September 19, 2026

Secretary, Securities and Exchange Commission

100 F Street NE, Washington, DC 20549-1090

Re: Petition for rulemaking under Rule 192 — an exemption for small offerings by real-property companies ("Real Property Crowdfunding")

Dear Secretary:

SecondaryDAO NA LLC, a Delaware limited liability company, and SecondaryDAO SA de CV petition the Commission to adopt an exemption for small offerings by companies whose only business is owning income-producing real property. The two companies are under common control. SecondaryDAO has built a platform on which each property, or small group of parcels, is owned by its own company, and that company sells tokenized membership interests to investors at one fixed price. Neither company is yet operating; licenses are being processed in certain countries.

We ask for a category built around what a building is: a hard asset with a known price, a public record, and costs that can be measured on day one. We ask the Commission to use its authority under Securities Act Section 28 and Exchange Act Section 36 to give that category the "minimum effective dose" of regulation. The Commission used the same authority to raise the crowdfunding limit in 2021, and to create the Innovation Exemption on 2026-09-17.

1. The proposed category

Element	Proposal
Issuer	A single-purpose company whose only assets are income-producing real property of five parcels (APNs) or fewer, plus its operating reserves
Offering size	Up to $10 million per issuer per offering
Price	One fixed price for every buyer until the offering closes, as in an IPO; no auction or formula pricing
Disclosure	Independent appraisal **or** automated valuation model (AVM), title report, rent roll, insurance, inspection report, operating budget, reviewed financial statements; annual report and material-event notices after closing
Investor funds	The seller tokenizes the property before the offering opens, so the issuer already owns it and no purchase can fail to close. Investor funds are paid into an audited smart-contract escrow, never to the platform. At each 1% of the offering sold, the escrow first funds the property's reserves; once the reserve

Element	Proposal
	requirement is fully covered, the seller is paid in tranches as further interests sell. If the offering does not sell out, the seller keeps the unsold interests. The order is fixed in code and visible on-chain.
Resale	Restricted only until the offering closes; freely transferable to eligible holders after that (section 2)
Investor limits	None (section 5)
Platform	A single SEC registration as a real-property platform, with no FINRA membership required (section 3)
Affiliated issuers	Permitted, with the conflict disclosed and controlled (section 4)
State law	Buyers defined as "qualified purchasers" under Securities Act Section 18(b)(3), so state registration is preempted; state antifraud authority is preserved

2. Replace the one-year resale restriction with a restriction that ends when the offering closes

Regulation Crowdfunding bars resale for one year. That rule answers three risks in startup crowdfunding. None of them is inherent in a fixed-price, on-chain offering of an interest in a building.

(a) Back-door public distribution. A resale restriction stops insiders and early buyers from getting a security cheap and selling it on to the public before the offering is complete. In a fixed-price on-chain offering there is no cheap allocation to pass on. Every buyer pays the same price directly to the issuer, and the issuer cannot sell to anyone at a discount. Every holder and every transfer is on a public ledger, and insiders can be barred from selling in the token's code. The distribution ends when the last interest is sold at the offering price. We therefore propose that interests be non-transferable until the offering closes, whether it sells out or its offering period ends, so that no resale can compete with the offering itself, and freely transferable to eligible holders after that.

(b) Pump-and-dump schemes. These need a story the market cannot check and a price with nothing underneath it. A building has both a check and a floor. Its value is set by an appraisal or AVM at offering. Its income is a rent roll, and its reserves sit in escrow on-chain where any holder can see them. The supply of interests is fixed, and the issuer cannot dilute holders. If a trading price runs far from the property's value, the gap is public, and a buyer or seller on the other side of it closes it.

(c) Waiting for results. A startup's first year tells investors whether its product works. A building's first year adds little, because the costs of owning rental property are standard and known before the first dollar is raised:

- Property taxes are a public record.
- Insurance is quoted before closing.
- Management typically runs a known share of collected rent, often 8–10%.
- Maintenance and capital reserves follow standard per-unit or percentage-of-value budgets.
- Vacancy and market rents come from published local data and comparable listings.
- Association dues, utilities and loan payments, where they exist, are contractual and known in advance.

More operating history improves any price. But a building's pro forma at offering rests on the same inputs a buyer of the whole property uses, and nobody asks that buyer to wait a year.

(d) Liquidity protects investors. A resale bar is not neutral. It traps a retail investor in an asset through a job loss, a medical bill or a move. The ability to exit is itself an investor protection, and illiquidity is a cost investors are otherwise charged for through a lower price. Letting holders sell once the offering closes makes small real-property investment safer, not riskier.

3. One SEC registration for the platform, without FINRA membership

Today a platform offering these interests needs a funding portal or broker-dealer registration for the initial sale, FINRA membership, and an exchange or ATS registration for resale. For a small company that is three regimes, months of approvals and capital and compliance costs before a single property is offered. That burden falls hardest on exactly the new entrants the Commission wants in the market, and it buys little for this asset class. The protections those regimes provide can be written directly into the conditions of one registration:

- no investment advice or recommendations;
- investor funds held only in audited smart-contract escrow, never by the platform;
- atomic settlement: interests and a payment stablecoin swap in one transaction or not at all;
- an AML and KYC program, books and records, and an annual audit of the smart contracts;

- a fidelity bond; and
- the trading conditions the Commission set for Tokenized Securities Venues in Release 34-106402, applied to resale.

4. Allow platforms to list affiliated issuers, with controls

Regulation Crowdfunding bars a funding portal from having a financial interest in the issuers it lists. Real estate does not work that way. The sponsor who finds, buys and manages a property is the natural issuer, and sponsors routinely offer their own deals to investors today under Regulation D. A rule that makes the sponsor use someone else's portal adds a fee, not a protection. We propose that an affiliated issuer be permitted if:

- the affiliation, and every fee paid to the sponsor or platform, is disclosed in the offering;
- the property's value is set by an independent appraisal or AVM, not by the sponsor;
- every buyer, including the sponsor, pays the same fixed price;
- the sponsor's own holding and every trade it makes are disclosed; and
- holders keep their governance rights, including one token, one vote and a minimum number of distinct holders to pass a proposal, and a buyer and its affiliates cannot vote on their own buyout.

5. No per-investor limits

Any adult may buy a house, a duplex or a small apartment building with no limit on price and no test of income or net worth. Most do it with a mortgage that puts a large share of their savings into one property at several times leverage. The same person may buy unlimited shares of a real estate investment trust. Yet under Regulation Crowdfunding that person may put as little as $2,500 a year into an unleveraged fractional interest in a building, and must track that limit across every platform they use.

The limits protect investors from the wrong risk. A fractional interest lets a buyer spread $20,000 across ten properties instead of putting it all down on one, with no personal loan behind it. The asset does not go to zero the way a failed startup does. What is left at the bottom is a building. We ask that the category carry no per-investor limit, and that investor protection come from disclosure, fixed pricing, escrow and liquidity.

If the Commission keeps a limit, we ask that it be one simple rule the investor can apply without a worksheet: for example, 10% of the greater of annual income or net worth per offering, self-certified, as Regulation A Tier 2 already provides for non-accredited investors.

6. Legal authority

- Securities Act Section 28: exemption of the offering from Section 5 and from Section 4A, including the resale restriction and the intermediary requirement.
- Exchange Act Section 36: exemption of the platform from broker-dealer, funding-portal, exchange and FINRA-membership requirements, on conditions.
- Securities Act Section 18(b)(3): defining buyers in the category as qualified purchasers, so state registration is preempted.

We would welcome the chance to discuss the proposal with the staff and with the Crypto Task Force. This petition accompanies our comment letter on File No. 4-927, which covers the trading side of the same framework.

Respectfully submitted,

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