NYPPEX
SECONDARY DATA & ANALYTICS

2026 Midyear Report

Secondary Data Trends for Continuation Funds

July 31, 2026

Overview

Through the first six months of 2026, continuation funds remained one of the fastest-growing segments of the secondary private capital market. Activity continued to benefit from constrained traditional exits, larger transaction sizes, and broader institutional acceptance.

- **Single-asset buyout** continuation vehicles had the highest prices, typically 99-100+% of NAV.
- **Multi-asset buyout** continuation vehicles typically achieved 90%+ of NAV.
- Continuation vehicle **volume** comprised approximately **$48 billion** of the $63 billion in GP-led secondary transaction volume in the first half of 2026.
- The **average size** of a continuation vehicle was approximately $810 million.
- The **average price** of a continuation fund was approximately 93.50% of NAV.
- Only **9% of LPs rolled** into continuation vehicles, implying 91% of LPs accepted cash, driven by a need for liquidity and desire to limit duration.

Secondary pricing dispersion is now **strategy specific**. While buyout single-asset continuation funds usually price close to 100% of NAV, venture, private credit, and real estate continuation funds generally require wider discounts to NAV because **valuation confidence** and **exit visibility** are less consistent.

GP Trends

Three GP trends defined the first half of 2026.

- First, the continuation vehicle market became **more repeat issuer driven**: We estimate **that 60%** of continuation vehicle volume in the 1H2026 came from repeat sponsor issuers, showing that established GPs are using the tool more systematically rather than opportunistically.
- Second, transaction sizes continued to scale. Although the average transaction size was **$810 million** in the 1H2026 more continuation vehicles were **$1billion-plus deals**.
- Third, LP process standards became more formalized. The **ILPA 2026 Continuation Fund Disclosure Template** and updated draft guidance in mid-2026 intended to standardize

information for roll-or-sell decisions, reflecting how continuation funds have moved from a niche tool to an institutionalized market segment.

LP Elections: Cash vs Rollover

We estimate that the average **LP rollover rate** into continuation vehicle transactions was **only 9%** in the first half of 2026, implying roughly 91% elected cash. This compares to a **15% average** LP rollover rate in 2025.

LP elections to rollover or take cash were driven by need for liquidity, conviction in asset quality, and willingness to extend duration.

Secondary Prices

For **single-asset continuation funds**, we estimate that **42% of deals** were priced at 100% of NAV or above in the first half of 2026.

For **multi-asset continuation funds**, we estimate that 76% of deals were priced at 90% of NAV or above.

Top-tier buyout assets can now transact with little to no discount.

Strategy / structure	Mid-2026 price as % of NAV	Interpretation
Buyout, single-asset continuation funds	Typically, ~99% to 100% of NAV for top-tier assets; 42% of deals at 100%+ NAV, over 88% at 90%+ NAV.	Strongest pricing in the market.
Buyout, multi-asset continuation funds	Usually below single-asset deals, but still largely 90%+ of NAV; 40% at 100%+ NAV and 76% at 90%+ NAV.	Discount for complexity and mixed-asset exposure.
Venture continuation funds	Generally below buyout and more discount sensitive.	Wider discounts reflect mark volatility and duration risk.
Real estate continuation funds	Multi-family 99% of NAV; diversified commercial portfolios at 90.50% of NAV. Heavily dependent on asset type and valuation confidence.	Marks and financing assumptions matter more.
Distressed debt / private credit continuation funds	Senior secured industrial credit portfolios can trade in the 90s and sometimes at 100% of NAV.	Better cash-flow visibility can support tighter pricing.
Infrastructure / adjacent real assets	Often expected to sit between buyout and real estate.	Pricing depends on cash-flow resilience and concentration.

GP Activity in Continuation Funds

We estimate that **85% of the top 100 global buyout sponsors** have accessed the continuation vehicle market since inception, and 60% of 1H2026 volume came from repeat sponsor issuers.

That means the market is broad, but the most active repeat users are generally large-cap sponsors with deep portfolios and frequent access to secondaries buyers.

We estimate that the largest continuation funds in the first half of 2026 included ***Vista Equity Partners, Hellman & Friedman,*** *and* ***Global Infrastructure Partners.***

Regulatory Trends in Continuation Funds

Regulatory scrutiny increased in the first half of 2026 as continuation funds moved further into the mainstream and regulators, industry bodies, and counsel focused more intensely on **conflicts of interest, valuation support**, **disclosure quality,** and **election mechanics**.

The clearest institutional signal was **ILPA's 2026 Continuation Fund Disclosure Template**, which was designed to standardize the high-level information LPs receive and to address recurring concerns around unrealistic decision timelines, incomplete disclosure, and the absence of a genuine status quo option.

For GPs and secondary buyers, the practical regulatory trend is not prohibition - but **process formalization**. We estimate that the **SEC** will increase attention to conflict procedures through examinations and enforcement mechanisms, plus greater emphasis on proper approvals, valuation validation, and fiduciary treatment of existing investors.

A second 2026 regulatory theme is broader diligence around **portfolio-company compliance risk**. We estimate that the **US Treasury Department's** Outbound Investment Security Program will increasingly evaluate continuation funds and other secondary transactions involving certain **Chinese technology sectors**. More broadly, the market is moving toward more formal price discovery, stronger documentation, clearer disclosure, and tighter conflict-management records, especially for large and repeat GP issuers.

LP Trends in Continuation Funds

Limited partner behavior in 2026 shows two parallel developments:

- First, LPs are increasingly willing to use continuation funds as a **portfolio management tool,** but they are also more demanding about process, economics, and governance. We estimate that continuation funds are increasingly evaluated not just as liquidity solutions - but also as potential **sources of competitive returns**.

  Further, we estimate that continuation fund syndications represented a large share of LP direct secondary investments in the first half of 2026, a trend that supports stronger institutional familiarity.

- Second, **LP scrutiny is clearly rising**. ILPA's 2026 materials emphasize that LPs are most concerned about compressed decision timelines, incomplete disclosure, weak conflict handling, and the lack of a true status quo rollover option.

  In 2026, continuation vehicles needed to pass a harder LP due-diligence standards, with investors pressing on valuation methodology, governance, conflicts, and whether GP economics remain fairly aligned with existing LPs.

  LP capability is also becoming more differentiated. Many LPs have strong GP relationships but often lack the **structuring expertise** and internal team depth required to source, lead, and negotiate GP-led transactions directly, which favors larger or more specialized investors. This helps explain why the average rollover rate remains modest: LPs may like the asset but still choose cash when they lack the resources, mandate flexibility, or conviction needed to underwrite a concentrated continuation fund position.

Strategy Takeaways

- In the first half of 2026, **buyout remained the benchmark** continuation fund strategy as it still priced at the highest percentage of NAV because secondary buyers underwrote seasoned assets with clearer exits and stronger sponsor alignment.
- **Venture** improved as marks became more realistic, but discounts remained wider than in buyout because of volatility and longer duration.
- **Real estate emerged** from a sharper repricing cycle and traded with more NAV sensitivity than buyout.
- **Private credit** became increasingly institutionalized and allowed senior portfolios to transact in the 90s and sometimes at par.

- Across all strategies, the main 1H 2026 theme is that continuation fund pricing is **no longer one market price**; it is an underwriting outcome tied to asset quality, valuation credibility, and the depth of the buyer universe.

-**The Secondary Data & Analytics Team at NYPPEX**

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Secondary Data & Analytics

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By aggregating proprietary transaction data and applying advanced analytical models, we deliver transparent, timely, and actionable pricing benchmarks for illiquid fund interests. Our QMS platform enables general partners (GPs) and limited partners (LPs) to make more informed decisions around portfolio management, valuation, and liquidity events.

NYPPEX empowers GPs and LPs to optimize liquidity strategies, manage risk more effectively, and unlock value in private capital portfolios within an increasingly complex and evolving secondary market landscape.

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