity is significant.

ENDNOTES

¹ [Databricks Series J announcement, Dec 2024](#)

² [Secondary Link, Dec 2024](#)

³ Jefferies Global Secondary Market Review, January 2026

⁴ PitchBook, May 2026

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